

**HAMPTON ROADS PLANNING DISTRICT COMMISSION
EXECUTIVE COMMITTEE MEETING
February 18, 2016
9:30 a.m.
The Regional Building
723 Woodlake Drive, Chesapeake**

1. **Call to Order**
2. **Approval/Modification of Agenda**
3. **Submitted Public Comments**

No written public comments were received since the last HRPDC meeting. Any new written public comments will be distributed as a handout at the meeting.

4. **Public Comment Period**

Members of the public are invited to address the Hampton Roads Planning District Commission. Each speaker is limited to three minutes.

5. **Executive Director's Report – Bob Crum (Attachment 5)**
6. **Consent Agenda (Attachment 6)**

- a. **Meeting Minutes – January 21, 2016 Quarterly Commission Meeting**
- b. **Treasurer's Report of December 2015**
- c. **Audit Contract for Financial Services:**

Goodman & Co., and its successor, Dixon Hughes Goodman, have prepared the year-end financial statements for the HRPDC/HRTPO since FY 2000. The HRPDC/HRTPO staff released a Request for Proposals (RFP) for audit services in the fall of 2015 with three audit firms submitting proposals. An Evaluation Committee, comprised of the Executive Director, HRPDC Deputy Executive Director, Chief Financial Officer, Senior Accounting Manager, and Accounting Manager, reviewed all three proposals and determined that PB Mares best met the organizations' future needs.

Negotiations were completed to the satisfaction of all parties and we propose to award PB Mares with a one-year contract in the amount of \$28,850, renewable for up to four more one year periods, for audit services to begin with the Fiscal Year ending June 30, 2016. This represents a savings of \$11,480 over the current contract.

Action Requested: The Commission should take action to approve the February 18, 2016 Consent Agenda.

7. Aquifer Replenishment Study – Ted Henifin, Hampton Roads Sanitation District (HRSD)

Mr. Ted Henifin, HRSD General Manager, will discuss the ongoing Aquifer Replenishment Study. HRSD is evaluating the feasibility of using clean water for aquifer replenishment to sustainably protect groundwater supplies, reduce nutrients discharged to the Chesapeake Bay, mitigate land subsidence, block saltwater intrusion, and support economic development. The first phase of the study is complete and this integrated planning approach seems promising. HRSD is considering this project in the Alternatives Analysis required by the Sanitary Sewer Overflow Consent Decree. HRSD will request localities to consider writing letters of support for this alternative.

8. Economic Forecast – Greg Grootendorst, HRPDC (Attachment 8)

Each January since 1990, the HRPDC Economics Staff have delivered a regional economic forecast for the coming year. The forecast presentation includes a review of local and national trends and provides a forecast for gross regional product, employment, unemployment, retail sales, and residential construction.

The presentation was made at the January 21, 2016 Quarterly Commission meeting followed by a roundtable discussion by Commissioners, which was not able to be completed due to time constraints. Chairman Haulman requested that the discussion continue at the February meeting.

A summary of comments and questions raised by Commissioners included:

- Our regional economy has a single industry type of focus and is a real concern.
- Diversification is key to our regional economy.
- What does all of this mean for local government finance?
- The retail trade side is lagging behind.
- What can be done about the discouraged worker reflected in the unemployment rate?
- We are losing retail sales to the Internet. What can we do to address this issue.
- Rental office space is competitive, which drives rental rates down.
- What are the population trends in different parts of the region?

Attached is the power point presentation from the January meeting. Chairman Haulman will continue the discussion about the Economic Forecast, and request additional comments and discussion from Commission Members.

9. Three Month Tentative Schedule

March 2016

Envision Hampton Roads
Virginia Shipbuilders Association

April 2016

Annual Retreat

May 2016

Budget
General Assembly Debrief

10. Advisory Committee Summaries (Attachment 10)

A summary of HRPDC Advisory Committee meetings that were held since the last HRPDC Meeting are attached for review.

11. Correspondence of Interest

12. For Your Information (Attachment 12)

The following items are attached for review by Commission members:

- Journey to Work Maps
- Letter of Appreciation to the General Assembly

13. Old/New Business

14. Adjournment



*Clyde A. Haulman, Chairman
Ella P. Ward, Vice-Chair*



*Linda T. Johnson, Chair
George E. Wallace, Vice-Chair*

TO: HRPDC/HRTPO Board Members

FROM: Robert Crum, Executive Director

RE: Executive Director's Report

A brief summary of ongoing work activities is presented below for review by HRPDC/HRTPO Board members.

The HRPDC/HRTPO staff coordinated Regional Day with the Hampton Roads Caucus on January 28th at the Virginia General Assembly Building. Fourteen Hampton Roads Caucus members attended this session to discuss regional legislative priorities with representatives of the HRPDC, HRTPO, and regional partners. Suffolk Mayor and HRTPO Chair Linda Johnson presented information on the significant progress that the Hampton Roads Region is making to allocate Hampton Roads Transportation Funds to advance the Region's priority transportation projects. In addition, Dr. Ella Ward, Chesapeake City Council member and Vice Chair of the HRPDC, presented information on the need for increased state funding for public education purposes.

HRPDC staff continues to coordinate the Urban Crescent Initiative in an effort to secure increased state funding for public education purposes. As part of this effort, staff has worked with the Fairfax County public access network to develop a brief informational video on the Urban Crescent Public Education Funding Initiative. This video will be presented to the HRPDC at its February 18th meeting.

HRTPO staff recently developed and submitted an application under the Intercity Passenger Rail Operating and Capital (IPROC) program requesting monies to complete a Tier II EIS for passenger rail between Hampton Roads and Richmond. This effort was completed in support of the HRTPO's adopted regional legislative agenda. A Tier II EIS must be completed before federal funds can be allocated to improvements to provide for more efficient rail service to Hampton Roads.

The Executive Director met with representatives of Hampton Roads Transit (HRT) to discuss the coordination of transit planning efforts between the HRTPO and HRT.

The HRPDC staff hosted a meeting on January 20th with representatives of the Cities of Norfolk and Virginia Beach and Federal representatives to discuss a potential Joint Land Use Study (JLUS) to address sea level rise around military bases in Norfolk and Virginia Beach.

The HRPDC Coastal Resiliency Committee met on January 29th to discuss the HRPDC's Coastal Resiliency Planning program. This Committee has been reorganized to consist of Deputy CAOs from the Region's jurisdictions.

HRPDC Deputy Executive Director Randy Keaton has been elected Chair of the Hampton Roads Intergovernmental Pilot Project.

The Executive Director provided a presentation to the Portsmouth Partnership on February 8th on the work of the HRTPO and regional transportation planning efforts.

The Executive Director continues to meet with Mr. Jim Spore to discuss the coordination of efforts between Reinvent Hampton Roads and the HRPDC.

The Executive Director continues to participate on a working committee to provide input into the GO Virginia legislative process.

HRPDC/HRTPO staff continues to monitor legislation advancing through this General Assembly session, and provide input on proposals that relate to the HRPDC/HRTPO Legislative Agendas. In addition, staff is coordinating efforts with the Region's legislative liaisons to provide information to the Hampton Roads Caucus. Three information sheets prepared by the HRPDC/HRTPO staff are attached.

HRTPO staff held meetings with representatives of FHWA and VDOT to discuss the HRTPO's Long-Range Transportation Plan update process.

The HRPDC/HRTPO Executive Director has been appointed to the Boards of the Hampton Roads Economic Development Administration (HREDA) and the Hampton Roads Chamber of Commerce.

The HRPDC staff is working with Old Dominion University on a grant proposal to the Blue Moon Foundation to support a Regional Geographic Information System (GIS) program with a focus on coastal resiliency. Staff is working with HRSD and local government staff to develop the project and grant proposal.

The Regional Chief Administrative Officers Committee held its regular monthly meeting on February 3rd. Attendance at these meetings continues to be excellent. Agenda items for this month's meeting included discussion of the HRSD Aquifer Replenishment Study, a review of the HRPDC Regional GIS initiative, discussion of the HRPDC Coastal Resiliency Program and a brainstorming session on the regional consensus building process.

The Executive Director participated in a meeting with the Region's economic development directors to provide input to the Virginia Economic Development Partnership (VEDP) on approaches to improve the work of the VEDP.

HRPDC staff participated in the Winter Meetings of the Virginia Association of Planning District Commissions (VAPDC) held in Richmond on February 11th and 12th.

HRTPO staff participated in the annual FHWA/MPO/VDOT/DRPT Winter Meeting on February 10th in Richmond.

The HRPDC/HRTPO administrative staff is preparing/managing the release of Request for Proposals for the Agency's IT and legal services. Staff will announce the results of the Agency's audit services RFP process at the February HRPDC/HRTPO meetings

HRTPO staff continues to complete preparatory work for the TPO's Quadrennial Review which is scheduled for March 29rd – March 31st.

EDUCATION DRIVES ECONOMIC GROWTH

HRPDC POLICY BRIEF



Regions whose citizens have higher levels of education are more competitive and experience higher levels of growth.

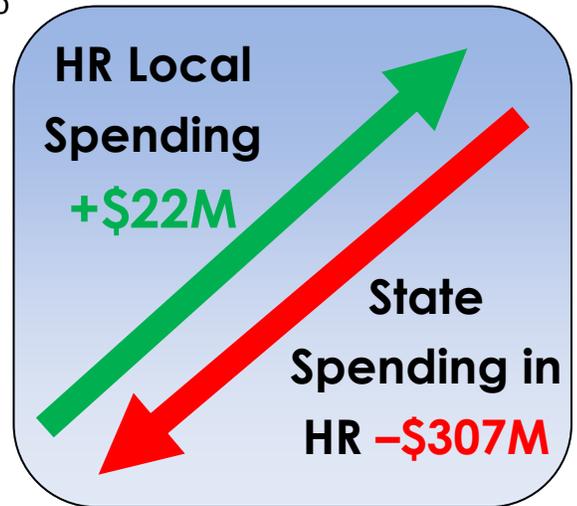
As Hampton Roads and the Commonwealth seek to diversify their economies, improving education outcomes has proven to be the most effective method for driving economic growth.

Higher levels of education in a region lead to:

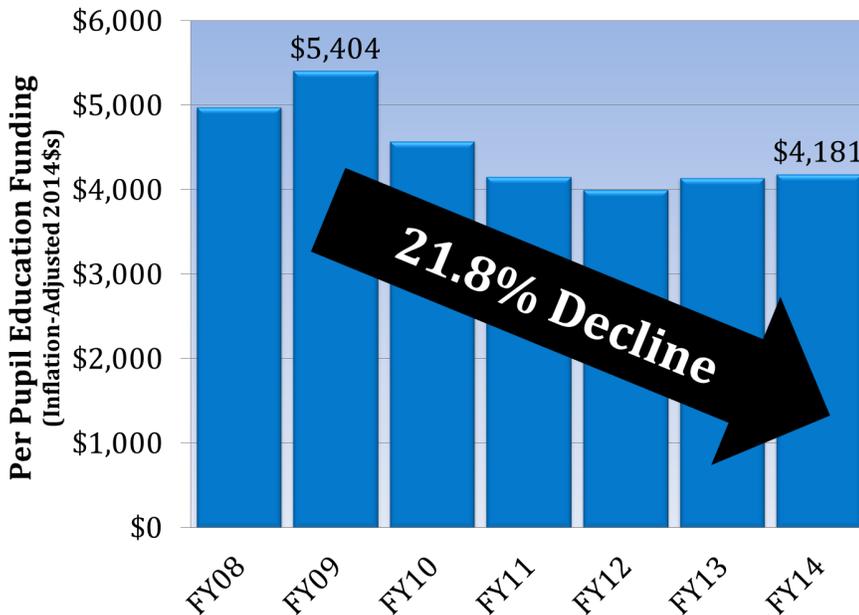
- Increased incomes for all individuals
- Increased population growth
- Increased per capita gross product
- Increased labor force participation
- Reduced unemployment during recession

Furthermore, a failure to ensure that a population achieves at least high school equivalency has been linked to lower home values within a locality, and greater prevalence of urban blight. A failure to improve and invest in education will hold back both home values and prevent economic growth.

Education Spending in Hampton Roads Since '09 (Inflation-Adjusted 2014\$)



Decline in State Per Pupil Education Funding in Hampton Roads



Virginia's Per Pupil Spending in Hampton Roads has declined by 21.8% (inflation-adjusted).

In 2014 dollars, the Commonwealth contributed \$307 million less to Hampton Roads education than it did in FY2009.

Hampton Roads Transportation Funding

TRANSPORTATION REVENUES & COSTS



1999

Hampton Roads engages in regional priority setting of transportation projects

2002

Hampton Roads holds referendum seeking funding for transportation projects

2007

General Assembly passes HB3202 to fund transportation projects in Hampton Roads – later deemed unconstitutional

2013

HB2313 creates the HRTF, providing a funding mechanism for transportation projects

2014

Creation of HRTAC to oversee financing of regional transportation projects

2021

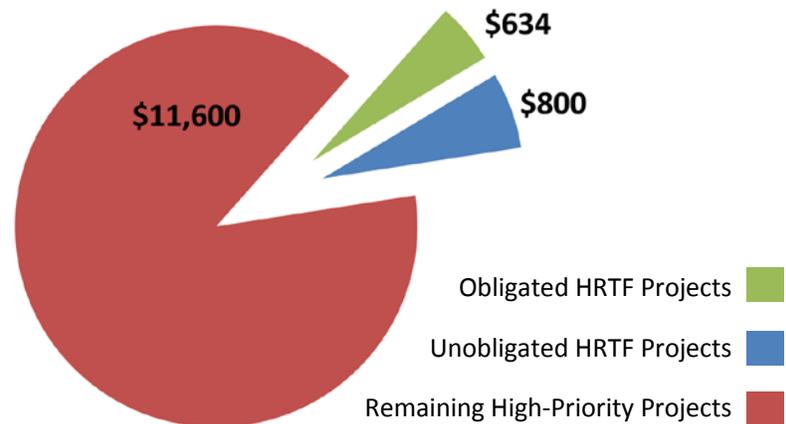
\$1.4 billion in regional transportation projects underway and paid for with HRTF revenues

61 YEARS

2082

Under the current revenue schedule, the remaining high-priority transportation projects identified by the Hampton Roads region would not be completed until 2082

High Priority Transportation Project Costs in Hampton Roads (Millions \$)



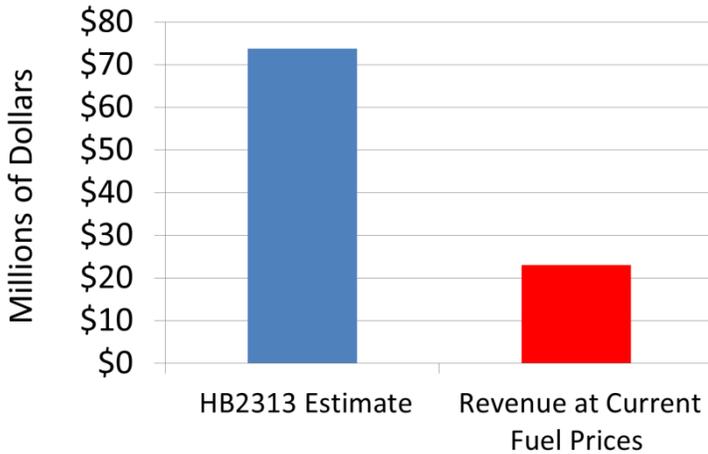
- HRTF revenues are currently obligated to fund \$634 million in transportation projects
- Current revenues will allow for the completion of a further \$800 million in projects over the next 6 years
- Regional transportation revenues cannot address longer-term transportation projects in a timely manner
- Construction and congestion costs will increase as time passes, increasing the burden on Hampton Roads residents
- Pay-as-you-go funding avoids using scarce tax-payer dollars to pay for high cost financing fees

Hampton Roads Transportation Funding

HB2313 – REGIONAL FUEL TAX REVENUES



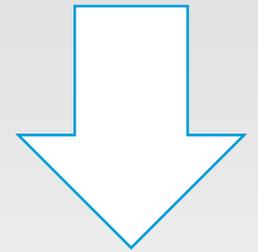
GAS TAX REVENUES IN HAMPTON ROADS



GAS TAX RATES IN HAMPTON ROADS

HB2313 imposed a sales tax on the wholesale price of gas. The legislation set a “floor price” for taxation at the state level, but no floor was set for regional gas taxes. Had the same floor price been applied at the regional level, the effective tax rate would have been 6.7¢ per gallon in HR. At current gas prices, the effective rate would be 2.2¢ per gallon, 67% less.

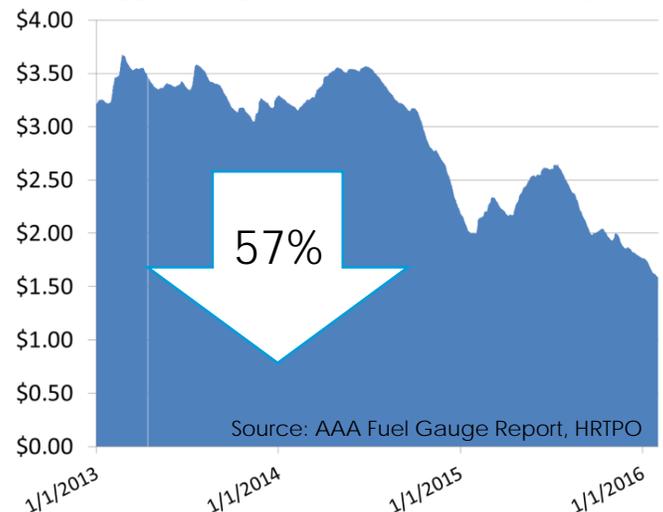
6.7¢ per Gallon



2.2¢ per Gallon

- The General Assembly passed and the Governor signed HB2313 into law in May 2013.
- This legislation created a regional fuel tax of 2.1% placed on the wholesale price of motor fuels sales.
- The motor fuels tax in Hampton Roads was expected to yield \$73.8 million in revenues in FY2016. Due to declining fuel prices, gas tax revenues for the Hampton Roads Transportation Fund (HRTF) have fallen short of the amount needed to adequately pay for necessary transportation projects. At current fuel prices, the region’s motor fuel sales tax would yield annual revenue of \$23 million, 69% less than estimated by HB2313.
- The regional fuel tax cost the average Hampton Roads household approximately \$58 in 2015.

FUEL PRICES IN HAMPTON ROADS



Source: AAA Fuel Gauge Report, HRTPO

Since drafting the legislation to enact HB2313, gas prices have dropped precipitously, falling 57% from their peak price in February of 2013.

Average fuel prices dropped from \$3.36 in 2013 to \$2.21 in 2015, saving households in Hampton Roads approximately \$1,500 a year on the cost of gasoline.



Passenger Rail Service to Hampton Roads

Item 449.3 - Allocates \$10,000,000 in the first year and \$10,000,000 in the second year from the Rail Enhancement Fund (REF) to the Hampton Roads Transportation Planning Organization (HRTPO) to conduct the Richmond/Hampton Roads Tier II Passenger Rail Environmental Impact Study. Such funds shall be administered as Intercity Passenger Rail Operating and Capital Funds (IPROC).

- Conventional (up to 79 mph) passenger rail service to Norfolk began in 2012.
- Richmond to Hampton Roads Tier I study to increase speed on this route is complete.
- Currently, the Commonwealth is engaged in a Tier II study for higher speed service from Richmond to D.C.
- Tier II study from Richmond to Raleigh, NC is complete.
- It is important that service to Norfolk achieve Tier II status in conjunction with these two other areas.
- Federal funding for construction requires that Richmond to Hampton Roads Tier II study be complete.
- Without this completed study in place, when the Federal funds are available for the Southeast High Speed Rail Project, Norfolk would not be included in the upgraded, faster, and more efficient service that Raleigh, Richmond, and D.C. will enjoy.



Item 449.4 - Requires that the Commonwealth's investment in new and increased service to Norfolk and Roanoke be completed prior to the investment of Commonwealth funds to expand rail service to new markets in North Carolina. Completion of Commonwealth projects shall take priority over other rail expansions to other markets. Any REF utilized for this purpose shall be administered as IPROC funds.

Both budget items are legislative priorities for the HRTPO and have been for many years.

Hampton Roads Planning District Commission
Quarterly Commission Meeting
Summary Minutes of January 21, 2016

The Quarterly Commission Meeting of the Hampton Roads Planning District Commission was called to order at 9:30 a.m. in the Regional Boardroom, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

Commissioners:

Clyde Haulman, Chairman (WM)
Dr. Ella P. Ward, Vice Chair (CH)
James Baker (CH)
Debbie Ritter (CH)
Randy Martin (FR)
Brent Fedors (GL)
Phillip Bazzani (GL)*
Chris Snead (HA)*
George Wallace (HA)
Bryan J. Hill (JC)
Michael Hipple (JC)
Jim Bourey (NN)
McKinley Price (NN)

J. Randall Wheeler (PQ)
Michael Johnson (SH)
Barry Porter (SH)
Peter Stephenson (SM)
Patrick Roberts (SU)
Barbara Henley (VB)
Louis R. Jones (VB)
Amelia Ross-Hammond (VB)
Doug Smith (VB)
Marvin Collins (WM)
Neil Morgan (YK)
Thomas Shepperd (YK)

Executive Director:

Robert A. Crum, Jr.

Commissioners (absent):

Lonnie Craig (CH)
Barry Cheatham (FR)
Mary Bunting (HA)
Saundra Cherry (NN)
Paul Fraim (NO)
Mamie B. Johnson (NO)
Marcus Jones, Treasurer (NO)
Thomas Smigiel (NO)
Angelia Williams (NO)

Lydia Pettis Patton (PO)
Kenneth Wright (PO)
Traci Dale Crawford (PQ)
T. Carter Williams (SM)
Linda T. Johnson (SU)
Tyrone Franklin (SY)
John Seward (SY)
Robert M. Dyer (VB)
John Moss, (VB)
John Uhrin (VB)

*Late arrival or early departure.

Others Recorded Attending:

Brian DeProfio (HA); Rex Alphin, Don Robertson (IW); Jeff Raliski (NO); Brita Ayers, Bryan Stille, (NN); Bob Baldwin (PO); Dallas O. Jones (SH); Jeff Wassmer (YK); Cathy Aiello (Aiello Enterprises); Leslie Roberts (Dixon, Hughes Goodman); Mark Geduldig-Yatrofsky (Portsmouthcitywatch.org); Jim Spore (Reinvent Hampton Roads); Ellis James (Sierra Club Observer); Citizens: Donna Sayegh, Sandy Wanner; Peter Huber (Willcox and Savage); Staff: Randy Keaton, Kelli Arledge, James Clary, Jennifer Coleman, Rebekah Eastep, Kathlene Grauberger, Julia Hillegass, Whitney Katchmark, Sara Kidd, Mike Long, Jai McBride, Ben McFarlane, Camelia Ravanbakht, John Sadler, Tiffany Smith, Jill Sunderland, Joe Turner, Chris Vaigneur.

Approval/Modification of Agenda

Chairman Haulman requested any modifications to the agenda

Commissioner Thomas Shepperd Moved to approve the agenda; seconded by Commissioner Amelia Ross-Hammond. The Motion Carried.

Submitted Public Comments

Chairman Haulman indicated there were no Submitted Public Comments.

Transcribed Public Comments for the November 19, 2015 Executive Committee Meeting

Chairman Haulman highlighted the Transcribed Public Comments from the November 19, 2015 Executive Committee Meeting

Public Comment

No members of the public addressed the HRPDC.

Executive Director's Report

Mr. Robert Crum highlighted the success of the January 11, 2016, Urban Crescent Meeting and noted a letter with 105 signatures had been sent to the Governor and General Assembly supporting increased state funding for K-12 public education. He explained Regional day was going to occur on January 28, and invited all Commissioners to join the meeting with the Hampton Roads General Assembly Caucus at 8:00 a.m. in Richmond.

Due to the absence of the quorum required for a Quarterly Commission Meeting, Chairman Haulman requested that the Commission move forward to Agenda Item 9 and delay the approval of the consent items and other related items for approval. Once a quorum is present, the Commission will take the appropriate actions on agenda items.

Reinvent Hampton Roads

Mr. Jim Spore, CEO and President of Reinvent Hampton Roads, informed the Commission the Reinvent Hampton Roads initiative was a product of the Hampton Roads Community Foundation examining the region's economic competitiveness.

Mr. Spore indicated that the Hampton Roads economy needs to be diversified and stated the partnership is involved in numerous initiatives:

- Regional Export Acceleration Program
- Industry clusters
- Increase in government efficiency and collaboration
- Workforce development
- Economic development and shovel ready projects

He reiterated Reinvent Hampton Roads was going to be a collaborative effort with the HRPDC and HRTPO, and extended a formal invitation for the Executive Director, Robert Crum, to participate on the Reinvent Hampton Roads Board.

Chair Clyde Haulman questioned the extent of the potential collaboration with the HRPDC.

Commissioner Chris Snead arrives.

Mr. Spore responded the HRPDC, through its Envision Hampton Roads program, and Reinvent Hampton Roads can collaborate through the development of a Regional Strategic Plan.

Dr. Ella Ward questioned how Reinvent Hampton Roads would connect with higher education within the region. Mr. Spore indicated that was a key component, and they had already reached out to the universities in Hampton Roads and are asking them to be partners as well.

Approval of Consent Items

Chair Haulman asked for a motion for approval of the Consent Items.

- A. Meeting Minutes – November 19, 2015 Executive Committee Meeting
- B. Treasurer's Report of November 2015
- C. Budget Amendments

Commissioner Barry Porter Moved to approve the consent items, seconded by Commissioner McKinley Price. The Motion Carried.

FY 2015 Audit

Ms. Leslie Roberts, Partner with Dixon, Hughes, Goodman, briefed the Commission on the findings of the FY 2015 Audit. She noted the HRPDC and HRTPO Personnel and Budget Committee had been briefed in greater detail in November 2015.

Ms. Roberts indicated their Independent Auditor's Report states that the financial statements present fairly, in all material respects, the basic financial condition of the HRPDC. There were no material weaknesses or deficiencies in any internal controls or processes of the HRPDC financial activity, and all information was free of any material misstatements.

She noted additional required correspondence and final conclusions included:

- Adoption of GASB 68 and GASB 71
- No disagreements with management
- No major issues or control deficiencies

Commissioner Phillip Bazzani arrives.

Commissioner Michael Hipple Moved to approve the FY 2015 Audit, seconded by Commissioner George Wallace. The Motion Carried.

Before moving to the next agenda item, Chairman Haulman recognized and welcomed new members to the Commission: Mr. Doug Smith, Virginia Beach Acting City Manager; Mr. Michael Hipple, Chairman of James City County Board of Supervisors; and from Gloucester County, Mr. Phillip Bazzani, Board Supervisor and Mr. Brent Fedors, County Administrator.

Economic Forecast

Mr. James Clary, HRPDC Senior Economist, displayed a graph depicting the employment decline since 2007, and indicated the region is still in a deficit of 18,000 jobs. Additionally he noted the region has not seen the same robust growth as the United States, and at the average growth rate, the region would reach full employment recovery in 2018.

The employment sector which has seen the most growth is healthcare and social assistance; and the sector with the least growth is construction. Mr. Clary noted the construction industry's lack of growth was due to the housing bust.

Mr. Clary further indicated the region's unemployment rate is 4.8% and ranks in the middle with other MSAs with populations between one and three million; however, the large gap between the United States unemployment rate and the region's has closed due to the slow economic growth of Hampton Roads.

He explained retail sales and automobile sales have increased, though not at the same rate as the United States. Additionally, housing prices in the region have increased.

Mr. Clary explained the Department of Defense (DOD) was a significant portion of the region's economy and described the possible effects on Hampton Roads.

Positive factors in the economy for the upcoming year include:

- Federal budget adds a degree of certainty
- Growing national economy
- Consumer spending is strong

- Low energy prices
- Interest rates continue to remain low
- Corporate investment and office space leasing is up

Discouraging factors include:

- Federal spending continues to be tight
- Loss of local Navy personnel
- Region's housing market remains weak
- Dollar is high
- Slow growth outside the U.S.

Mr. Clary further reviewed the crude oil forecast and the impacts of the federal rate hike.

Chair Haulman asked the Commissioners to describe their take-aways from Mr. Clary's presentation and to pose any questions they may have. Lengthy discussions ensued. Due to time constraints, Chair Haulman requested the conversation be continued at the February HRPDC meeting.

HRPDC Three Month Tentative Schedule

Chairman Haulman reviewed the Three Month Schedule section of the agenda.

Advisory Committee Summaries

Chairman Haulman discussed the Advisory Committee Summaries section of the agenda.

Correspondence of Interest

Chairman Haulman highlighted the Correspondence of Interest Section of the agenda.

Old/New Business

Chairman Haulman indicated there was no Old/New Business

Adjournment

With no further business to come before the Hampton Roads Planning District Commission, the meeting adjourned at 10:30 a.m.

Clyde A. Haulman
Chairman

Robert A. Crum, Jr.
Executive Director

FISCAL YEAR 2016
12/31/15
STATEMENT OF REVENUES AND EXPENDITURES
50% OF FISCAL YEAR COMPLETE

REVENUES	Annual Budget	Previous YTD	Current Month	YTD	% Received /Expended
Grant and Contract Revenue	\$ 3,517,680	\$ 838,330	\$ 8,190	\$ 846,520	24%
VDHCD State Allocation	151,943	80,821	10,000	90,821	60%
Interest Income	10,000	6,136	1,484	7,620	76%
Local Contributions	2,871,869	1,744,309	146,015	1,890,324	66%
Sales and Miscellaneous Revenue	25,250	10,387	5,196	15,583	62%
Special Contracts/Pass thru/Deferred	2,629,602	46,061	-	46,061	2%
Total Revenue	9,206,344	2,726,044	170,885	2,896,929	31%
EXPENDITURES					
Personnel	\$ 4,570,037	\$ 1,790,505	\$ 344,244	\$ 2,134,749	47%
Standard Contracts	230,855	87,863	16,996	104,859	45%
Special Contracts / Pass-Through	3,957,724	622,506	326,407	948,914	24%
Office Services	447,728	169,524	26,496	196,020	44%
Total Expenses	9,206,344	2,670,397	714,144	3,384,541	37%
Agency Balance	\$ -	\$ 55,647	\$ (543,259)	\$ (487,612)	

Hampton Roads Economic Forecast

2016

Hampton Roads Planning District Commission

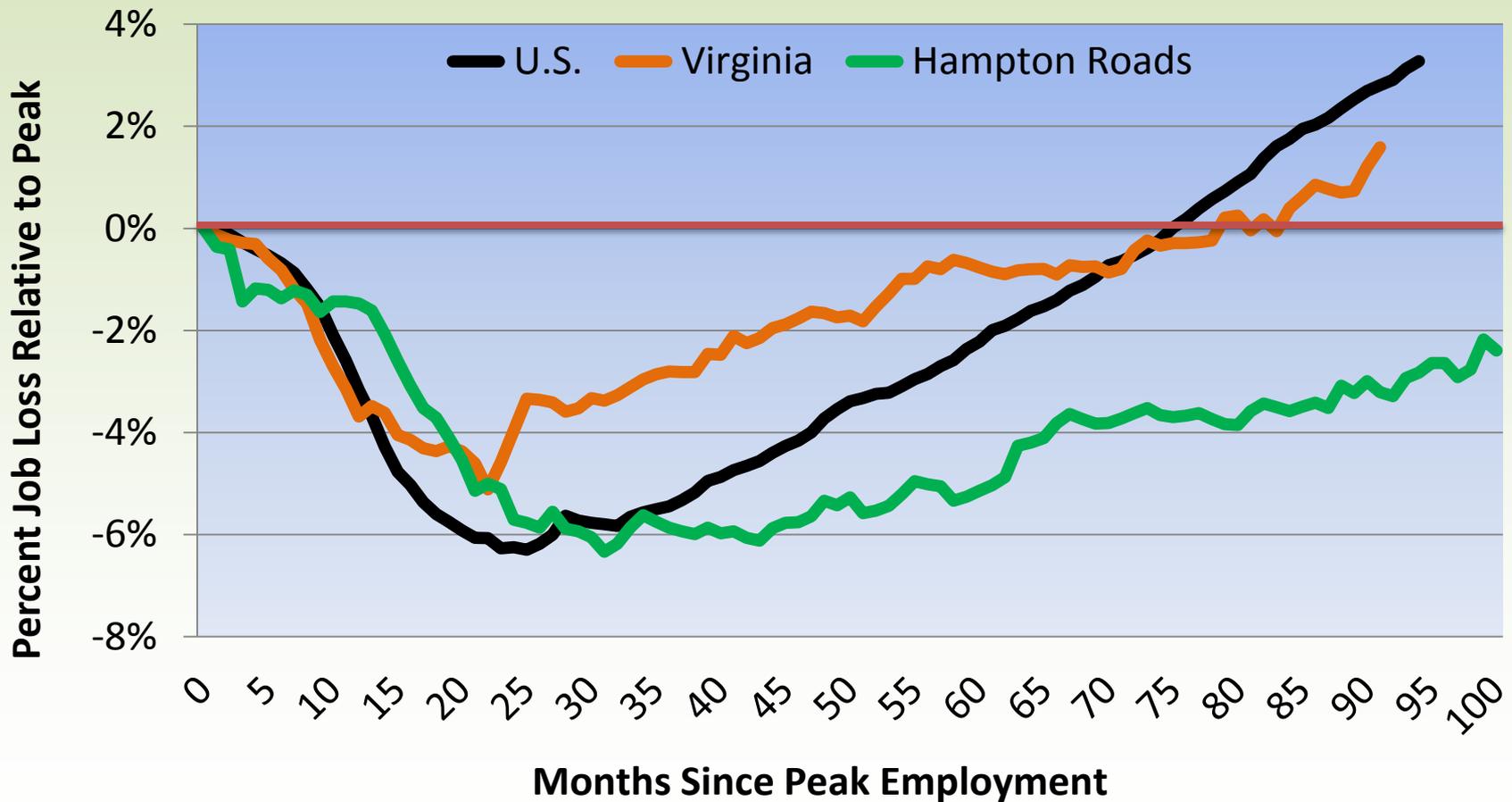
James Clary

Senior Economist

January 21, 2016



Employment Since the Great Recession



Attachment 8

Source: Bureau of Labor Statistics, HRPDC

Hampton Roads Projected Return to Peak Employment



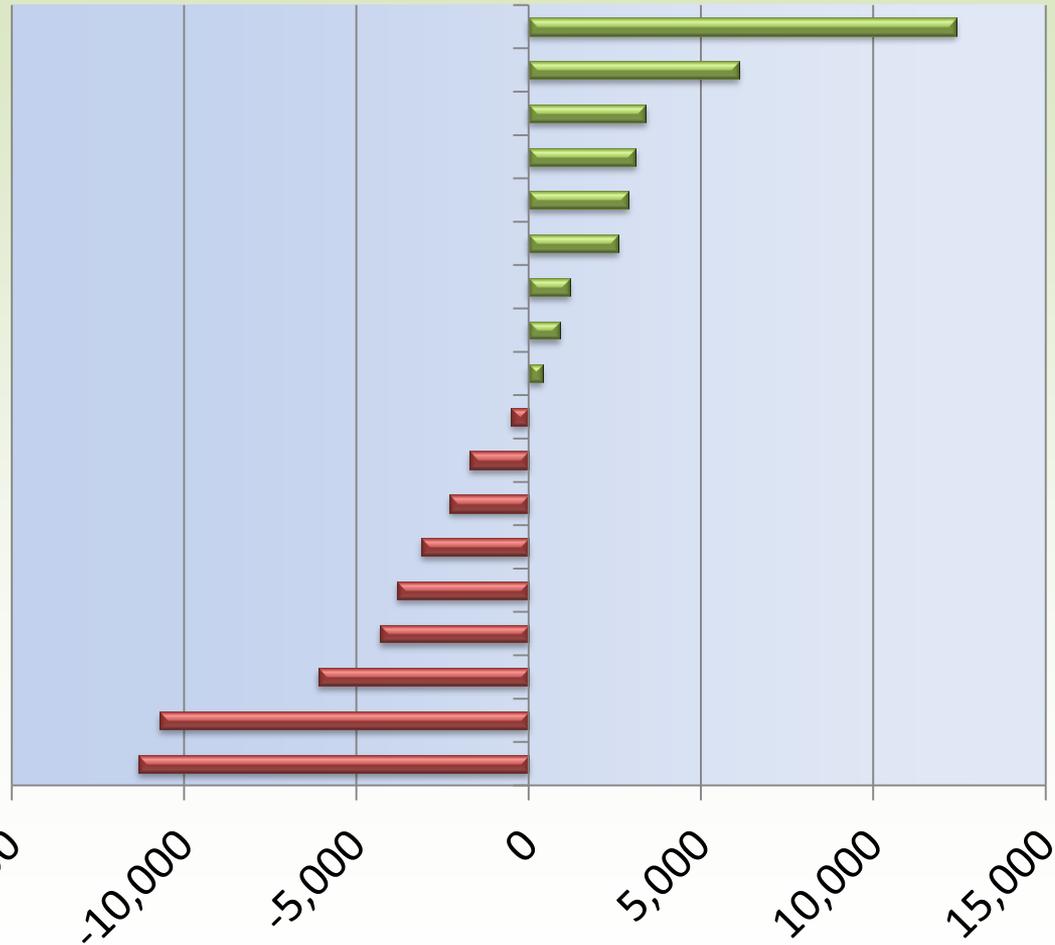
Attachment 8

Source: Bureau of Labor Statistics, HRPDC

Hampton Roads Employment Change:

Nov '07 - Nov '15

- Healthcare & Social Assistance
- Leisure & Hospitality
- Federal Government
- Other Services
- Scientific & Technical Services
- Education Services
- State Government
- Management
- Finance & Insurance
- Administrative & Support
- Transportation & Utilities
- Real Estate, Rentals, & Leasing
- Manufacturing
- Wholesale Trade
- Information
- Local Government
- Retail Trade
- Construction



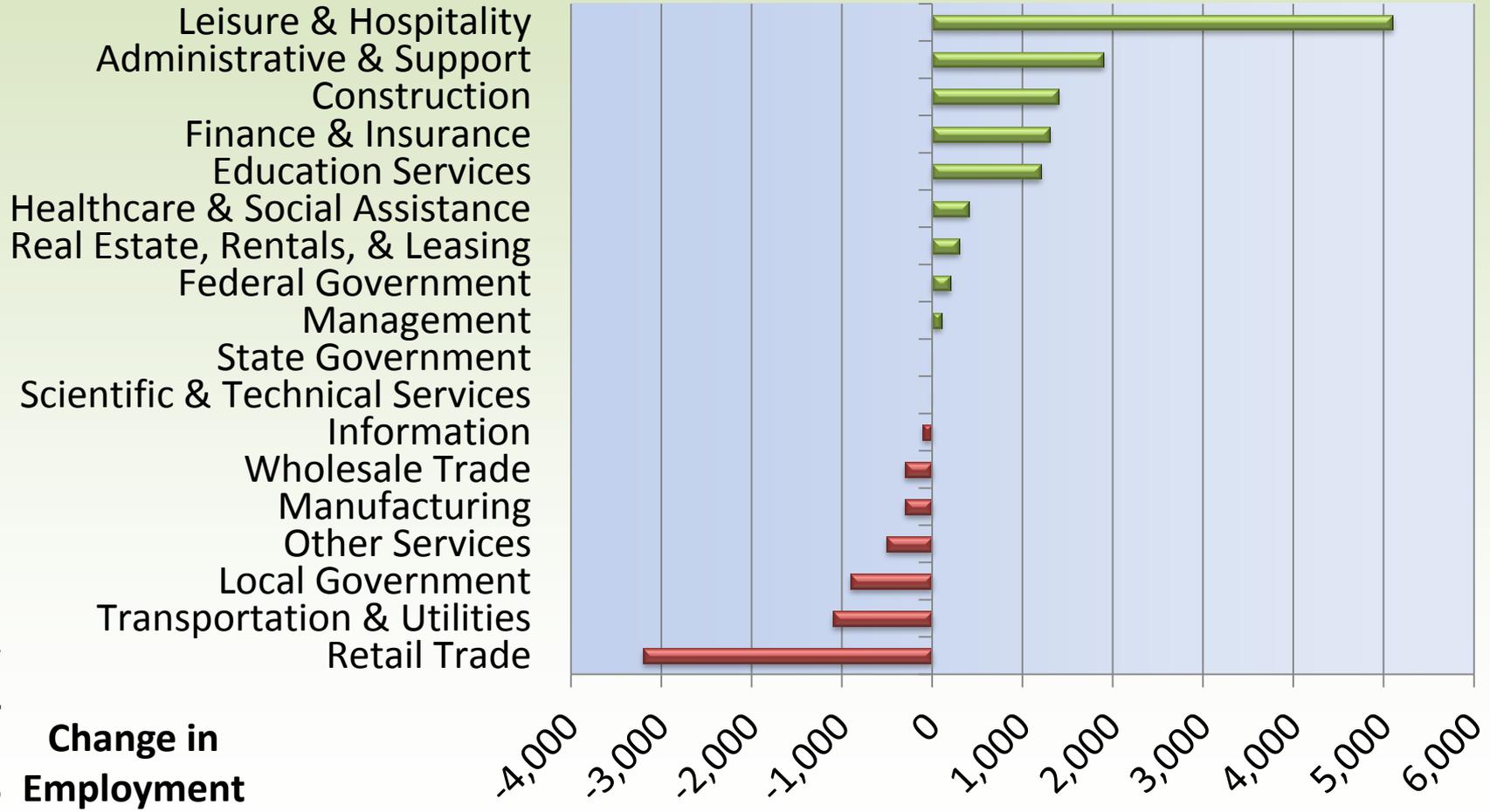
**Change in
Employment**

Attachment 8

Source: Bureau of Labor Statistics, HRPDC

Hampton Roads Employment Change:

Nov '14 - Nov '15



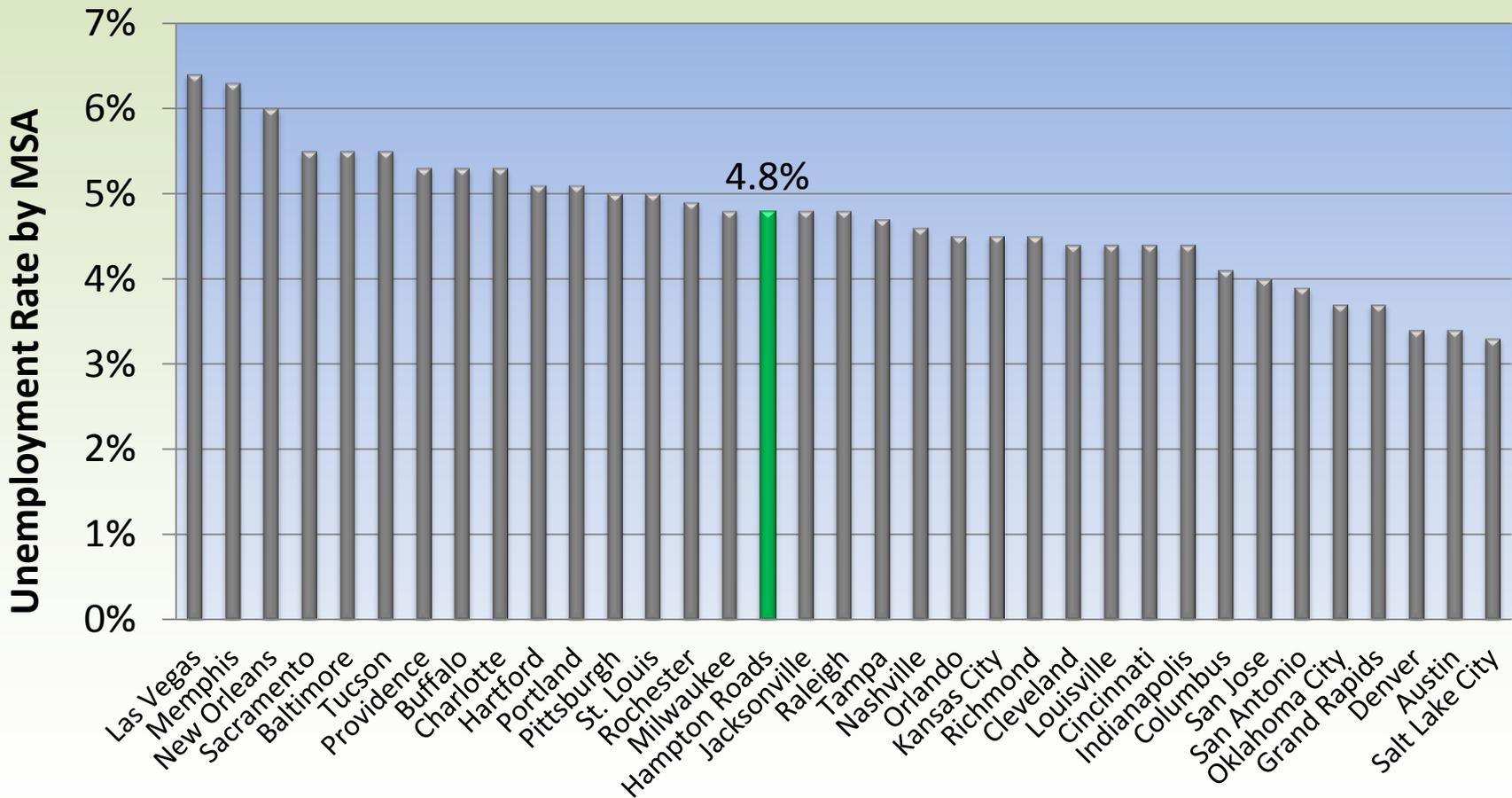
Attachment 8

**Change in
Employment**

Source: Bureau of Labor Statistics, HRPDC

Unemployment Rate in Nov 2015

MSAs with Population between 1-3 Million

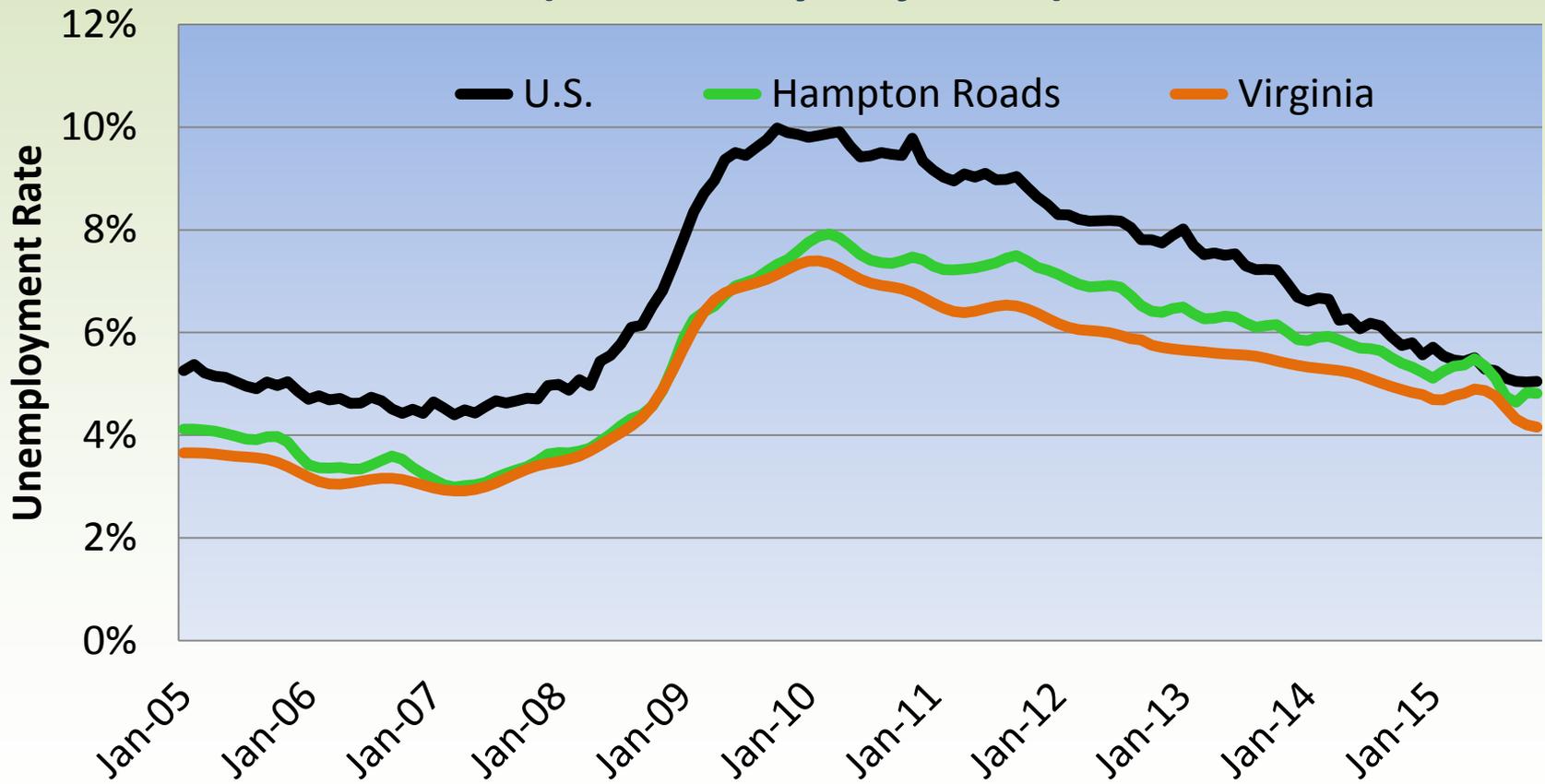


Attachment 8

MSAs

Source: Bureau of Labor Statistics, HRPDC

U.S., Virginia, & Hampton Roads Unemployment Rate (Seasonally Adjusted)

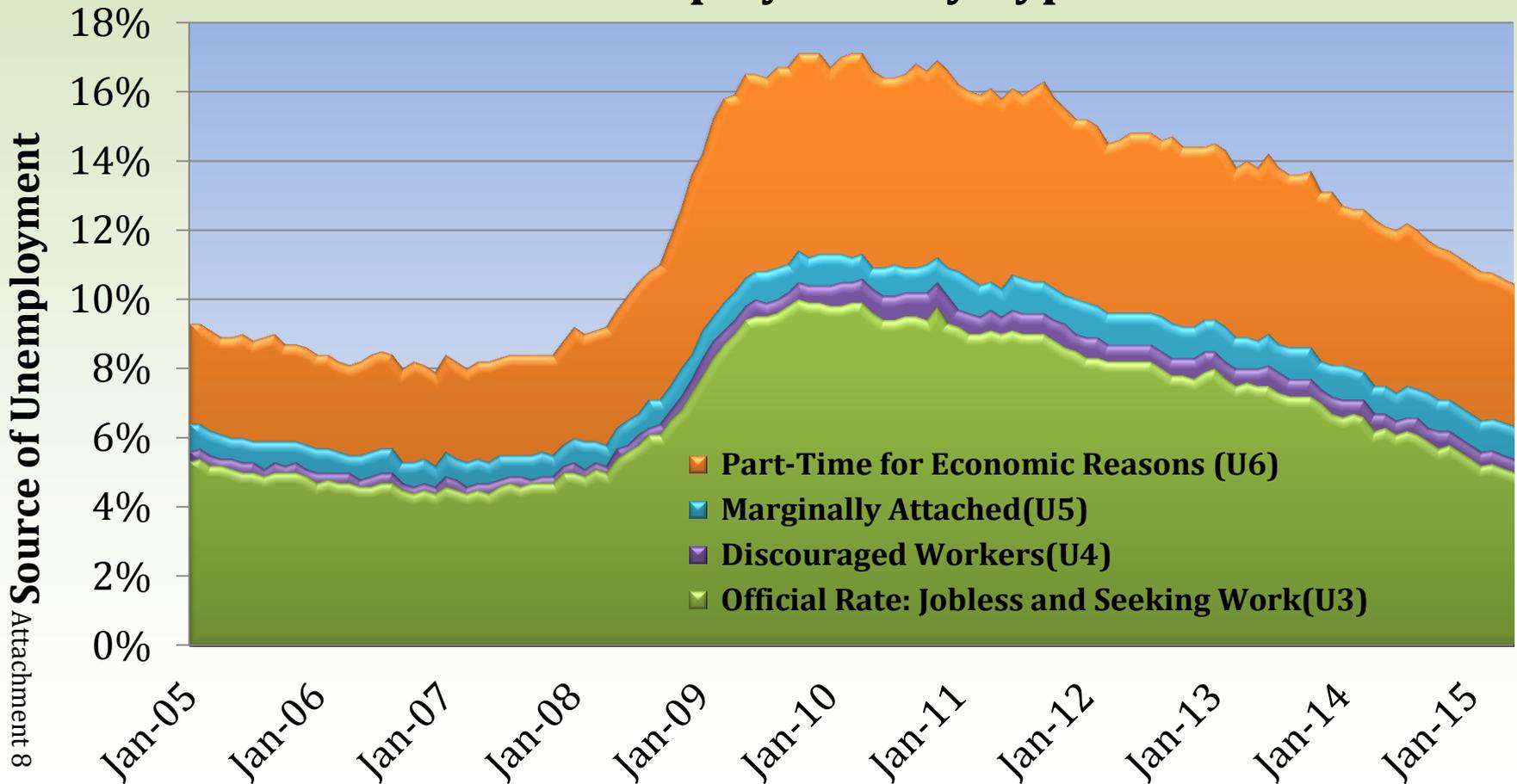


Attachment 8

Source: Bureau of Labor Statistics, HRPDC

The Real Unemployment Rate

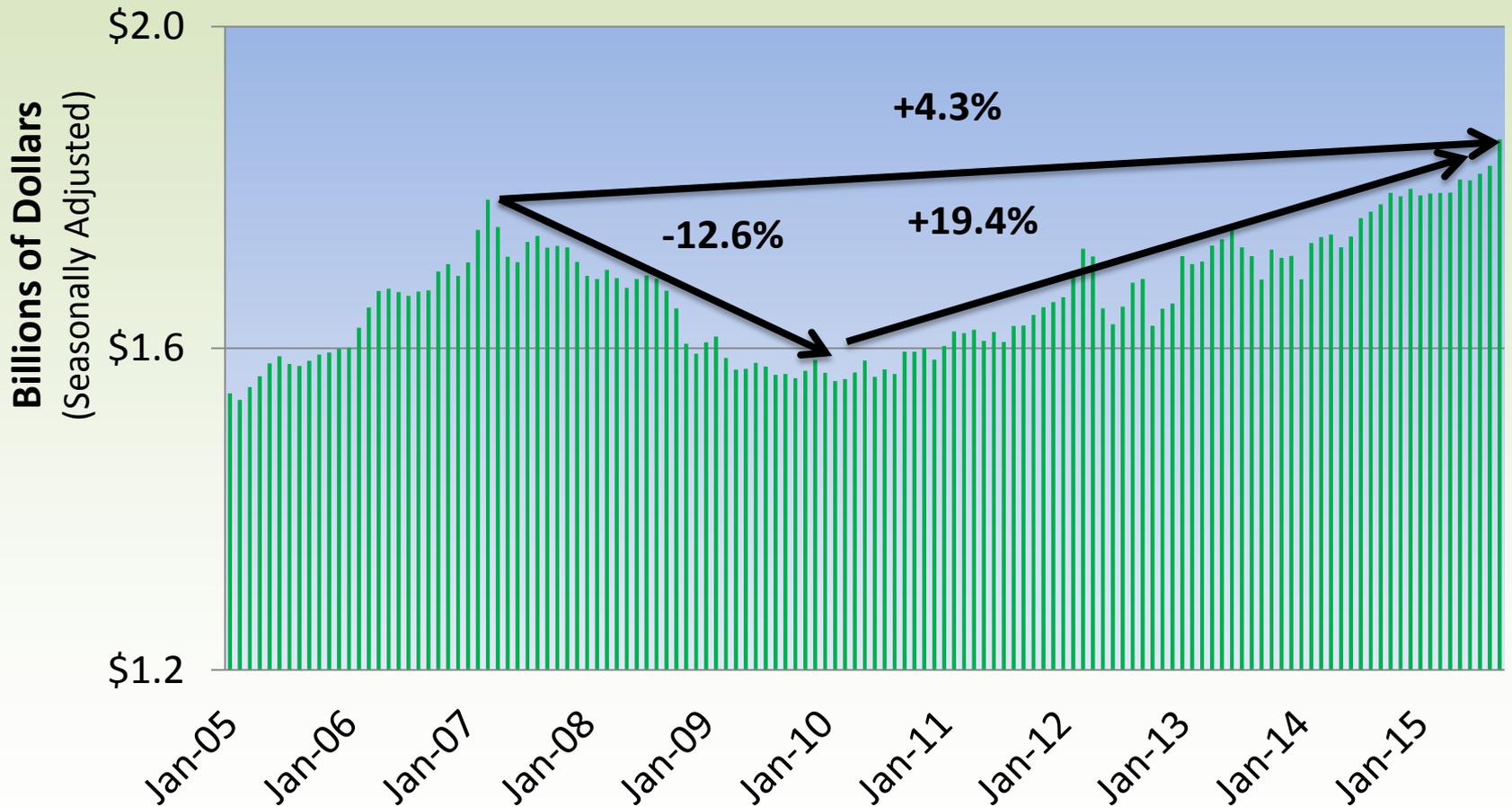
U.S. Unemployment by Type



Source: Bureau of Labor Statistics, HRPDC

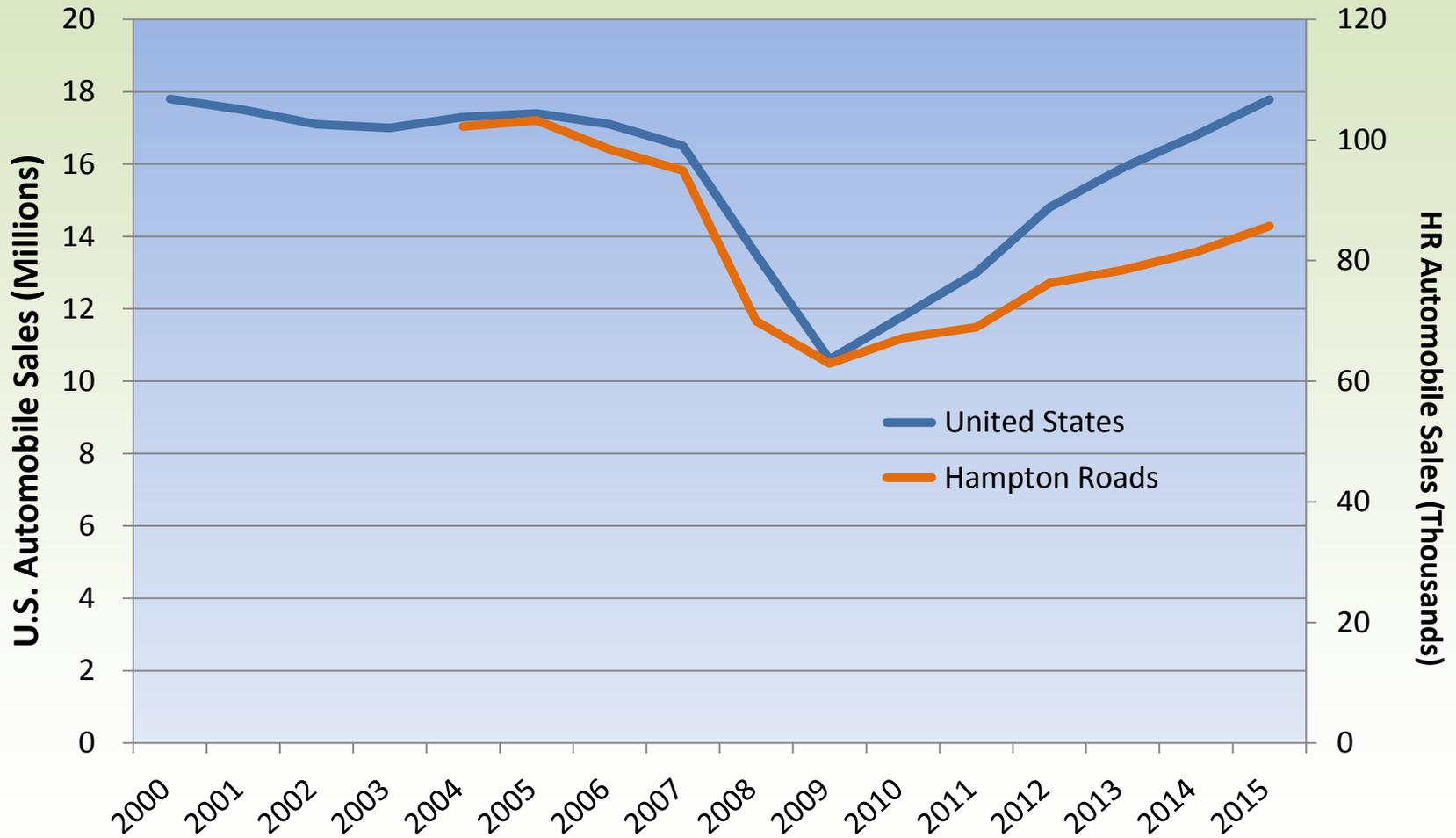
Hampton Roads Retail Sales

(3 Month Moving Average)



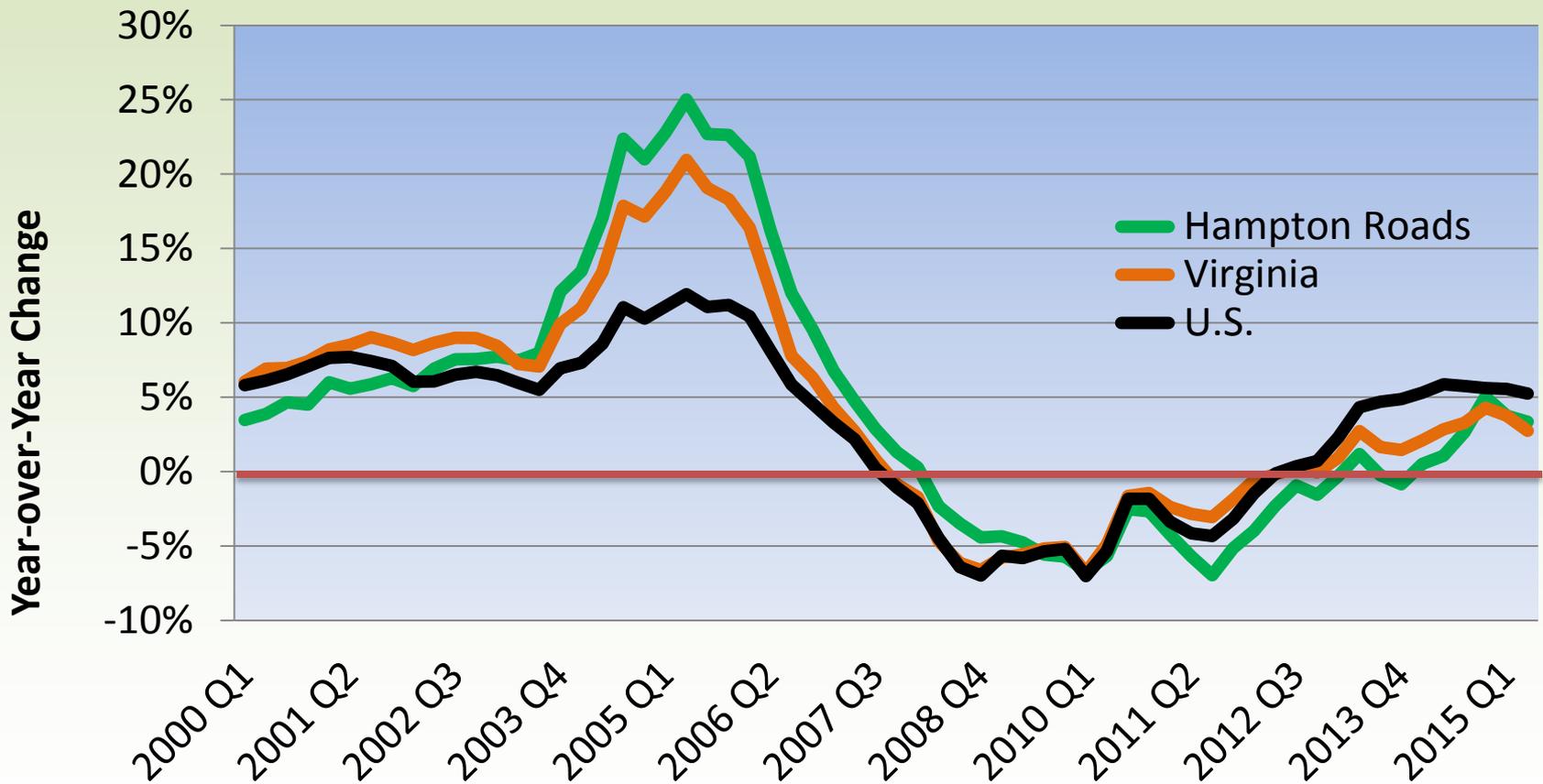
Source: Virginia Department of Taxation, HRPDC

Automobile Sales



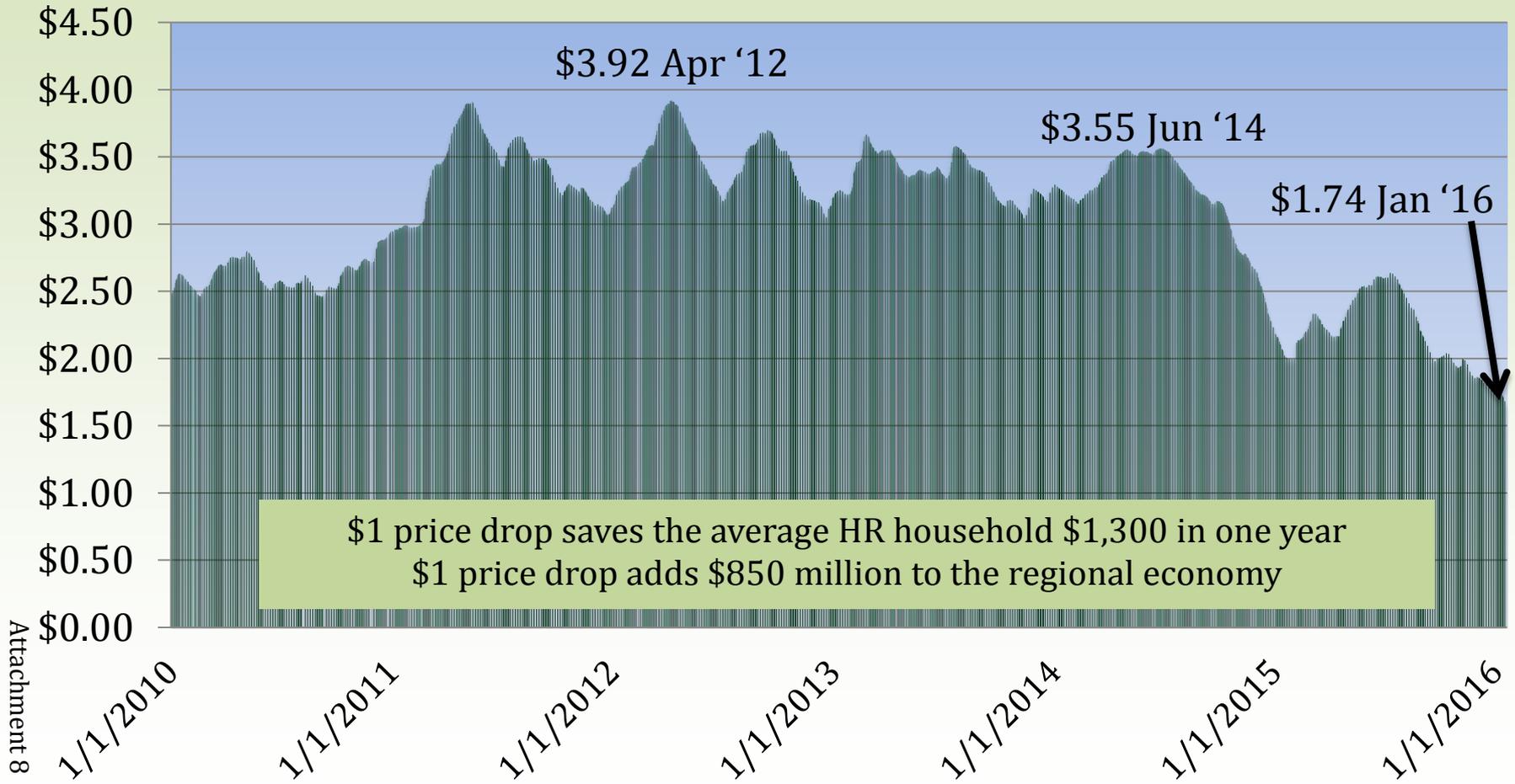
Sources: Bureau of Economic Analysis, Virginia Automobile Dealers Association, HRPDC

Home Price Index Growth in Hampton Roads, Virginia, and the U.S.



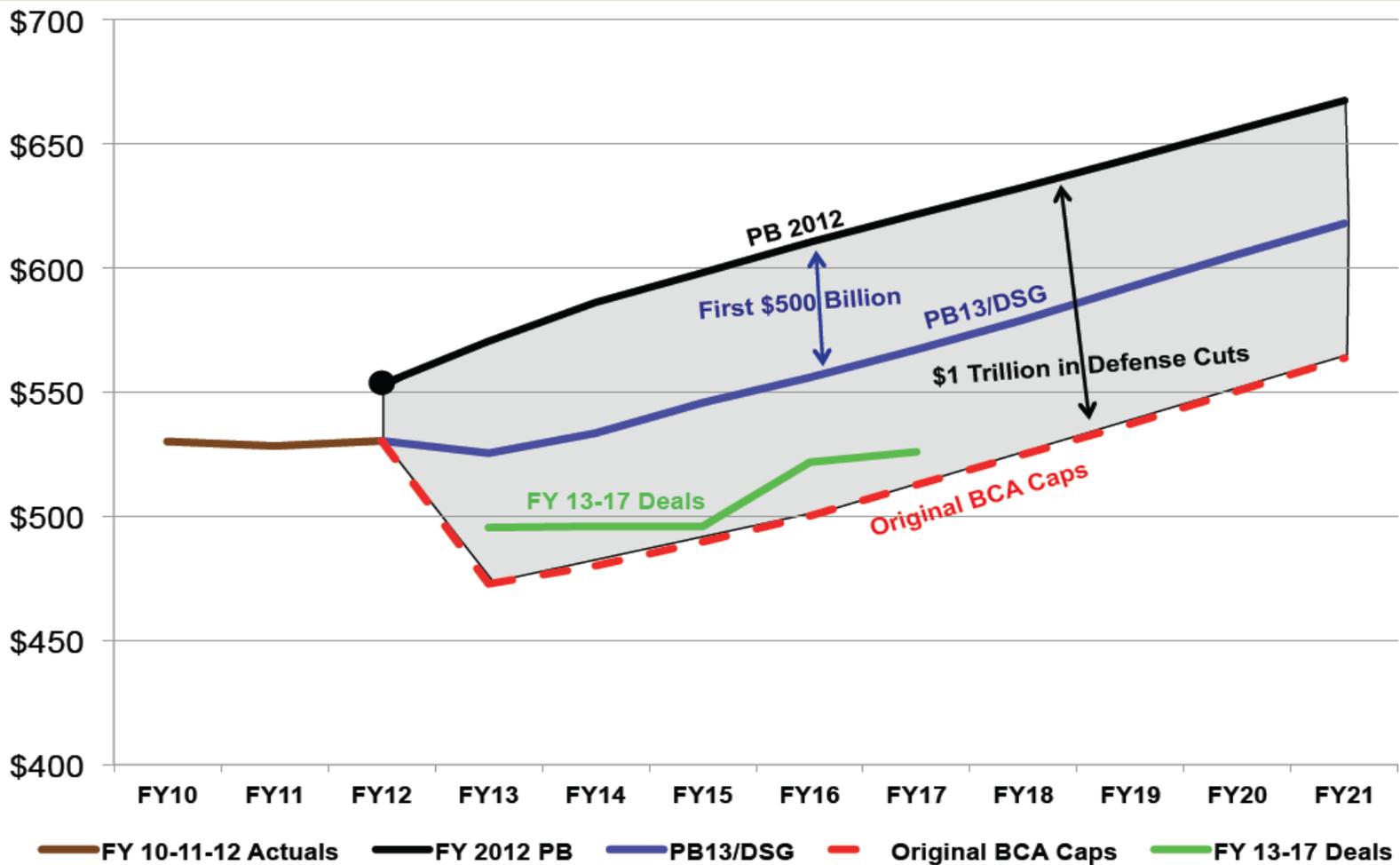
Source: Federal Housing Finance Agency, HRPDC

Gasoline Prices in Hampton Roads



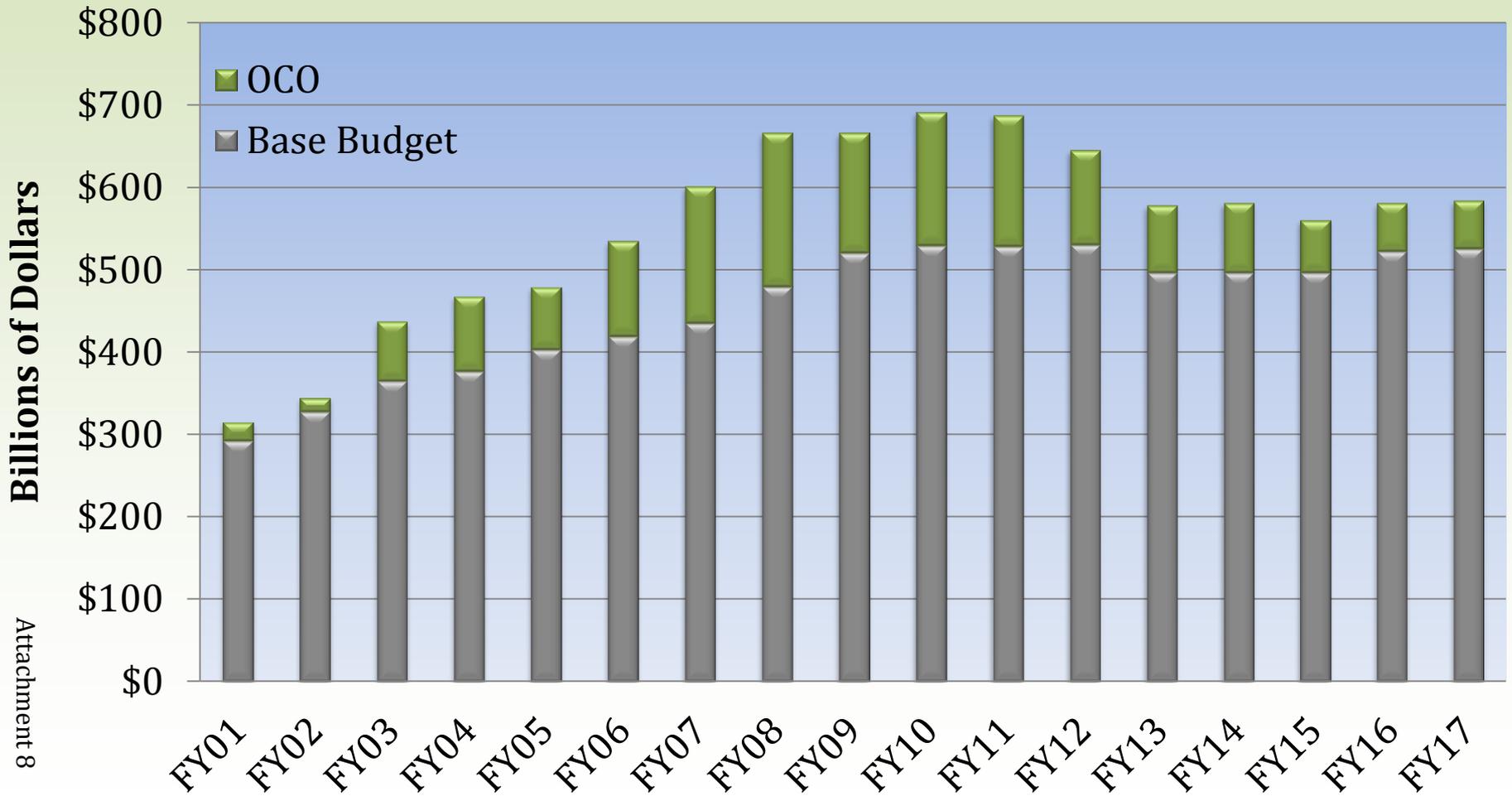
Source: AAA Fuel Gauge Report, HRPDC

DoD Budget- Deals Don't Close Gap



Attachment 8

National Defense Expenditures



Attachment 8

The Year Ahead...

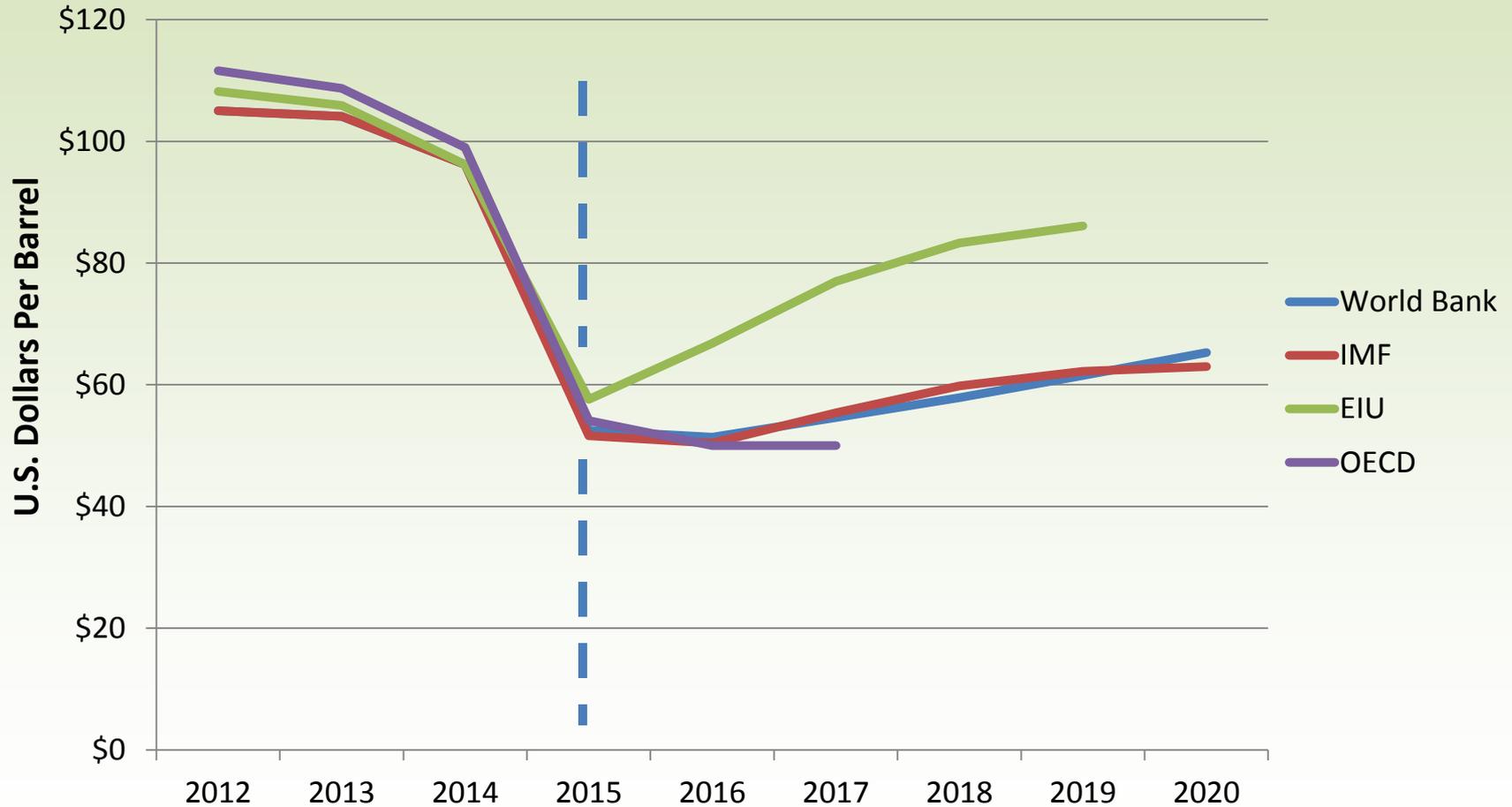
The Good:

- Federal budget adds a degree of certainty
- Growing national economy
- Consumer spending is strong
- Low energy prices
- Interest rates continue to remain low
- Corporate investment and office space leasing is up

The Bad:

- Federal spending continues to be tight
- Loss of local Navy personnel
- Region's housing market remains weak
- Dollar is high
 - Tourism impacts
 - Factory activity is down
- Slow growth outside of the U.S.

Crude Oil Price Forecast



Sources: Knoema.com, HRPDC

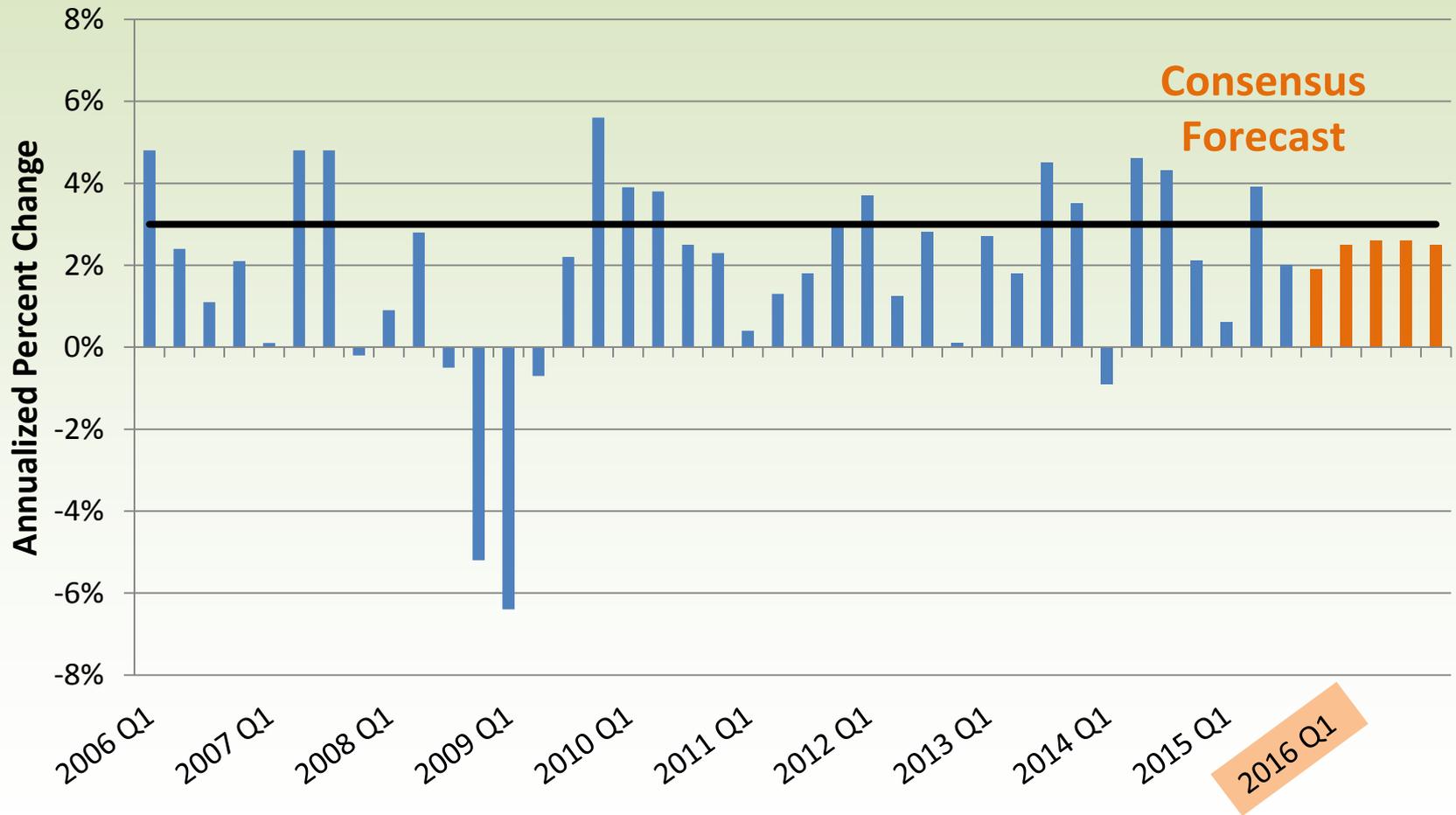
Attachment 8

Impact of Fed Rate Hike

- Mortgage Rates
- Auto Loans
- Credit Cards
- Saving rates
- Investment Market



Annualized Percent Change in U.S. Gross Domestic Product



Attachment 8

HRPDC Forecast for 2016

	2015 (Year to Date)	2016 Forecast
U.S.		
Real GDP	2.6%	2.5%
Interest Rates		
Short Government Rates	0.0%	0.7%
Long Government Rates	2.1%	2.7%
Hampton Roads		
Gross Product	NA	1.3%
Civilian Employment	0.8%	0.8%
Unemployment Rate	4.8%	4.7%
Retail Sales	3.6%	4.1%
Auto and Truck Sales	5.2%	4.5%
Value of Single-Family Residential Building Permits	7.6%	2.3%

Discussion

James Clary
HRPDC Senior Economist
jclary@hrpdcva.gov

HRTPO/HRPDC JOURNEY TO WORK MAPS

The HRTPO and HRPDC staff has prepared journey to work maps to illustrate the interconnectedness between our Region's localities. A map has been prepared for each of the Region's jurisdictions, illustrating the journeys your residents take each day to their place of work. Analysis of information from the Census Bureau has produced some interesting information, including the following:

- According to the most recent data, 47% of Hampton Roads commuters have a place of employment that is outside of their jurisdiction of residence.
- Out of 381 Metropolitan Statistical Areas (MSAs) in the United States, Hampton Roads has the 13th highest share of commuters that leave their home community to travel to work.

The maps can be found at the HRPDC website at:

<http://www.hrpdcva.gov/page/hampton-roads-journey-to-work-maps/>



Clyde A. Haulman, Chairman
Ella P. Ward, Vice-Chair



Linda T. Johnson, Chair
George E. Wallace, Vice-Chair

February 1, 2016

The Honorable Senate Members of the
Hampton Roads General Assembly Caucus
Senate of Virginia
General Assembly Building
P. O. Box 396
Richmond, VA 23218

The Honorable House of Delegate Members of the
Hampton Roads General Assembly Caucus
Virginia House of Delegates
General Assembly Building
P.O. Box 406
Richmond, Virginia 23218

Dear Honorable Members of the Hampton Roads General Assembly Caucus:

Thank you for taking the time to meet with local elected officials and other Hampton Roads regional leaders on Thursday, January 28, 2016 in Richmond. We appreciate the opportunity to discuss the important transportation and education funding issues impacting both Hampton Roads and the Commonwealth. Your leadership in securing the funding mechanisms needed to move so many of the region's priority transportation projects forward is greatly appreciated, and we look forward to working with you to address the funding needs to support the current and future costs of a quality education system.

Again, thank you for meeting with us last week. We welcome the opportunity to assist you with advancing legislation that will improve the quality of life in the Hampton Roads region.

Sincerely,

A handwritten signature in black ink that reads "Linda T. Johnson".

Linda T. Johnson
Mayor, City of Suffolk
Chair, Hampton Roads
Transportation Planning Organization

A handwritten signature in black ink that reads "Ella P. Ward".

Ella P. Ward
Council Member, City of Chesapeake
Vice-Chair, Hampton Roads
Planning District Commission

copy: Hampton Roads Planning District Commission Members
Hampton Roads Transportation Planning Organization Board Members