



**Others Recorded Attending:**

Brian DeProfio and Jason Mitchell (Hampton); Brad Rinehimer (James City County); Bob Baldwin (Portsmouth); Debra Bryan (Virginia Beach); Jeanne Sgroi (York County); Rick Dwyer and Craig Quigley (HRMFFA); Drew Lumpkin (Senator Mark Warner's Office); Caleb Smith (Representative Elaine Luria's Office); Mark Geduldig-Yatrofsky (Resident); Jimmy LaRoue (Suffolk News-Herald) and Keith Cannady, Kelli Arledge, Rob Cofield, Katie Cullipher, Ashley Gordon, Greg Grootendorst, John Harbin, Whitney Katchmark, Sara Kidd, Krista Lauro, Andrew Margason, Benjamin McFarlane, Cynthia Mulkey, Pavithra Parthasarathi, Katherine Rainone, Joe Turner, and Christopher Vaigneur (HRPDC/HRTPO Staff)

Chair Andria P. McClellan congratulated Virginia Beach for the passage of their bond referendum on flooding.

A quorum was not yet achieved; therefore, the meeting continued with non-action agenda items.

**Public Comments**

Chair McClellan invited members of the public to address the Commission. There were no in-person requests to provide public comment.

Mr. Robert A. Crum, Jr., HRPDC Executive Director, reported that there were no submitted public comments since the last HRPDC meeting.

**Executive Director's Report**

Mr. Crum referenced his monthly report included in the agenda package and offered to answer questions. Hearing none, he highlighted a few items of interest for Commission member information.

Mr. Crum mentioned the 2022 Regional Legislative Priorities Brochure distributed as a handout. He reported a Hampton Roads Caucus meeting was scheduled for December 14, 2021 and that HRPDC staff was in contact with Senator Lionell Spruill Sr.'s office with a request that the HRPDC and HRTPO be added to the agenda as presenters.

Mr. Crum described Governor Northam's announcement that the Elizabeth River Crossing (ERC) toll agreement was amended to provide additional toll relief for those residents earning less than \$30,000 per year for an average potential savings of \$650 per year. Mr. Crum stated that the ERC Task Force, under the leadership of HRTPO Chair Donnie R. Tuck, and ERC Task Force Vice-Chair Kenneth Alexander, and Portsmouth Mayor Shannon Glover, worked with the region's mayors, Commonwealth Transportation Board (CTB) members, General Assembly members, and the Secretary of Transportation on toll mitigation solutions.

Mayor Shannon Glover added that under the previous toll reduction agreement, residents were required to complete a rebate form as part of the reduction application process. Under the newly amended toll agreement, a 50% reduction in tolls will be automatic for residents earning less than \$30,000 per year. He commended the collaborative efforts to bring toll relief to residents. He

noted the Task Force should continue to work to further mitigate the tolls and stated that amending the ERC agreement was a step in moving the region in the right direction.

Mr. Crum commented on a discussion at the October Commission meeting regarding Affordable Housing and examining regional approaches, strategies, and solutions. Mr. Crum reported that the HRPDC Chief Administrative Officers (CAO) Committee was reviewing the topic and would present a recommended approach for Commission consideration at a future meeting.

Chair McClellan thanked Mr. Crum for his report and commented on the future possibility of expanding the HRPDC Environmental Education program to include energy efficiency.

### **Community Advisory Committee (CAC) Report**

Ms. Terry Danaher, Chair of the Community Advisory Committee (CAC), reported that the CAC had not met since the last Commission meeting. She requested that Commission members increase outreach to their residents and encouraged meeting with their local CAC representatives on items being discussed at the regional level. She specifically referenced interest in the infrastructure bill and its environmental justice component.

### **U.S. Department of Defense (DOD) Spending in Virginia and Hampton Roads**

Mr. Craig R. Quigley, Rear Admiral, U.S. Navy (Ret.), Executive Director, and Mr. Rick Dwyer, Deputy Executive Director, Hampton Roads Military and Federal Facilities Alliance (HRMFFA), briefed the Commission on U.S. DOD spending in Virginia and Hampton Roads.

Admiral Quigley presented a map of current federal facilities in Hampton Roads, and he described the federal departments, administrations, and agencies represented in the region as the most dense and diverse collection in the United States.

Mr. Dwyer reported that ODU's State of the Region Report shows 40% to 44% of the regional economy is predicated on the federal presence. In 2006, after the base realignment and closures, HRMFFA was formed to attract, retain, and grow federal missions in the region. HRMFFA coordinates with locally elected officials; senior federal government leaders for all area facilities, commands, and organizations; the Virginia Congressional delegation; the General Assembly; and the Commonwealth of Virginia to ensure awareness of anticipated federal actions with near, mid, and long-term impacts on the Hampton Roads region.

*\*Commissioners Steven L. Brown and Robert L. Elliott, Jr. departed*

### **Larger Contingents of Current Federal Agency Presence**

- Approximately 25% of the United States Navy is in Hampton Roads. The Navy is the largest single federal agency presence in the region and accounts for 60% of all regional federal spending. Hampton Roads is the home port for all of the Atlantic Fleet aircraft carriers, and Special Operations Forces have a tangible presence in the region. Naval Air Station (NAS)

Oceana in Virginia Beach and the outlying landing field in Chesapeake are the Navy's home for the current F/A-18 Super Hornet carrier-based strike fighters and will be the east coast home of the F-35s, and possibly the home for Unmanned Aircraft Systems (UAS) in the future.

- The United States Air Force is the second largest federal agency presence in the region. Beginning in 2022, the formal training unit for F-22s, with 750 airmen and their families, will be moving from Florida to Langley Air Force Base in Hampton. The four-star led Air Combat Command, 480th Intelligence, Surveillance, and Reconnaissance (ISR) Wing and the Virginia Air National Guard's Cyber Operations Squadron are also headquartered at Langley.
- While there are no longer any United States Army bases in Hampton Roads, the Army presence is contained within two Joint Bases, Joint Base Langley-Eustis with the Air Force as the senior service and Joint Expeditionary Base Little Creek-Fort Story with the Navy as the senior service. At Fort Eustis, there are many tenant commands, including Training and Doctrine Command, one of the four four-star commands in the region, and a lot of real estate for potential expansion. The Army Mariners are trained at Third Port, which is a deep-water port located at Fort Eustis that provides a safe harbor for the Army's watercraft fleet.
- The NASA Langley Research Center, located in Hampton, is NASA's oldest research facility. NASA Langley Research Center has a significant role to play in the mission to put humans back on the Moon by 2025 and then onto Mars.
- The United States Coast Guard presence in Hampton Roads is the largest in the country, and it continues to grow. Over the past summer, Coast Guard Base Portsmouth experienced a 50% increase in the number of Cutters (commissioned vessels).
- Thomas Jefferson National Accelerator Facility (Jefferson Lab), a U.S. Department of Energy Office of Science national laboratory, is a world-class physics research center in Newport News.

#### Opportunities to Increase Federal Presence

- NAS Oceana Future Base Design – the Navy is not able to sufficiently fund all of the needed infrastructure repairs and refurbishment, so NAS Oceana is expanding its existing relationships with the Cities of Chesapeake and Virginia Beach and reaching out to federal and state agencies and private business and industry to offer under-utilized parcels of Navy property for compatible development. The real estate may be available in exchange for in-kind services or funds to mitigate the infrastructure challenges.
- F-22 Training and Intel Units to Langley – The relocation of the formal training unit for F-22s includes an additional 31 F-22s and 18 of the T-38s used as aggressor aircraft. Also, the Air Force is considering Langley Air Force Base as the location for an intelligence hub on

the east coast, which could potentially add 2,000 or more intelligence personnel over the next several years. Langley would need significant facility upgrades to make that happen, but it is an opportunity to bring additional federal personnel to the region.

- Ship Building, Repair, and Modernization/ Norfolk Naval Shipyard Recapitalization- The ship repair and construction industry are important to the region. There is an effort within the Navy to refurbish all four of the Navy-owned public shipyards throughout the country, one of which is in Portsmouth at the Norfolk Naval Shipyard. It is approximately a 20-year \$20 billion to \$25 billion effort. However, waiting 20 years to refurbish all four shipyards will not be sufficient for the Navy's readiness needs. To accelerate the effort, a proposal has been introduced for an additional \$25 billion to the Navy through the National Defense Authorization Act (NDAA) fiscal year 2022 appropriations.
- Jefferson Lab Ion Collider/ Quantum Computing – There is a potential opportunity for a super-computing facility to be built at Jefferson Lab. While the Department of Energy chose New York over Virginia for the site of a new \$2.6 billion Electron-Ion Collider, Jefferson Lab will still have a significant role in building the facility's equipment and infrastructure. Additionally, a super-computing facility built at Jefferson Lab would create additional appeal for data-intensive companies to locate in the region.
- VA Medical Center Growth – The Veterans Affairs (VA) Medical Center in Hampton recently announced plans for an additional healthcare center in Chesapeake. The project's groundbreaking is planned for before the end of 2021 with the new facility scheduled to open by 2024. In addition to that facility, a community-based outpatient clinic is going to be opened in Suffolk, and a second healthcare center was also approved for a Southside location that has yet to be determined.
- NASA Technology Transfer/Research – As NASA's center of expertise for entry, descent, and landing, the NASA Langley Research Center has a significant role in any NASA mission that involves a landing, whether it be on an asteroid, the Moon, or Mars. As part of that research, they develop systems that create opportunities for technology transfer with local smart start-ups and small businesses.

*\*Commissioner Melissa D. Rollins arrived*

Admiral Quigley and Mr. Dwyer concluded their presentation by describing Hampton Roads' prominent attributes and summarizing potential growth areas and possible challenges.

*\*Commissioner Shannon Glover departed*

Commissioner Donnie Tuck reported that HRMFFA established a committee focused on reviewing the current and future state of federal facilities in Hampton Roads. He reported that members of the committee met with the command staff at Langley Air Force Base and discussed consumption and absorption considerations and the resulting impact on quality of life.

*\*Commissioner Douglas Pons departed*

Commissioner Randy Keaton asked Admiral Quigley to describe the Virginia Values Veterans (V3) Program.

Admiral Quigley indicated that the region transitions approximately 8,000 to 10,000 uniformed service members out of the service every year. The Hampton Roads Workforce Council has addressed the importance of retaining the Veteran population in Hampton Roads through two Veteran employment centers, one in Norfolk and one in Newport News. The employment center staff focuses on transitioning service members and their spouses. Alternatively, the V3 Program provides free training and certification for employers to help them implement nationally recognized best practices in recruiting, hiring, and retaining Veterans.

Mr. Dwyer added that there is an additional program called the DOD SkillBridge program. The program is an opportunity for service members to gain valuable civilian work experience through specific industry training, apprenticeships, or internships during the last 180 days of service. After the unit command provides written authorization and approval, a service member can be granted up to 180 days of permissive duty to focus solely on training full-time with approved industry partners in real-world job experiences. For industry partners, including municipalities, SkillBridge is an opportunity to access and leverage the Veteran workforce at no cost.

Mr. Crum asked Admiral Quigley to expand upon regional opportunities to host non-traditional types of federal organizations.

Admiral Quigley suggested presenting Hampton Roads as an option directly to the head of every agency not currently represented. For instance, there is no significant agriculture department presence in Hampton Roads. He added that in an increasingly remote-friendly working environment and with more agencies moving outside of the DC metropolitan area, Hampton Roads is a prime candidate for relocation due to the region's strengths and proximity to DC.

Chair McClellan asked how to proceed.

Mr. Crum recommended he collaborate with HRMFFA and Hampton Roads Alliance to develop a coordinated approach strategy for Commission consideration.

Admiral Quigley concurred.

Mr. Crum thanked Admiral Quigley and Mr. Dwyer for their presentation and introduced Mr. Greg C. Grootendorst, HRPDC Chief Economist, to present additional data related to the DOD spending in Hampton Roads.

Mr. Grootendorst presented historical data illustrating the correlation between DOD spending and Hampton Roads' economy. He indicated that DOD spending accounts for approximately 35% to 40% of the gross product in Hampton Roads. The total federal presence accounts for an even larger percentage and is a significant part of the region's economy.

He described annualized real defense outlays as cyclical with the continual rise and fall of defense spending in the region and the nation. In 1969, over 25% of total employment in Hampton Roads was uniformed military personnel. Since then, the direct military share of the employment and income totals has decreased to under 10%. Historically, Hampton Roads' population growth cycles were directly proportional to defense spending. More recently, however, DOD investments have shifted from increases in personnel to significant increases in defense contracting. Mr. Grootendorst stated that going forward, population growth in Hampton Roads is unlikely to originate from increases in defense personnel.

Mr. Grootendorst referenced two handouts containing defense data, the Hampton Roads Economic Monthly and a two-pager that outlines the DOD presence in Virginia. He commented that acquiring defense data has required additional research as the information has been difficult to obtain and is often incomplete. He encouraged the Commission members to reach out to HRPDC staff with any data questions or concerns as well as topic requests. Mr. Grootendorst concluded his presentation by referencing the Hampton Roads Regional Benchmarking Study, which is available on the HRPDC website.

Commissioner Keaton indicated that Isle of Wight County has experienced difficulties obtaining data illustrating the significant amount of tax growth that is exempted or reduced for disabled veterans. He asked if HRPDC staff could acquire the data and analyze it on a regional level.

Mr. Grootendorst commented that every tax exemption results in a tax increase for those not exempted, noting that there has been an increase in exemptions with respect to local tax bases. He stated that HRPDC staff would review the data available at the state level, determine if the data can be analyzed by locality, and report back to the Commission.

A quorum was achieved; therefore, the meeting continued with the agenda's action items.

### **Approval/Modification of Agenda**

Chair Andria McClellan asked for a motion to approve November 18, 2021 HRPDC Meeting Agenda as presented.

**Motion:** Commissioner Debbie Ritter Moved to approve the agenda as presented; seconded by Commissioner Ella Ward. The Motion Carried.

### **Consent Agenda**

Chair McClellan referenced the Consent Agenda, which included the following items for consideration and approval:

- Meeting Minutes – October 21, 2021 Commission Meeting
- Treasurer's Report – September 2021
- Community Advisory Committee (CAC) Appointment

Chair McClellan asked for questions or comments. There being none, she asked for a motion.

**Motion:** Commissioner Ella Ward Moved to approve the Consent Agenda as presented; seconded by Commissioner McKinley Price. The Motion Carried.

### **Candidate Projects for the Community Flood Preparedness Fund**

Mr. Crum introduced Mr. Benjamin J. McFarlane, HRPDC Senior Regional Planner, to brief the Commission on the Community Flood Preparedness Fund (CFPF) program and candidate regional projects.

Mr. McFarlane reported that the CFPF was created by the General Assembly in 2020. H.B. 981/ S.B. 1027 established the process for the Commonwealth's participation in the Regional Greenhouse Gas Initiative (RGGI) and allocating the proceeds, while H.B. 22/ S.B. 320 established the CFPF. RGGI Inc, with contractor support, conducts quarterly regional auctions which function as the primary market for carbon dioxide allowances. RGGI proceeds are divided between funds for energy efficiency, flood protection, and administrative costs as follows:

- 50% funds the Department of Housing and Community Development (DHCD) Housing in Energy Efficiency (HIEE) program to make energy efficiency upgrades to new and existing residential buildings to reduce energy bills for low-income Virginians
- 45% funds the CFPF program to help localities implement flood protection studies and plans (25% of the CFPF monies distributed each year must go to low-income areas)
- 3% funds the Department of Environmental Quality (DEQ)'s administration of the RGGI process in Virginia
- 2% funds the DHCD and Department of Energy (DOE)'s administration of the HIEE program

The Commonwealth joined at the end of 2020 and was fully participating in time for the first auction in 2021. Overall, from the three RGGI auctions in 2021, Virginia has received approximately \$142 million, with approximately \$64 million identified for the CFPF. Not including the third auction's allocations, which have not yet been announced, approximately \$35 million has been set aside for grants through the CFPF and approximately \$5 million has been identified for other purposes by the Department of Conservation and Recreation (DCR). The fund is non-reverting, so once the monies are distributed to the CFPF, the funds remain until spent.

Local governments are eligible to apply for funding for studies and capacity building, and local governments with an approved resilience plan are also eligible to apply for project funding. In the first CFPF grant application round, 17 local governments submitted 32 applications for a requested total of \$17.1 million. DCR funded 19 applications from 14 local governments for a total of \$7.8 million. The first round awards trended toward capacity building and planning effort applications. Projects funded included wetland restoration, stormwater system upgrades, low-

impact development, and living shorelines. Studies funded included Hydrologic and Hydraulic (H&H) studies, data collection, and revisions to existing plans. Capacity efforts funded included resilience plan development and floodplain staff capacity. Ten of the 19 projects that were approved for funding were submitted by a Hampton Roads locality. In the second CFPF grant application round, 24 local governments from 12 different planning districts submitted 37 applications for a requested total of \$29.7 million. DCR had not yet announced the second-round awards.

Some projects did not receive funding because the project was already started, funded in the local budget, required by a previous obligation, or not “community-scale” enough. The CFPF prioritizes community-scale projects; although, additional guidance from DCR regarding their definition and threshold of community-scale would help localities create more competitive applications. The CFPF provides local governments with an opportunity to receive funding for efforts to prepare an approved resilience plan.

Planning District Commissions are also eligible applicants. The HRPDC can apply for projects that would have a regional benefit. HRPDC staff is proposing to develop two proposals for submission in the next application period. These candidate regional projects are as follows:

- Community Rating System – Develop tools or materials to support locality participation in the Community Rating System. Examples could include web applications for sharing elevation certificate information or data and analyses for locality watershed plans.
- Regional Hydrologic and Hydraulic Model – Assess the current extent and quality of existing hydrologic and hydraulic models to identify data needs and gaps in model coverage.

The proposed plan for future regional projects includes identification of potential regional projects by the Coastal Resiliency Technical Committee and staff, followed by review and validation of proposed applications by the HRPDC CAO Committee and HRPDC Coastal Resilience Subcommittee, and final consideration by the Commission for approval.

One of the 2022 regional legislative priorities requests General Assembly creation of the Virginia Commonwealth Flood Board (CFB) in order to address flooding in an ongoing, holistic, and collaborative manner. The CFB would direct and prioritize state and federal funding for flood mitigation, ensure collaboration and alignment among state agencies, and coordinate flood mitigation planning and adaptation efforts. The CFB would help to better coordinate state funding and planning efforts across programs as well as provide oversight and management of the CFPF through a public process.

With Commission support, HRPDC staff will work with the Coastal Resiliency Technical Committee to develop and submit regional applications for the third CFPF round of grant applications in January 2022.

Chair McClellan thanked Mr. McFarlane for his presentation and encouraged localities to participate in the CFPF grant application program while funds are available.

**Motion:** Commissioner Ella Ward Moved to approve supporting the submission of two regional projects by the HRPDC for the next Community Flood Preparedness Fund application round; seconded by Commissioner Randy Keaton. The Motion Carried.

Chair McClellan commended the local legislative liaisons for their efforts and emphasized the need for a regional proponent. She initiated discussion about possibly contracting with an advocacy firm to complement local efforts with a focus on regional legislative priorities.

Mr. Crum reported that the HRPDC does not have a regional position for legislative advocacy. He explained that moving forward with Chair McClellan's suggestion during FY 2022 would require Commission authorization to use approximately \$50,000 from the HRPDC Fund Balance to contract with an advocacy firm for services as a proof of concept. Any interest in continuing in future years would then be funded through a locality per capita assessment.

Ms. Danaher asked how to ensure that a firm would not also represent and advocate for conflicting interests.

Mr. Crum responded that the firm selected would be carefully considered and thoroughly vetted. He acknowledged that \$50,000 may not cover a lot of services, but he mentioned the possibility of contracting through a partner organization's cooperative procurement process. Mr. Crum stated that he did not anticipate contracting with a firm in time for the upcoming General Assembly session, but if approved, he was hopeful to engage services by March 2022.

Commissioner Debbie Ritter asked for confirmation that the intention was not to contract in time for the upcoming General Assembly session.

Chair McClellan confirmed and stated there was not enough time to do so.

Commissioner Ritter agreed and encouraged Mr. Crum to discuss the topic and potential options with the CAO Committee. She suggested examining the prospect of hiring an in-house employee as opposed to contracting with an advocacy firm.

Chair McClellan noted a consensus that Mr. Crum work with the CAO Committee to prepare a recommendation for Commission consideration.

### **Comprehensive Economic Development Strategy**

Chair McClellan introduced Mr. Grootendorst to brief the Commission on the region's efforts to prepare and submit a Comprehensive Economic Development Strategy (CEDS).

The U.S. Economic Development Administration (EDA) defines CEDS as a strategy-driven plan for regional economic development designed to build regional capacity and guide economic

prosperity and resiliency. Having an EDA-approved CEDS is often a prerequisite for gaining access to federal grants.

The 2010 CEDS document is being updated by cohesively incorporating multiple existing regional studies and plans. Per EDA regulations, the private sector needs to be heavily involved in the CEDS development process, so the Hampton Roads Alliance Board acts as the main developing partner with Re-Invent Hampton Roads and HRPDC as contributing partners. Formally, the jurisdictions included are the HRPDC member-localities; although, there are references to collaboration with HRPDC-bordering localities and partner planning organizations.

*\*Commissioner Neil Morgan departed*

Mr. Grootendorst concluded his presentation by outlining the timeline to completion. The draft document was scheduled to be circulated for input from stakeholders including the DOD, Port of Virginia, tourism industry, and local economic development in November. The CEDS will then be submitted for public comment in December and submitted to the Alliance Board for final submission approval in January 2022.

Chair McClellan asked for questions or discussion.

Ms. Danaher asked for clarification regarding the public involvement component within the CEDS process.

Mr. Grootendorst responded that the partner planning organizations will follow the EDA process requirements as well as request input from the CAC.

Chair McClellan thanked Mr. Grootendorst for his presentation.

### **Three-Month Tentative Schedule**

Mr. Crum noted that the Commission was not scheduled to meet in December and that the next meeting was scheduled for January 20, 2022. He reported that Mr. Stephen A. Edwards, CEO and Executive Director of the Virginia Port Authority (VPA), is scheduled to present to the Commission in January with a focus on offshore wind, flood mitigation, and economic development.

Chair McClellan encouraged Commission members to submit potential topics of discussion for future Commission meetings to her or Mr. Crum.

### **Advisory Committee Minutes**

Chair McClellan stated that the Advisory Committee Minutes were provided for information purposes.

### **Technical Committee Summaries**

Chair McClellan commented that the Technical Committee Summaries were provided for information purposes.

### **Old/New Business**

There was no old or new business.

### **Adjournment**

With no further business to come before the Commission, the meeting adjourned at 1:58 p.m.

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Andria P. McClellan  
Chair

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Robert A. Crum, Jr.  
Executive Director/ Secretary