



The State of the Region

HAMPTON ROADS 2011

REGIONAL STUDIES INSTITUTE | OLD DOMINION UNIVERSITY



October 2011

Dear Reader:

This is Old Dominion University's 12th annual State of the Region report. While it represents the work of many people connected in various ways to the university, the report does not constitute an official viewpoint of Old Dominion, or its president, John R. Broderick. The State of the Region reports maintain the goal of stimulating thought and discussion that ultimately will make Hampton Roads an even better place to live. We are proud of our region's many successes, but realize it is possible to improve our performance. In order to do so, we must have accurate information about "where we are" and a sound understanding of the policy options available to us.

The 2011 report is divided into eight parts:

Putt, Putting Along: Our Regional Economy: We're doing better than the nation, but seem to be stuck in neutral. The port, regional tourism and residential housing have yet to regain the ground they lost during the recession and the outlook for defense spending is uncertain.

Apartment Housing in Hampton Roads: Vacancy rates have fallen as home ownership rates have declined. Monthly rents are among the highest in the southeast region of the country. These conditions may lead to an upsurge in apartment construction.

A Simple Guide to Transportation Needs and Planning in Hampton Roads: What transportation needs do we have, how are they prioritized, and is there any hope that the region and the commonwealth will have sufficient revenue available to address them?

The Economic Plight of African American Men in Hampton Roads: The worldwide recession significantly worsened the economic condition of African American men. There are multiple reasons why this was so and credible solutions often are controversial.

WHRO Marks Its 50th Anniversary: Virginia's first educational, noncommercial television station has become a multimedia leader. Like most major media, however, WHRO lives in a rapidly evolving environment that could challenge its existence.

The Concrete Connection: Economic Growth for Virginia's Eastern Shore? The economic impact of dredging the Cape Charles Harbor exceeds \$3.2 billion if it results in that site being used to produce concrete for new bridges, tunnels and wind turbines.

K-12 Independent Education on Virginia's Peninsula: Thirty-five private (independent) K-12 schools exist on the Peninsula. Because commonwealth regulation of their activities is minimal, there is great variation in their goals, operations and transparency.

If It Bleeds, Does It Still Lead? Local Television Evening News in Hampton Roads: The evening news broadcasts of the four major stations in the region continue to feature frequent reporting of violent crimes, especially by members of minority groups. WAVY featured the most crime coverage and WVEC the least.

Old Dominion University continues to provide support for this report. However, it would not appear without the vital backing of the private donors whose names appear below. They believe in Hampton Roads and in the power of rational discussion to improve our circumstances, but are not responsible for the views expressed in the report.

The Aimee and Frank Batten Jr. Foundation	Hampton Roads Chamber of Commerce
R. Bruce Bradley	Kaufman and Canoles
Ramon W. Breeden Jr.	Thomas Lyons
Arthur A. Diamonstein	Patricia W. and J. Douglas Perry
George Dragas Jr.	Anne B. Shumadine

The following individuals were instrumental in the research, writing, editing, design and dissemination of the report:

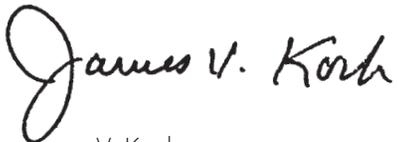
Vinod Agarwal	Susan Hughes	Janet Molinaro	Ayush Toolsidass
Chris Colburn	Elizabeth Janik	Ken Plum	Shara Weber
Vicky Curtis	Feng Lian	Jim Sylvester	Gilbert Yochum
Steve Daniel	Sharon Lomax		

Special recognition is due Vinod Agarwal and Gilbert Yochum of the Old Dominion University Economic Forecasting Project, which Professor Agarwal now directs. Their penetrating analyses of the regional and commonwealth economies are by consensus the baseline by which numerous economic activities are measured.

My hope is that you, the reader, will be stimulated by the report and will use it as a vehicle to promote productive discussions about our future. Please contact me at jkoch@odu.edu or 757-683-3458 should you have questions.

All 12 of the State of the Region reports may be found at www.odu.edu/forecasting and www.jamesvkoch.com. Single paper copies may be purchased for \$25.

Sincerely,



James V. Koch

Board of Visitors Professor of Economics
and President Emeritus

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The background of the page is a photograph of two aircraft carriers on the water. The carrier in the foreground is the USS Dwight D. Eisenhower (CVN-77), with its hull number '77' clearly visible on the superstructure. A helicopter is seen landing on the deck. The second carrier is visible in the distance behind it. The water is a dark, calm grey-blue, and the sky is overcast.

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Putt, Putting Along: Our Regional Economy



PUTT, PUTTING ALONG: OUR REGIONAL ECONOMY

Since 1970, the regional economy has grown at an average rate of 2 percent annually. Our 2011 growth rate is likely to be slightly less than 3 percent. However, the region's gross output is expected to approach \$82.9 billion in 2011; this is larger than two-thirds of the nations of the world.

TABLE 1

ESTIMATED HAMPTON ROADS GROSS REGIONAL PRODUCT (GRP), NOMINAL AND REAL (PRICE ADJUSTED), 2000-2011

Year	Nominal GRP Billions\$	Real GRP (2005=100) Billions\$	Real GRP Growth Rate Percent
2000	49.23	55.54	3.3
2001	52.48	57.89	4.2
2002	56.06	60.85	5.1
2003	60.64	64.44	5.9
2004	64.20	66.35	3.0
2005	68.43	68.43	3.1
2006	72.37	70.09	2.4
2007	76.41	71.88	2.6
2008	77.71	71.55	-0.5
2009	77.47	70.68	-1.2
2010	80.40	72.67	2.8
2011	82.85	74.05	1.9

Source: Old Dominion University Economic Forecasting Project. Data incorporate U.S. Department of Commerce Personal Income revisions through May 2011.

The years in the first half of the previous decade were golden, economically, for Hampton Roads. As Graph 1 illustrates, the regional economy grew much faster than that of the national economy. The major reason for this was the rapid increase in Department of Defense spending in Hampton Roads between 2000 and 2004. Our lower rates of regional economic growth in subsequent years reflect a deceleration (though not a decline) in defense spending. Nevertheless, in an overall sense, the past decade was a good one, economically speaking, for Hampton Roads. Our gross regional product (GRP) grew by 29.3 percent, while the national gross domestic product (GDP) grew by only 20.3 percent.

Median household income has risen nicely in Hampton Roads in recent years. One can see in Graph 2 that in 1999, median household income in the United States and in the region was virtually the same. Since then, however, median household income has risen more rapidly in our region than in the nation, and in 2011 will increase to more than \$57,000 per household. This is about 10 percent higher than that of the nation.

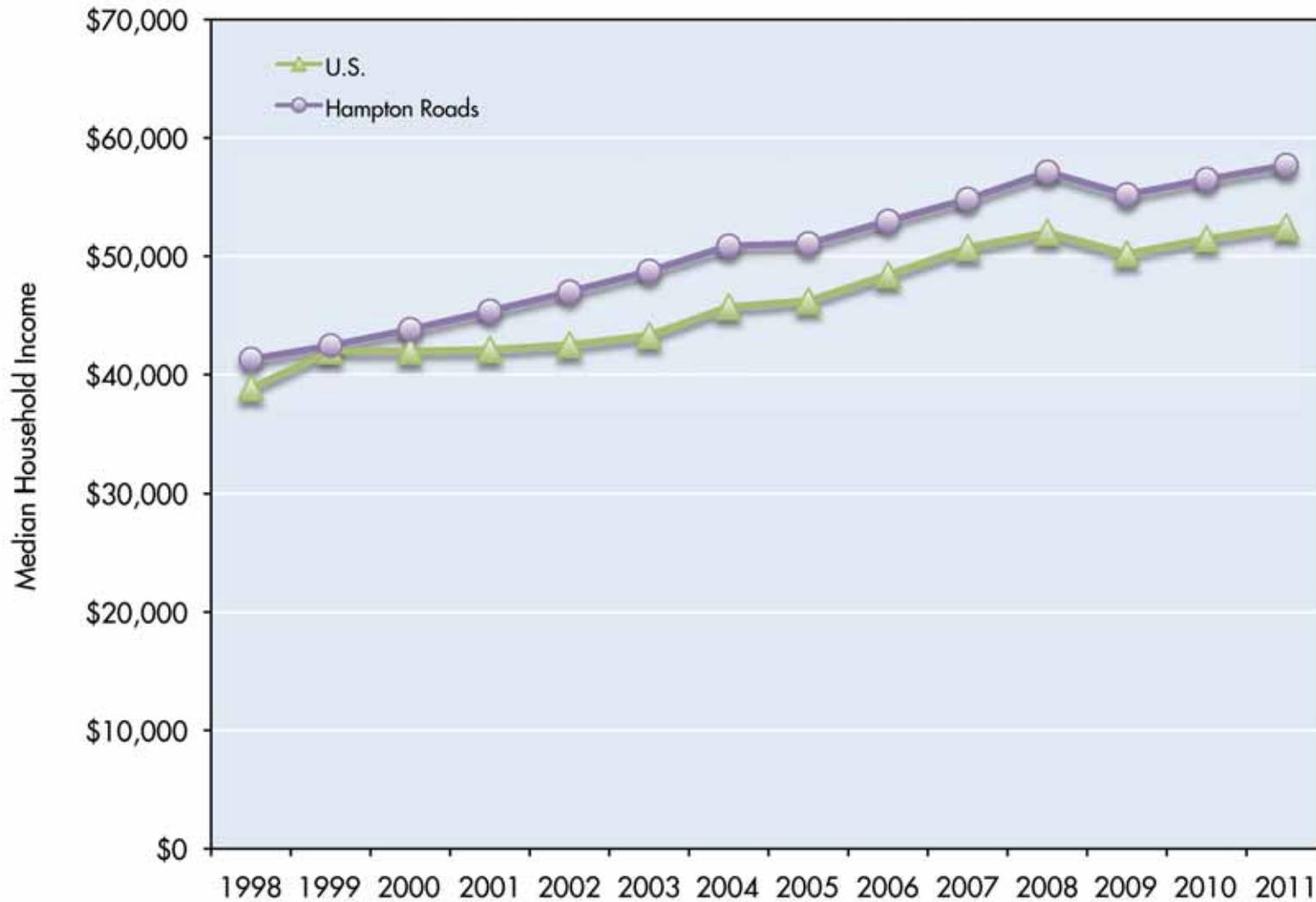
GRAPH 1
ANNUAL GROWTH RATES FOR GDP (U.S.) AND GRP (HAMPTON ROADS)



Source: Old Dominion University Economic Forecasting Project

GRAPH 2

COMPARING MEDIAN HOUSEHOLD INCOME: HAMPTON ROADS VERSUS THE U.S., 1998-2011



Sources: U.S. Census Bureau and the Old Dominion University Economic Forecasting Project

Employment, Unemployment and Wages

Despite some growth in employment in 2011, total civilian employment in Hampton Roads has fallen since 2007. **In 2011, the region's civilian employment is well below its 2007 peak. The worldwide recession is the primary culprit here, and Graph 3 reveals that total civilian employment in our region today remains 40,000 below the record 2007 level.**

Another way to look at Hampton Roads' job recession is to examine the number of net new civilian jobs created annually (see Graph 4). Note that forecasts indicate only 1,900 new civilian jobs being created in the region in 2011. While the increase constitutes a welcome change from the job losses of the three previous years, this does not begin to compensate for the 26,800 civilian jobs lost in 2009.

Where were jobs gained and lost in our region between 2009 and 2010? **Graph 5 reveals that the federal government was easily the fastest growing employer of civilian workers in 2010. Many of these additional jobs were concentrated at the Norfolk Naval Shipyard.** The business and professional services and manufacturing sectors absorbed the brunt of the job reductions. Local governments, tightening their belts in response to reduced revenues, also contributed to the shrinking employment picture.

A beneficial, though perhaps unintended, outcome of the recession was the pressure it placed on employers, particularly those in manufacturing, to become more efficient. Graph 6 reports that real (inflation-adjusted) manufacturing output per worker has increased dramatically in the United States since World War II. Indeed, between 1997 and 2010, real manufacturing output per worker increased from \$75,000 to \$149,000 annually. The good part of this story is that this surge in manufacturing productivity stimulated the profitability of firms such as Stihl regionally and Caterpillar nationally. The short-run downside of the equation is that these firms no longer needed as many employees to produce the same output as they did previously. This adjustment process can be painful.

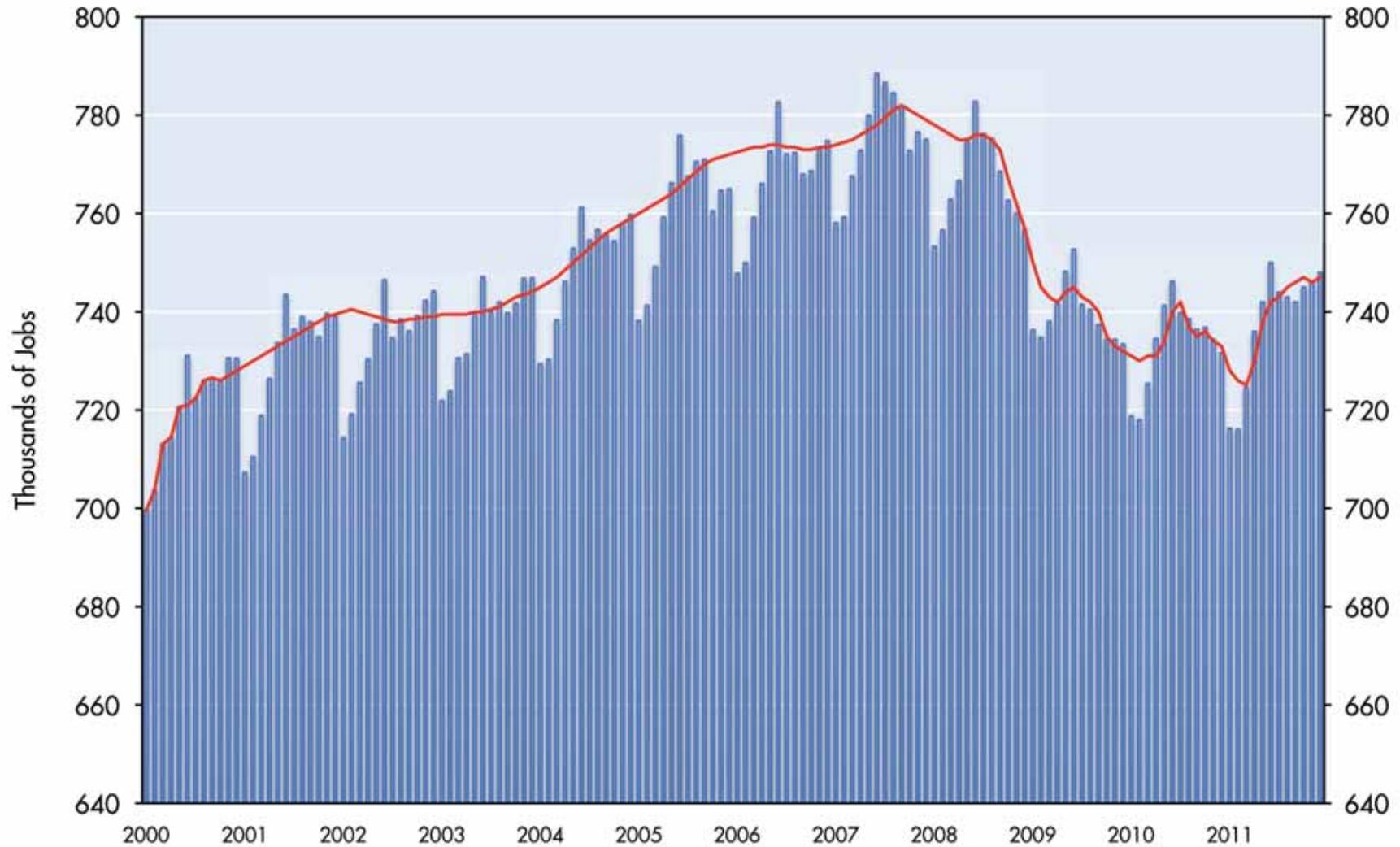
But this dynamic is hardly new and eventually makes us, as a region, better off. There is little doubt that we are better off today because only 2 percent of our population is engaged in the farming that feeds us rather than the 70 percent required in 1800. Similarly, increased manufacturing productivity will raise our standard of living in the future. It may not involve as many workers, however, and there will be some pain as these people move to growth occupations and industries.

Even though Hampton Roads has been shedding jobs in recent years, the regional unemployment rate consistently has been about two percentage points lower than that of the nation (see Graph 7). Our lower unemployment rate is primarily the result of the relative dependence on defense spending. However, as has been true elsewhere in the country, it appears that regional labor force participation rates have fallen in recent years. Bluntly speaking, this means that increasing numbers of people within the region have been dropping out of the labor force and no longer are seeking employment. Some of these individuals are "discouraged workers" who give up when they cannot find employment. The upshot is that they are not counted as being unemployed.

What has been happening to wage rates during the recent economic upheaval? Surprisingly, as Graph 8 demonstrates, between 2007 and 2010, nominal hourly earnings in Hampton Roads increased by 11.3 percent. Nevertheless, after adjusting for inflation, regional hourly private-sector earnings did fall by almost 2 percent between 2009 and 2010.

Thus, the overall labor and employment picture in Hampton Roads is mixed. Employment and labor force participation are down, while the rate of unemployment is up – all relative to a few years ago. Even so, wages have increased and our region is doing better than many other parts of the country. We're not doing as well economically as hot spots such as North Dakota, but our position looks very good compared to states such as Florida and Nevada, whose economies remain in the doldrums.

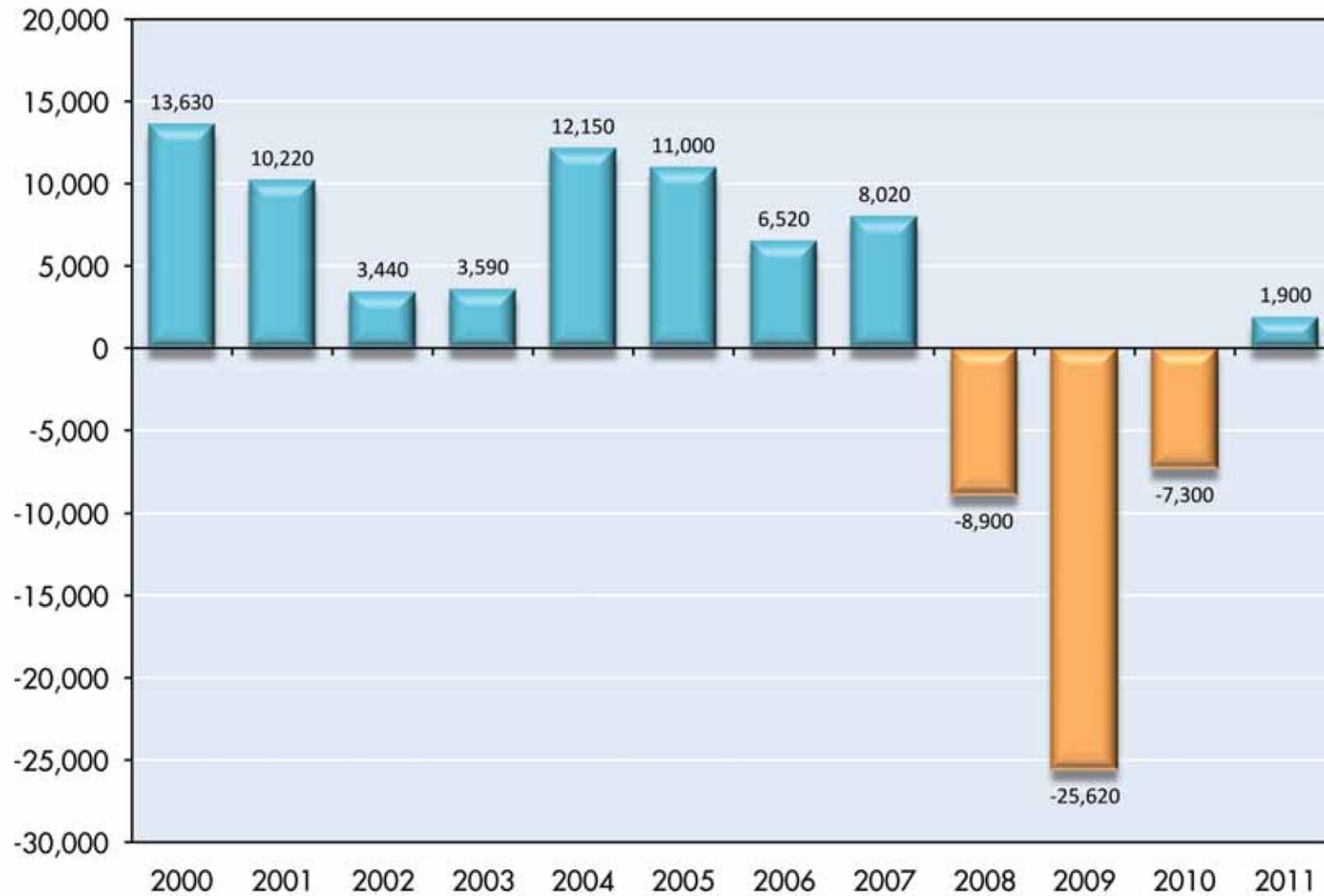
GRAPH 3
CIVILIAN EMPLOYMENT IN HAMPTON ROADS
(THOUSANDS OF JOBS, 2000-2011)



Sources: U.S. Department of Labor and the Old Dominion University Economic Forecasting Project

GRAPH 4

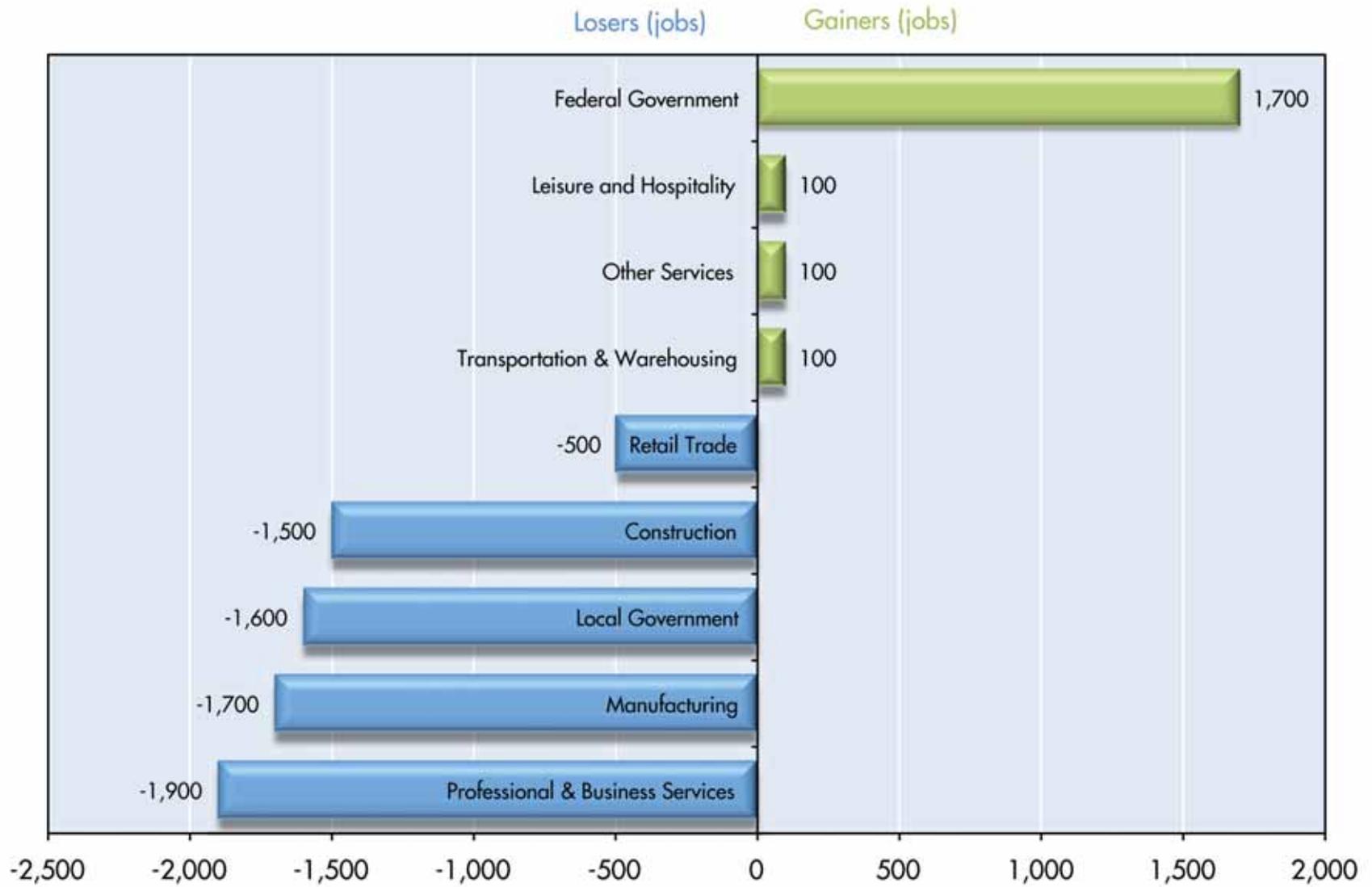
NET NEW CIVILIAN JOBS CREATED IN HAMPTON ROADS, 2000-2011



Sources: U.S. Department of Labor and the Old Dominion University Economic Forecasting Project

GRAPH 5

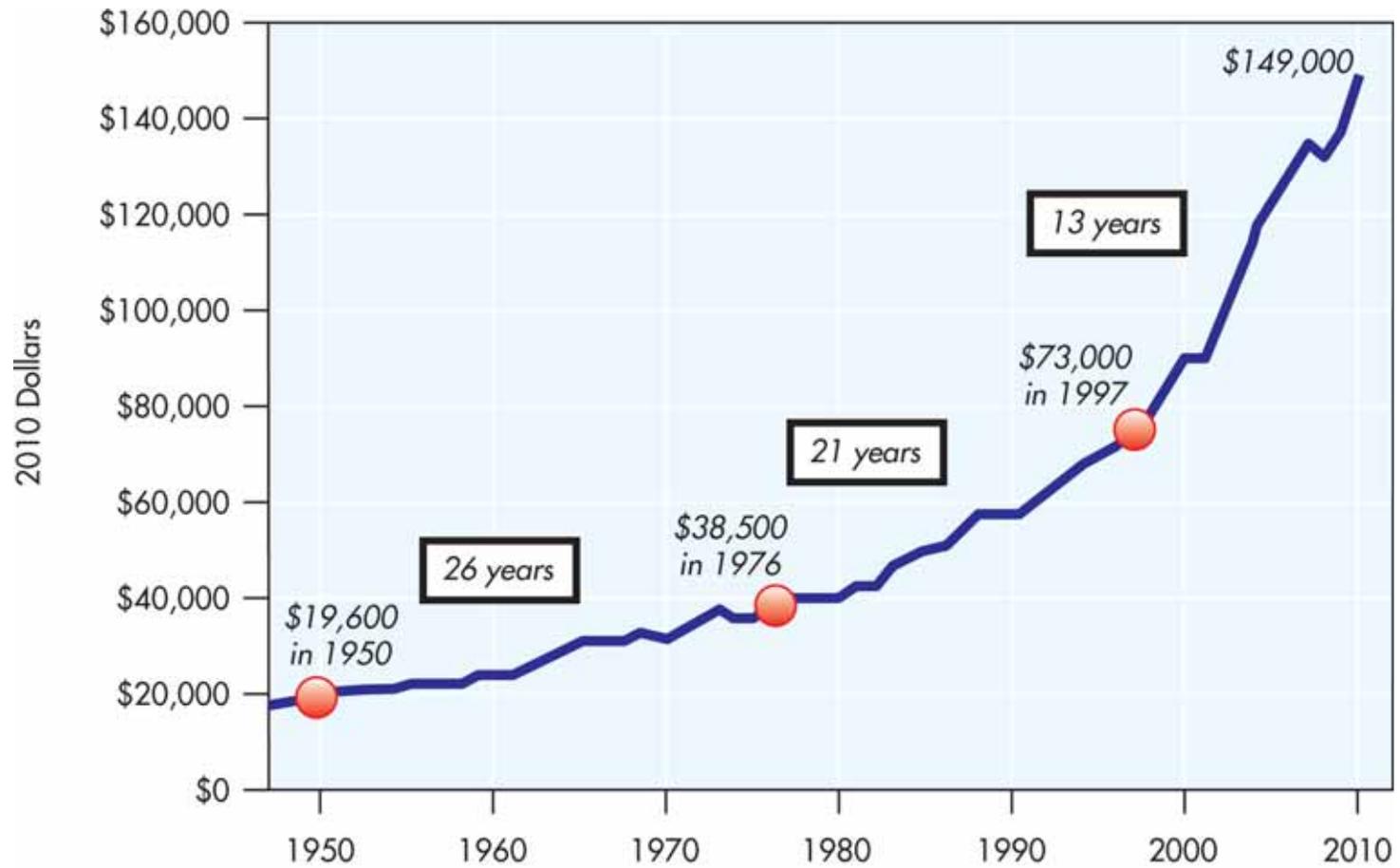
EMPLOYMENT GAINS AND LOSSES IN HAMPTON ROADS, 2009-2010



Sources: U.S. Department of Labor, U.S. Department of Commerce and the Old Dominion University Economic Forecasting Project

GRAPH 6

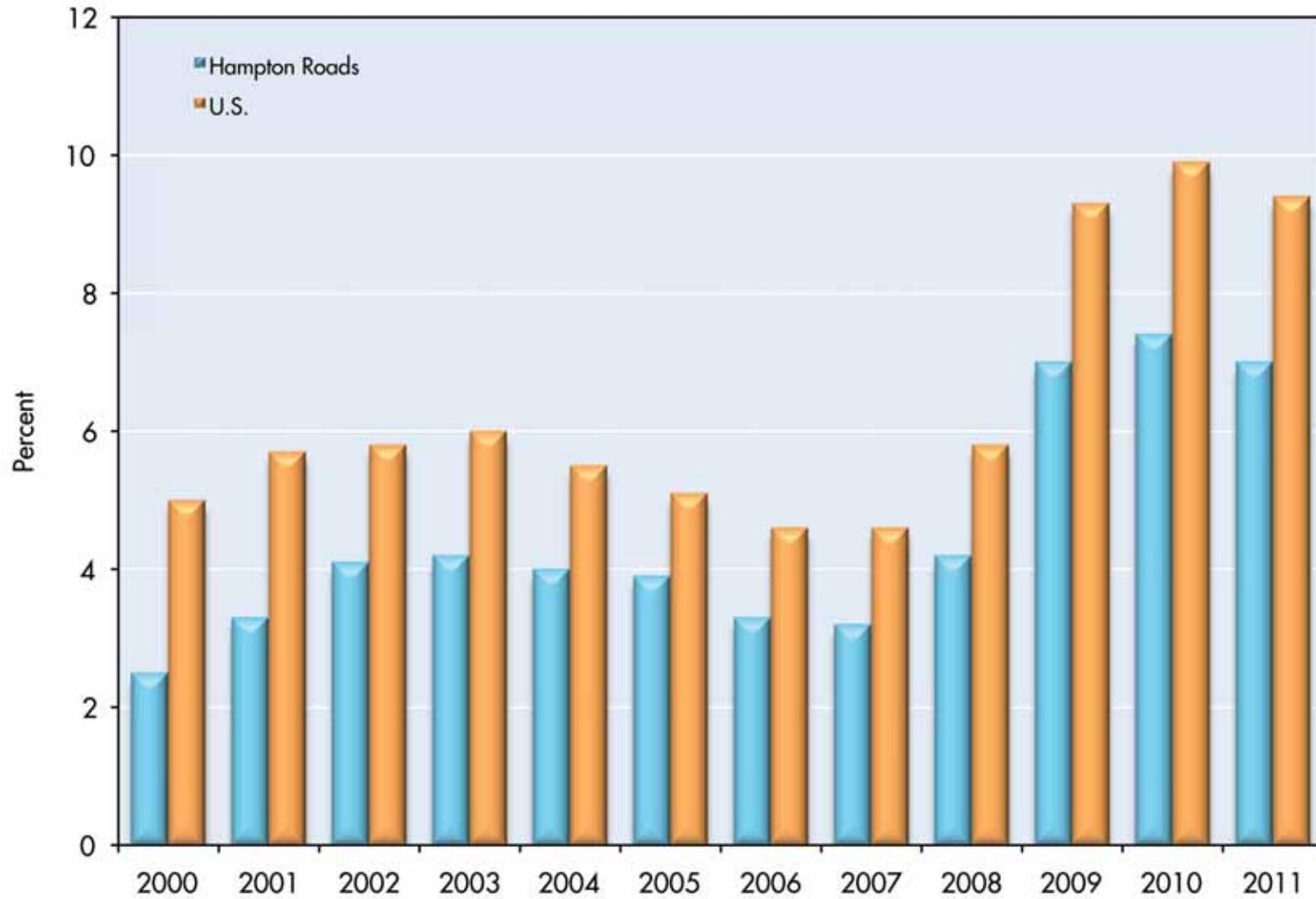
REAL MANUFACTURING OUTPUT PER WORKER, 1947-2010



Sources: Bureau of Economic Analysis and Bureau of Labor Statistics

GRAPH 7

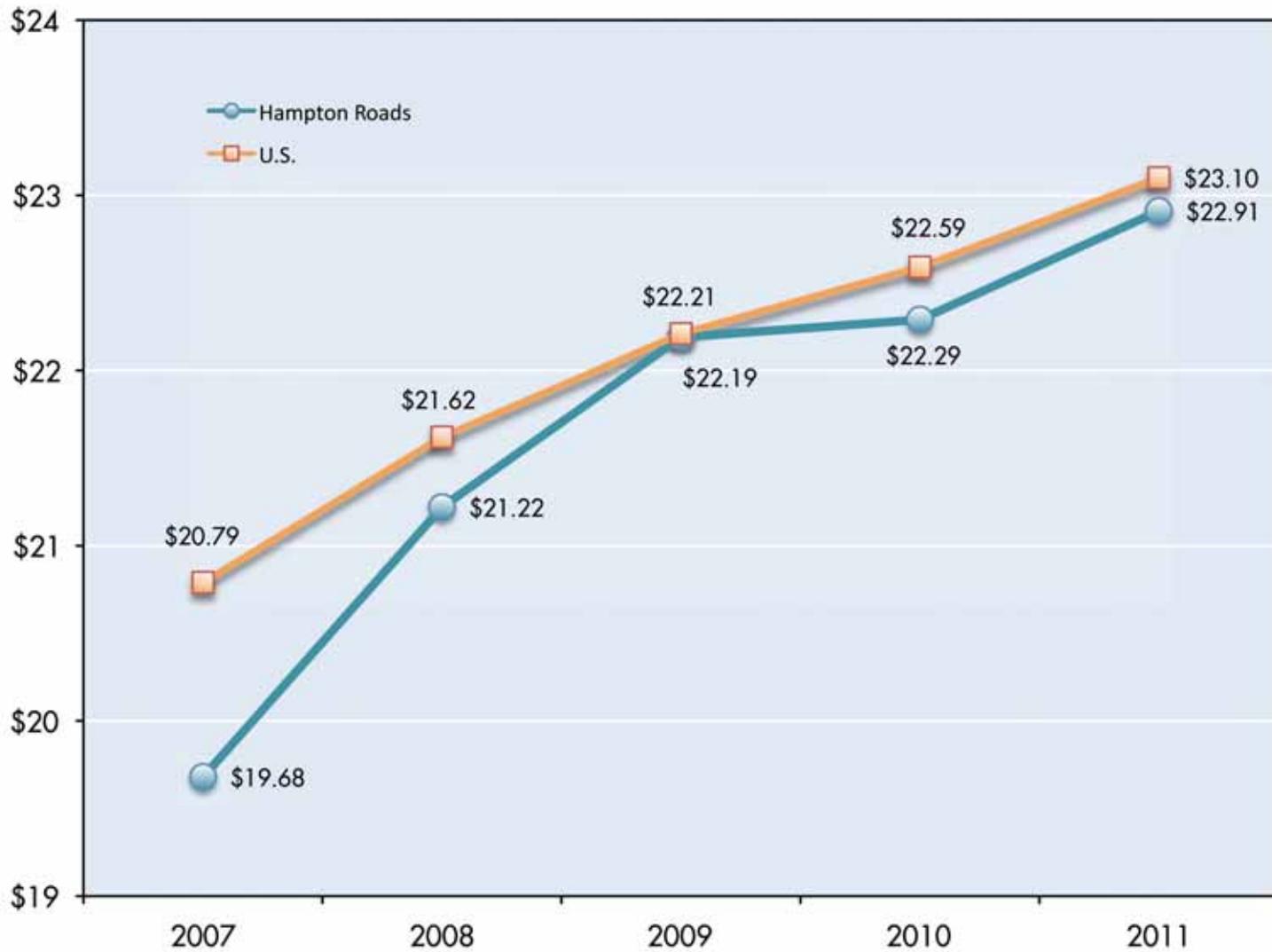
UNEMPLOYMENT RATES IN THE U.S. AND HAMPTON ROADS, 2000-2011



Sources: US Department of Labor and the Old Dominion University Economic Forecasting Project

GRAPH 8

MEAN PRIVATE-SECTOR HOURLY EARNINGS, U.S. AND HAMPTON ROADS, 2007-2011



Sources: U.S. Department of Labor CES wages and the Old Dominion University Economic Forecasting Project

Taking A Closer Look: Defense, The Port And Tourism

DEFENSE SPENDING

Defense spending, which is so critically important to the regional economy, increased by slightly less than 3 percent between 2010 and 2011 and now approximates \$20.7 billion annually (see Graph 9). Between 2000 and 2011, defense spending within the region more than doubled and grew at an average annual rate of nearly 7 percent per year. Defense spending continues to increase, but at lower rates than previously.

The decade-long infusion of defense dollars into the region's economy has dramatically expanded the military's relative importance to economic activity in Hampton Roads. **Graph 10 shows that estimated defense spending will have accounted for more than 45 percent of the region's gross output in 2011. This approaches the level we experienced as a result of the Reagan administration's defense buildup in the early 1980s.**

Only those who are not paying attention can miss the significant economic import of Graph 10. **Our regional economy is much less diversified today than it was in 2001. Instead, we are more dependent than ever upon defense spending for our regional prosperity.** Thus, when former Secretary of Defense Robert Gates or current Secretary of Defense Leon Panetta speak of cuts or reallocations in defense spending, Hampton Roads should be paying great attention.

It is not unthinkable that we will lose one or more aircraft carrier groups sometime during this decade. The loss of an aircraft carrier group might cost the region \$800 million annually; this is almost 1 percent of our gross product. It also is not unthinkable for the U.S. Navy to diminish its presence at Oceana Naval Air Station, which employs approximately 11,000 people. Already, we have begun to see the impact of the elimination of the Joint Forces Command.

These possibilities must be viewed in the context of Hampton Roads already sporting an economic growth rate that is below that of the commonwealth as a whole and experiencing a net outmigration of population in recent years. We are, as the title of this chapter suggests, just "putt, putting along." **If defense spending is stagnant, then the region's economy also will be stagnant, though the ill effects of reduced growth will not be evenly distributed. Obvious among the wounded will be the shipbuilding and repair industry as well as many people and firms connected to the housing industry. However, other sufferers will include a wide range of merchants and employees who sell everything from automobiles to pizza. Local governments will experience declining revenues and this will impact schools, law enforcement and a host of other services and activities.**

The bottom line is this: Hampton Roads currently finds itself in a vulnerable situation because of its dependence upon defense spending. The region needs renewed focus on diversification of its economy and on stimulating alternate sources of economic growth. Whether or not one agrees with all of the positions of organizations such as the Hampton Roads Partnership, or with its Vision Hampton Roads economic plan, it is increasingly evident that the efforts of such organizations are vital to the region's economic future.

THE PORT

Port activity is another important contributor to the region's economic well-being and Graph 11 shows why this is so. In 2011, port general cargo movement is on schedule to increase to almost 16 million tons; this is a 3.2 percent increase over 2010. Nevertheless, the 2011 general cargo tonnage is expected to be about 11.3 percent below the 2008 peak.

The port has taken major steps in recent years to position it favorably in what has become a highly contested, even brutal competition among ports. The Heartland Rail Corridor to the Midwest, the leasing of the APM facility in Portsmouth, the budding development of Craney Island, the repositioning of the Portsmouth Marine Terminal, the initiation of financial incentives for those who use the port for shipping – all

are significant moves designed to improve the port's competitive position. That said, the refashioning of the Panama Canal (which will be completed in 2014), the powerful challenge of ports such as Savannah, and the need for further improvements in truck and rail transportation will put our port to the test. Our uniquely deep-draft port is a job generator for the region and perhaps is responsible for 10 percent of our regional economic activity. The competitive marketplace in which it operates, however, is changing rapidly and our success is not guaranteed.

TOURISM

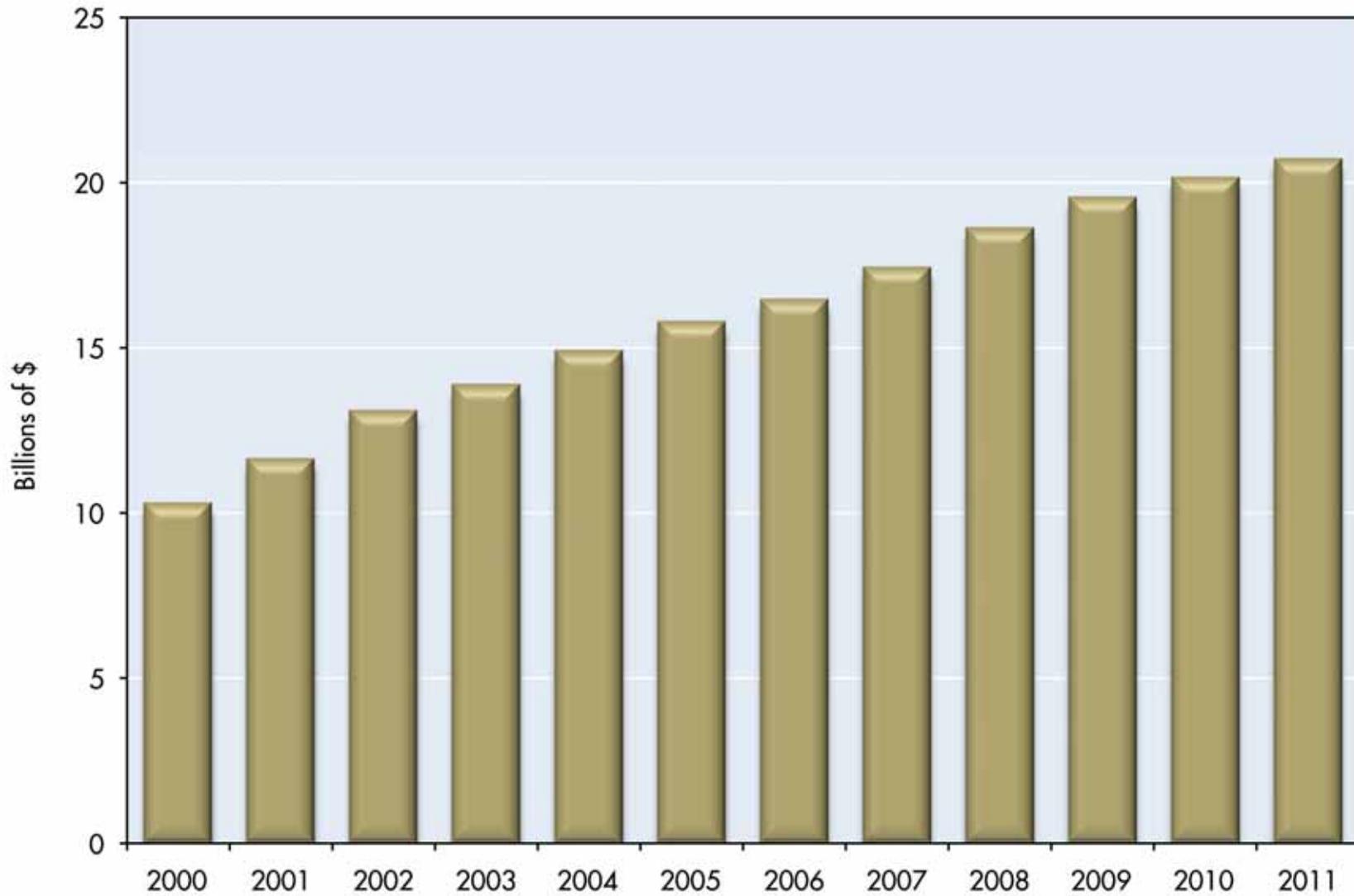
After bucking stiff recessionary headwinds nationally, Hampton Roads' travel and tourism industry has begun a relatively slow recovery. Graph 12 shows the region's travel industry struggled to grow in 2010 with a .6 percent gain, compared to 4.2 percent and 7.5 percent in Virginia and the nation, respectively. Year-to-date Smith Travel data through April 2011 indicate the regional hotel industry is doing better, with revenue expanding by 6.7 percent. Over the same year-to-date period, Hampton Roads outpaced Virginia (3.4 percent growth), but still lagged national growth (9.7 percent). This, however, follows several years when the region did better than both the state and the nation in terms of hotel revenue growth.

Regardless, the tourism industry is another one of Hampton Roads' economic kingpins and accounts for approximately 8 percent of our GRP. It remains to be seen how rising gasoline prices and modest economic recovery will affect tourism.



GRAPH 9

ESTIMATED DIRECT DOD SPENDING* IN HAMPTON ROADS, 2000-2011



Source: Old Dominion University Economic Forecasting Project
*Includes federal civilian and military personnel and procurement

GRAPH 10

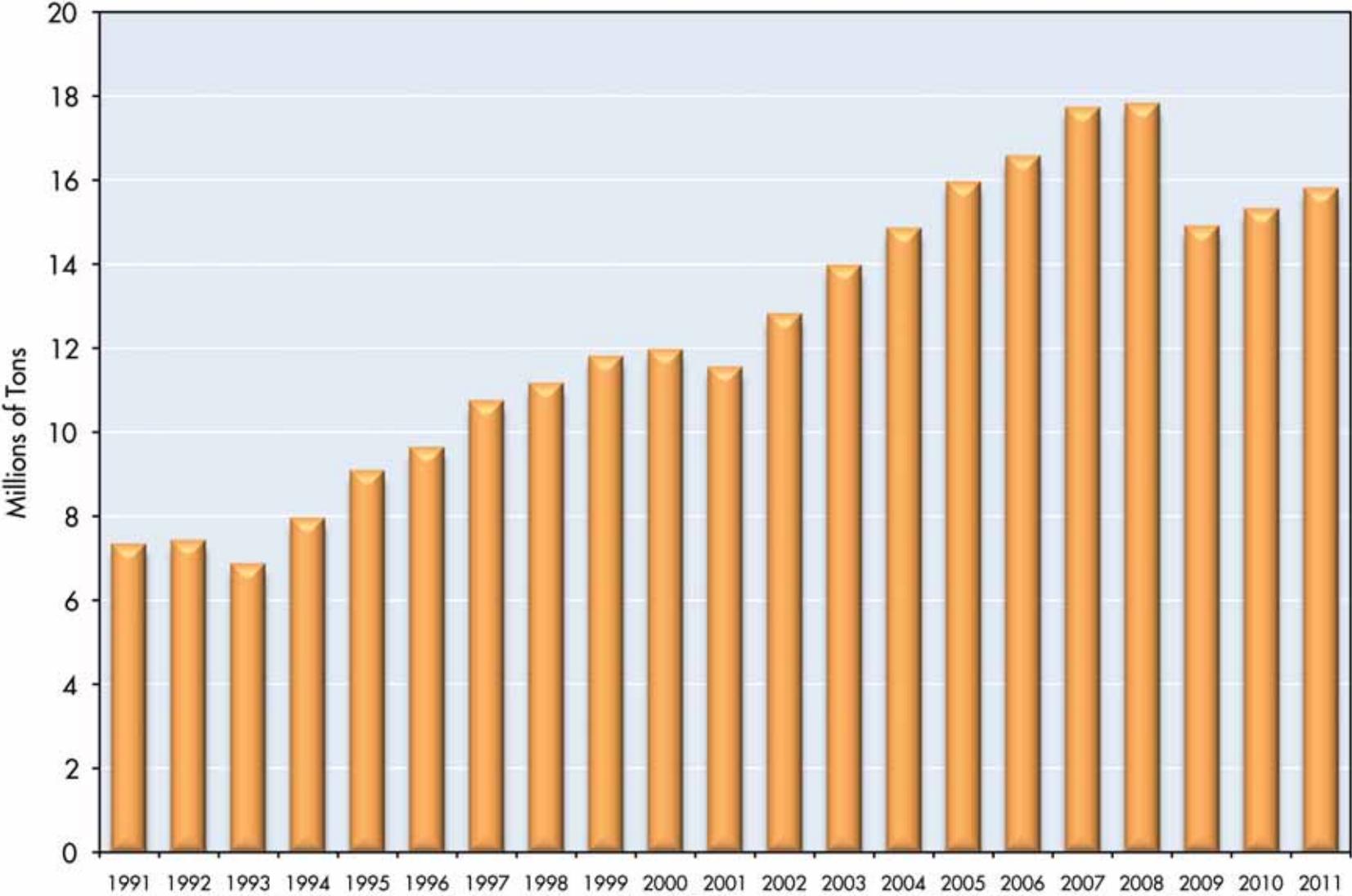
GROSS REGIONAL PRODUCT ATTRIBUTABLE TO DOD SPENDING IN HAMPTON ROADS, 1984-2011



Sources: U.S. Department of Defense, U.S. Department of Commerce and the Old Dominion University Economic Forecasting Project

GRAPH 11

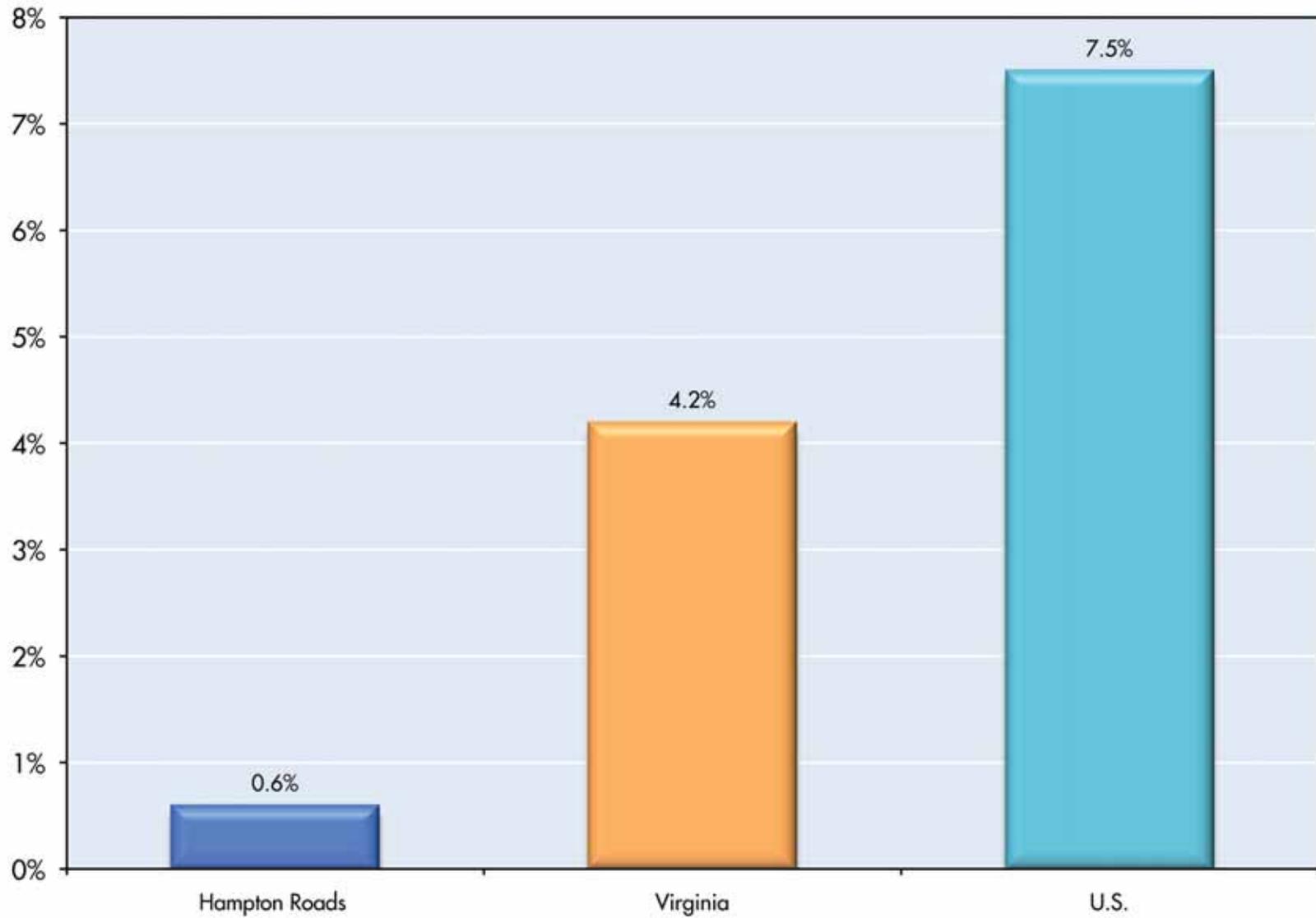
GENERAL CARGO TONNAGE, PORT OF HAMPTON ROADS, 1991-2011



Sources: Virginia Port Authority and the Old Dominion University Economic Forecasting Project

GRAPH 12

PERCENT CHANGE IN HOTEL REVENUE, HAMPTON ROADS, VIRGINIA AND THE U.S., 2009-2010



Source: Smith Travel Research Trends Report, June 7, 2011

Housing: Still A Struggle

Housing markets in Hampton Roads continue to exhibit declining prices. Graph 13 reveals that by the first quarter of 2011, the region's median single-family home price had fallen 23.4 percent since peaking in the third quarter of 2007. Even so, the comparable decline nationally has been larger – 29.4 percent. For the year to date in June 2011, the median price for a single-family *existing* home in Hampton Roads was \$179,900; this was 11.2 percent below the median price a year ago.

On a more positive note, both the number of foreclosed homes (see Graph 14) and the size of the “for sale” home inventory have begun to decline in Hampton Roads. Nevertheless, **the high volume of residential foreclosures over the past few years has created a backlog of distressed properties (bank-owned and short-sale), which is an important reason why housing prices have continued to fall. The data in Table 2 tell us that the number of distressed sales in Hampton Roads was 63 times greater in 2010 than in 2006.** It appears that about one-third of all residential home sales in Hampton Roads will be

“distressed sales” in 2011. This is hardly good news for those who wish to sell homes, but will provide buyers with many attractive opportunities. It is an almost inevitable part of the painful, but necessary, workout of the excesses relating to the housing price bubble that appeared in the first half of the previous decade and the subsequent real estate crash that began in 2008.

The inventory of unsold homes in the region declined modestly in 2011, but at more than 14,000, this total still is approximately 5,000 above the regional average over the past 15 years (see Graph 15). If home prices decline further, then the inventory of unsold homes will become more attractive to buyers. Unfortunately, declining home prices also will push more homeowners “underwater” so that they owe more on their home than it is worth. This could lead to additional foreclosures.

HOME SALES AND TIME ON THE MARKET

With the exception of 2009, when tax incentives caused a slight increase in existing home sales, annual home sales within our region have declined steadily since 2005 (see Graph 16). Significantly, after a precipitous fall in existing home sales between 2005 and 2008, it appears we may have reached bottom. Similarly, the average market time necessary to sell a house in Hampton Roads, which tripled between 2005 and 2009, also may have stabilized in this case, at around three months.

NEW RESIDENTIAL CONSTRUCTION

In 2010, new home construction in Hampton Roads reached a 30-year low. New homes accounted for only 18.5 percent of the unsold inventory of regional homes, down substantially from the 2008 peak of 27.1 percent. This is directly related to the rise in foreclosures and distressed home sales. It's difficult to contemplate constructing and selling a new home when large numbers of existing homes are being sold at bargain prices.

Graph 17 also illustrates a familiar theme in this report, namely, the close relationship between new home construction and employment in the region. People who don't have jobs don't purchase homes, and they may abandon homes they may have purchased in the past. In 2011, civilian employment in

TABLE 2

NUMBER OF EXISTING DISTRESSED* AND NON-DISTRESSED RESIDENTIAL HOMES SOLD IN HAMPTON ROADS, 2006-2011

Year	All Sales	Distressed Sales	Non-Distressed Sales	Percent Distressed Sales
2006	22,173	59	22,114	0.27
2007	18,924	259	18,665	1.37
2008	14,851	1,040	13,811	7.00
2009	15,657	2,843	12,814	18.16
2010	14,467	3,756	10,711	25.96
2011**	6,190	2,320	3,870	37.48

Sources: Real Estate Information Network Inc. and the Old Dominion University Economic Forecasting Project
Information deemed reliable but not guaranteed.

*Distressed Sales represent bank-owned homes and short sales.

**Year-to-date (May)

Hampton Roads is about 40,000 below its 2007-08 peak. This has thrown a wrench into the real estate recovery machine. **Reality is that the regional real estate market is unlikely to show significant recovery unless and until the Hampton Roads economy improves, more jobs are created and more independent households are formed as a result.**

IS THE REGIONAL HOUSING MARKET CLOSE TO BOTTOM?

A review of Graph 16 has led some to suggest that we may be reaching the end of hard times in the regional housing market. Both the average days required to sell a home and the number of existing homes sold appear to be bottoming out. There are two additional factors that could help the Hampton Roads housing market reach the bottom and recover. First, as Table 3 reveals, the ratio of monthly principal and interest paid for a mortgage on a typical home to the cost of renting a similar home has been falling steadily since 2006. The owning versus renting price ratio in 2011 is at its lowest level since 2002.

Simply put, owning a home has become considerably more attractive over the past few years and arguably now is more attractive than renting for many people. Of course, this assumes the individuals in question both have a job and are able to obtain financing.

Second, relative to household median incomes, homes in Hampton Roads have not been this affordable since 1999, which was another low point in the regional residential real estate market. Graph 18 computes the monthly payment on a median-priced home divided by the region's median income. One can see that only 21.5 percent of median household income is required to purchase a home in 2011 versus 33 percent in 2006 and 35.5 percent in 1979. This augurs well for future sales, although recovery could be derailed by a double-dip national recession or reductions in defense spending within the region.

Alas, although owning a home has become more attractive relative to renting, and homes are very attractively priced in our region relative to household incomes, we still have a distance to travel before we are likely to see a legitimate housing turnaround. Graph 19 portrays estimated excess demand and estimated excess supply for housing in Hampton Roads since 1995 and

TABLE 3
ESTIMATED COST OF RENTING A HOUSE VERSUS THE PRINCIPAL AND INTEREST REQUIRED TO OWN A HOUSE IN HAMPTON ROADS, 2000-2011

	Median Monthly Rent for a Three-Bedroom House	P&I Monthly for a Median House	Ratio of Monthly P&I to Rent
2000	\$822	\$854	0.97
2001	911	809	0.89
2002	1,037	827	0.89
2003	1,044	799	0.75
2004	1,087	971	0.89
2005	1,118	1,202	1.08
2006	1,164	1,459	1.25
2007	1,247	1,495	1.19
2008	1,236	1,447	1.17
2009	1,277	1,190	0.93
210	1,300	1,082	0.83
2011	1,319	1,061	0.80

Sources: HUD and the Old Dominion University Economic Forecasting Project

their relationships to real, or price-adjusted, home prices. Excess demand and excess supply are measured by comparing the supply of unsold houses (review Graph 15) to sales rates. For example, at 2011 home sales rates, there is an oversupply of approximately 4,000 houses. **Hence, there is still considerable excess housing inventory in the market that is exerting downward pressure on prices.**

While falling prices hardly are good news for those who wish to sell homes, declining prices are the way a market system straightens out markets characterized by excess supply and how it brings those markets into equilibrium. This is not unique to housing. We could instead be talking about tickets to a not-so-popular concert that one might purchase at a discount on stubhub.com, or perhaps an oversupply of television sets.

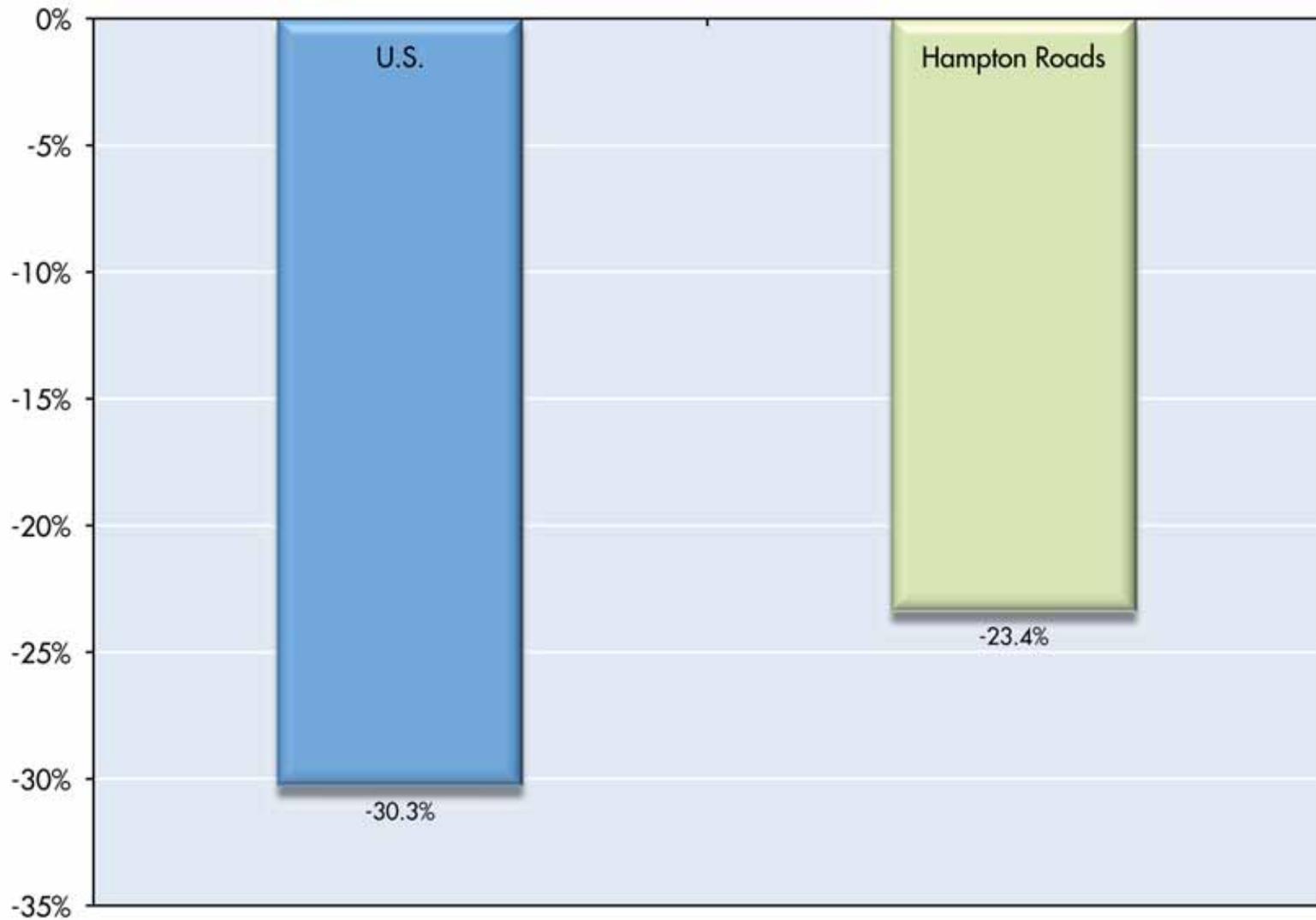
The falling prices we observe in Graph 19 will reduce the excess supply of housing that currently exists, but this will take time. Meanwhile, there will be a negative “wealth effect” attached to the falling prices. As the wealth of consumers declines, they typically reduce their annual spending by 2 percent to 4 percent of the amount of the decline in their wealth.

All of this leads us to say, “We’re not there yet” with respect to the stabilization of our regional housing market. The worst pain has passed, but there’s still a bit more on the horizon.



GRAPH 13

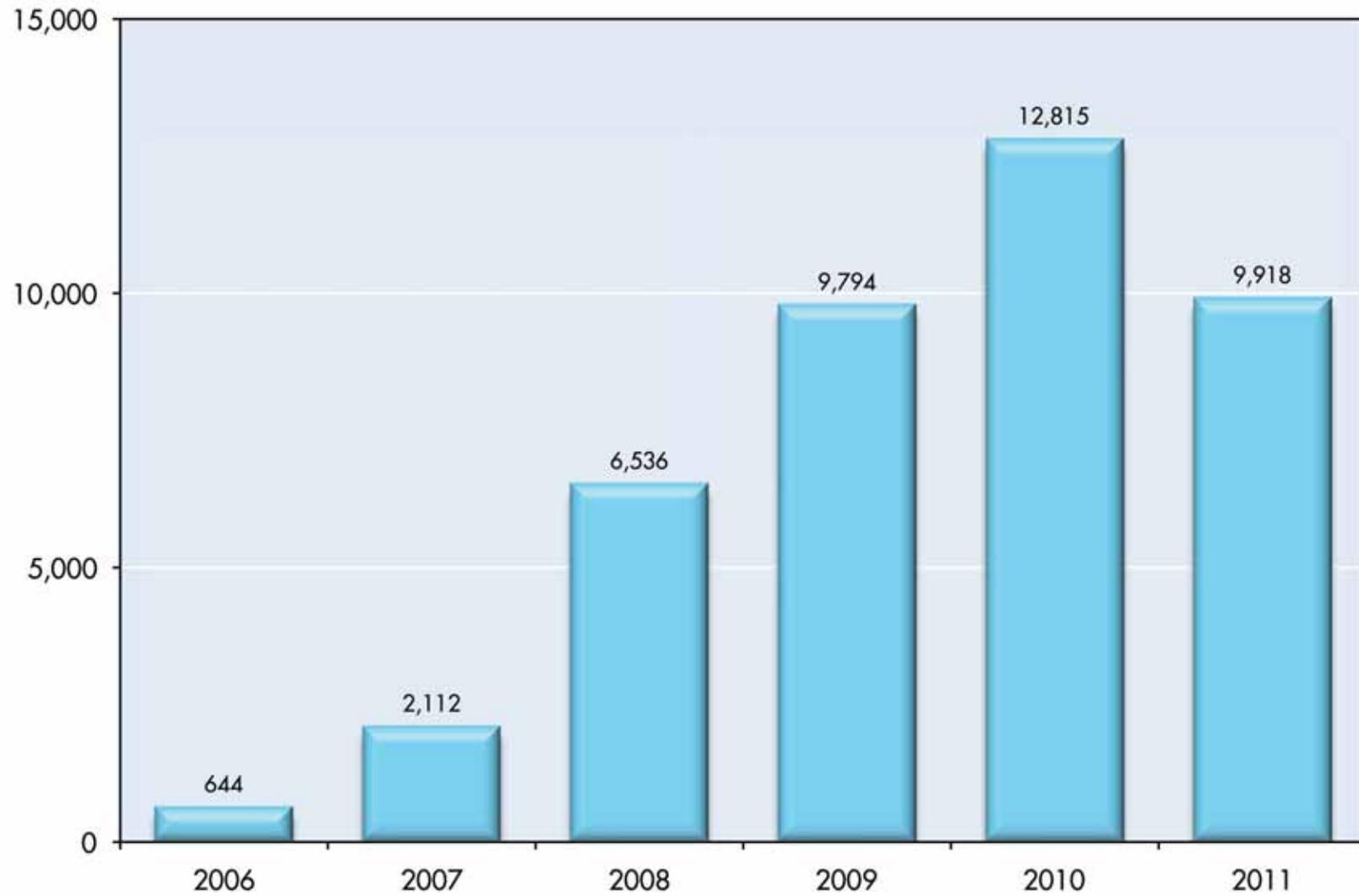
CUMULATIVE DECLINE (QUARTER PEAK* TO 1ST QUARTER 2011) IN MEDIAN SINGLE-FAMILY HOUSE PRICES FOR EXISTING HOMES



Sources: National Association of Realtors (NAR), Real Estate Information Network Inc. (REIN) and the Old Dominion University Economic Forecasting Project
*U.S. house prices peaked in Q3 2005 (NAR); Hampton Roads in Q3 2007 (REIN).

GRAPH 14

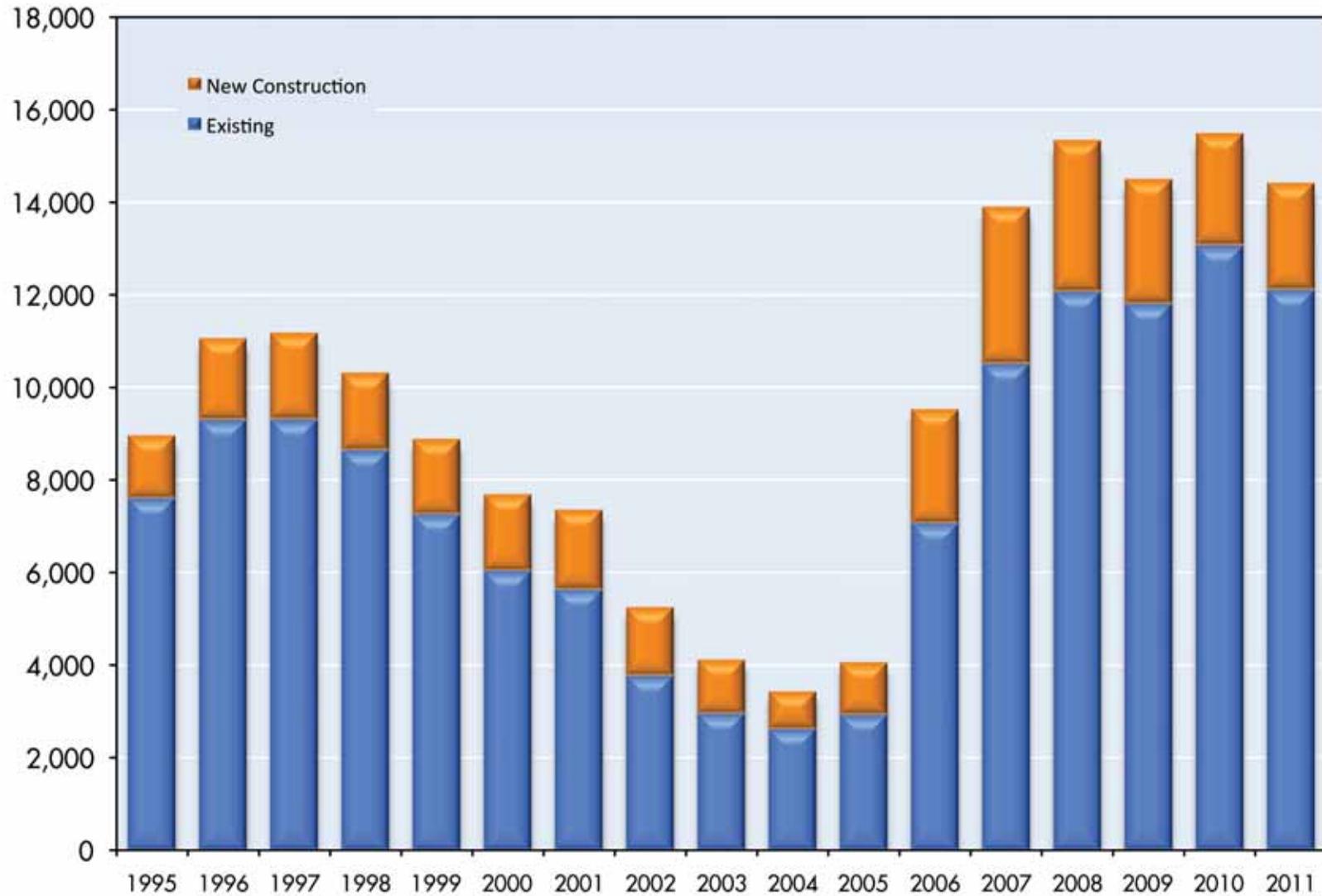
RESIDENTIAL FORECLOSURE FILINGS IN HAMPTON ROADS, 2006-2011



Sources: Realty Trac and the Old Dominion University Economic Forecasting Project

GRAPH 15

**ESTIMATED INVENTORY OF UNSOLD RESIDENTIAL HOMES IN HAMPTON ROADS
(BOTH NEW CONSTRUCTION AND EXISTING) ON MAY 31, 1995-2011**



Sources: Real Estate Information Network Inc. and the Old Dominion University Economic Forecasting Project. Information deemed reliable but not guaranteed.

GRAPH 16

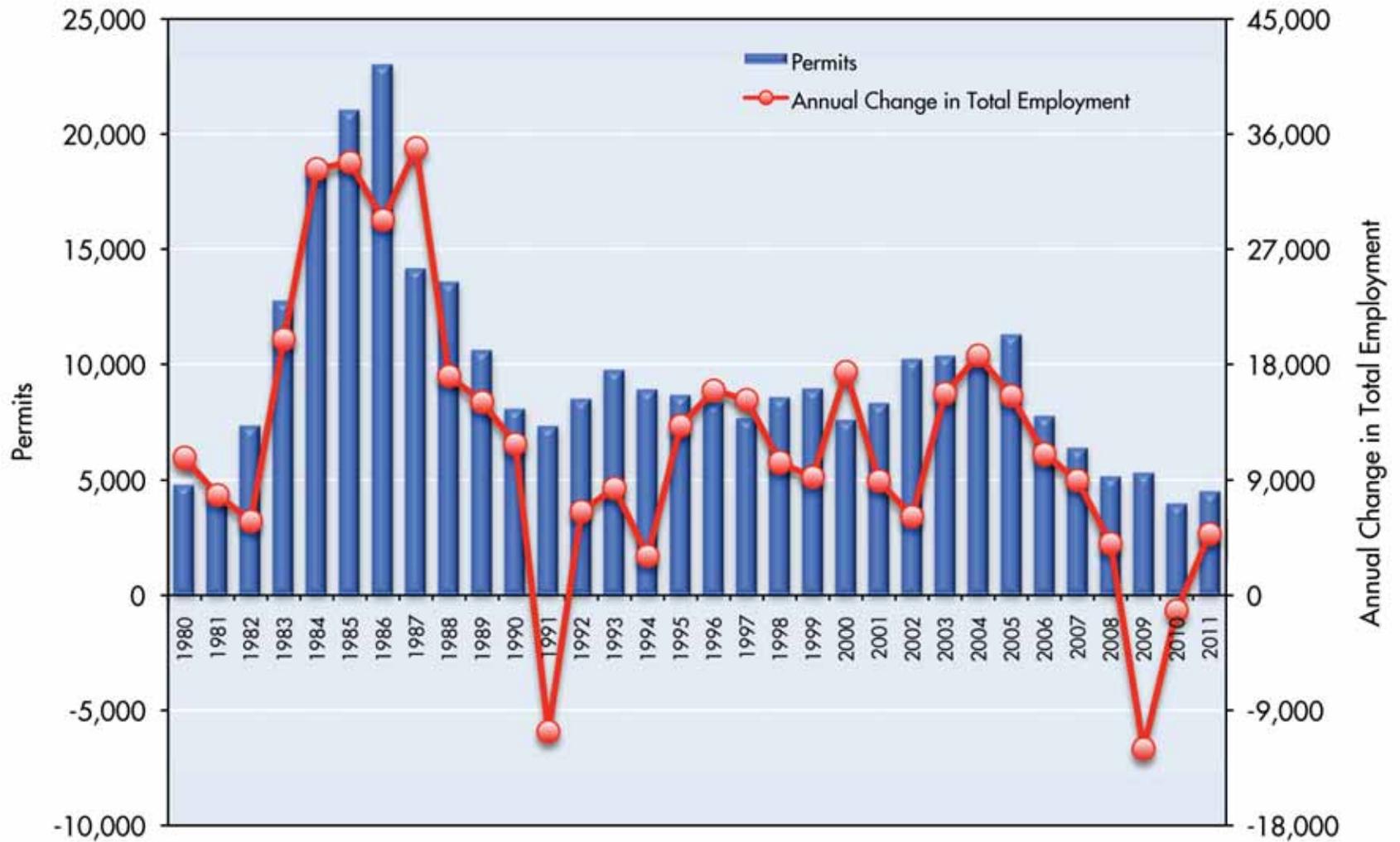
EXISTING RESIDENTIAL HOMES SOLD AND AVERAGE NUMBER OF DAYS ON THE MARKET, 2000-2010



Sources: Real Estate Information Network Inc. and the Old Dominion University Economic Forecasting Project

GRAPH 17

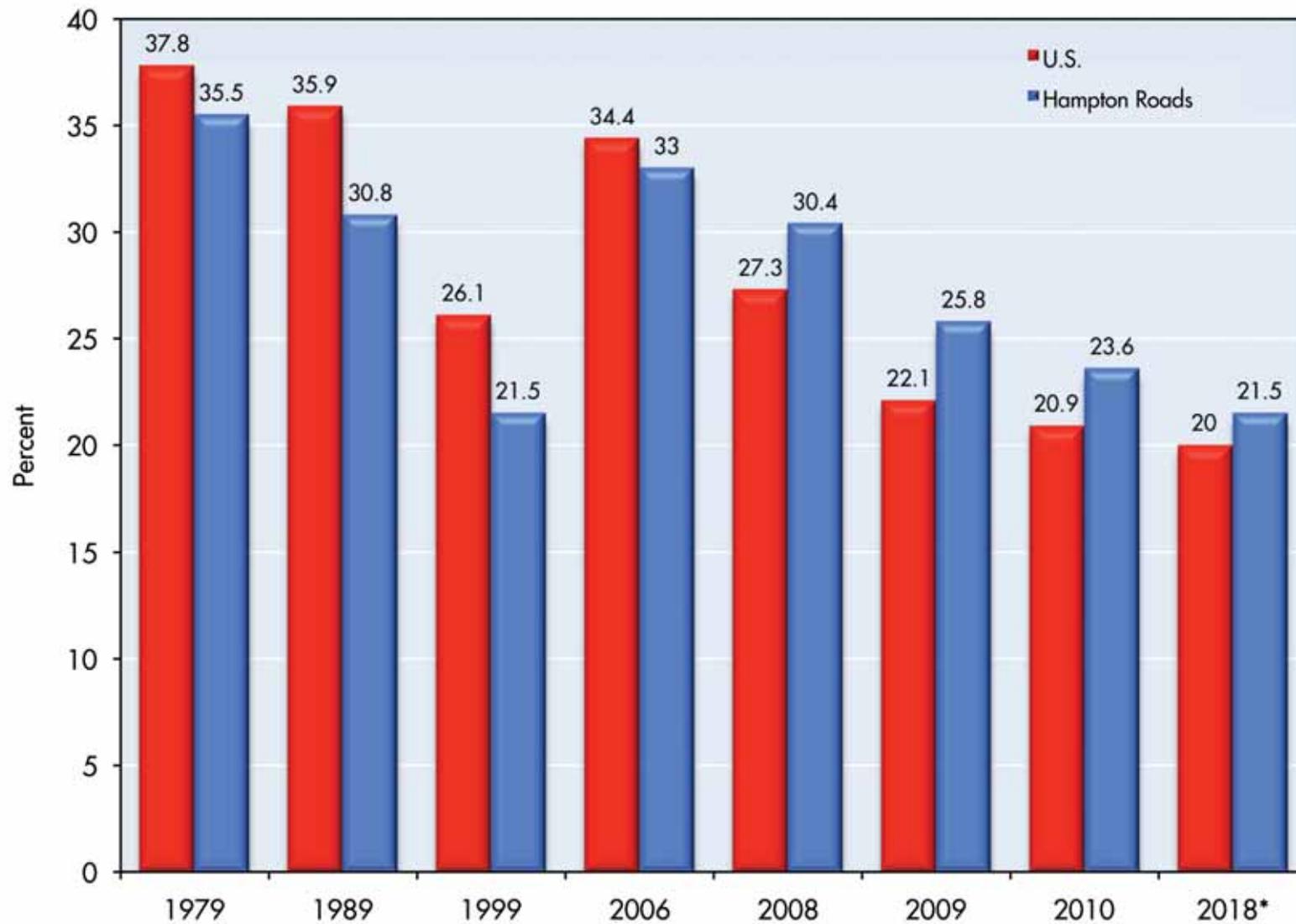
ANNUAL CHANGE IN TOTAL EMPLOYMENT AND TOTAL NEW HOUSING PERMITS
(SINGLE AND MULTI-UNIT) IN HAMPTON ROADS, 1980-2011



Sources: U.S. Census Bureau, U.S. Department of Commerce and the Old Dominion University Economic Forecasting Project

GRAPH 18

HOUSING AFFORDABILITY: MONTHLY PAYMENT FOR A MEDIAN PRICE RESALE HOME AS A PERCENT OF MEDIAN-HOUSEHOLD INCOME, HAMPTON ROADS AND THE U.S., 1979-2011

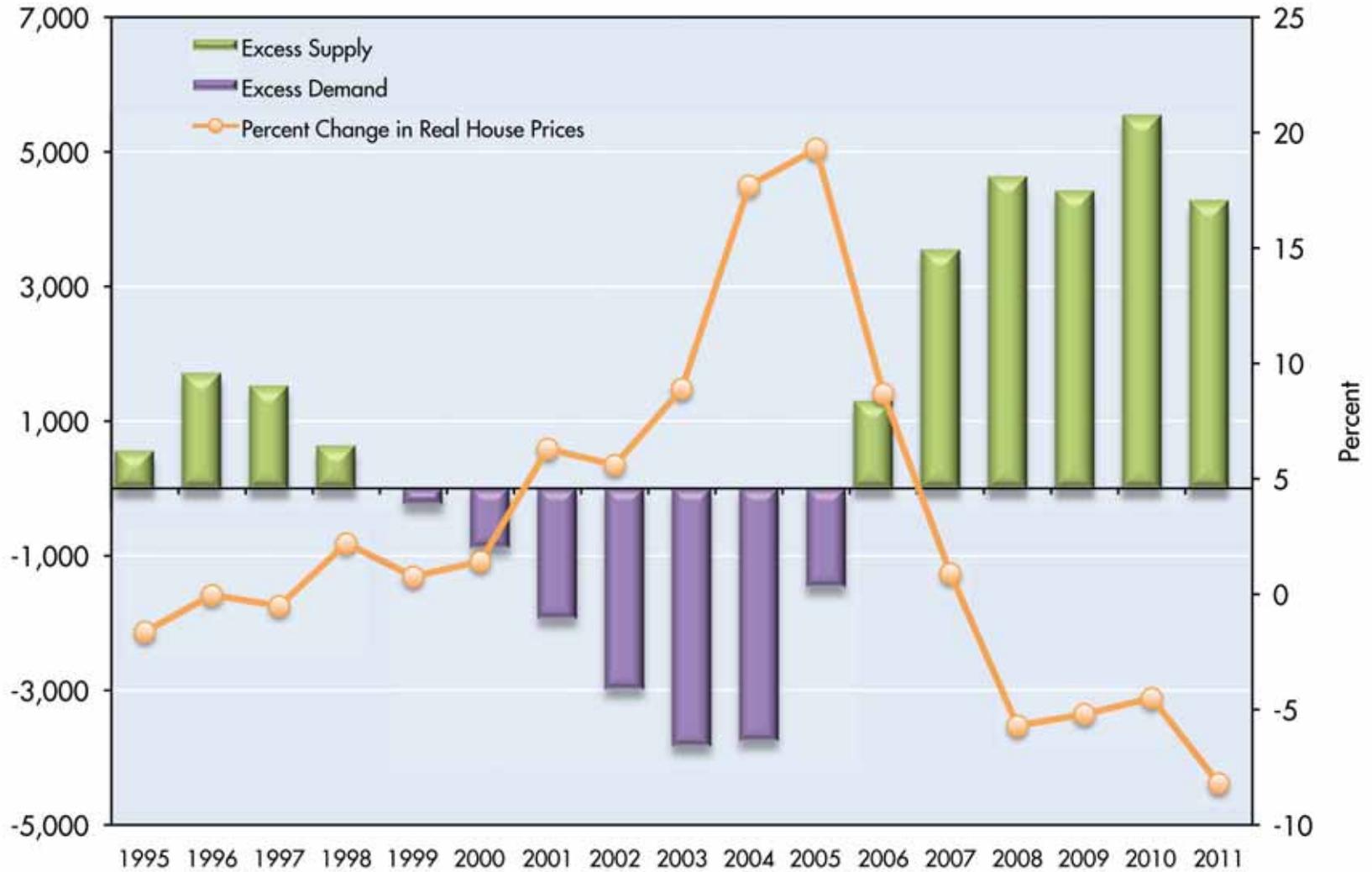


Source: Old Dominion University Economic Forecasting Project

*Assumes 4.8% mean mortgage rate in 2011

GRAPH 19

ESTIMATED EXCESS SUPPLY/EXCESS DEMAND FOR EXISTING HOUSES
RELATIVE TO ANNUAL CHANGES IN REAL HOUSING PRICES, HAMPTON ROADS, 1995-2011



Source: Old Dominion University Economic Forecasting Project

Job Locations, Residential Locations And Commuting Patterns

The location of a job is one thing, while the residential location of a worker is another. People don't always live where they work. Table 4 reports the ratio of workers (full-time and part-time) to population in 13 Hampton Roads cities and counties. The ratio of workers to population increased in seven of the 13 jurisdictions between 2001 and 2009, led by York/Poquoson, whose ratio increased by .114.

Elected officials and citizens often assume that the higher the workers-to-population ratio, the better. There is of course some sense to this notion because higher ratios often mean more income being generated in a jurisdiction, larger tax collections and the potential for a higher standard of living. Nevertheless, there also is some nonsense to this notion because all jobs are not created equal. Compare a \$30,000 job in a bar whose patrons frequently misbehave with a \$100,000 job in a technology industry. Further, job hosting is not free. Large numbers of jobs in a particular jurisdiction may impose infrastructure, education, policing and social service costs on that jurisdiction and, in some cases, these job generators cannot be taxed.

The moral to the story is one should not assume that higher worker-to-population ratios are necessarily better. Sometimes it is the better part of wisdom to allow a second city or county to host jobs to which a first city or county's workers commute.

What is true in Hampton Roads is that many workers commute to other cities and counties for their jobs. Table 5 indicates where jobs and workers are located within our region. For example, only 27.8 percent of the workers in Norfolk actually reside there and only 32.8 percent of workers in Newport News reside in that city. Norfolk and Newport News, along with the cities of Chesapeake, Hampton, Portsmouth and Suffolk, import many workers. Virginia Beach tends to supply many workers to other cities, and many of these

	2001	2009	Change
Gloucester	0.371	0.374	0.003
Isle of Wight	0.523	0.452	-0.071
Mathews	0.375	0.497	0.122
Surry	0.391	0.427	0.036
Chesapeake	0.532	0.539	0.007
Hampton	0.564	0.541	-0.023
Newport News	0.622	0.601	-0.021
Norfolk	0.957	0.913	-0.044
Portsmouth	0.516	0.572	0.056
Suffolk	0.411	0.397	-0.014
Virginia Beach	0.537	0.558	0.021
James City and Williamsburg	0.829	0.762	-0.067
York and Poquoson	0.402	0.516	0.114
Region	0.605	0.602	-0.003

Notes:
 1) Both full-time and part-time paid jobs are counted.
 2) The ratios reflect job locations, not places of residence.

individuals earn substantial incomes, most of which they spend in Virginia Beach.

The lesson here is that the economic interdependence of the cities and counties in Hampton Roads is very high. Of the 15 jurisdictions covered in Table 5, only two contribute more than half of the workers to the jobs located in their own city or county. Workers in Hampton Roads are highly mobile; for example, 16.5 percent of the workers in Norfolk cross the James River to get to work. Similarly, 19.2 percent of the workers in Newport News cross the James River from the

TABLE 5

WHERE PEOPLE LIVE AND WORK IN HAMPTON ROADS: 2Q 2009

If the Non-Military Job Is Located Here	Number of Jobs	Here Is Where These Workers Live (Percent)															
		Gl'ster	Is Wight	James C	Mathews	Surry	York	Chesap	Hampton	N News	Norfolk	P'son	P'mouth	Suffolk	Va Bch	Wm'bg	Outside
Gloucester County	9,051	46.4%	0.4%	3.0%	5.1%	0.0%	4.0%	1.3%	2.9%	7.2%	0.9%	0.7%	0.9%	0.7%	2.1%	0.3%	24.2%
Isle of Wight County	12,110	0.4%	30.8%	1.1%	0.1%	2.1%	1.1%	3.5%	4.9%	8.4%	1.8%	0.3%	4.7%	11.4%	1.8%	0.1%	27.6%
James City County	25,217	3.9%	0.7%	31.5%	0.6%	0.9%	8.4%	1.3%	4.3%	16.4%	1.2%	0.7%	1.1%	0.8%	2.1%	2.9%	23.4%
Mathews County	1,543	15.6%	0.1%	1.3%	55.5%	0.0%	1.5%	1.1%	1.2%	1.9%	0.7%	0.3%	0.7%	0.6%	0.6%	0.2%	18.6%
Surry County	2,798	1.6%	9.2%	3.9%	0.4%	24.1%	2.7%	3.5%	1.8%	5.3%	1.2%	0.8%	1.6%	2.1%	3.4%	0.4%	38.1%
York County	19,527	6.8%	1.2%	10.4%	0.7%	0.3%	22.2%	1.6%	8.1%	19.2%	1.3%	2.1%	1.5%	1.4%	3.1%	1.6%	18.4%
Chesapeake	97,538	0.3%	1.1%	0.4%	0.1%	0.0%	0.5%	32.2%	2.1%	2.4%	10.1%	0.1%	7.4%	4.5%	22.7%	0.1%	16.0%
Hampton	53,158	1.7%	2.2%	1.9%	0.2%	0.0%	5.6%	4.4%	33.5%	18.8%	5.0%	1.8%	2.6%	2.4%	6.5%	0.3%	13.0%
Newport News	90,874	3.7%	3.5%	3.0%	0.6%	0.1%	7.4%	3.4%	16.4%	32.8%	2.9%	1.6%	2.5%	3.0%	4.5%	0.3%	14.2%
Norfolk	135,050	0.3%	0.9%	0.6%	0.1%	0.0%	0.8%	14.2%	3.3%	2.9%	27.8%	0.1%	5.6%	3.5%	26.8%	0.1%	13.0%
Poquoson	2,123	2.1%	1.3%	1.4%	0.4%	0.0%	10.9%	1.6%	11.4%	15.0%	1.0%	38.1%	1.8%	0.9%	3.7%	0.2%	10.1%
Portsmouth	32,605	0.3%	2.0%	0.4%	0.1%	0.1%	0.5%	18.1%	2.6%	3.1%	10.6%	0.1%	29.1%	8.2%	13.8%	0.1%	11.0%
Suffolk	23,209	0.5%	5.5%	0.8%	0.1%	0.3%	0.8%	10.9%	2.2%	3.5%	4.3%	0.2%	8.2%	36.3%	7.7%	0.1%	18.6%
Virginia Beach	157,581	0.3%	0.6%	0.5%	0.1%	0.0%	0.5%	11.3%	1.8%	2.0%	11.1%	0.1%	3.2%	2.0%	53.0%	0.1%	13.3%
Williamsburg	14,145	5.5%	0.6%	32.4%	0.4%	0.8%	10.1%	1.2%	2.4%	10.5%	1.7%	0.6%	1.3%	1.0%	2.9%	9.0%	19.7%

Sources: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (2nd Quarter of 2009)
 Note that no military jobs are included.

Southside as they commute to their jobs. Decision makers should keep this in mind as they develop regional transportation plans. To the extent that congestion discourages workers from accessing jobs within the region, both workers and their employers are disadvantaged. Workers will have fewer realistic choices and consequently probably earn lower incomes; employers will be forced to deal with a smaller hiring pool and/or increase their costs in order to overcome the disincentive effects of congestion.

While there are some doubters, the truth is that a job created in one city or county in Hampton Roads typically benefits all the other jurisdictions. Consider Suffolk, which has attracted impressive modeling and simulation jobs in recent years. People who live outside of Suffolk hold almost 64 percent of these jobs. Residents of Chesapeake hold an estimated 10.9 percent of these new jobs, Portsmouth 8.2 percent, Virginia Beach 7.7 percent, Isle of Wight 5.5 percent, Norfolk 4.3 percent, Newport News 3.5 percent and so forth.

Hence, yet another lesson we can derive from Table 5 is that economic development efforts that attract jobs to one city or county in the region nearly always benefit all of the other cities and counties in Hampton Roads. Elected officials and citizens should be less concerned about precisely where in Hampton Roads a new job appears and more concerned about how we can increase the total number of jobs in our region, wherever those jobs are located.

Summing It Up

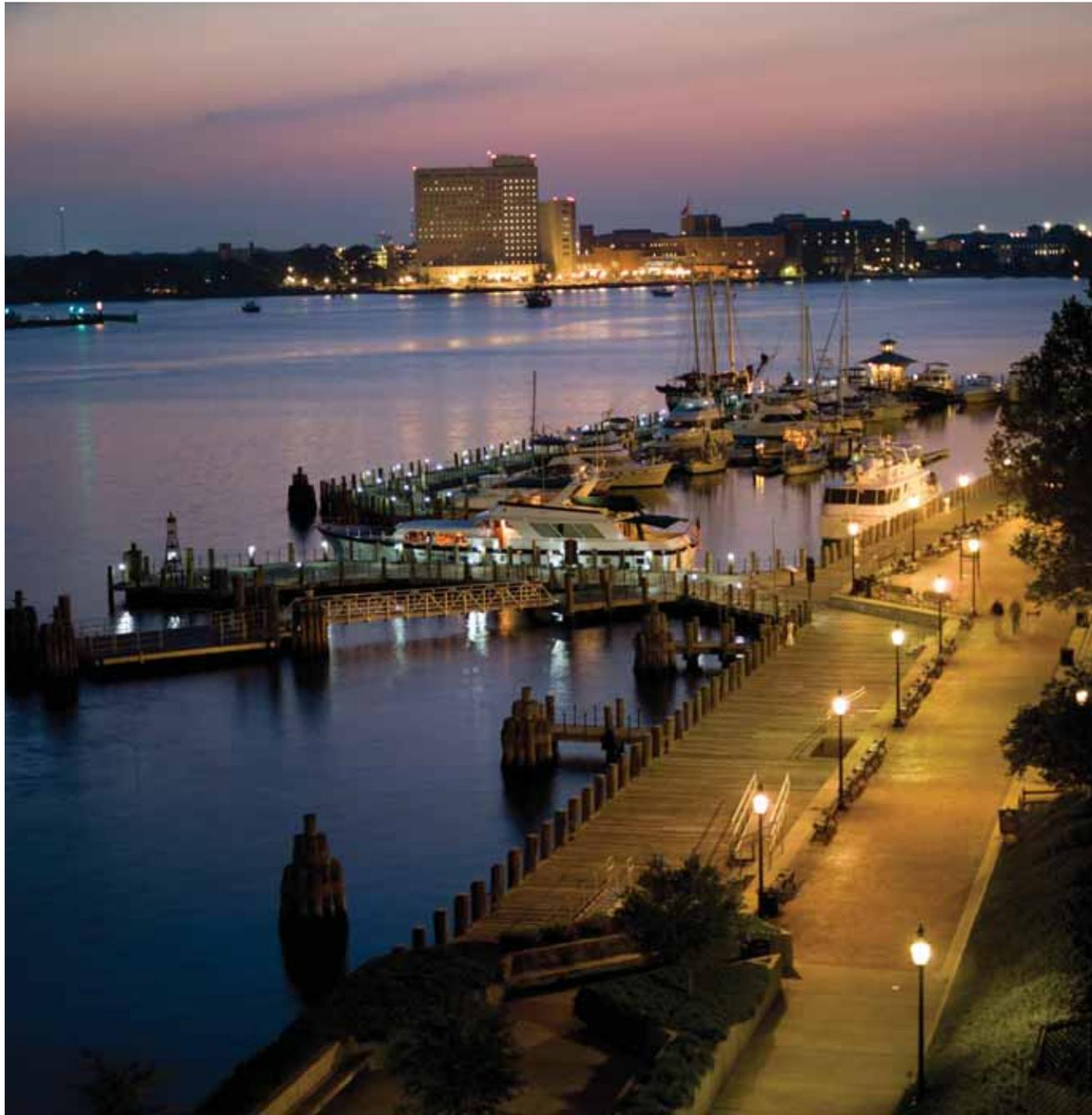
The Hampton Roads economy in 2011 continued its recovery from the recent recession, but did so at modest rates that were well below historic averages. In particular, overall regional employment is still 40,000 below pre-recession levels. Imitating what has been true nationally, our economic recovery often has been “jobless.”

Defense spending, the prime component of economic activity in Hampton Roads, reached an all-time high in 2011, but the increase over 2010 was far below the robust rates recorded in the first half of the previous decade.

General cargo tonnage at the port has recovered, but still is significantly below its 2008 high. The same general story holds for regional tourism; hotel revenue remains well below its 2007 peak.

The region’s housing market continues to go through difficult adjustments and the current trend of declining home prices may be nearing a bottom, but has yet to reach it. Unsold inventory remains high, but could decline through 2011 if the high rate of foreclosures continues to abate. Rising household income and employment, combined with a high degree of housing affordability and the relatively low cost of owning a home as opposed to renting, should help accelerate the rate of inventory absorption.

Job location and commuting data demonstrate that economic interdependence among the cities and counties in Hampton Roads is very high, not the least because the mobility of workers in our region is so high. The direct implication is that every city and county benefits when a new job appears somewhere in Hampton Roads, not just the city or county where that new job is located.



Apartment Housing in Hampton Roads



APARTMENT HOUSING IN HAMPTON ROADS

Do you live in an apartment? If not, chances are that you know people who do. **Approximately 35 percent of Hampton Roads residents do live in houses or apartments they do not own. Many of them – about 250,000, or roughly 18 percent of our region’s population – live in large apartment complexes containing 50 units or more.**

What has been happening to the rental rates residents pay at these large complexes? What about vacancy rates in this market segment? How does Hampton Roads compare with other Southeastern metropolitan regions in these regards? This chapter provides some answers to those questions.

Our primary data source for the multifamily (apartment) market is Real Data, a real estate market research firm in Charlotte, N.C. Real Data tracks multifamily markets in several metro areas located in Florida, Georgia, North Carolina, South Carolina, Tennessee and Virginia. The firm provides the most extensive comparable data on apartments and currently tracks data on approximately 900,000 multifamily units located in these states. However, the firm surveys and reports data only for those apartment buildings that contain at least 50 units. Further, excluded from Real Data surveys are public housing units, Section 8 housing units that rely heavily upon subsidized rents and units exclusively available to senior citizens.

Real Data publishes market reports twice a year for each of the metro areas it covers. These reports include trends on vacancy rates, monthly rents, absorption and new development. The firm reports that approximately 95 percent of apartment buildings respond to its surveys.

Real Data provides two annual market reports for Hampton Roads. The first is based on data collected in April, while the second report is from data collected in October. We rely upon the October data for Hampton Roads here, though we must note that the dates of Real Data’s reports are not always identical in every metropolitan area.

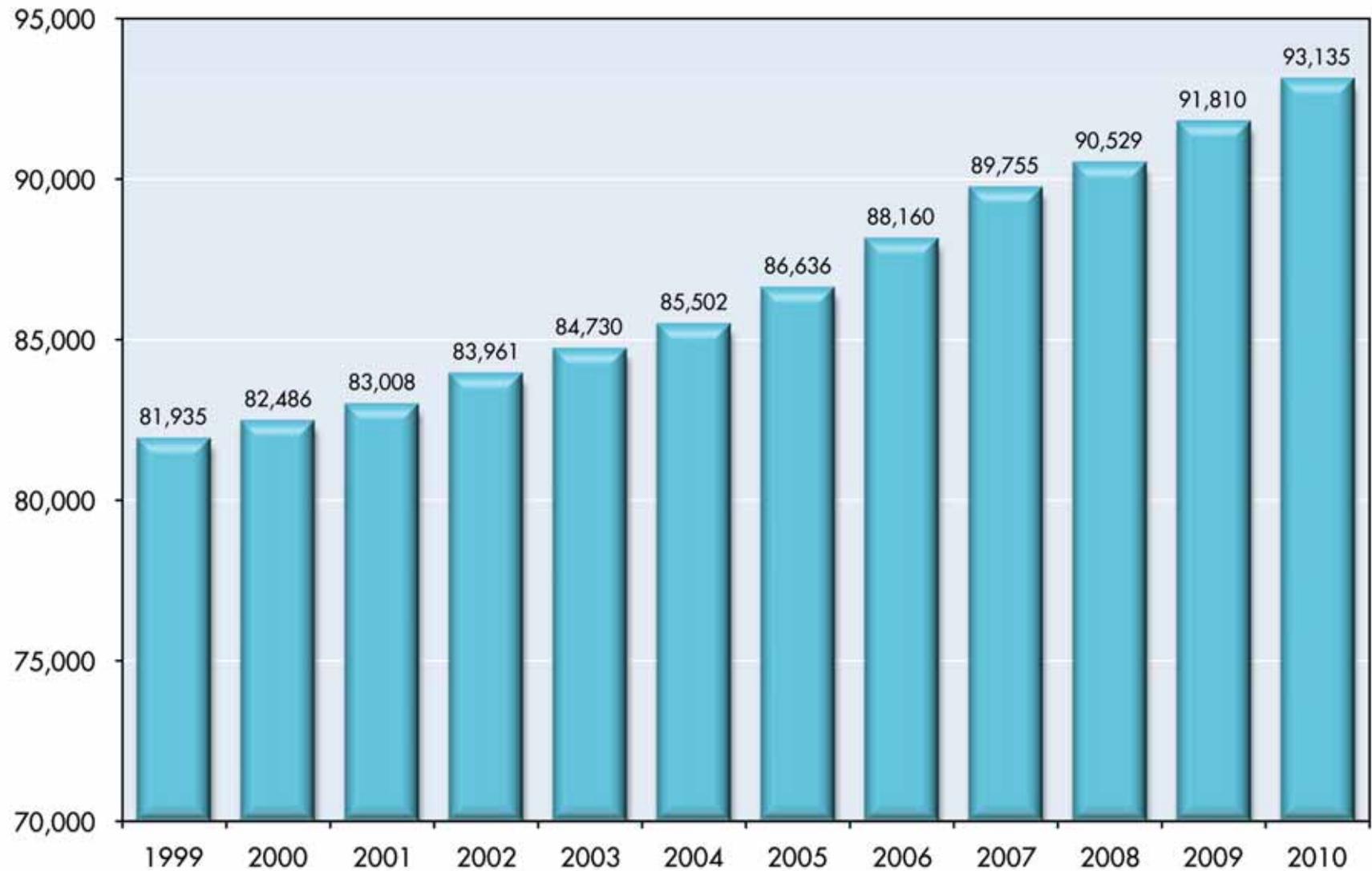
The Number Of Rental Apartment Units In Large Complexes

Graph 1 illustrates changes in the number of multifamily apartment units in Hampton Roads from 1999 to 2010. Units increased from 81,935 in 1999 to 93,135 in 2010, or 13.7 percent. However, most of this growth occurred between 2005 and 2010. Even more notably, the growth continued even while the economy was plunging into recession.



GRAPH 1

ESTIMATED NUMBER OF LARGE-COMPLEX APARTMENT UNITS, HAMPTON ROADS, 1999-2010

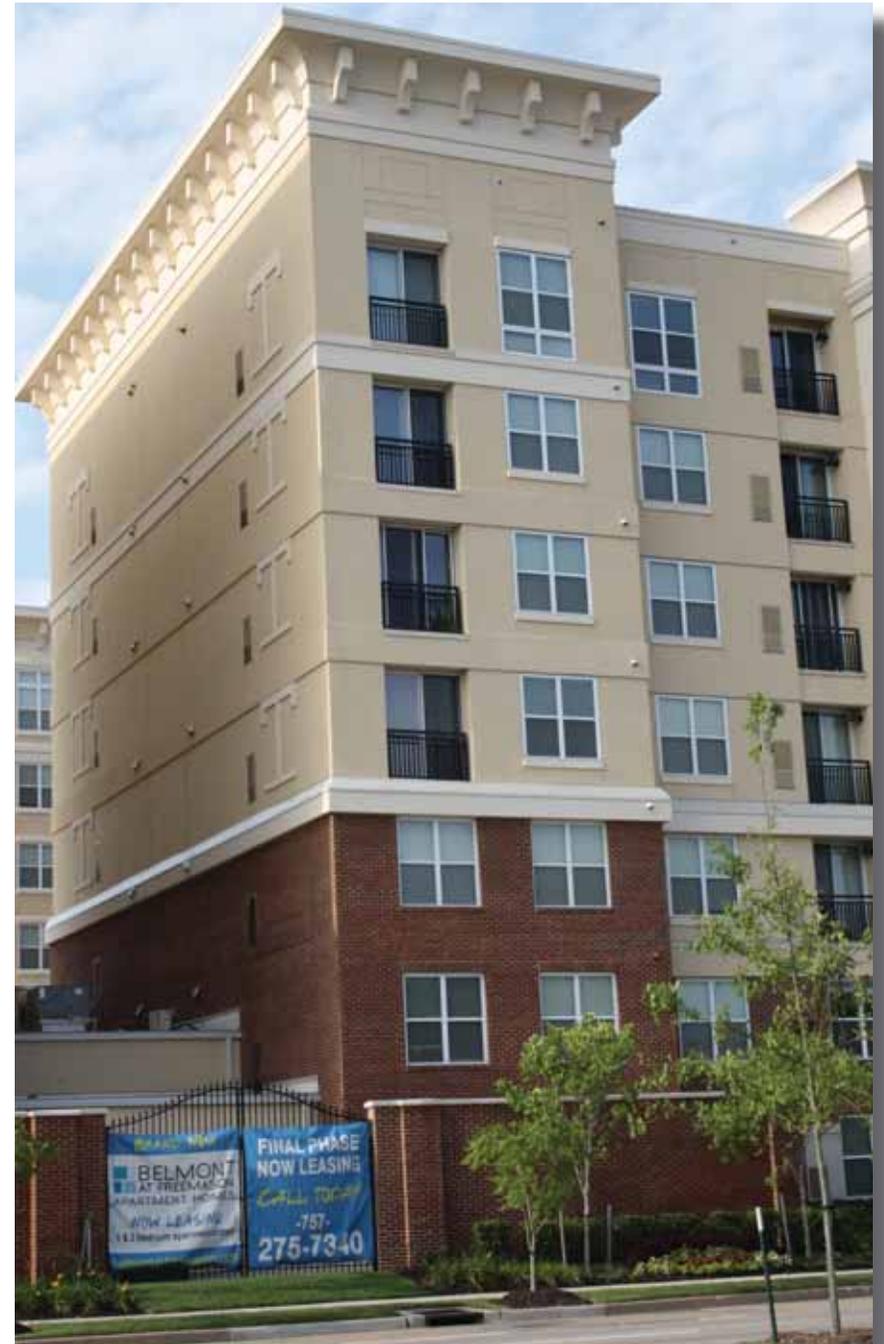


Sources: Real Data and the Old Dominion University Economic Forecasting Project

Changing Demand And Supply Conditions

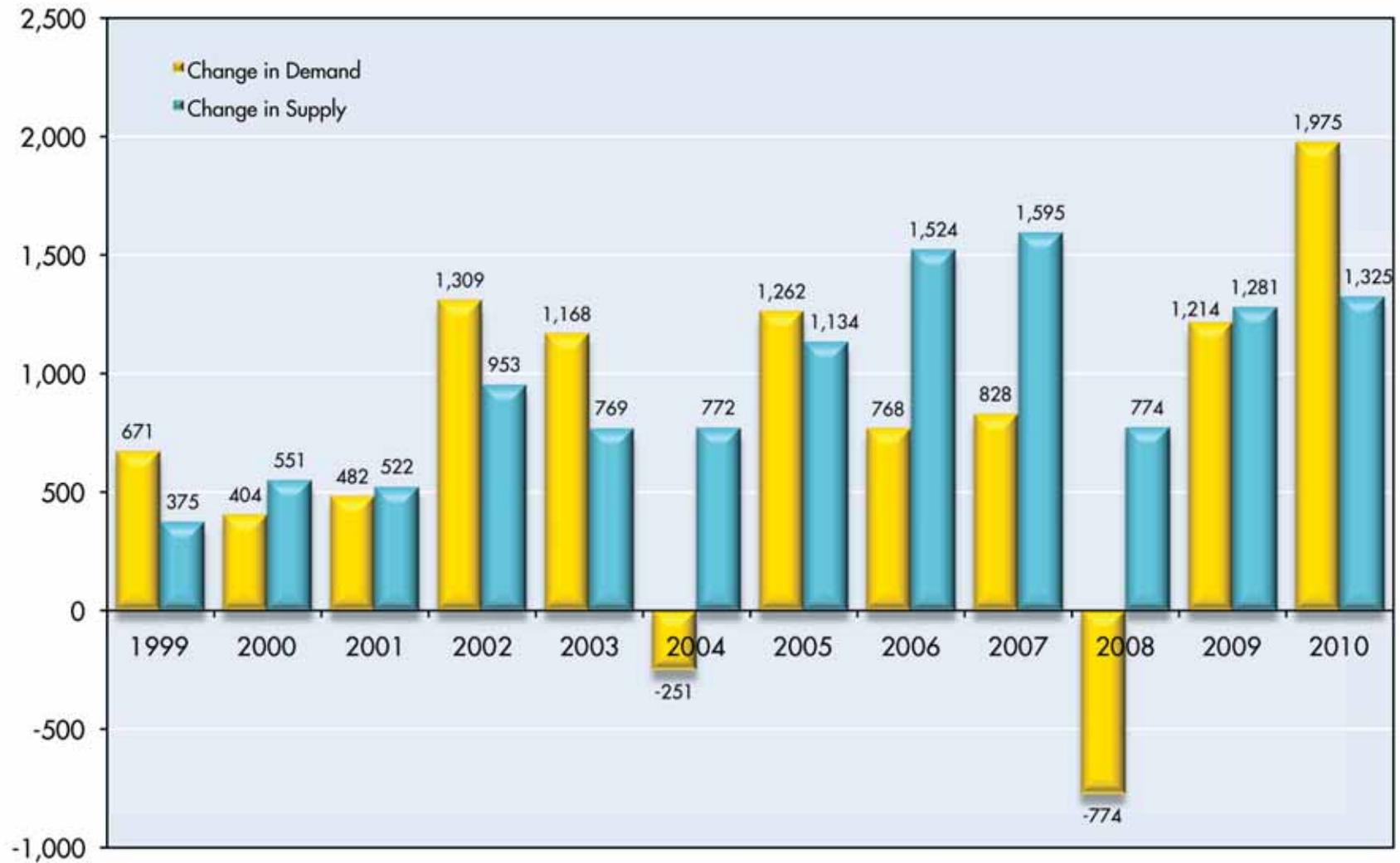
Graph 2 displays changes in demand and supply of large-complex apartment units in Hampton Roads between 1999 and 2010. “Change in demand” is defined simply as the change in the number of units absorbed during a year. Thus, a positive change in demand of, say, 100 units, means that 100 previously vacant or newly built apartment units were rented during that year. “Change in supply” reflects the number of newly built units that become available for rent during a year. It is apparent from Graph 2 that, with the exception of 2004, absorption from 1999 to 2005 generally exceeded or was very close to changes in supply. However, between 2006 and 2008, this trend reversed as increases in supply exceeded absorption.

The worldwide recession changed things. **In 2008, the demand for rental housing decreased by nearly 770 units, even while the supply of newly built units increased by an estimated 775 units. Things began to turn around a bit in 2009. Demand (absorption) increased modestly in 2009 and actually outpaced the change in supply in 2010.**



GRAPH 2

CHANGES IN THE DEMAND AND SUPPLY FOR LARGE-COMPLEX APARTMENT UNITS, HAMPTON ROADS, 1999-2010



Sources: Real Data and the Old Dominion University Economic Forecasting Project

Vacancy Rates

Rental vacancy rates, of course, are tied to the changes in demand and supply. In 2008 and 2009, the number of vacant apartments in the large, 50-plus unit complexes we looked at rose significantly to 6.9 percent. Graph 3, however, also reveals that the rental vacancy in our region fell to 5.7 percent in 2010. This still is well above the 4.0 average that prevailed from 1999 to 2007.

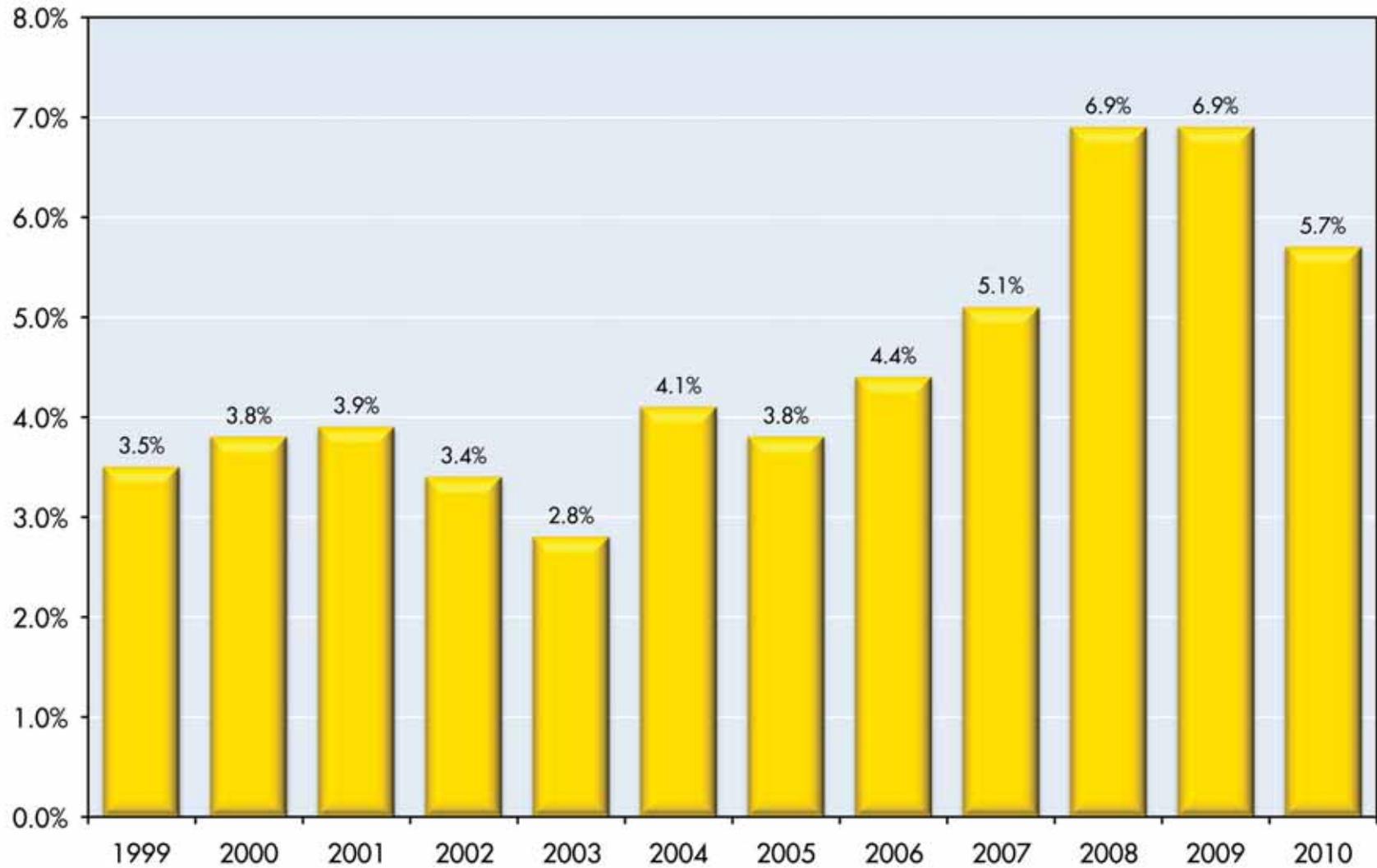
There are indications both that the rental vacancy rate declined somewhat in 2011 and that builders and developers have increased their construction of new units. This suggests changed conditions in the large-complex apartment market. One reason among several is that the number of housing foreclosures in the region increased significantly in recent years. It seems likely that many of the foreclosed-upon individuals ended up living in rental apartments as a consequence.

At the same time, mortgage standards have risen perceptibly; the era of “no money down” mortgages and minimal background checks on mortgage applicants is over. Hence, today we have a group of individuals and families who, in a year such as 2005, might have purchased a home, but who now do not have that option. The upshot is they become renters, even though the twin inducements of falling home prices and low mortgage rates have made buying a home more attractive in Hampton Roads. The end result of this tangle of influences is that rental vacancy rates have fallen somewhat, and at least some developers have decided it is once again profitable to construct new large-complex apartment units.



GRAPH 3

VACANCY RATE FOR LARGE-COMPLEX APARTMENT UNITS, HAMPTON ROADS, 1999-2010



Sources: Real Data and the Old Dominion University Economic Forecasting Project

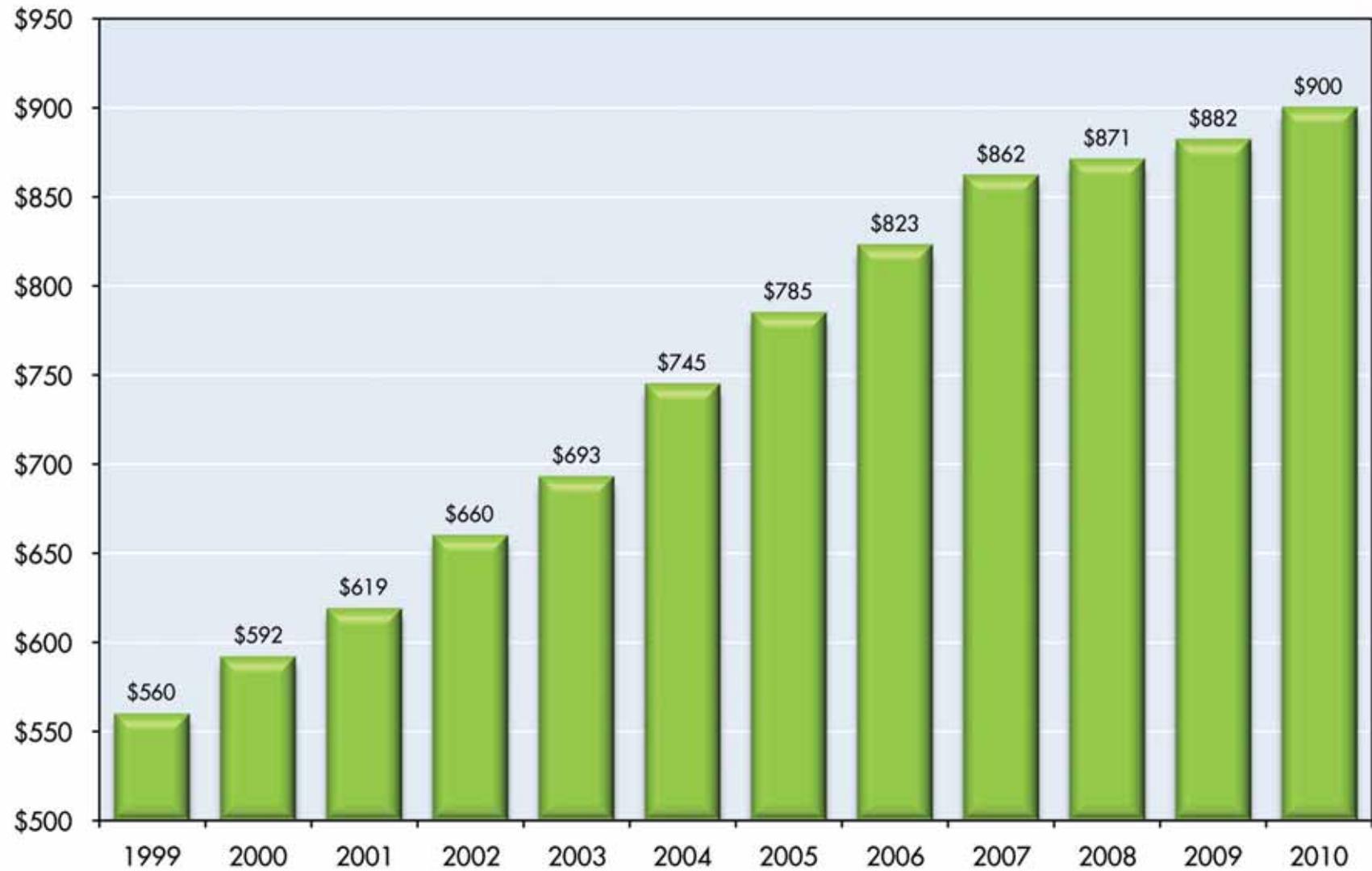
Average Rental Rates

Meanwhile, renters paid higher average rents per month in every year between 1999 and 2010, despite economic recession and bouts of excess apartment supply. Indeed, Graph 4 reports that the average monthly rent paid in Hampton Roads went up from \$560 in 1999 to \$900 in 2010 – 4.41 percent a year, compounded. Rental rate increases were particularly rapid between 1999 and 2005. For example, the increase in 2004 was 7.5 percent. **The market cooled thereafter, however, and monthly rental rate increases were only about 1 percent per year in 2007, 2008 and 2009. Further, the comments of landlords and renters suggest that even these small on-paper increases may not have been real because of unreported financial concessions offered by landlords to tenants.** “It was a renter’s market the past few years,” said one developer who has constructed thousands of apartments in the region.



GRAPH 4

AVERAGE RENT PER MONTH FOR LARGE-COMPLEX APARTMENT UNITS, HAMPTON ROADS, 1999-2010



Sources: Real Data and the Old Dominion University Economic Forecasting Project

Comparing Hampton Roads To Other Metropolitan Areas

How did the large-complex apartment market in Hampton Roads perform during the 1999 to 2010 time period compared to similar metropolitan areas on the East Coast?

MARKET SIZES: THE NUMBER OF LARGE-COMPLEX APARTMENTS

As seen in Table 1, the size of the market in Hampton Roads is similar to markets in Charlotte, Charleston, Raleigh-Durham, Jacksonville and Richmond. In 1999, the Hampton Roads large-complex apartment market was the largest in this group, but it had fallen to third largest by 2010. **In 1999, both Charlotte and Raleigh-Durham had smaller big-complex apartment markets than Hampton Roads, but by 2010, both were larger than Hampton Roads. Raleigh-Durham's market grew 55 percent between 1999 and 2010, while Charlotte's increased 45 percent. The Hampton Roads market grew only 14 percent during the same time period.**

The absence of dynamism in the Hampton Roads market during the past decade reflects two factors – slower economic growth rates and the more cautious behavior of builders and developers after what one describes as the “hangover of the ‘80s and ‘90s” when the overbuilding of both residential homes and apartments led to major problems and some developer bankruptcies.

Table 2 records changes in the excess supply of large-complex apartment units. Excess supply once again is calculated by subtracting absorption (the change in demand for rental units) from new additions to the rental market in a given time period. Between 1999 and 2005, Hampton Roads exhibited the smallest change in excess supply. Things were different the remainder of the decade. Raleigh-Durham and Charlotte surged ahead of our region, both economically and in terms of the construction of units in large apartment complexes.

If there is good news here, it is that the more cautious behavior of Hampton Roads builders and developers this time around led to fewer problems and financial disasters on their part. This is another verse in a chapter whose major

theme is this: Our economy tends to be more stable than those of comparable metropolitan areas. Defense spending has provided us with a solid, less volatile economic base than most other areas have enjoyed. As a consequence, the hills and valleys on our regional economic roller coaster have been much less pronounced than those observed in other areas.

TABLE 1

ESTIMATED NUMBER OF MULTIFAMILY HOUSING UNITS, HAMPTON ROADS AND OTHER METROPOLITAN AREAS, 1999-2010

	1999	2005	2008	2009	2010
Hampton Roads	81,935	86,636	90,529	91,810	93,135
Charlotte	79,396	100,601	106,521	110,250	114,763
Raleigh-Durham	67,788	90,990	98,910	102,076	104,988
Jacksonville	61,856	64,868	69,177	71,255	71,217
Richmond	44,509	52,064	53,784	55,004	56,522
Charleston	24,999	29,235	30,975	32,983	33,576

Sources: Real Data and the Old Dominion University Economic Forecasting Project

TABLE 2

CHANGES IN THE EXCESS SUPPLY OF LARGE-COMPLEX HOUSING UNITS, HAMPTON ROADS AND OTHER METROPOLITAN AREAS, 1999-2010

	1999-2005	2005-2007	2007-2009	2009-2010	1999-2010
Hampton Roads	31	1,395	2,382	-650	2,519
Charlotte	5,059	-2,678	7,208	-1,232	9,710
Raleigh-Durham	7,025	-1,534	1,720	-1,360	6,776
Jacksonville	1,335	3,070	3,149	-1,486	4,336
Richmond	2,151	-1,405	1,956	-157	3,598
Charleston	709	814	1,414	-316	2,594

Sources: Real Data and the Old Dominion University Economic Forecasting Project
Note that negative excess supply is excess demand.

VACANCY RATES

Hampton Roads had the lowest vacancy rate of the six metropolitan areas from 1999 to 2005, when military spending was expanding significantly. Vacancy rates during this time increased in all six areas, but the least in Hampton Roads, which continued to boast the lowest rate in 2010 as well (see Table 3).

	1999	2005	2007	2008	2009	2010
Hampton Roads	3.5	3.8	5.1	6.9	6.9	5.7
Charlotte	6.1	8.2	6.8	9.1	12.8	11.1
Raleigh-Durham	5.8	9.8	8.4	9.2	10.4	8.7
Jacksonville	7.0	6.8	14.2	16.0	13.1	12.0
Richmond	3.9	6.3	5.5	5.8	8.9	7.2
Charleston	6.2	5.9	8.1	10.0	11.1	9.8

Sources: Real Data and the Old Dominion University Economic Forecasting Project

AVERAGE MONTHLY RENTS

The rental data displayed in Table 4 show that rents were higher in Hampton Roads in 2010 than in any of the other metropolitan regions and that the growth rate in those monthly rents was higher in our region (4.44 percent annually) than in any other. By contrast, Charlotte, which directly suffered the ill effects of the worldwide banking and financial crisis of 2008-10, experienced only a .7 percent annual growth in average large-complex apartment rents.

The connections between average monthly rental rates, excess supply and vacancy rates are numerous, but the most obvious is that low vacancy rates in our region led to higher rates of increase in rents. As always, relative scarcity of a valuable resource drives up its price and that is what occurred in Hampton Roads over the past decade.

	1999	2005	2007	2008	2009	2010
Hampton Roads	\$560	\$785	\$862	\$871	\$882	\$900
Charlotte	\$670	\$663	\$734	\$751	\$697	\$725
Raleigh-Durham	\$715	\$700	\$763	\$787	\$760	\$786
Jacksonville	\$620	\$741	\$800	\$774	\$734	\$750
Richmond	\$601	\$727	\$799	\$816	\$804	\$823
Charleston	\$581	\$713	\$759	\$774	\$751	\$772

Sources: Real Data and the Old Dominion University Economic Forecasting Project



A Look At The Future

What should we expect in the large-complex apartment market in 2012? Much, if not almost all, of the story will depend on the overall condition of our regional economy. If we experience robust economic recovery, and that recovery is not jobless, then the demand for apartment space will increase and builders and developers will be more likely to construct that new space. Even so, our builders and developers have behaved more cautiously in recent years than those in many other regions, and we will not see new apartment units immediately. The likely result will be declining vacancy rates and rising rents.

Our builders and developers, however, did not fall off the nearest turnip truck. They are critically aware that their ability to earn competitive rates of return in the long term on investments in new apartment units depends substantially upon what happens to defense spending in the region. **Votes in the U.S. Congress to fund the renovation and expansion of Naval Station Mayport in Jacksonville (at the expense of a carrier group based in Hampton Roads) and the possibility of the loss of yet another aircraft carrier to the Pacific Rim do not encourage the construction of new apartment units. Nor did the closing of the Joint Forces Command stimulate the juices of our builders and developers.**

It is difficult to forecast defense spending because, to some extent, that spending is tied to international crises and developments that cannot be predicted. It does appear, however, that the remainder of this decade is likely to be characterized by more modest defense spending than we have seen in the past. If this is so, then builders and developers will continue their cautious behavior and our region will continue to see the lowest apartment vacancy rates and the highest average monthly rents among comparable metropolitan regions in the Southeast.





A Simple Guide to Transportation Needs and Planning in Hampton Roads



PAYING THE PRICE: A SIMPLE GUIDE TO TRANSPORTATION NEEDS AND PLANNING IN HAMPTON ROADS

Few things unite Hampton Roads citizens as much as our shared dislike of the region's traffic congestion.

– The conclusion of Christopher Newport University's Judy Ford Wason Center for Public Policy in a report to the Hampton Roads Transportation Planning Organization, based on a decade of public opinion surveys and focus groups.

Hampton Roads Residents' Perceptions of Traffic

- Almost 90 percent say traffic congestion is high or very high.
- About 75 percent believe traffic has gotten worse over the last five years.
- Almost 75 percent say traffic congestion negatively impacts their daily quality of life.
- About 75 percent consider traffic to be the region's No. 1 problem.

Source: Christopher Newport University Center for Public Policy report, "The Present and Future of Transportation in Hampton Roads," 2010

other regions, translates that into specific proposed projects and then shows the priority ranking of those projects.

We provide that evidence and concise statement here. However, we could have added another very important question: How will we pay for the legitimate

It's easy to see what many citizens think about traffic congestion in our region. Nevertheless, how bad actually is traffic congestion in Hampton Roads and how does it compare to other regions? Where are our major problems? What plans have been made to address these problems? Which projects are most vital to our future?

A sometimes-bewildering variety of organizations, nearly always with an acronym, has addressed these questions to some extent in recent years. We certainly do not denigrate these efforts, many of which have provided excellent detail on the region's transportation situation. Rather, we simply note that what many citizens need is a concise statement that identifies our current traffic congestion, compares it to

needs we have identified? This guide isn't going to venture into that territory, other than to offer several observations about who should pay if needed projects are moved forward.

Measuring Traffic Congestion In The Region

"The State of the Region: Hampton Roads 2009" concluded that given the size of Hampton Roads as the 34th most populous metropolitan area in the country, a national ranking of 32nd most congested region is understandable.

An update of those numbers by Inrix, the private corporation that monitors traffic conditions throughout the country, in its "2010 National Traffic Scorecard Annual Report," shows that Hampton Roads has moved down to 36th place as the most populous region in the country but up to 30th place among the regions with the most traffic congestion. This change in position with Hampton Roads being more congested comes about at a time when many

regions of the country have seen some decline in traffic congestion because fewer cars are on the road due to increased unemployment and other effects of the economic recession.

Another measure of congestion in the Inrix Annual Report is the “travel time tax” or *t3*. The travel time tax is the percentage of extra travel time (versus “free flow”) a random trip takes in a specific region during peak commuting hours. A 10 percent tax means 10 percent additional trip time because of traffic congestion. Table 1 compares Hampton Roads congestion with Northern Virginia and Richmond, as well as the average of comparable-size urban areas in the nation. One can see that a typical random trip in Hampton Roads during peak commuting times involves a 19 percent tax, or a 19 percent increase in time. While hardly desirable, this is considerably less than the 30 percent travel time tax residents of Northern Virginia must pay.

Table 1 also reveals that Hampton Roads is about average in terms of automobile congestion for urban areas with populations of 1 million to 3 million people. Fortunately, the area does not come close to the congestion of Northern Virginia, which is more than twice that of Hampton Roads in terms of hourly

delays per year. However, Hampton Roads is more congested than the smaller urban area of Richmond. Graph 1 illustrates these relationships.

Inrix estimates that the congestion cost per auto commuter in Hampton Roads is \$695 per year. Graph 2 illustrates this cost relative to Richmond, Washington, D.C., and urban areas of roughly similar size.

Note that the number of residents directly and daily affected by traffic congestion may be as few as 15 percent of the total population. Thus, the \$695 annual average for Hampton Roads may well conceal the reality that only a minority of the population bears the majority of the costs of congestion. The congestion costs imposed on an individual who commutes from Virginia Beach to Newport News may be double or triple the \$695 annual average. And, those who do not commute or have easy commutes may experience much lower congestion costs.

TABLE 1

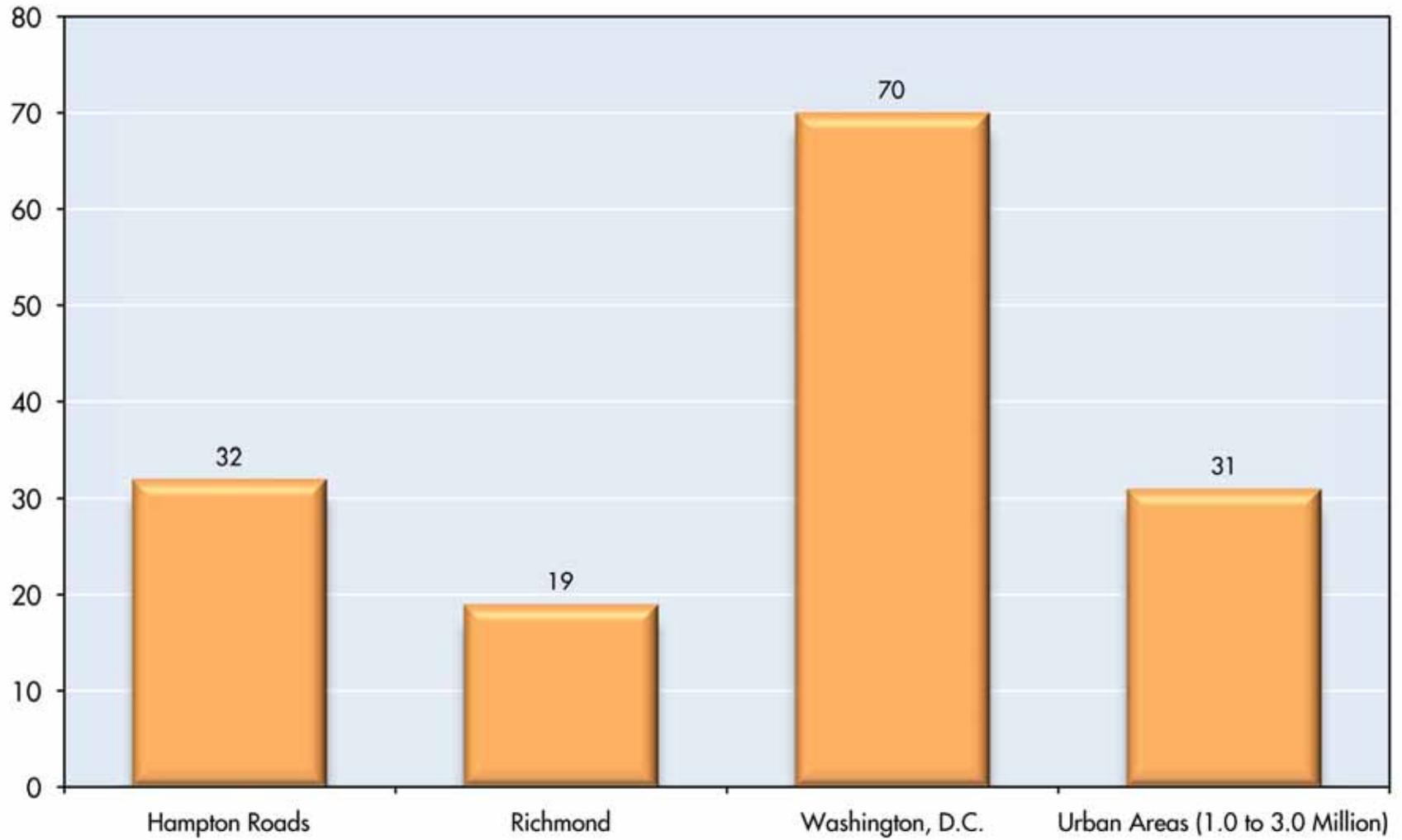
COMPARING AUTOMOBILE CONGESTION

	Yearly Delay Per Auto in Hours Commuter Nat'l.	Nat'l. Rank	Travel Time Index	Nat'l. Rank	Excess Fuel Per Auto Commuter (Gallons)	Nat'l. Rank	Congestion Costs Per Commuter (Annual)	Nat'l. Rank
Hampton Roads	32	29	1.19	23	25	33	\$695	34
Richmond	19	66	1.06	88	16	68	\$411	75
Wash DC Metro	70	1	1.30	2	57	1	\$1,555	2
Urban Areas Over 3.0 Million Pop.	50		1.26		39		\$1,166	
Urban Areas 1.0 to 3.0 Million Pop.	31		1.17		26		\$726	
Urban Areas .5 to 1.0 Million Pop.	22		1.11		18		\$508	

Source: Inrix, 2010

GRAPH 1

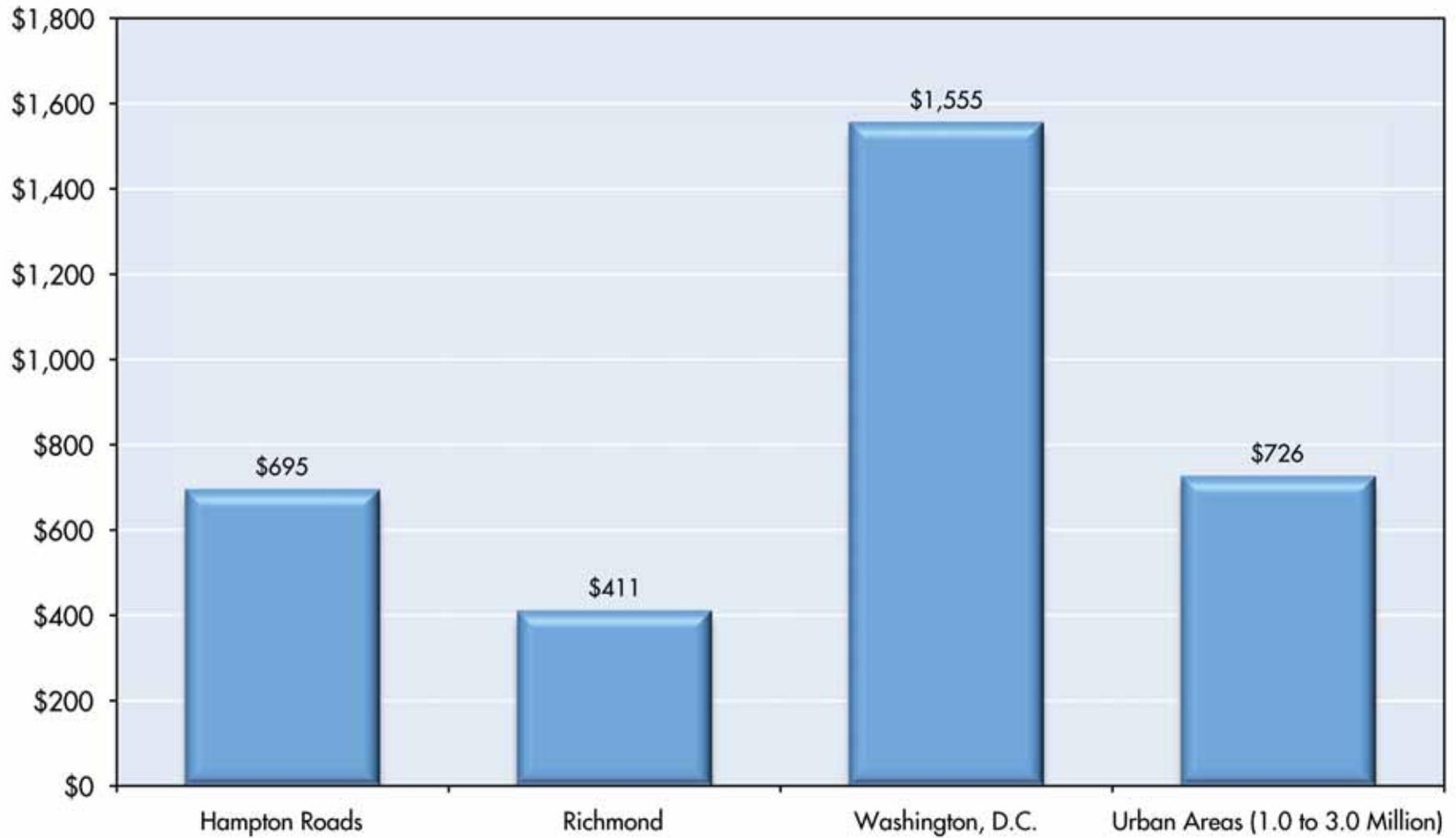
AVERAGE ANNUAL HOURS OF DELAY PER AUTO COMMUTER



Source: Inrix, 2010

GRAPH 2

ANNUAL CONGESTION COSTS RELATED TO COMMUTING



Source: Inrix, 2010

This does not mean that those citizens who do not commute, or who have easy commutes, escape these costs completely. They still pay some of these costs because congestion drives up the cost of the goods and services they consume and because there are environmental and health costs associated with traffic jams.

Nevertheless, the reality is that automobile congestion costs are distributed in a very uneven pattern across the region's citizens. The \$695 average annual automobile congestion cost potentially conceals this. This disparity, however, raises difficult questions concerning who should pay to relieve congestion.

Should people who do not substantially contribute to peak-time automobile congestion, except via their demand for goods and services that must be transported on streets and highways, be required to pay for the solutions to traffic congestion? Clearly, all citizens benefit from efficient, noncongested roadways, but some (those peak-time commuters who travel through the most congested locations) benefit much more.

The usual solution to such a situation is to finance the construction and maintenance of roadways by means of general taxes that all citizens pay and

targeted user taxes (such as the gasoline tax) that affect those who actually drive. It's easy to state this principle, but not so easy to apportion actual taxpaying responsibility. What share of total transportation revenues should be supplied by the general citizenry, as opposed to active commuters? Economic analysis can estimate an answer to this question, but at the end of the day, it is obvious that both the question and the answer involve highly volatile political issues. Who ends up paying what share of the costs of constructing and maintaining roadways ultimately appears to depend upon relative political clout.

IDENTIFYING TRAFFIC BOTTLENECKS

Inrix defines the most congested corridors as being multiple contiguous bottlenecks of at least three miles in length. Hampton Roads has two congested corridors: I-64 westbound from Exit 277 (Route 168/Tidewater Drive) to the Hampton Roads Bridge-Tunnel (Norfolk side) with a travel time tax of 151 percent and I-64 eastbound from Exit 258 (Route 17/J. Clyde Morris Blvd.) to the Hampton Roads Bridge-Tunnel in Hampton with a travel time tax of 113 percent. In addition, Inrix found a total of 16 major bottlenecks in the region that are no doubt well known to local residents; the top 10 are listed in Table 2.

TABLE 2

THE TOP 10 TRAFFIC BOTTLENECKS IN HAMPTON ROADS ACCORDING TO INRIX

Road	Segment or Interchange	Length (Miles)	Weekly Hours of Congestion	Average Speed When Congested (MPH)
I-264 WB	I-464/Berkley Ave./Exit 8	0.28	53	12.6
I-264 WB	Waterside Drive/Exit 9	0.40	26	8.9
I-264 WB	Berkley Bridge	0.70	38	10.7
I-264 WB	Court Street	0.38	48	4.8
I-64 EB	Mallory St./Exit 268	0.55	41	17.0
I-64 WB	4th View/Exit 273	.24	35	18.3
I-264 EB	VA 141/Effingham/Exit 7	0.53	31	16.8
I-264 WB	Claiborne Ave./Exit 11	0.10	16	11.1
I-64 WB	Patrol Road	0.58	20	15.0
I-64 EB	VA 190/Exit 292	0.17	22	18.6

A road segment is considered congested if the average speed of an automobile is less than one-half the uncongested speed.

Source: Inrix National Traffic Scorecard, 2010

Plans To Reduce Congestion And Improve Mobility

The February 2011 “Hampton Roads Regional Transit Vision Plan” provides a look at what the future of the region could be like:

“An integrated public transit network will provide Hampton Roads with transportation choices, thereby ensuring greater mobility, economic development, environmental protection, energy independence, and quality of life.”

The goals of the Regional Transit Vision Plan are ambitious even with the long-term timeline envisioned – 2025. Specifics concerning the goals are not enumerated in the plan, for example, how the projects would be paid for, and when they would commence. The purpose of the plan is not to list a definitive

Goals of the Hampton Roads Regional Transit Vision Plan, February 2011

- Maximize limited infrastructure budgets through parity between transit and highway investments.
- Provide greater mobility options through an integrated high-capacity transit system.
- Improve land use and transportation coordination by encouraging transit-supported development within mixed-use activity centers and corridors.
- Reduce energy consumption, improve air quality, and mitigate climate change impacts with a robust transit system based on renewable energy sources.
- Promote economic growth and regional competitiveness through a transit system that connects major activity and employment centers.

Source: Hampton Roads Regional Transit Vision Plan, Final Report, February 2011

set of approved projects, but instead to provide a long-term framework for regional transit development. The perhaps naive notion is that, as the region selects projects for further study, planners, elected officials and the public will collaborate to define the specific requirements, alignments and transit modes in accordance with local land use planning, alternative analysis, environmental considerations and (not to be forgotten) available funding.

The Hampton Roads Regional Transit Vision Plan is a product of the Hampton Roads Transportation Planning Organization (HRTPO), which is the Metropolitan Planning Organization (MPO) for the Hampton Roads Metropolitan Planning Area (MPA). It appears that a typical citizen in the region finds this profusion of agencies and organizations difficult to comprehend in a world that also includes a variety of other regional bodies, such as the Hampton Roads Planning District Commission (HRPDC), Hampton Roads Partnership, Hampton Roads Sanitation District, Hampton Roads Transit, etc. We won't attempt to straighten out this bowl of agency spaghetti. It will suffice for us to note that it would be nigh impossible for a region to qualify for state and federal funding of consequence without having organizations similar to the HRPDC and HRTPO.

Hampton Roads Regional Transit Vision Plan Transit Modes Considered

Light Rail Transit (LRT)—an electric railway powered by overhead wires, such as The Tide in Norfolk.

Commuter Rail—heavy rail equipment such as Virginia Railway Express in Northern Virginia.

Enhanced Bus—higher-frequency service with station amenities such as real-time service information.

Express Bus—coach bus vehicles such as HRT MAX service that use high-occupancy lanes when available.

Bus Rapid Transit (BRT)—special buses that operate in dedicated lanes with enhanced stations.

High-Speed Ferry—carries passengers and not vehicles among employment centers.

Source: Hampton Roads Regional Transit Vision Plan, February 2011

The Vision Plan recommends the following **fixed guideway transit, ferry and commuter rail projects**:

SHORT TERM (BY 2025)	
• Downtown Newport News to Naval Station North and Harbor Park	High-Speed Ferry
• Downtown Hampton to Naval Station North and Harbor Park	High-Speed Ferry
• Downtown Portsmouth to Downtown Norfolk	High-Speed Ferry
• Downtown Norfolk to Norfolk Naval Station	Light Rail
• The Tide (under construction)	Light Rail
• Tide Extension to Virginia Beach	Mode Under Study
LONG TERM (BY 2035)	
• Downtown Newport News to Williamsburg	Commuter Rail
• Christopher Newport University to Huntington Pointe	Light Rail
• Downtown Newport News to Christopher Newport University	Light Rail
• Harbor Park to Portsmouth Downtown/Midtown Loop	Streetcar
• Harbor Park to Greenbrier	Light Rail
EXTENDED TERM (AFTER 2035)	
• Extension from Williamsburg to Lightfoot and Toano	Commuter Rail
• Phoebus Waterfront to Coliseum Central	Streetcar
• Downtown Newport News to Downtown Hampton	Light Rail
• Downtown Hampton to Harbor Park (direct)	High-Speed Ferry
• Downtown Newport News to Harbor Park (direct)	High-Speed Ferry
• Harbour View to Downtown Newport News and Hampton	High-Speed Ferry
• Downtown Newport News to Norfolk Naval Station	LRT-Only Tunnel
• Harbor Park to Harbour View via Downtown Portsmouth	Bus Rapid Transit
• Extend The Tide from Military Highway Station to Naval Station	Light Rail

• Extend Portsmouth Streetcar to Harbor Park	Streetcar
• Extend from Greenbrier to The Tide's Military Station	Light Rail
• Harbor Park to Downtown Suffolk	Commuter Rail
• Harbor Park to Fentress to North Carolina in Future	Commuter Rail

The Transit Vision Plan made the following recommendations for **express, enhanced and circulator bus services**:

SHORT TERM (BY 2025)	
• Express bus service from Harbor Park to Great Bridge and downtown Newport News to Williamsburg	
• Enhanced bus service from Sentara Norfolk General Hospital to Portsmouth via Midtown Tunnel, Harbor Park to Harbour View, Princess Anne Road and Lynnhaven Parkway, Oceana Transit Station to Oceana Naval Air Station and downtown Hampton to Oyster Point	
LONG TERM (BY 2035)	
• Express bus service I-464/Route 168, Norfolk to Chesapeake and North Carolina in future, downtown Portsmouth to Northgate Commerce Park, Harbor Park to downtown Suffolk, and Gloucester County to Oyster Point	
• Enhanced bus service from Portsmouth to Victory Crossing to Harbor Park; Norfolk, Portsmouth, Chesapeake Square Mall; downtown Newport News to Hampton/Buckroe Beach; and Smithfield to Downtown Newport News	
EXTENDED TERM (AFTER 2035)	
• Express bus service from Harbour View to Smithfield, downtown Suffolk to Bowers Hill to Harbour View, and downtown Norfolk to Deep Creek with future extension to North Carolina	
• Enhanced bus service from Oyster Point to Poquoson and Poquoson to Langley to Coliseum Central	
• Circulator bus service, to be implemented with associated rail transit corridors, include Norview Avenue to Norfolk International Airport, International Drive into Norfolk Naval Station and Phoebus Waterfront to Fort Monroe	

Figure 1 provides a visual representation of many of these identified needs.

FIGURE 1

REGIONAL TRANSIT VISION PLAN IDENTIFIED PROJECT AREAS



Prioritizing Projects

At the same time a vision was being developed for mass transit in the region, a list of specific-priority highway projects also was being developed. The “Transportation Prioritization: Recommended List of Projects and Studies” report was released by the HRTPO staff in March 2011, as part of the development of the fiscally constrained 2034 Long-Range Transportation Plan (LRTP). The LRTP serves as “the blueprint for the region’s transportation development and identifies needed programs and improvements to the transportation network as well as a long-term transportation investment strategy for the Hampton Roads metropolitan area.” More than 150 projects were evaluated for inclusion in the 2034 LRTP using data on traffic, funding, project readiness and accessibility, and utilizing a project prioritization tool to give each project a score that could be used for establishing priorities among projects.

Components of Scores for Project Prioritization Long-Range Transportation Plan HRTPO, March 2011

- **Project Utility:** ability to solve a transportation issue
- **Economic Vitality:** ability to support economic growth
- **Project Viability:** readiness of project to be constructed

Figure 2 presents a “Projects and Studies of Regional Significance” map indicating projects for which funding is committed, and recommended projects for construction and additional study as of April 2011. “Committed projects” are those that are fully funded in the Virginia Department of Transportation’s fiscal year 2011-2016 Six-Year Improvement Plan (SYIP). The estimated costs of committed projects approximate \$250 million. In addition, studies currently under way concerning these and other future projects are estimated to cost approximately \$40 million.

Through 2034, prioritized projects for construction for which funding has been identified cost approximately \$3.5 billion. Another \$2 billion in projects have been identified as priorities, but funding has not yet been identified and is unlikely ever to be identified unless additional commonwealth transportation revenue sources are developed.

RECOMMENDED PROJECTS FOR CONSTRUCTION FOR WHICH FUNDING HAS BEEN IDENTIFIED

Interstate Roadway System	Prioritization Score
• I-64 between Jefferson Avenue and Fort Eustis Boulevard	178
Primary Roadway System	
• Midtown Tunnel/MLK Extension/Downtown Tunnel	242
• Dominion Boulevard	221
• Route 17 (Hampton Highway to Dare Road)	202
• Route 17 (Dare Road to Denbigh Boulevard)	146
Urban Roadway System	
• Lesner Bridge	173
• Mills Godwin Bridge	150
• Churchland Bridge	132
• Washington Avenue Bridge	111
• Lynnhaven Parkway (Centerville Turnpike to Indian River Road)	191
• Route 58 (Suffolk Bypass to Manning Bridge Road)	180
• Nansemond Parkway (Helen Street to Chesapeake City Line)	159
• Military Highway at Northampton Boulevard Interchange	157
• Bridge Road (Godwin Bridge to Chesapeake City Line)	154
• Holland Road (Dam Neck Road to Nimmo Parkway)	141
• Witchduck Road (I-264 to Virginia Beach Boulevard)	141
• Laskin Road (Republic Road to Oriole Drive)	114
• Indian River Road (Lynnhaven Parkway to Elbow Road)	109
• Laskin Road (Oriole Drive to 30th/31st Streets)	100
• Elbow Road/Dam Neck (Indian River Road to Princess Anne Road)	98

RECOMMENDED PROJECTS FOR CONSTRUCTION FOR WHICH FUNDING HAS BEEN IDENTIFIED

Intermodal Projects	Prioritization Score
• Craney Island Connector	189
Unfunded Projects Recommended for Future Consideration	
• I-64 (Fort Eustis Boulevard to Route 199)	178
• I-64 Southside Widening (I-64/I-464 to I-64/I-664)	160
• I-64/I-264 Interchange (including Witchduck Interchange)	179
• I-64 Fort Eustis Boulevard Interchange Improvements	149

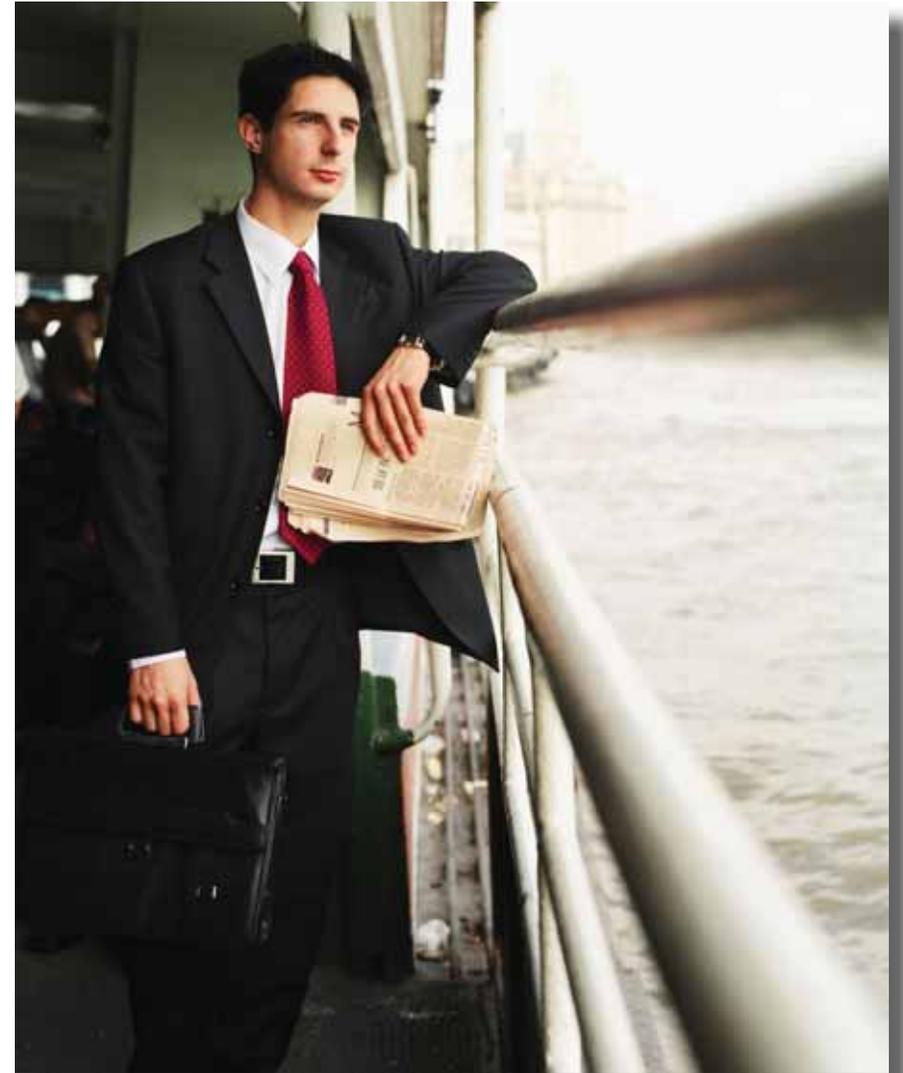
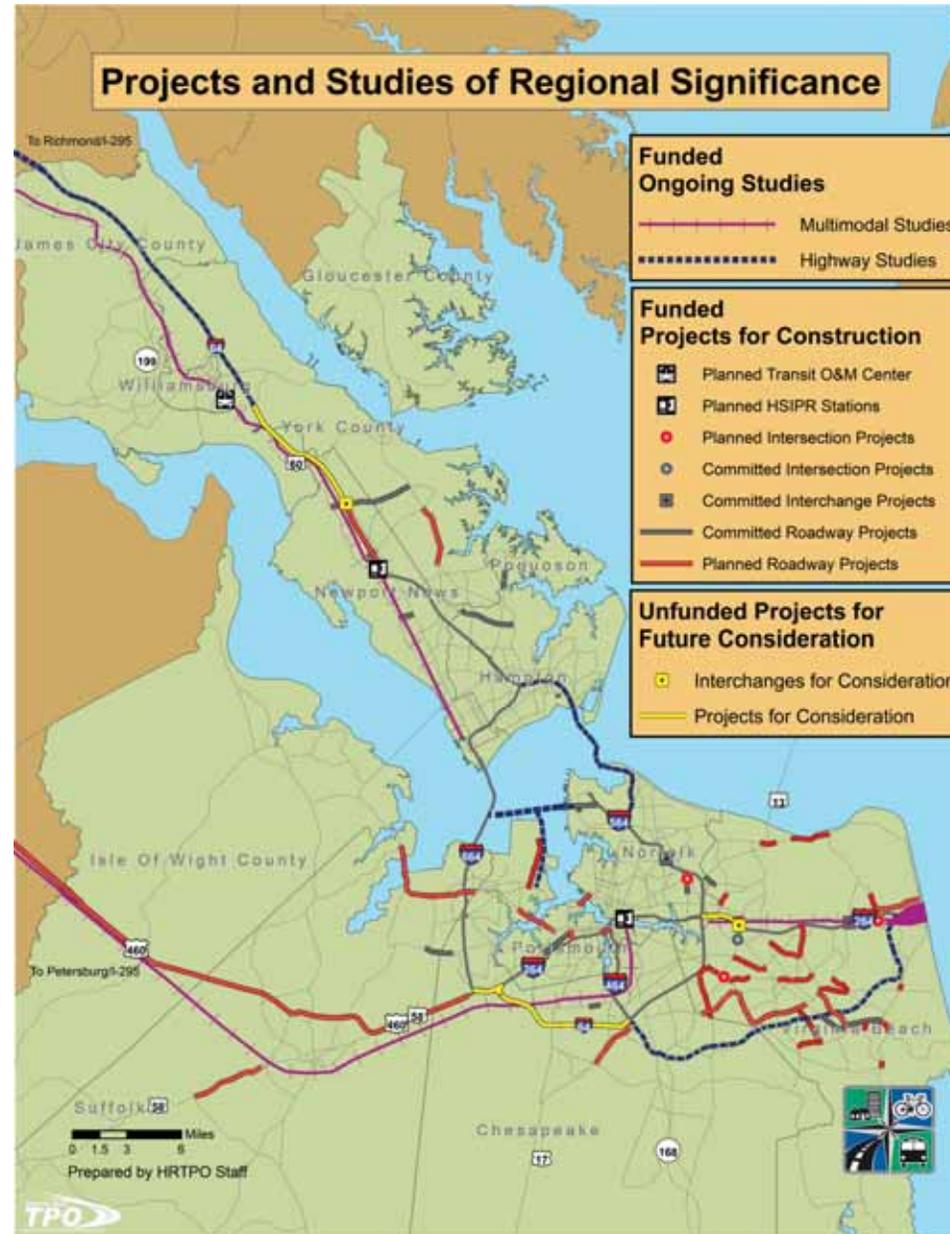


FIGURE 2



Looking Into The Future

“Maintaining a viable transportation system is crucial to the Hampton Roads economy,” argued the Hampton Roads Transportation Planning Organization in its January 2011 report, *The State of Transportation in Hampton Roads*. **“Pillars of the Hampton Roads economy – military, the ports, and tourism – all depend on our transportation system.”**

In brief, why does the region need to be concerned about its transportation system(s)?

- Businesses within the region and the Port of Virginia (about 10 percent of the region’s economy) need to be able to move products in and out of Hampton Roads with efficiency and cost-effectiveness.
- Workers within the region need to be able to move to and from their jobs. If they cannot do so, then not only will regional opportunities and productivity suffer, but also the region will begin to break apart.
- The numerous Department of Defense installations in the region (which generate about 45 percent of Hampton Roads’ gross regional product) require efficient transportation links in order to move personnel and equipment inside and outside of the region.
- The region’s tourism industry (about 8 percent of the regional economy) is increasingly dependent upon road transportation and will suffer if customers cannot easily reach locations such as Virginia Beach and the Historic Triangle.
- Emergencies, especially those involving the weather, will require vastly improved evacuation paths within Hampton Roads. Currently, it is impossible to evacuate large numbers of people in response to an emergency.

These well-identified concerns do not translate to “transportation at any cost” and they certainly do not imply the necessity of all projects on priority lists. Nevertheless, they deserve intense consideration at a time when the region is losing net jobs and suffering from net out-migration. Hampton Roads can ill afford to provide the Department of Defense with

additional reasons to scale down its commitments within the region and it would be ill advised to hobble the development of the Port of Virginia and regional tourism.

The truth is that regional citizens, when faced with decisions to pay for (or not pay for) additional major transportation projects, usually have declined to do so. In one sense, this is understandable in that only a minority of people directly and daily face the ravages of traffic congestion. The abundant presence of retirees in the region who do not commute probably contributes to the lack of support for transportation taxes, as might the somewhat transient nature of many of the region’s residents. Put bluntly, it may be that such people, supplemented by many other residents who find themselves pressed economically, are much more interested in their ability to put bread on their table today than they are in others’ lengthy commuting times, or the region’s competitive position in the years ahead. Further, they probably do not make a connection between the quality of the region’s transportation system and the prices of the goods and services they purchase, or the wages and salaries they earn.

Ultimately, however, we in Hampton Roads will get what we are willing to pay for in terms of regional transportation. It’s true that the governor and General Assembly have decided to put several billion dollars of additional funding into transportation projects within the commonwealth over the next few years. However, candor requires us to note that most of these funds will be borrowed and, in essence, the state has punted this funding problem into the future.

The television muffler commercial of some years ago in which an old gent advised a car driver, “Pay me now, or pay me later,” is apposite. We will pay for our transportation needs one way or another. Either we pay for projects with taxes and tolls now, or we will incur costs throughout the future associated with congestion and gradual regional economic deterioration. Nobel Prize-winning economist Milton Friedman was right. In the end, there is no free lunch.



The Economic Plight of African American Men in Hampton Roads



THE ECONOMIC PLIGHT OF AFRICAN AMERICAN MEN IN HAMPTON ROADS

A Bleak 30 Years for Black Men

– Headline of an article in the *Regional Economist*, a publication of the Federal Reserve Bank of St. Louis (July 2010)

The worldwide recession that began in November 2007 did great economic damage to many people, business firms, industries and even nations. However, the damage done to African American men in the United States was particularly severe. African American men lost jobs, their unemployment rate more than doubled, millions simply dropped out of the labor force, and their incomes grew more slowly than those of any other major racial or ethnic group.

The cold numbers of Table 1 summarize what occurred. **Between 2007 and 2009, the unemployment rate for African American men increased 9.1 percent to 17.5 percent. The percentage of African American men employed relative to their population declined from 58.4 percent to 53.7 percent.**

Particularly disturbing is the reality that these changes merely accelerated longer-term movements in the same direction. For decades, the unemployment rate of African American men has been edging upward compared to other men, and for many years, ever-smaller proportions of African American men have entered the labor force. Further, as Graph 1 demonstrates, the median weekly earnings of full-time African American male employees grew much more slowly than those of any other major racial or ethnic group between 2000 and 2009.

What is playing out before our eyes is nothing less than a societal tragedy. Most of the readers of the State of the Region report do not find themselves in such unfortunate circumstances and therefore can, if they so choose, avert their eyes. Literally, we can collectively “drive by” and continue on our respective ways to our more comfortable circumstances.

Nevertheless, there are inevitable costs associated with the economic plight of many African American men. Few American citizens and virtually no taxpayers can avoid the costs that come with the deteriorating economic circumstances facing many African American men. Shattered lives, broken families, disadvantaged children, school dropouts and an increase in contacts with the criminal justice system – all of these are among the frequent results.

Yet, as Mitch Albom put it in his book *“The Five People You Meet in Heaven,”* “We are all connected ... You can no more separate one life from another than you can separate a breeze from the wind. ...” If nothing else captures the attention of society, then this should: **When government is pushed to find resources to support those who do not have regular employment and steady incomes, either higher taxes or a deterioration of services is the almost inevitable consequence. Thus, there is a fiscal bottom line associated with the plight of African American men and, quite apart from humanitarian considerations, this should capture the attention of those who otherwise might choose to “drive by.”**

TABLE 1

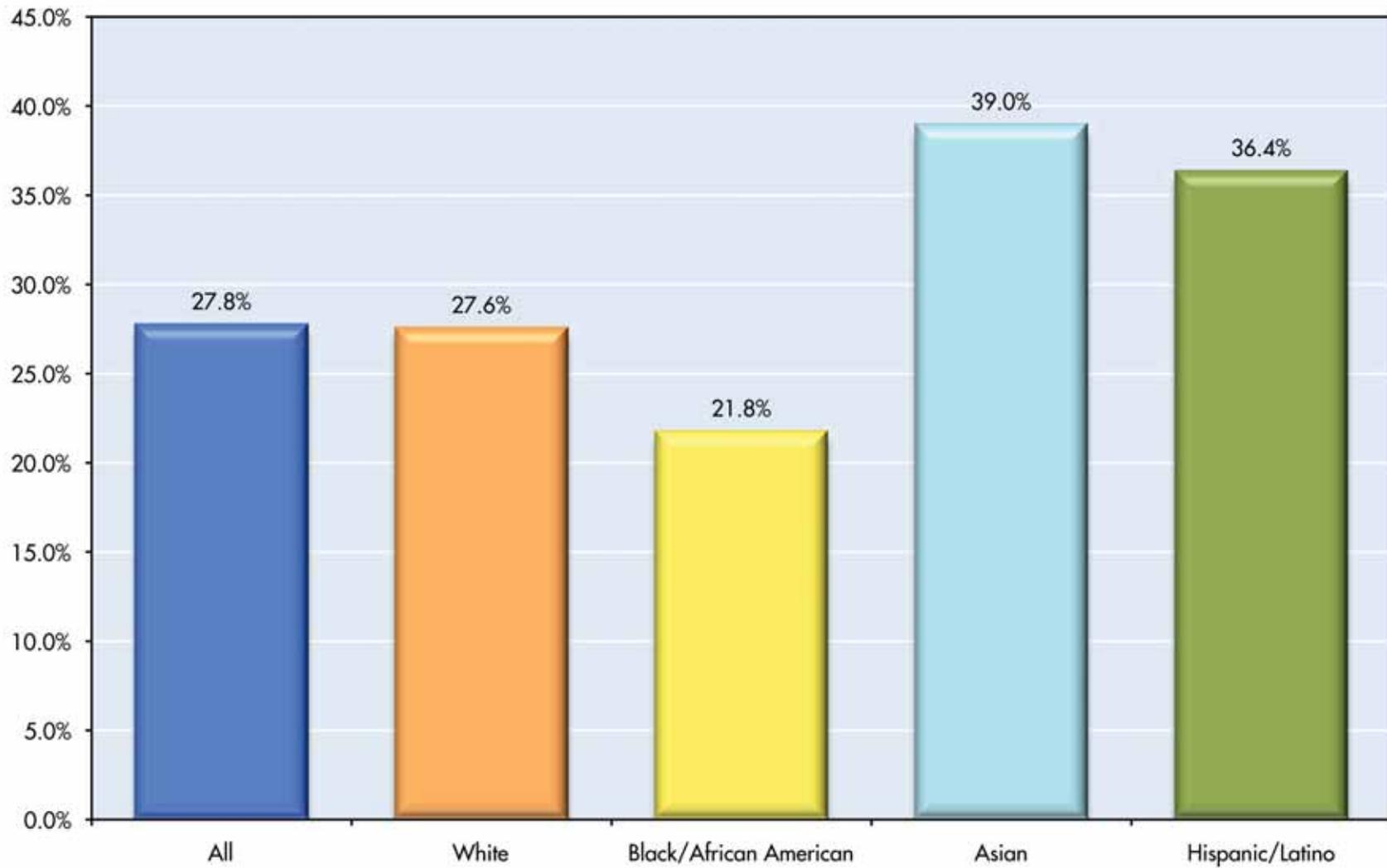
THE DETERIORATING ECONOMIC FORTUNES OF BLACK MEN

	All Men	White Men	Black/ Afr. Amer. Men	Asian Men	Hisp./ Latino Men
2000					
Employment/ Population Ratio	71.9%	73.0%	63.6%	73.3%	77.4%
Unemployment Rate	3.9%	3.4%	8.0%	3.6%	5.0%
Median Weekly Earnings (FT)	\$641	\$662	\$510	\$685	\$417
2007					
Employment/ Population Ratio	69.8%	70.9%	58.4%	72.8%	76.2%
Unemployment Rate	4.7%	4.2%	9.1%	3.1%	5.3%
Median Weekly Earnings (FT)	\$766	\$788	\$600	\$936	\$520
2009					
Employment/ Population Ratio	64.5%	66.0%	53.7%	68.7%	68.9%
Unemployment Rate	10.3%	9.4%	17.5%	7.9%	12.5%
Median Weekly Earnings (FT)	\$819	\$845	\$621	\$952	\$569
Source: "Current Population Reports," Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov					



GRAPH 1

PERCENTAGE GROWTH IN MEDIAN WEEKLY EARNINGS, U.S. MEN, 2000-2009



Source: "Current Population Reports," Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov

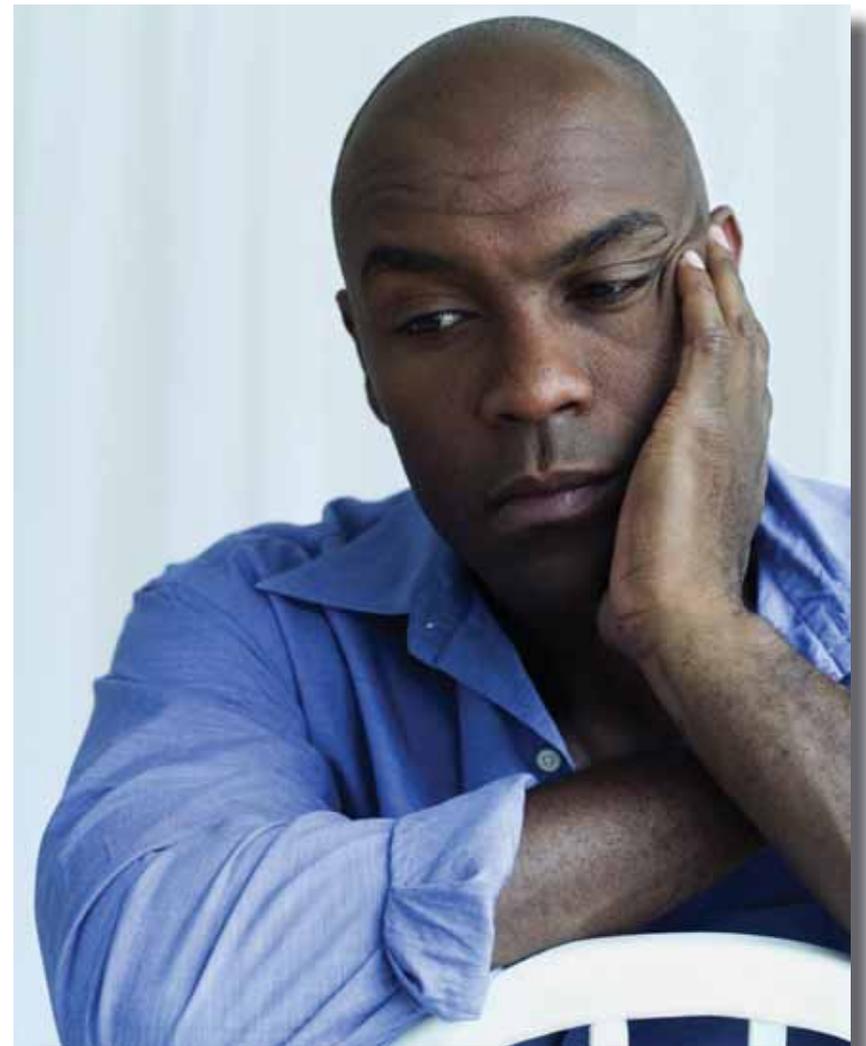
Parsing The Impact Of The Recession: National Effects

THE IMPACT OF GENDER

Recent years have not been good ones for the typical adult male in the United States. Graph 2 and Table 2 illustrate why. Between November 2007 and May 2009, male workers suffered much deeper job losses than female workers in the United States. Among working adults 16 years of age and older, males, in comparison to their female counterparts, experienced the greatest level of civilian job loss (-6.8 percent of their jobs versus -2.3 percent for women).

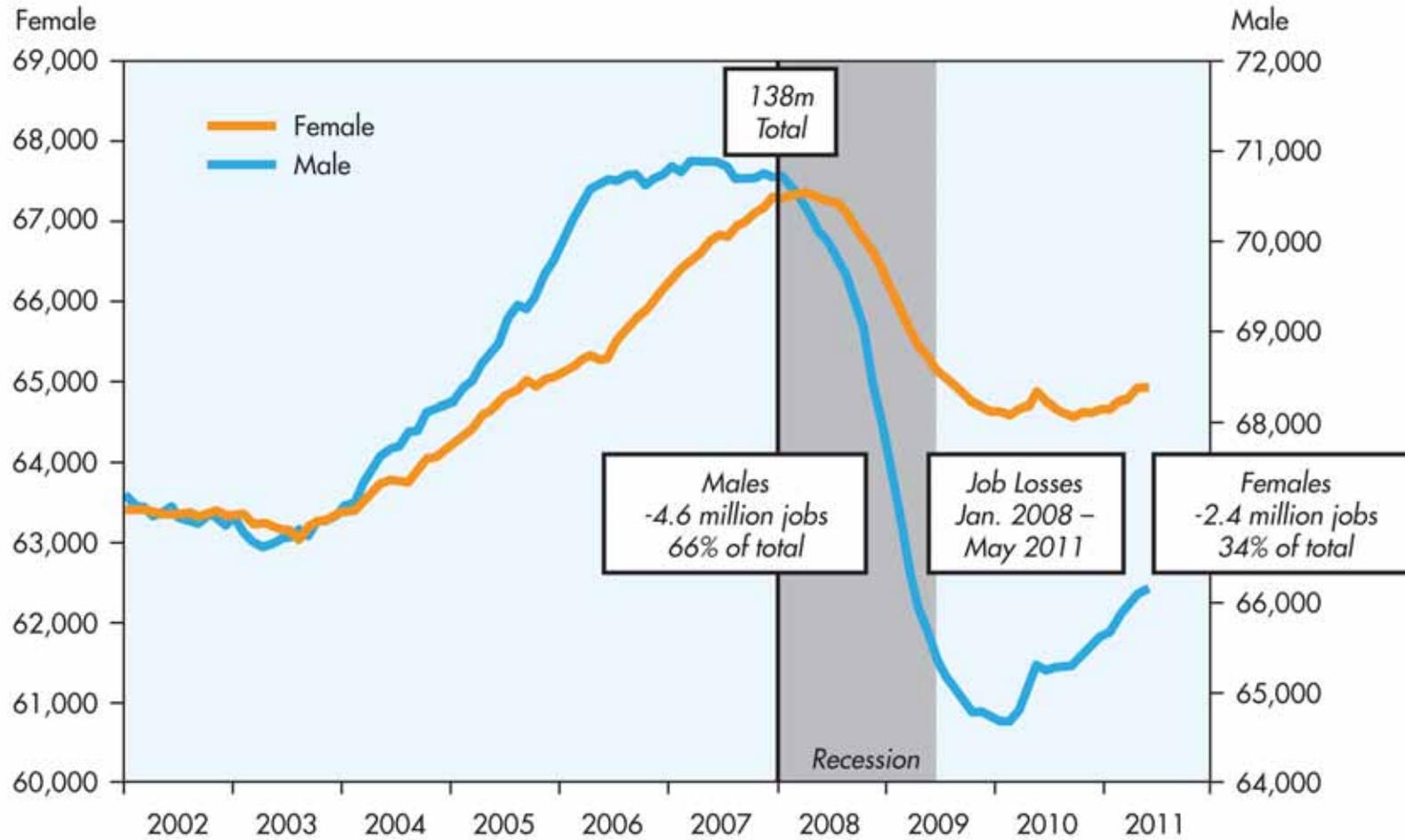
This impact was particularly high for African American men. Among the major racial and ethnic groups, African American men experienced the largest civilian job loss (-9.4 percent of all existing jobs), while job loss among white (-5.3 percent) and Hispanic/Latino (-5.7 percent) males was considerably smaller. Only Asian men fared worse than African American men.

The differentially large and negative impact the recession had upon men has prompted some to talk of a “mancession.” Employed men tended to dominate occupations in manufacturing and construction that lost the most jobs, while employed women tended to dominate occupations in education and the health professions that shed the fewest jobs. **A recent study published by the Federal Reserve Bank of St. Louis (The Regional Economist, July 2010) documented that the deindustrialization associated with the recession was particularly destructive to African American men, who were overrepresented in the occupations that contracted the most.**



GRAPH 2

PAYROLL EMPLOYMENT: MALE VS. FEMALE, JANUARY 2002 TO FEBRUARY 2011



Source: Carpe Diem Blog, www.mjerry.blogspot.com

TABLE 2

PERCENT OF CIVILIAN JOBS LOST IN THE RECESSION, BY RACIAL OR ETHNIC GROUP, AGE 16 AND OLDER, NOVEMBER 2007 TO MAY 2009

Racial/Ethnic Group	Males	Females	Percent Difference
All	-6.8%	2.3%	-4.5%
African American	-5.5%	-2.0%	-3.5%
Asian	-9.4%	-2.5%	-6.9%
Hispanic/Latino	-5.7%	-0.8%	-4.9%
White	-5.3%	-2.1%	-3.2%

Source: U.S. Bureau of Labor Statistics, www.bls.gov

Note: Hispanic/Latino individuals are self-identified. Data seasonally adjusted, except for Asians.

THE ROLE OF AGE

African American male civilian job losses varied substantially across age groups. **African American men in their prime working and earning years (age 25-54) suffered the most devastating loss of civilian positions between 2007 and 2009** (see Table 3). Overall, the job loss nationally for black males age 25-54 was -11 percent, with the highest year-to-year percentage change for the 25-34-year-old cohort (-15 percent) followed by the 35-44-year-old cohort (-13 percent). African American males age 55-64 actually gained jobs during the recession.

THE ROLE OF EDUCATION

Table 4 focuses on the numbers of employed African American males 25 and older by their educational attainment in 2007 and 2009. Nationally, black men experienced job losses at all educational levels. However, what is striking is that job losses were high among those who had earned a bachelor's degree or higher (-12 percent) and those losses were surpassed only by the job losses experienced by African American men with less than a high school education (-15 percent). High school graduates (-4 percent) and those with some college (-6 percent) fared much better.

TABLE 3

NUMBER OF EMPLOYED AFRICAN AMERICAN MALES BY AGE (000s)

Age Group	2007	2009	Absolute Change	Percent Change
16 – 19	238	189	-49	-21
20 – 24	821	698	-123	-15
25 – 34	1,866	1,590	-276	-15
35 – 44	1,922	1,667	-255	-13
45 – 54	1,731	1,608	-123	-7
55 – 64	736	814	78	+10
65+	220	211	-9	-4
Total	7,534	6,777	-757	-10

Source: www.bls.gov

The apparent negative impact of advanced education on the employability of African American men is surprising, since this generally did not hold true among other racial and ethnic groups. Education, after all, was sold to many African American men as a ticket to higher incomes and employment stability. And, as Graph 3 reveals, education did provide some protection against unemployment in the past. But, for reasons not yet clearly understood, this did not hold true for African American males between 2007 and 2009.

TABLE 4

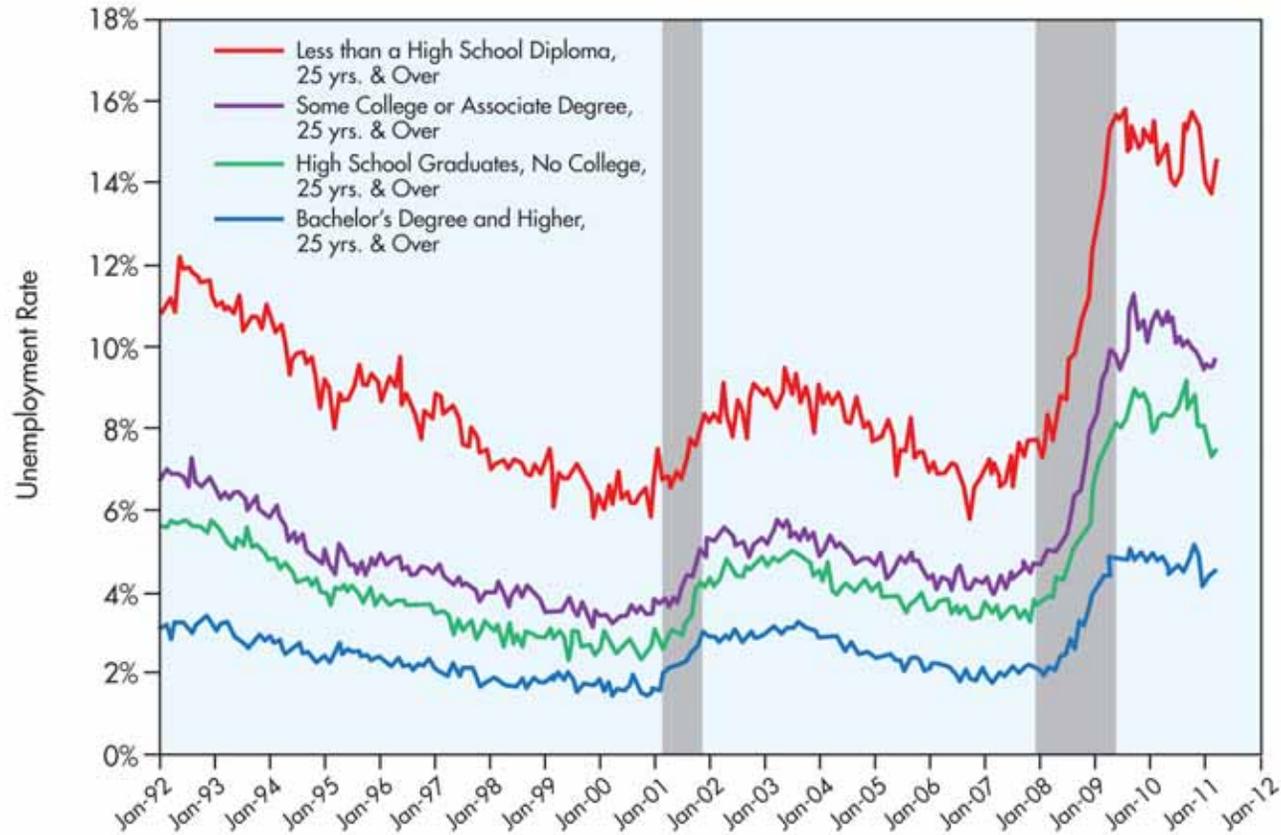
NUMBER OF EMPLOYED AFRICAN AMERICAN MALES AGE 25 OR OLDER BY EDUCATIONAL ATTAINMENT (000s)

Educational Attainment	2007	2009	Absolute Change	Percent Change
Less than HS/No GED	538	455	-83	-15
HS Graduate	2,256	2,178	-78	-4
1-3 Years College	1,938	1,823	-115	-6
Bachelor's or Higher	1,477	1,296	-181	-12

Source: www.bls.gov

GRAPH 3

UNEMPLOYMENT RATES BY LEVEL OF EDUCATION, UNITED STATES, 1992-2011



Source: Calculated Risk Blog, May 6, 2011, www.calculatedriskblog.com

The Recession's Impact In Hampton Roads

REGIONAL JOB LOSSES

The recession's regional impact was not the same as its impact nationally. Table 5 shows both the absolute and percentage change in African American male civilian employment in the Virginia Beach-Norfolk-Newport News-North Carolina metropolitan statistical area (Hampton Roads). **Younger African American males in our region experienced huge job losses (-56.5 percent), more than twice as large as the national percentage decline.** The minimum wage type of employment that often attracts high school-age workers seems to have virtually disappeared in Hampton Roads for young African American males during the recession. However, African American males age 20-24 actually gained jobs, something not true nationally. As was true nationally, those age 25-64 experienced job losses and those 65-69 actually gained jobs.

TABLE 5

NUMBER OF AFRICAN AMERICAN MEN EMPLOYED IN HAMPTON ROADS MSA, 2007 AND 2009

	2007	2009	Absolute Chg	Percent Chg
MSA 16 -19	8,275	3,603	4,672	-56.5%
20 - 24	11,276	12,103	+827	+7.3%
25 - 54	73,347	65,838	-7,509	-10.2%
55 - 64	10,251	13,157	+2,906	+28.3%
65 - 69	1,742	2,116	+374	+21.4%
70 and over	2,017	1,355	-662	-32.8%
Totals	106,908	98,172	-8,736	-8.2%

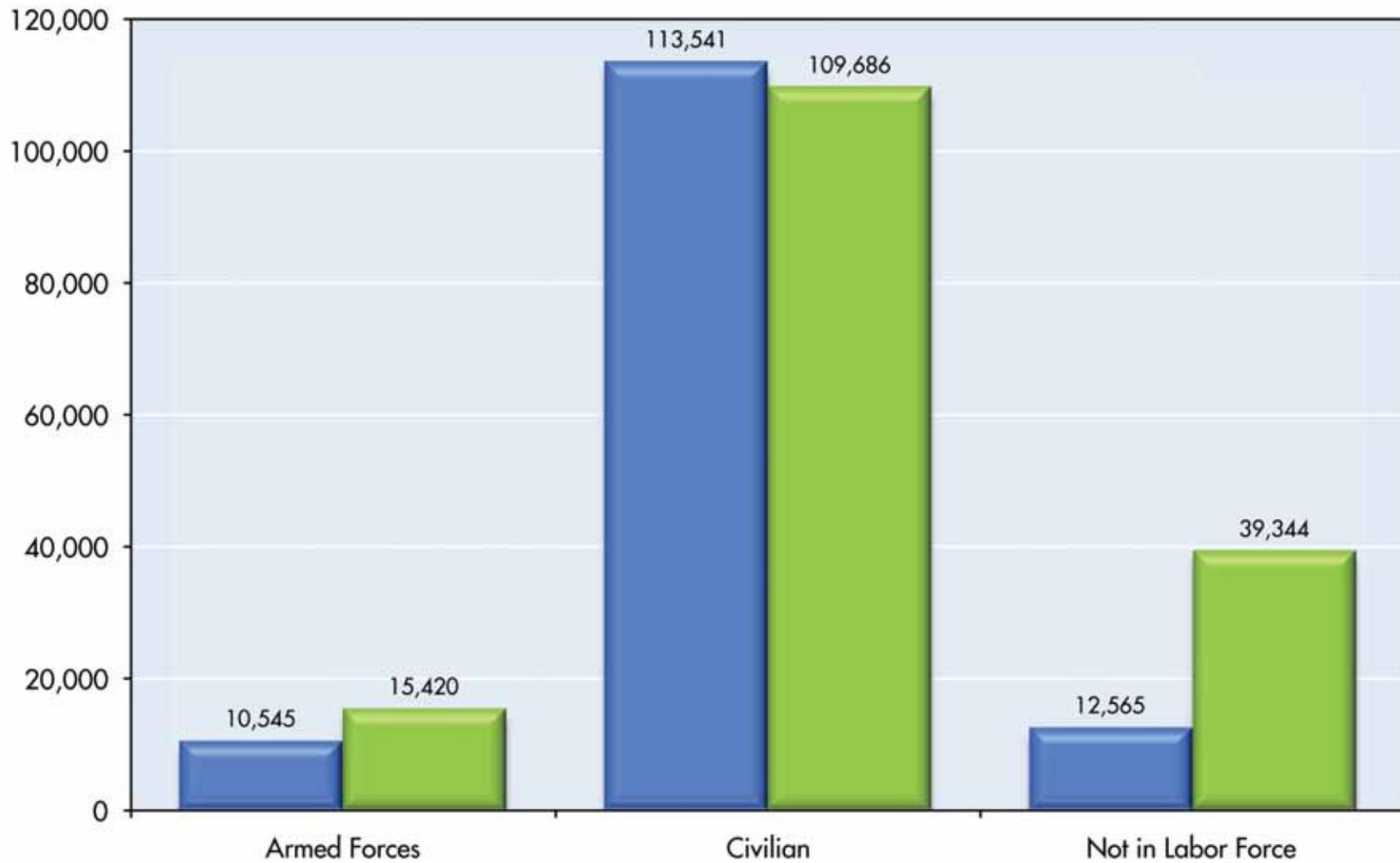
Source: www.bls.gov

Here in Hampton Roads, the decline in African American male civilian employment was moderated by an increase in African American military employment. Graph 4 illustrates this development, which relates to a slightly different time period (2006 to 2009) than Table 5.



GRAPH 4

NUMBER OF AFRICAN AMERICAN MEN AND THEIR EMPLOYMENT STATUS, HAMPTON ROADS 2000 AND 2009



Source: "Current Population Reports," Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov

THE REGIONAL UNEMPLOYMENT RATE

Another key indicator of economic health is the rate of unemployment. Table 6 examines regional rates of unemployment for all civilian employees between 2006 and 2009. The rate of unemployment in Hampton Roads was consistently below the national rate for all racial and ethnic groups. Thus, in 2009, the rate of unemployment for African American males was 17.3 percent nationally, but only 11 percent in Hampton Roads.

Nevertheless, one can see that the rate of unemployment for African American men in Hampton Roads always has been higher than that for white men in Hampton Roads. And, ever since regional unemployment rates have been computed for Asian men and Hispanic/Latino men, the African American rate always has been higher than the rates for those groups.

Is it appropriate to compare and contrast the economic performances of minority groups such as African Americans, Asian Americans and Hispanic/Latino Americans? Yes and no. All of these minority groups have been challenged by discrimination. However, a variety of studies has shown that white resistance and negative attitudes toward Asians and Hispanics/Latinos typically are less prevalent than those directed toward African Americans. Further, many Asians in the United States are relatively recent immigrants and it is likely that selection bias exists in terms of their education, assets and motivation. Hispanic/Latino Americans would appear to be a more appropriate comparator with African Americans, but once again the circumstances and histories of the two groups are quite different. Approximately 10 million Hispanic/Latino immigrants reside in the United States illegally, but they did not come to the country as slaves and many are not as easily identified visually as are African Americans. Hence, one must be cautious in drawing strong conclusions about the meaning of observed statistical differences among racial and ethnic groups. Their circumstances are not always easily comparable.

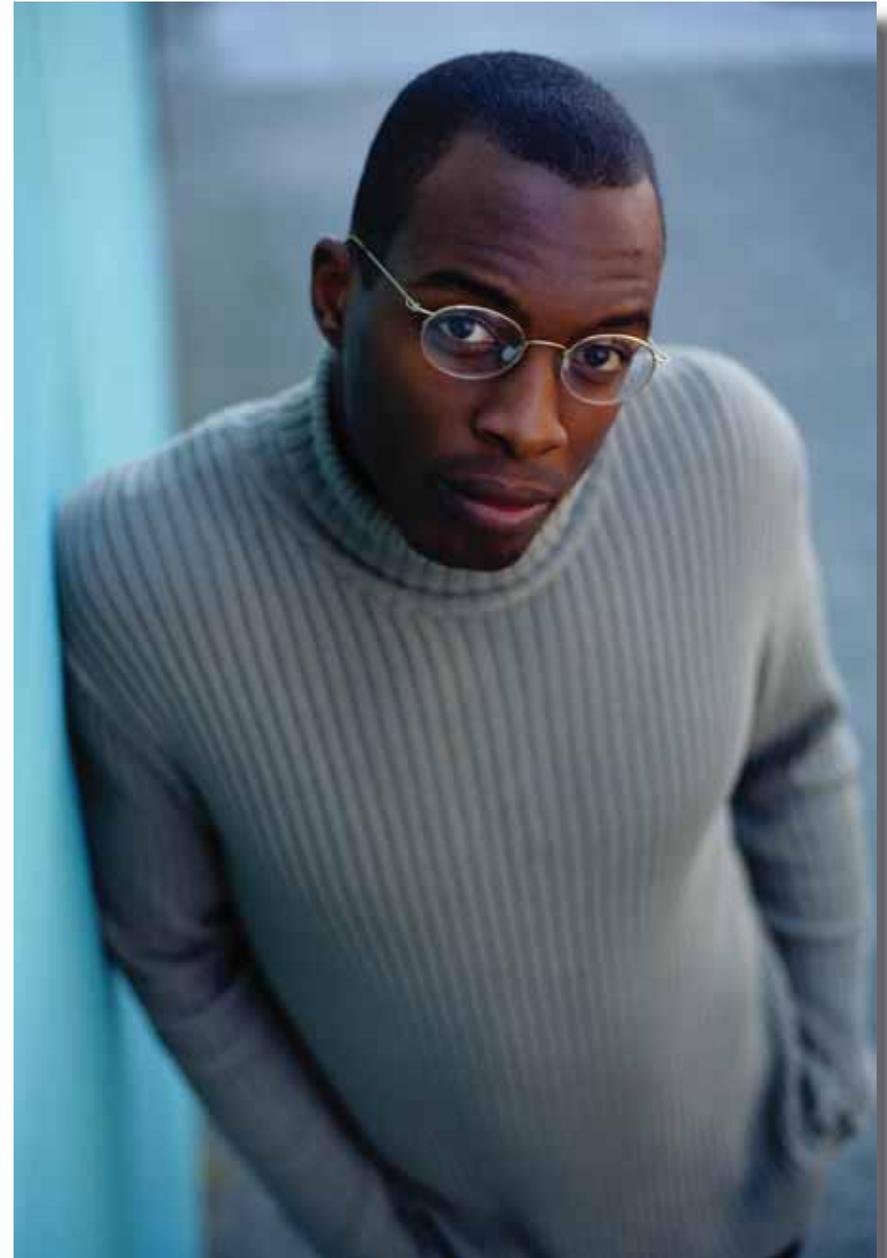


TABLE 6
RATES OF UNEMPLOYMENT IN HAMPTON ROADS, 2006-2009

	2006	2007	2008	2009
Total	2.8	3.1	4.7	6.3
Men	2.5	3.5	5.0	6.4
Women	3.2	2.6	4.4	6.2
Men Only				
Black, not Hispanic	4.8	4.8	5.9	11.0
White	1.6	3.0	4.7	4.3
Hispanic/Latino	*	*	*	8.4
Asian	*	*	*	7.2

Source: www.bls.gov.
Includes only estimates for all demographic groups that met the minimum base standard of statistical reliability.

CIVILIAN LABOR FORCE PARTICIPATION

The civilian labor force participation rate (LFPR) is a key measure of workforce activity. The LFPR is the percentage of the conventional working-age population that is actively seeking a job. Table 7 reports LFPRs for selected groups in Hampton Roads, 2006 through 2009. Bucking national trends, the overall Hampton Roads LFPR increased from 65.4 percent in 2006 to 71 percent in 2008. In 2009, when the official end of the recession was declared, a decline in the region’s civilian labor force participation rate occurred (from 71 percent in 2008 to 68.4 percent in 2009). The comparable national LFPR was only 64.7 percent in December 2009.

Note, however, that the LFPR for African American males age 16 or older fell by 5.4 percent during the 2007-09 time period, to 65.4 percent. This continues a long-term trend and reflects the reality that, for a variety of reasons, an increasing proportion of African American males no longer is actively seeking work. As noted above, many of these individuals are “discouraged workers” – those who have stopped looking for work because they believe they can’t find a job. A review of Graph 4 reveals that the number of African American males not in the labor force (that is, not actively seeking a job, but of conventional working

age) climbed by almost 27,000 between 2006 and 2009, an astonishing increase of more than 200 percent.

It’s worth noting that labor force participation has been declining nationally as well, both for African American men and most other men. Earlier retirements are one cause of this phenomenon, but discouraged workers – those who have stopped looking for work because they do not believe they can find a job – also appear to be a major factor. Whatever the cause, the decline in labor force participation for African American males spans nearly all age groups, and LFPRs for African American males are well below comparable numbers for other major racial and ethnic groups.

The declining labor force participation of African American men is an obvious matter of concern, and not simply because they no longer have earned incomes. What do unemployed men of conventional working age who are not attempting to find jobs do with their time? How do they relate to other people, including their families? Do they continue to function as viable members of society?

TABLE 7
CIVILIAN LABOR FORCE PARTICIPATION RATES IN HAMPTON ROADS, ADULTS 16 YEARS AND OLDER, 2006 TO 2009, BY PERCENT

	2006	2007	2008	2009
Total MSA	65.4	66.0	71.0	68.4
Men	73.1	72.7	75.8	74.7
Women	59.6	59.7	59.5	59.0
Males Only				
Black, not Hispanic	70.8	68.6	66.7	65.4
White	74.0	75.2	80.1	79.4
Hispanic	*	*	*	86.2
Asian	*	*	*	80.9

Source: www.bls.gov

INCOME AND POVERTY

A review of Graph 1, which is based upon data from Table 1, reveals that between 2000 and 2009, the average median weekly earnings of a full-time African American worker increased by only 21.8 percent, well below the 27.8 percent increase for all men and far below comparable increases for Asian men (39 percent) and Hispanic/Latino men (36.4 percent). These data demonstrate that the earnings growth of African American men has been lagging that of other men for some time.

Table 8 shows the change in median income for African American men in Hampton Roads cities between 2007 and 2009. The table reveals that even while median earnings increased for the Virginia Beach-Norfolk-Newport News-North Carolina metropolitan statistical area and for most of the cities in Hampton Roads, median earnings decreased for African American men in Hampton (-14 percent), Newport News (-3.1 percent) and Virginia Beach (-4.4 percent). There were gains in median earnings for African American men in the following cities: Chesapeake (9.7 percent), Norfolk (9.4 percent) and Portsmouth (19.8 percent). The reasons for Portsmouth's relative prosperity are not clear, but the opening of the Tidewater Community College campus in that city may be one factor.

TABLE 8

MEDIAN ANNUAL EARNINGS OF AFRICAN AMERICAN MEN, AGE 16 AND OLDER IN HAMPTON ROADS, 2007-2009

City	2007	2009	Percent Change
Chesapeake	38,962	42,724	9.7%
Hampton	38,929	33,474	-14.0%
Newport News	36,395	35,258	-3.1%
Norfolk	30,489	33,346	9.4%
Portsmouth	31,386	37,603	19.8%
Virginia Beach	40,322	38,574	-4.4%
Suffolk	38,865	38,926	0.7%

Source: www.bls.gov

EDUCATIONAL ATTAINMENT

Even while bad things were happening during the recession for many African American men in Hampton Roads in terms of their economic status, the typical African American man was becoming better educated. Table 9 reports that between 2006 and 2009, the number of black males with less than a high school education declined significantly, from 28,151 to 21,768, or more than 22 percent. Meanwhile, the number of African American men in the region with "some college" increased from 41,150 to 49,889, up 21 percent, and the number of black men with bachelor's degrees increased from 17,928 to 19,265, up 7.5 percent.

In the long term, the increasing educational attainment of African American men will redound to their benefit, though much the same "better educated" phenomenon was true for other major racial and ethnic groups during the same time period. Nevertheless, as we have already seen, increased education did not protect African American men from major economic distress during the 2007-09 recession.

TABLE 9

EDUCATIONAL ATTAINMENT OF AFRICAN AMERICAN MEN IN HAMPTON ROADS, 2006 AND 2009

	2006	2009	Change	Percent Change
Less than High School	28,151	21,768	-6,383	-30.2%
High School	48,124	47,025	-1,099	-2.3%
Some College	41,150	49,889	8,739	21.2%
Bachelor's Degree	17,928	19,265	1,337	7.5%

Source: www.bls.gov

Graph 5 shows the mean annual earnings of African American men with various levels of education in 2009 in Hampton Roads. Education ordinarily does pay off for African American men. Those with a bachelor's degree or more earned 55 percent higher incomes than high school graduates.

THE CRIMINAL JUSTICE SYSTEM AND JAIL

There are other unfortunate social consequences associated with low educational attainment. Among the most pressing are high rates of contact with the criminal justice system and low rates of marriage. Graph 6 depicts the disproportionately high rate of incarceration of African American men compared to other major racial and ethnic groups. Fully 4.75 percent of adult African American men were in jail in 2009, according to the Department of Justice ("Incarceration in the United States," www.wikipedia.com).

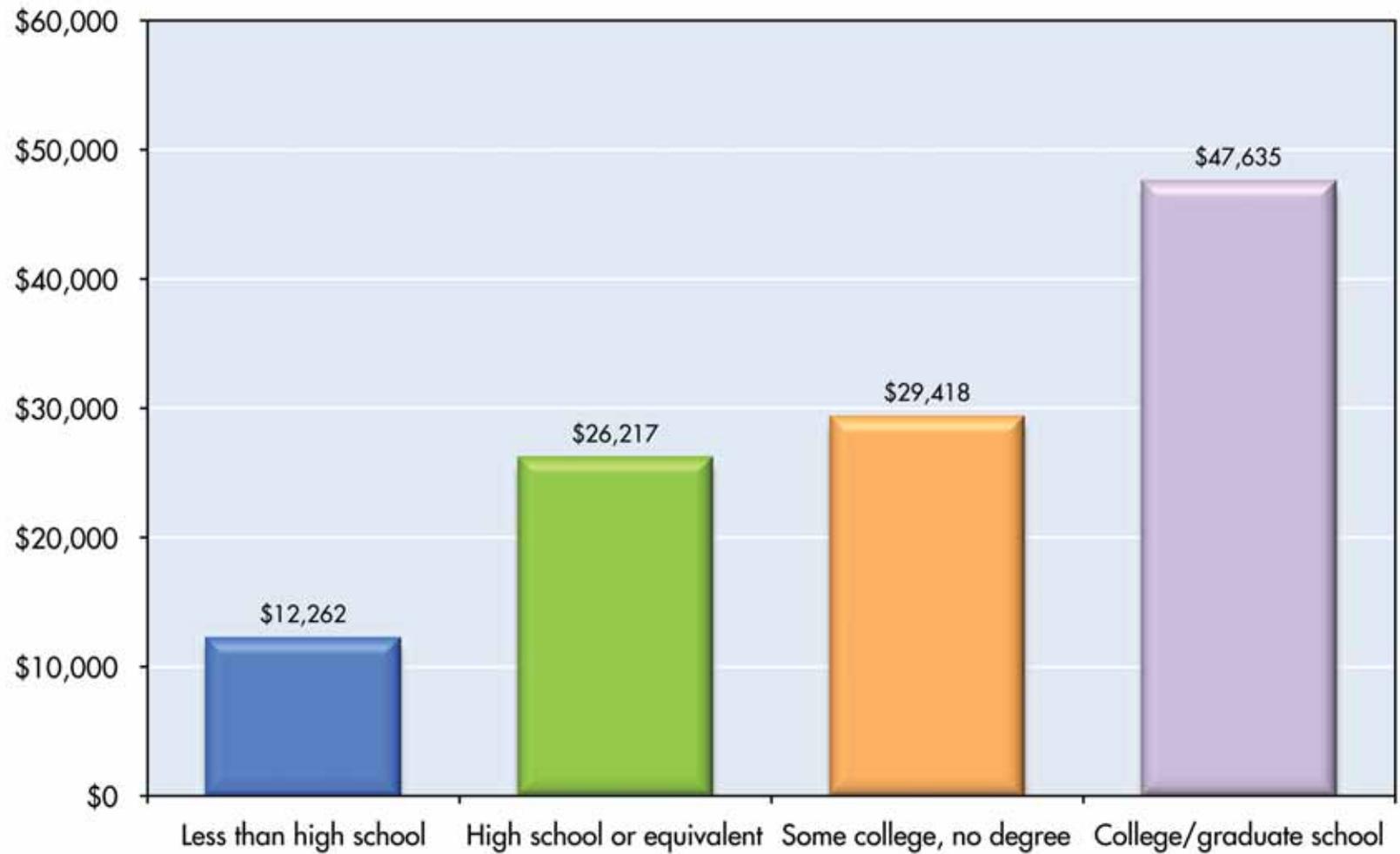
Reality is that this not only seriously diminishes the economic prospects of those who are institutionalized, but it also destroys families. Even when these individuals leave prison, they operate at a disadvantage. An unpublished 2006 study (Finlay, University of California, Irvine) estimated that criminal background checks, which have become a routine part of pre-employment screening, lower the relative employment of young black men by more than 2 percent in states where the records of former criminal offenders are available on the Internet, when compared with states where this information is not available online. Criminal records relentlessly follow those who have been imprisoned.

Not so coincidentally, high rates of incarceration of African American men mean that fewer get married, or stay married. Low marriage rates result in approximately 70 percent of African American babies being born to parents out of wedlock and 84 percent of all single-parent African American families being headed by a woman (Census Bureau, 2010). Of course, there are economic consequences as well. Almost 30 percent of these single-parent families end up in poverty, as defined by the U.S. Department of Labor.



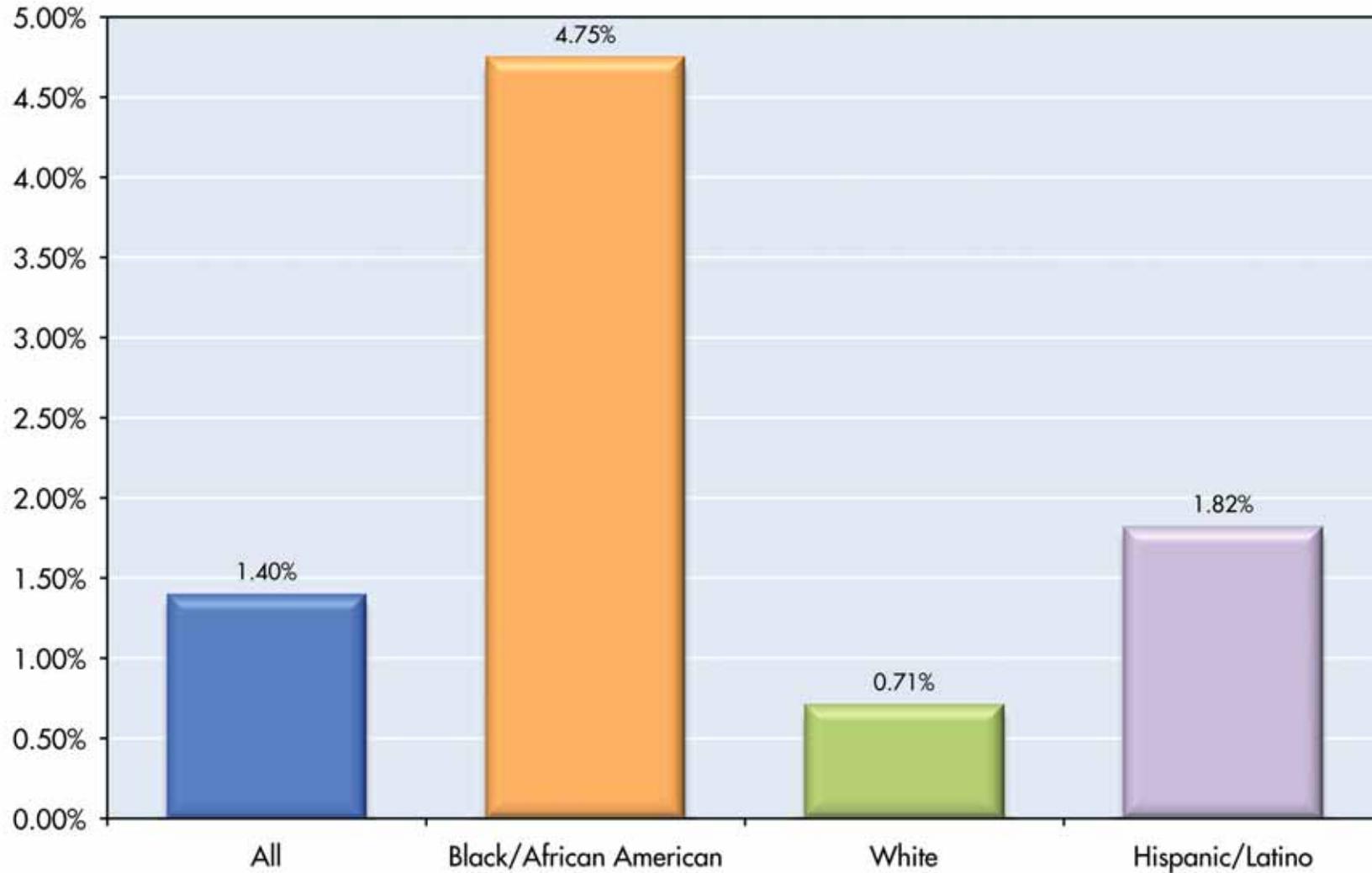
GRAPH 5

MEAN ANNUAL EARNINGS OF AFRICAN AMERICAN MEN



Source: "Current Population Reports," Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov

GRAPH 6
INCARCERATION RATES FOR U.S. MEN, 2009



Source: "Current Population Reports," Bureau of Labor Statistics, U.S. Department of Labor, www.bls.gov

Can We Explain The Economic Plight Of African American Men?

The economic plight of African American men is a complex phenomenon and no single factor is capable of explaining all of what we observe. A persistent explanation, however, is continued discrimination against African American men. **Even after one controls for critical variables such as educational attainment and experience, most economic studies reveal the existence of labor market discrimination against African American men, though discrimination does not explain all of the large gap in economic performance that exists between African American men and males from other racial and ethnic groups.**

As noted earlier, the employment of African American men historically has been heavily concentrated in those industries and occupations that in recent years have suffered the largest declines in employment – notably construction and manufacturing. Further, even after taking stimulus funding into account, there has been a net decline in government employment of African Americans, particularly at the state and local levels. Because African Americans are heavily represented in public employment, the fiscal crises afflicting most state and local government units have damaged African Americans relatively more than other major racial ethnic groups.

The distinctive nature of the employment of African American men also has other consequences. Partially because of their own educational choice-making, African American men remain underrepresented in expanding scientific, technical, financial and health profession fields where larger numbers of well-compensated positions are available. African American men also are less likely to be entrepreneurs who start their own businesses (Kauffman Index of Entrepreneurial Activity, 1996-2010, pp. 8-9). These factors mean they have been less likely to participate in the significant income growth that has accrued to many men from other major racial and ethnic groups.

There may exist cultural reasons why the labor force participation rates of African American men trail those of other major racial and ethnic groups. Table 1, for example, disclosed that the employment/population ratio for Hispanic and Latino men was 68.9 percent in 2009, but only 53.7 percent for African American men in the same year. This was despite the fact that work on average was about 9 percent less lucrative for Hispanic/Latino men than for African American men, as measured by median weekly earnings of full-time employees. Why is this so? Many Hispanic/Latino men are less-educated immigrants (“How Immigration Works for America,” 2010 Annual Report of the Federal Reserve Bank of Dallas). Are they accorded favored treatment relative to African Americans when employment decisions are made, or are they willing to toil at jobs that others, including African Americans, will not?

The very high rate of incarceration of African American men also is a factor. Slightly more than one-third of all prisoners in the United States are African American men and approximately one of every 20 African American men is behind bars. While the old bromide, “If you do the crime, you must do the time,” is substantially true, the differentially high rate of incarceration of African American men relative to other population groups invites accusations of unequal treatment and discrimination. Whatever the actual truth, the high rate of incarceration clearly affects most of the economic measures we have discussed – especially labor force participation, perceived employability and income earned.

The incarceration issue underlines how it is often difficult to separate the appropriate functioning of labor markets and the justice system from the reality that, to some extent, both are influenced by discrimination. How can one disentangle economic results legitimately based upon differential merit from those that have their roots in discrimination? And, even if one can separate merit from discrimination (and many economists have published such studies), what should we do with that information? If a man commits a significant crime, then most people believe he should be subjected to appropriate penalties in the criminal justice system. Should the rate of unemployment and/or the presence of discrimination influence what penalty the man receives? Or, is a burglary a burglary, regardless of who commits it? These are hard questions, not easily addressed.

Final Thoughts

The data presented above leave no doubt that for some time African American men have been falling behind, economically speaking. The recent recession appears to have accelerated this trend. Assuming this is true, what should society do?

First, all of us must recognize that there is a problem. Some otherwise well-informed people seem largely unaware that African American men have been doing so poorly, economically speaking, in recent years.

Second, government must be vigilant and active in identifying and rooting out discrimination, including discrimination that has economic manifestations.

Third, governments at all levels should eliminate the perverse incentives that cause families to be better off financially if the parents officially are not together.

Fourth, programs designed to improve the labor market skills of African American men, especially those leaving the criminal justice system, have demonstrated productivity and are sound economic investments for governments. Related to this, need-based scholarship aid for higher-education students at all levels would have an especially favorable impact on African American men, who now constitute only about 40 percent of African American college enrollment.

Fifth, displaced workers of all racial and ethnic groups should be offered incentives to move where available jobs are located. The first thought of an African American man may not be to move to North Dakota. However, in March 2011, the rate of unemployment in North Dakota was 3.6 percent versus a 9 percent rate nationally. African American men must avoid tethering themselves to urban poverty traps.

Sixth, African Americans must recognize that even though they have been and continue to be the victims of unjust discrimination, they nonetheless bear significant responsibility for improving their own economic situation. Consider the example of a man who, through no fault of his own, has been badly injured in an automobile accident. Now he must undertake long-term physical rehabilitation in order to recover. While others might supply equipment and

encouragement to him, only through his ability and determination to do the disciplined exercises will he overcome the effects of the accident. So also it is for many African American men. They must take many of the actions that will make a difference, whether it is entering the labor force for jobs at low pay levels, or taking responsibility for and staying with their children and families. While this strong counsel may seem unfair, given the discriminatory genesis of some of the problems African American men face, the reality is that only they can take many of the actions that will improve their situation. Government is unlikely to provide solutions for many of their problems.

Seventh, candid discussions both inside and outside the African American community are required regarding the economic plight of African American men. For example, how do we explain the large gap in labor force participation between African American and Hispanic/Latino men? Why do African American men save lower proportions of their incomes than Asians and Hispanics/Latinos, even after one has controlled for education, income and wealth levels? Do some ethnic groups place a greater positive emphasis on education than African Americans and, if so, why? Do some ethnic communities “pull together” more than African Americans and find ways to provide financial support for their members’ higher education, capital for starting businesses, etc.?

Eighth, and finally, **while a rising economic tide doesn’t lift all boats, an expanding economy does raise many boats, and this is especially true for those occupied by African American men. At the end of the day, economic recovery and a robust economy that generates numerous jobs is likely to be the best medicine of all.**



WHRO Marks Its 50th Anniversary



WHRO MARKS ITS 50TH ANNIVERSARY

Public television and radio are old and trusted friends that I spend time with on a daily basis.
– A Newport News mother of four

Public broadcasting: For many of us, the term calls to mind beloved children’s television shows like “Sesame Street,” and thoughtful (if not necessarily hip) adult programming like “Nova” or “Antiques Roadshow.” Jazz and classical music lovers provide a core audience for public radio, as do commuters and other news listeners seeking an alternative to AM talk radio. As an affiliate of the national networks PBS and NPR, WHRO (encompassing WHRO-TV, as well as the broadcast radio stations WHRO-FM and WHRV-FM) transmits this and other publicly supported programming throughout Hampton Roads.

This broadcast activity is substantial, yet it is only a portion of WHRO’s greater identity, as indicated by the organization’s formal rebranding in January 2011 as WHRO Public Media. The depth of WHRO’s offerings and its service to the Hampton Roads community is surprisingly large and extends well beyond the airwaves of three broadcast stations. Today, WHRO presides over eight unique radio channels, some catering to specialized niche audiences as tailored as devotees of 1920s big band music, or followers of the local rock and alternative music scene. All of these channels stream live through the whro.org website; six are also transmitted digitally.

Digital technology has enabled WHRO to expand its television offerings as well. The original broadcast channel (now dubbed WHRO.HD 15.1) is accompanied by WHRO.World (15.2) and WHRO.Kids (15.3). A fourth channel, WHRO.Create, is carried by regional cable providers Cox and FiOS.

Much – though by no means all – of these channels’ content is distributed by the Public Broadcasting Service (PBS) and National Public Radio (NPR). However, original local programming plays the greater role in WHRO’s radio offerings. But WHRO is not (nor is any other public station) owned and operated by PBS or NPR. Rather, WHRO is an independent nonprofit organization that is owned by the Hampton Roads Educational Telecommunications Association (HRETA), a consortium of 18 area school systems. This collaborative arrangement is unique among American public media affiliates and has empowered WHRO to

develop an array of forward-thinking, technology-based educational services for teachers and students alike that is above and beyond the station’s familiar efforts as a radio and TV provider.

Through its ownership and its outreach, WHRO is a distinctively regional institution that links a diverse constituency throughout Hampton Roads (and beyond). Whether on the radio or TV, in the classroom or online, most Hampton Roads residents have been touched in some way by the services of WHRO. Fewer of us are familiar with the breadth of the station’s offerings, however, or how these offerings have changed and expanded significantly in the last five to six years alone. 2011 marks the 50th anniversary of WHRO and public broadcasting in Hampton Roads – a fitting opportunity to take stock of the station’s accomplishments, as well as to look forward and consider some of the challenges it will likely face in the years ahead.

We’ll look back at the origins of public broadcasting and how the work of WHRO has evolved over time. The digital revolution has increased the recent pace of this evolution exponentially. We’ll explore how WHRO, through its educational services and other offerings, has adapted to the transformed landscape of Public Media 2.0. Finally, we’ll examine the cultural and political challenges WHRO confronts as it seeks to maintain its public funding and community support in lean economic times.

WHRO and the Evolution of Public Broadcasting

WHRO became Virginia's first noncommercial, educational television station in 1961, when the Federal Communications Commission awarded a broadcast license to the Hampton and Norfolk public school systems. In its early years, WHRO-TV aired weekdays during the school hours of 9 a.m. to 3 p.m. The broadcast course schedule included subjects such as personal finance, history, science, social studies and Spanish. All programs were shot live from two production studios in Norfolk. This early model of instructional television proved a success and five years later WHRO's reach had expanded to the school systems of Newport News, Portsmouth, Chesapeake, Virginia Beach and Suffolk, as well as Nansemond, York and Isle of Wight counties. **In 1968, the participating school divisions formally incorporated as the Hampton Roads Educational Television Association Inc. (HRETA), a private nonprofit educational corporation that still owns and governs the station today.**

WHRO-TV thus predates the broader endeavor of national public broadcasting, which came to life through an act of Congress in 1967. The Public Broadcasting Act sought to dedicate a portion of the radio and television broadcast spectrum to educational, noncommercial purposes. The main agent of the legislation (then and now) is the Corporation for Public Broadcasting (CPB), a private nonprofit entity that supports public broadcasting. Most CPB-funded television programming is distributed by PBS, which CPB created in 1969. WHRO-TV became a PBS affiliate, enabling the station to supplement its menu of locally produced shows with new nationwide programming like "Sesame Street" and "Masterpiece Theater." In addition to funding programming, CPB provides grants to local broadcast stations; in the 2010 fiscal year, WHRO received nearly \$1.5 million from CPB, approximately 12 percent of the station's total budget (see Table 1).

Public radio became a part of WHRO's mission in 1975, when HRETA assumed responsibility for the license of classical radio station WTGM-FM (89.5). (Three years later, the call letters were changed to WHRO-FM.) As an NPR

affiliate, WHRO-FM initially broadcast a mix of music, news and information programming. NPR's weekday news magazine, "All Things Considered," debuted in 1977, followed by "Morning Edition" in 1979. These shows continue to be among the most widely heard on public radio today. In 1991, WHRO activated a second FM station to better accommodate the demands of a diverse and growing radio audience. News and information, plus jazz, folk and alternative music, became the purview of WHRV-FM (89.5); classical and fine arts programming found a dedicated home at WHRO-FM (90.3).

The pace of WHRO's evolution has accelerated in the past decade. The nationwide conversion to digital television, formally completed in 2009, enabled the station to broadcast multiple channels within a single frequency. Digital radio opened up the same opportunity (although to date, most listeners continue to use analog radios). By far the greatest technological change, however, is the ever-widening capacity of the Internet. WHRO's broadcast content is now accessible online at whro.org in a variety of formats – podcasting and live audio streaming, as well as audio and video on demand. WHRO offers more programming than ever before and it is accessible not merely to residents of Hampton Roads, but also to anyone worldwide with an Internet connection.

WHRO Ownership: HRETA

WHRO is owned and governed by the 18 public school systems that are members of the Hampton Roads Educational Telecommunications Association Inc. (HRETA):

- Accomack County
- Chesapeake
- Franklin
- Gloucester County
- Hampton
- Isle of Wight County
- Mathews County
- Newport News
- Norfolk
- Northampton County
- Poquoson
- Portsmouth
- Southampton County
- Suffolk
- Sussex County
- Virginia Beach
- Williamsburg-James City County
- York County

TABLE 1

WHRO REVENUE AND EXPENSES (FY 2009-10 OPERATING FUNDS)

Revenue				
Education Service Fees	\$2,588,250	20.4%		
Enterprise Service Fees	\$2,325,993	18.3%		
Government Grants	\$2,231,437	17.6%		
Includes:			Federal Grants	\$1,488,669
			State Grants	\$721,369
			Other	\$21,399
Membership	\$2,150,345	16.9%		
Underwriting	\$1,223,162	9.6%		
Major Gifts	\$955,332	7.5%		
School Assessments	\$534,472	4.2%		
Miscellaneous Revenue	\$187,304	1.5%		
Investment Income	\$155,797	1.2%		
Special Events	\$145,436	1.1%		
Corporation and Foundation Grants	\$81,477	0.6%		
Board Giving	\$70,197	0.6%		
Production Funding	\$26,417	0.2%		
Planned Giving/Memorials	\$12,159	0.1%		
	\$12,687,778	100.0%		
Expenses				
Personnel	\$6,638,748	51.9%		
Operating	\$3,110,583	24.3%		

Expenses continued				
Mission Direct	\$3,033,253	23.7%		
Includes:			PBS Fees	\$1,024,491
			Education Licenses & Programs	\$813,088
			NPR Fees	\$461,537
			Program Fees - Other	\$298,754
			Independent Contractors & Talent	\$271,297
			Listing Service & Audience Research	\$89,934
			Production Costs - Other	\$67,555
			Streaming Fees	\$6,597
	\$12,782,584	100.0%		
Source: WHRO				

WHRO Audited Financial Results					
Fiscal Year	2006-07	2007-08	2008-09	2009-10	2010-11 (budgeted)
Revenue	\$16,137,981	\$15,188,070	\$14,640,725	\$13,862,336	\$14,469,425
Expenses Before Depreciation	\$13,031,349	\$12,989,801	\$13,154,625	\$12,873,982	\$12,656,882
Net Margin Before Depreciation	\$3,106,632	\$2,198,269	\$1,486,100	\$988,354	\$1,812,543
Depreciation	\$1,588,172	\$1,601,951	\$1,585,503	\$1,437,782	
Source: WHRO					

Public Media 2.0

The Internet has transformed the way Americans receive news and entertainment and will continue to do so in the years ahead. Traditional radio and TV providers like WHRO can and, increasingly, must, now reach out to their audiences through a variety of platforms in order to survive and remain relevant. As summarized in a recent report from American University's Center for Social Media, we "now inhabit a multimedia-saturated environment that spans highly interactive mobile and gaming devices, social networks, chat – and only sometimes television or newspapers. People are dumping land lines for cell phones and watching movies and TV shows on their computers. ... Open platforms for sharing, remixing, and commenting upon both amateur and professional media are now widely popular – hastening the demise of print subscriptions and 'appointment television.' While broadcast still reaches more people, the Internet (whether accessed through phones, laptops, or multimedia entertainment devices) has become a mass medium."¹

This new media landscape has created fascinating opportunities for broadcasters like WHRO, beginning with the array of new channels available for the distribution of public programming. As evidenced by Table 2, WHRO has excelled in this arena. **Freed from the constraints of "appointment radio," episodes of the public affairs program "HearSay with Cathy Lewis" were downloaded as a podcast or played as an on-demand radio stream more than 31,000 times each month in the second half of 2010.** Approximately 3,000 teachers and students per month viewed episodes of "Discovering Jamestown," a series of educational videos produced by WHRO for the Jamestown-Yorktown Foundation. Perhaps most impressively, The 1920s Radio Network was streamed live nearly 1 million times each month by listeners worldwide. (see Table 2). Such examples suggest that new technologies have significantly expanded the outreach and accessibility of WHRO's programming.

The definition of "programming," however, is no longer limited to the delivery of static content. The 20 million children who visit the pbskids.org website each

¹ "Public Media 2.0: Dynamic, Engaged Publics" (February 2009), at: <http://centerforsocialmedia.org/future-public-media/documents/white-papers/public-media-20-dynamic-engaged-publics>

quarter play math and reading games, download coloring pages, create their own comics and movies, and engage in other kinds of interactive learning. Since the end of 2009, PBS has fully merged its television and online news operations; pbsnewshour.org (and an accompanying iPhone app) provides coverage that deepens and expands upon the content of the TV news hour. Local PBS and NPR affiliates have begun to explore the Internet's capacity to promote interactivity, dialogue and specialized news coverage at the community level. A recent Aspen Institute report on the future of public media identifies ideastream.org, a public media collaboration in Cleveland, and Minnesota Public Radio's Public Insight Network as noteworthy examples.²

A recent episode of "HearSay" (WHRV-FM) highlighted how New Mexico public television affiliate KNME uses social media to provide expanded legislative coverage. Such Internet-based innovation seems to hold rich potential for WHRO, given the station's established focus on regional affairs via its broadcast programming, and its self-described mission to be "a trusted and valued civic space where citizens can explore diverse issues in a thoughtful manner." WHRO's Center for Regional Citizenship might eventually assume a more substantial role through such new media initiatives.

The brave new world of Public Media 2.0 brings challenges as well as opportunities – not least, the question of strategic focus. The emergence of so many technological innovations within a short period has spread thin public broadcasters' already modest resources. The temptation to jump on the latest media bandwagon – blogging, Facebook, Twitter, etc. – can distract from core services. The public is already distracted in myriad ways, as a virtually limitless array of online content now competes for audience attention. In an age when "anybody can start up a radio station in their garage" (as aptly put to us by WHRO Music Director Dwight Davis), or when anybody can develop their own YouTube video channel, public broadcasters must consider carefully the services they provide.

² The Aspen Institute Communications and Society Program, "Rethinking Public Media: More Local, More Inclusive, More Interactive" (December 2010), at: <http://www.aspeninstitute.org/publications/rethinking-public-media-more-local-more-inclusive-more-interactive>

TABLE 2		
A MONTH IN THE LIFE OF WHRO: INTERNET WEBTRENDS REPORTS FOR WHRO ONLINE PRODUCTS		
	November 2010	6-mo. Average (July-Dec. 2010)
Radio Streams Clips Played		
The 1920s Radio Network	1,007,188	903,417
Connoisseur Classics	255,621	290,213
AltRadio.org	212,258	225,457
WHRO-FM	23,899	22,701
WHRV-FM	80,762	42,500
SpeakEasy	66,045	62,399
WHRO Radio Reading Service	228	230
Podcasts (Number of downloads)		
Discovery Now	44,264	55,241
HearSay with Cathy Lewis	23,725	30,772
CD of the Week	22,378	22,145
Loessin @ Large	9,491	9,743
Norfolk 17	250	294
What Matters Video Podcast	4,109	3,505
What Matters Audio Podcast	3,874	5,717
Another View Video Podcast	1,938	1,885
Another View Audio Podcast	1,134	1,809
Arts Conversations	4,817	4,686

Podcasts (Number of downloads) continued		
How We Saw It	587	526
Bird Notes	7,402	7,355
On-demand Radio/Video Streams (Number of clips played)		
Out of the Box	1,999	2,920
HearSay with Cathy Lewis	600	875
Sinnet in Session	577	822
Vocal Sound of Jazz	105	91
R&B Chronicles	161	240
Discovering Jamestown 2007	3,401	3,032
Saturday Night Fish Fry	238	261
Acoustic Highway	117	161
Pickin' on WHRV	101	82
From the Parlor	31	63
Silver Moonbeams	120	224
	1,777,420	1,699,363
Source: WHRO		

Much of the content broadcast by local affiliates like WHRO is now available through other means. NPR offerings like "This American Life" and "Car Talk" are consistently among the most popular iTunes store podcasts; many TV shows can be viewed on demand at pbs.org. As Hampton Roads audiences grow accustomed to accessing their favorite NPR or PBS shows outside the local broadcast airwaves, WHRO may be compelled to adapt its services accordingly. One answer, as suggested to us by Davis, is a keener focus on "live and local" programming.

The WHRO “Thinkplex”

WHRO’s most innovative use of new Internet technologies comes through its educational services, or “Thinkplex.”

In the last two years alone, these services have earned awards from the Corporation for Public Broadcasting, the Association of Public Television Stations, the National Educational Telecommunications Association and CIO magazine. WHRO has long been a leader in the field of educational technology, from its early days as a broadcast television channel, to its videodisc production and establishment of the Consortium for Interactive Instruction in the 1980s, and now into the Internet era. Today, WHRO is a key provider of new media services to educators and students in Hampton Roads and throughout the Commonwealth of Virginia.

The extent of WHRO’s involvement in educational technology may surprise Hampton Roads residents most familiar with the station’s radio and TV programming. Yet, radio and TV are only the most visible portions of a much larger iceberg, to borrow a metaphor from Chief Education Officer Brian Callahan. As Callahan describes, WHRO’s educational services today are supported by four pillars:

- *Ready to Learn* – Ready to Learn is a cooperative agreement among the U.S. Department of Education, PBS and the Corporation for Public Broadcasting that supports research-based programming like “Super Why!,” “Martha Speaks” and “Word World” across multiple media platforms. Ready to Learn seeks to prepare young children for school, particularly those who may face economic, geographic or other barriers to academic success. WHRO airs Ready to Learn programming on two broadcast channels, and supports a full-time staff member to coordinate enrichment activities such as reading camps and parent training sessions throughout the Hampton Roads community.
- *Online teacher training* – WHRO is the state coordinator for Virginia’s PBS Teacherline, which offers online professional development courses for Virginia teachers, enabling them to earn recertification points (and in some cases, graduate credit at James Madison University) in a flexible, easy-to-access manner. Led by faculty with specialized training in online instruction, courses are typically offered in six-week blocks and take 15-45 hours to complete. WHRO provides additional courses through Virginia’s Community of Anytime

Knowledge, a partnership between Virginia’s public broadcasting stations and the Virginia Society for Technology in Education. In 2009-10, 1,500 Virginia teachers, including 1,058 from the HRETA-owner school systems, enrolled in an online training course powered by WHRO.

- *Online student courses* – Since 2007, WHRO has provided complete high school courses online through the Hampton Roads Virtual Learning Center, a collaborative initiative of the 18 HRETA school divisions. Courses (including English 9-12, Algebra II, Biology and U.S. History) are modular in nature, rich-media infused and fully aligned to the Virginia Standards of Learning. Courses are freely available to the HRETA-owner schools, which may customize or use the material however they see fit in lieu of a paper textbook, as a supplement within a traditional classroom or as a freestanding course. Through the assistance of a \$2.5 million federal stimulus grant (ARRA E2T2) in early 2010, 22 courses, including specialized offerings like Astronomy and Oceanography, will be online this fall.
- *Digital Media Distribution* – WHRO is the statewide distributor of content from Discovery Education streaming, which provides schools with tens of thousands of ready-to-access video clips in all subject areas. The clips derive from nonprofit and commercial providers of educational media, including PBS, as well as the Discovery Channel and its sister companies. In its infancy only a decade ago, digital media streaming is now the No. 1 service WHRO brings to Virginia schools, with 3 million items viewed in 2009-10, including 677,000 within Hampton Roads. To educators, the appeal of digital media streaming is obvious. It provides a breathtaking array of video content (the life and work of Leonardo da Vinci, how to graph an algebraic equation, etc.), it is correlated to the Standards of Learning and it is available on demand. Discovery Education is now the leading provider of digital media streaming to U.S. schools, but PBS and its local affiliates have begun to take a more proactive role. Testing is currently under way for VideoClassroom, WHRO’s own distribution system. The VideoClassroom will allow teachers and students to stream educational content from WHRO, as well as from other public broadcasting stations and the new PBS Digital Learning Library.

Each of HRETA’s 18 school divisions makes an annual contribution to WHRO at the rate of \$2 per student.

In 2009-10, WHRO received \$534,472 (or, 4.2 percent of its annual revenue) from its HRETA school assessments. Placing a dollar figure on all of WHRO's educational services, station representatives emphasize that the Hampton Roads schools "saved" \$7.6 million through their collaborations with WHRO, an approximate \$25 return for every dollar invested. The "saved" label may not be entirely descriptive, since school divisions do not necessarily use all of the services WHRO provides. "Potential services valued at \$7.6 million" might be more accurate. Regardless, it is clear that WHRO provides valuable services at low cost to the Hampton Roads schools. The HRETA partnership has been an asset to our region's students and educators.

The Hampton Roads Audience: Who's Tuning In?

Beyond the 286,000 students and 25,000 teachers in Hampton Roads who may access WHRO's educational services, hundreds of thousands more people worldwide enjoy WHRO programming each month. (The 1920s Radio Network, in particular, has a substantial overseas following; nearly 46 percent of its online users in 2010 hailed from beyond North America.) Hampton Roads residents, however, comprise WHRO's core audience. At the beginning of 2011, the station's radio broadcast coverage stretched northward to Gloucester, southward to Elizabeth City, N.C., and westward into Sussex and Southampton counties. Expanded eastward coverage is planned through the addition of new transmitters in Gloucester and on the Eastern Shore; a transmitter in Emporia will extend the station's western reach (see Figure 1). WHRO's approximately 20,000 community members live throughout Hampton Roads, with particularly strong representation in Virginia Beach, Norfolk and Williamsburg (see Table 3).

Assessing audience size and demographics is an imprecise science; numbers vary substantially according to the audience samples and methods of data collection. Nonetheless, the available statistics give us at least a rough idea of who is tuning in to WHRO. **National surveys indicate that public broadcasting audiences are significantly older, better educated,**

wealthier and earn higher incomes than the U.S. population at large. (The prominent exception is the early childhood TV audience, which is dominated by PBS.) There is rough equality of listeners/viewers between men and women.

The national patterns appear to hold true in Hampton Roads – although, it should be noted, WHRO currently receives detailed ratings information only for its traditional broadcast channels (WHRO.HD 15.1, WHRO-FM and WHRV-FM). WHRO obtains these ratings and accompanying audience statistics through paid subscriptions to Trac Media Services and the Radio Research Consortium, which process data collected by Nielsen and Arbitron.

In November 2010, approximately one-third of television-viewing households in Hampton Roads tuned in to WHRO.HD for at least five minutes each week. One-half of this viewing audience consisted of two demographics: children ages 2-5 and women age 50 and older. WHRO.HD earned its strongest ratings on the weekend, particularly during the prime-time hours of 8-10 p.m. and Saturday late morning. Director of Programming Linda Delgado tells us that Saturday morning "how-to" shows such as "America's Test Kitchen" and "This Old House" are consistently among the station's most popular, as are the British comedies that air on Saturday evenings. "Antiques Roadshow," "Masterpiece" and the science shows "Nature" and "Nova" also perform well.

Television ratings have fallen for all channels in recent years, due to the proliferation of media offerings now available to consumers. WHRO.HD's viewership is smaller than that of Hampton Roads' commercial network affiliates; its total audience size more closely resembles that of a specialized cable channel (see Table 4).

WHRV-FM and WHRO-FM attract significant proportions of regional audiences, respectively earning a 3.7 and 1.6 Average Quarter Hour share among Hampton Roads radio listeners in November 2010. WHRV-FM placed 12th, and WHRO-FM placed 18th, among the 33 FM stations ranked in our market. These ratings compare favorably to those of other public radio stations in similarly sized markets around the country.

In November 2010, WHRV-FM and WHRO-FM appealed most strongly to listeners over age 45; fully one-third of WHRO-FM's listeners were 75 and older. Surprisingly, men outnumbered women listeners nearly 2 to 1. The African American listenership of both stations was nearly 27 percent, not very far off the overall proportion (32 percent) of African Americans in Hampton Roads.

The weekday news magazines "Morning Edition" and "All Things Considered," which air during the morning and afternoon drive times, are the most widely heard shows on WHRV-FM; weekend morning shows such as "Car Talk," "Wait Wait ... Don't Tell Me!" and "A Prairie Home Companion" attract large audiences as well. These times of day are also among the most popular for WHRO-FM's musical programming (see Table 5).

STAFFING AND VOLUNTEERS

WHRO currently has 85 full-time and eight part-time employees, as well as 42 temporary part-time employees (largely production staff). As for volunteers, about 300 help at least once in a 12-month period. Additionally, 140 organizations routinely assist with fundraising drives and other events, and about 50 groups send an average of eight people to the station at least once in a year, for a total of 400. Thus, about 700 volunteers assist WHRO at least once in a typical year.



TABLE 3

WHRO MEMBERS (APRIL 2011)

Annual Giving Level			Category			Location		
\$0 - \$47.99	3,446	17.0%	Corporation	64	0.3%	Virginia Beach	4,949	24.5%
\$48 - \$99.99	6,315	31.2%	Foundation	11	0.1%	Norfolk	2,954	14.6%
\$100 - \$249.99	7,614	37.7%	Individual/Family	20,143	99.6%	Williamsburg	2,380	11.8%
\$250 - \$499.99	1,836	9.1%	Other	1	0.0%	Newport News	1,662	8.2%
\$500 - \$749.99	412	2.0%		20,219	100.0%	Chesapeake	1,532	7.6%
\$750 - \$1,199.99	111	0.5%				Hampton	1,328	6.6%
\$1,200 - \$2,499.99	356	1.8%				Portsmouth	779	3.9%
\$2,500 - \$4,999.99	78	0.4%				Yorktown	746	3.7%
\$5,000 - \$9,999.99	19	0.1%				Suffolk	664	3.3%
\$10,000 - \$24,999.99	2	0.0%				Gloucester	259	1.3%
\$25,000 - \$49,999.99	0	0.0%				Smithfield	204	1.0%
\$50,000+	1	0.0%				Poquoson	167	0.8%
Unspecified	29	0.1%				Franklin	95	0.5%
	20,219	100.0%				Elizabeth City	89	0.4%
						Hayes	88	0.4%
						Carrington	70	0.3%
						Other	2,253	11.1%
							20,219	100.0%

Source: WHRO

TABLE 4

A MONTH IN THE LIFE OF WHRO: TV

DMA CUMES (% of households in the Designated Market Area that viewed WHRO for 5+ minutes)

Prime Time	16						
Whole Week	32						

The WHRO.HD Audience

Kids 2-5	23%						
Kids 6-11	10%						
Teens 12-17	3%						
Women 18-49	10%						
Women 50+	27%						
Men 18-49	10%						
Men 50+	15%						

Top 10 Programs	Rank	Name	Weeks	Day	Time	Rating*	Share**
	1	Antiques Roadshow	1234	Sat	08:00 PM	1.86	2.92
	2	Masterpiece	12_4	Sun	09:00 PM	1.78	2.34
	3	Antiques Roadshow	1234	Mon	08:00 PM	1.77	2.42
	4	Tina Fey: The Kennedy Center Mark Twain Prize	_3_	Sun	09:00 PM	1.72	2.34
	5	Ask This Old House	1234	Sat	11:30 AM	1.48	3.44
	6	Nature	1234	Sun	08:00 PM	1.43	1.95
	7	Everyday Food	123_	Sat	10:30 AM	1.35	2.80
	8	Nova	1234	Tue	08:00 PM	1.33	1.81
	9	America's Test Kitchen	1234	Sat	10:00 AM	1.32	2.88
	10	This Old House	1234	Sat	11:00 AM	1.30	2.91

* **Rating** = % of viewing households (based on total number of homes in the market)
 ** **Share** = % of viewing households (based on number of homes using television during the program's telecast)
WHRO.HD Ratings (Norfolk-Portsmouth-Newport News Designated Market Area, November 2010)
 Source: Nielsen and TRAC Media Services

TABLE 5

A MONTH IN THE LIFE OF WHRO: RADIO
WHRO-FM AND WHRV-FM RADIO RATINGS (NORFOLK-VIRGINIA BEACH-NEWPORT NEWS METRO AREA)

	WHRO-FM (Nov. 2010)	WHRO-FM (6-mo. Average, July-Dec. 2010)	WHRV-FM (Nov. 2010)	WHRV-FM (6-mo. Average, July-Dec. 2010)
Average Weekly Time Exposed	2:30	3:17	4:30	4:30
** AQH Share	1.6	1.7	3.7	3.3
Mo-Fr 6A - 10A	2.0	2.0	4.2	3.9
Mo-Fr 10A - 3P	1.6	1.7	2.6	2.6
Mo-Fr 7P - 12M	1.6	1.5	4.6	4.1
Sa-Su 6A - 12M	1.5	1.8	3.8	3.1
Gender Composition				
Male	63.6%	61.8%	67.0%	60.2%
Female	36.4%	38.2%	33.0%	39.8%
Age Cell Composition (AQH)				
6-11	7.2%	8.5%	0.6%	0.6%
12-17	1.3%	1.0%	0.9%	1.1%
18-24	3.8%	2.6%	2.3%	3.7%
25-34	4.5%	2.8%	5.2%	5.2%
35-44	3.8%	4.8%	6.2%	5.9%
45-54	7.5%	6.7%	25.8%	27.9%
55-64	16.8%	21.0%	31.2%	29.3%
65-74	21.5%	27.6%	13.0%	13.9%
75+	33.6%	25.1%	14.9%	12.3%
Ethnic Composition (AQH)				
Black	26.9%	21.0%	26.8%	22.8%
Hispanic	N/A	N/A	N/A	N/A
Other	73.1%	79.0%	73.2%	77.2%
Location (AQH)				
Out of Home	41.1%	42.9%	47.5%	48.4%
In Home	58.9%	57.1%	52.5%	51.6%

** **AQH Share** = % of persons listening to this station for 5+ min. during a 15-min. period (based on number of radio listeners)
Source: Arbitron and Radio Research Consortium

“... made possible by viewers like you.”

PBS audiences are no doubt familiar with this phrase, which reminds them that local affiliates like WHRO rely upon the financial contributions of their community members. In the 2009-10 fiscal year, 16.9 percent of WHRO's revenue (just over \$2 million) was derived from its members, the great majority of whom donated \$250 or less. WHRO's membership revenue has remained steady throughout the recent economic downturn, a positive indicator of both the loyalty of the station's approximately 20,000 members and their economic status. Other sources of community support are underwriting, major gifts and special events (see Table 1).

Government grants provided 17.6 percent of WHRO's revenue in FY 2009-10. WHRO received nearly \$1.5 million in federal funding through the Corporation for Public Broadcasting, and \$721,369 from the Commonwealth of Virginia. Funding for public broadcasting became a topic of considerable debate during this year's legislative session in Richmond, as Gov. Bob McDonnell proposed eliminating all state subsidies to Virginia's public broadcasters as a necessary cost-cutting measure. The General Assembly ultimately settled upon a 51.3 percent funding cut.

In Washington, D.C., proposals to entirely defund the Corporation for Public Broadcasting and/or National Public Radio gained momentum in the wake of back-to-back public relations debacles that raised questions about the radio network's political objectivity. **Radio and television audiences always have tended to self-select and an operating assumption on the part of many has been that public television and radio listeners (and news personnel) are more politically liberal than the nation as a whole. There is some empirical evidence to support this notion, though it is an uncomfortable topic for NPR. In 2009, an NPR survey revealed that only 4 percent of NPR listeners identified it as having a conservative slant, while 40 percent thought it had liberal leanings.** As this report was completed, some reduction in federal funds for public broadcasting seemed likely.

While certainly unpleasant, such cuts in public funding would affect a relatively small portion of WHRO's overall revenue. In the diversity of its revenue sources, WHRO differs substantially from other affiliates across the commonwealth. Just over \$2.5 million (or 20 percent) of the station's 2009-10 revenue was derived from "education service fees." Much of this was contract revenue from sources such as the Virginia Department of Education, PBS and HRETA-owner school divisions; it funds many of the new media education services described above. An additional 18 percent (or just over \$2.3 million) of WHRO's 2009-10 revenue came from "enterprise service fees" – tower rental and spectrum leases, production and engineering contract revenue, Internet services and other entrepreneurial initiatives that contribute to the station's operating funds.

Commercial interests do not directly influence WHRO programming, but the station may operate a bit more like a business than many audience members suspect. While some may regret WHRO's entrepreneurial ventures as a distraction from its public mission, this activity has and will continue to assist WHRO in weathering current and future rounds of public budget cuts.

The Challenges Ahead

I like PBS, it airs great programs, including, if I do say so myself, tonight's speech. But with hundreds of options in the free market, radio and television programming is not a core function of government requiring \$4 million.

– Gov. Bob McDonnell, State of the Commonwealth address, Jan. 12, 2011³

The institution of public broadcasting in the United States has never existed without controversy. This is particularly true in 2011, when budget shortfalls and pressure from taxpayers have encouraged federal and state administrators to cut spending for many programs. At NPR, the hasty firing of commentator Juan Williams in October 2010, followed in March 2011 by the release of an undercover video of fundraiser Ron Schiller, led many to question the network's leadership and political impartiality. Calls to reduce or eliminate

³ <http://www.governor.virginia.gov/News/viewRelease.cfm?id=555>

state and federal subsidies for public broadcasting grew louder. The future of public broadcasting was widely discussed on blogs, editorial pages, and in state and federal legislatures. On all sides of the issue, however, the debate did not always reflect a keen awareness of public media's potential strengths (and weaknesses) in a new Internet age.

There were several ironies surrounding McDonnell's remarks about public broadcasting in his State of the Commonwealth address – beginning with the reality that of the hundreds of television options available to Virginians, the only ones to air his speech in its entirety were public affiliates such as WHRO. Host Cathy Lewis drew attention to this irony on a subsequent episode of "What Matters" (WHRO.HD). Yet, text and video versions of the governor's speech were almost immediately accessible online (and remained so, several months later), through the Office of the Governor's website and on YouTube. This kind of access was not possible a generation ago, and it suggests to us that public affiliates like WHRO may need to adapt or reconsider some of their traditional broadcast services.

We commend WHRO for its broadcast of the governor's speech. Nonetheless, the station's function as a site for civil discussion and intelligent political commentary (particularly with respect to affairs of state and regional significance, like the State of the Commonwealth address) may serve an even greater public need in today's media environment. The in-depth attention to local public affairs that is a hallmark of "What Matters" and "HearSay" (WHRV-FM), emphasizing multiple viewpoints and discussion across the political spectrum, has no parallel among the commercial stations in our region, which (as another chapter in this year's report indicates) sometimes have leaned toward an "If it bleeds, it leads" approach to the news.

McDonnell stated in his address that he "likes PBS," but that supporting its programming is not a core government function. The Commonwealth of Virginia does not, however, directly subsidize PBS (or NPR). Rather, state funding for public broadcasting is distributed among 10 locally operated radio and television affiliates. In FY 2009-10, 8 percent (or just over \$1 million) of WHRO's total expenses was spent on PBS programming fees. As a PBS affiliate, WHRO determines how much of the network's programming it airs. **Ironically, therefore, cuts in state funding are likely to result**

in more, rather than less, PBS programming on WHRO's broadcast schedule, as fewer resources will be available for local productions.

There is no evidence to suggest that a commercial market exists for quality WHRO productions such as the multipart documentary "Civil War in Hampton Roads," or the weekly TV series "Another View," which addresses issues specific to Hampton Roads' African American community. Of course, market-oriented critics typically say that if this is the case, it means there really is no demand for such programming. Or, if such demand were to exist, one of the 500-plus commercial stations should take up that task. Why, they ask, should public funds extracted from all taxpayers support programming that may appeal to only a very narrow segment of the population? It is, they say, a modest form of welfare for the old and wealthy.

The consensus economic view, however, is that PBS, NPR and public media affiliates such as WHRO are best considered to be "public goods" that generate broadly distributed benefits for many people, much like public health programs and national defense. Hence, they deserve to be supported by public funding.

McDonnell is not the only Virginian who perhaps conflates PBS or NPR with the commonwealth's public media affiliates. The two networks' national prominence (and in the case of NPR, growing audience numbers and recent negative publicity) has sometimes overshadowed the unique identities of their local affiliates. This seems particularly true in Hampton Roads, where the educational services that have long been integral to WHRO's mission are now mostly removed from its radio and television operations. The "Thinkplex" is almost entirely Internet-based and not visible to the public at large. A most important challenge for WHRO in the years ahead will be to bridge the gaps that separate its diverse operations by finding ways to better communicate the many things it is doing. WHRO's achievements and evolutions have been impressive, but neither its written materials nor its broadcast presentations appear to have been successful in communicating such.

TABLE 6

THE PUBLIC BROADCASTING AUDIENCE (PERSONS 18+)

	PBS Audience	Public Radio Audience (Classical)	Public Radio Audience (News/Music)	U.S. Population
Men	51%	49%	53%	
Women	49%	51%	47%	
12-18	N/A	2%	1%	N/A
18-54	63%	29%	56%	68%
55+	37%	68%	43%	32%
College graduates	37%	64%	54%	25%
Household income \$75,000+	40%	40%	32%	33%

Note: The American Community Survey figures are based upon an adult population ages 20+.

PBS Audience Source: 2009 GfK Roper Public Affairs & Media Survey, at: <http://www.janson.com/media/2010/12/13/pbs-audience-demographics/>
 Public Radio Audience Source: Public Radio Today 2010, at <http://www.arbitron.com/study/publicrt.asp>
 U.S. Population Source: 2005-2009 American Community Survey 5-Year Estimates, at <http://factfinder.census.gov>



Few residents of Hampton Roads – even those who consider themselves supporters of public broadcasting – are aware of the breadth of services that WHRO currently provides. This is a serious problem for an organization whose vision is to “be a dynamic and vital organization that improves the civic, educational and cultural life of the Hampton Roads community through broadcast, communications, and media services.”⁴ Through greater awareness of its services, increased financial and political support likely would follow.

Maintaining the support of WHRO’s diverse constituencies in the years ahead raises a further challenge. Member contributions and government grants comprised nearly equal proportions (16.9 percent and 17.6 percent, respectively) of the station’s operating funds in FY 2009-10. WHRO members are, presumably, satisfied customers of the station’s broadcast programming; most make their annual contributions during on-air fundraising drives that take place several times per year. If WHRO members are representative of PBS and NPR audiences, then they are older, comfortable financially, well-educated and more often than not, politically left of center (see Table 6).

Producing subsidies for radio and TV programming for this audience recently has been a tough sell in Richmond and Washington, D.C. Thus, to state policymakers, President and CEO Bert Schmidt instead emphasizes the high-quality educational services WHRO provides at low cost to Virginia students and educators. In an April 11 story in *The Virginian-Pilot*, Schmidt was quoted as saying: “I feel really good about the work we do, whether it’s through our TV or radio stations or the services we provide for schools. It’s disappointing that there are people who either don’t understand how important we are or how important we can be – or they simply want to use public media in the political arena as a punching bag.”

A final challenge concerns the continued relevancy of public broadcasting into the 21st century. The past decade has tested all members of the “legacy media” – including newspapers, publishing houses, film studios, and commercial and public broadcast stations alike. Ernest J. Wilson III, chair of the Corporation for Public Broadcasting and dean of the Annenberg School of Communication at the University of Southern California, recently stated, “This is potentially a 1967 moment. Just as the Public Broadcasting Act moved us

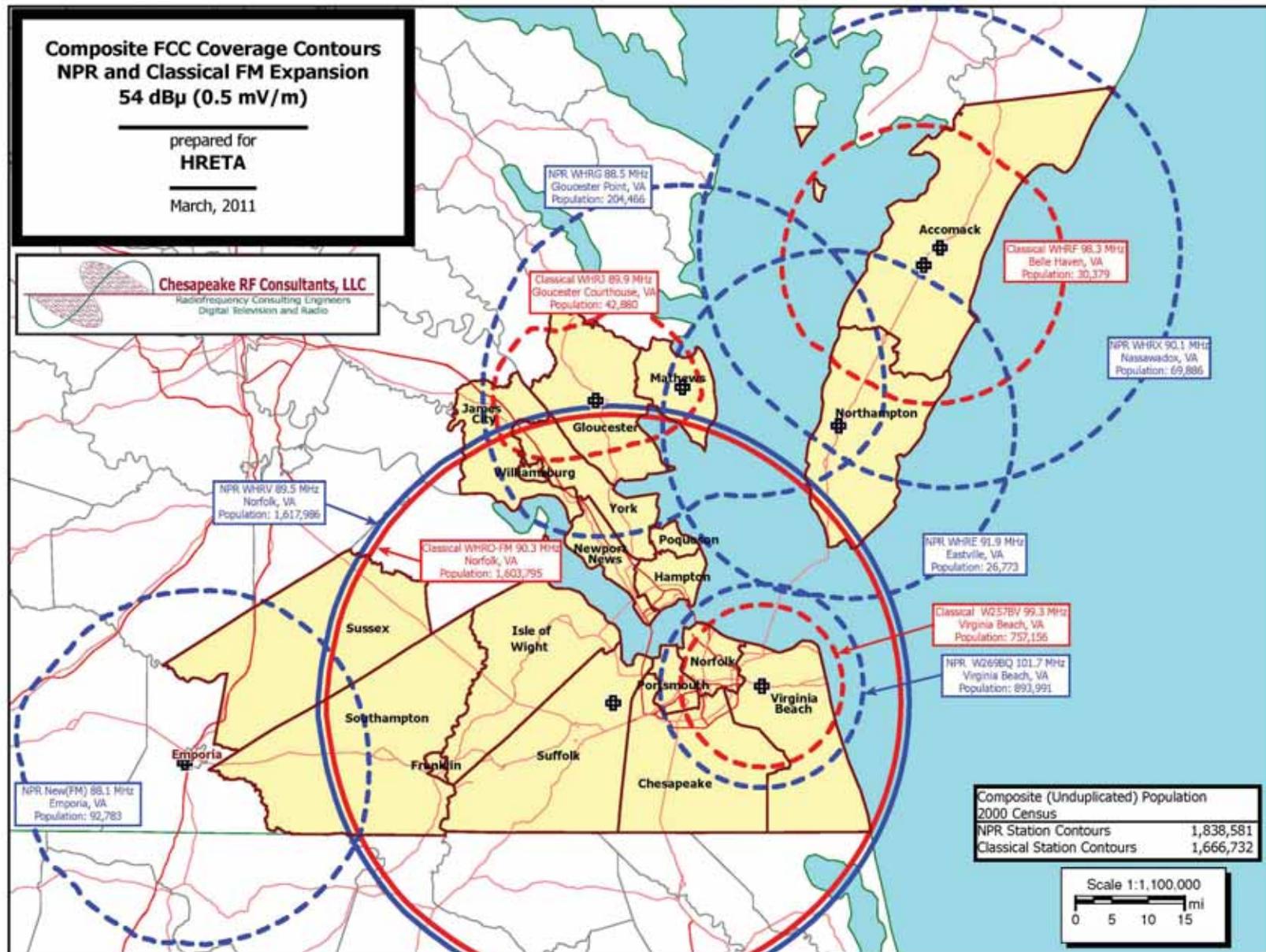
⁴ <http://whro.org/home/insidewhro/statement.htm>

from educational television to public broadcasting, now we need to move to public service media.”⁵ Some observers have, in fact, recommended reinventing the Corporation for Public Broadcasting as a Corporation for Public Media, enabling a greater portion of the organization’s federal funding to be applied to digital initiatives and the promotion of universal broadband access. It is unclear, however, whether this kind of dramatic transformation can be achieved in the current political and economic climate.

These are difficult, but exciting, times for public affiliates like WHRO, which has evolved dramatically in its first 50 years of existence. **WHRO is widely regarded as one of the most productive and successful public affiliates in the country. “In many ways, they provide the model for the rest of us,” comments a somewhat envious director of another public affiliate organization. Nevertheless, in order to thrive for the next 50 years, WHRO not only must continue to provide the region with excellent multimedia programming and services, but also find more effective ways to tell its interesting and highly productive story.**

⁵ “Rethinking Public Media,” p. 16.

FIGURE 1





The Concrete Connection: Economic Growth for Virginia's Eastern Shore?



THE CONCRETE CONNECTION: ECONOMIC GROWTH FOR VIRGINIA'S EASTERN SHORE?

This would be the biggest thing to hit Cape Charles since the last big hurricane.
– A patron at the Route 17 McDonald's restaurant in Cape Charles

Bayshore Concrete, a division of Skanska Inc., is located in Cape Charles on Virginia's Eastern Shore. Bayshore, which employs about 150 people, already is one of the largest employers on the Eastern Shore. It could be the major, perhaps even the sole supplier of concrete for two significant groups of future projects within Hampton Roads – the new bridges and tunnels that may be constructed over the next 15 years and the wind farms that might be built off Virginia's coast.

Bayshore would have to be considered a leading candidate to produce, move and install giant precast concrete tunnel segments for four proposed bridge and tunnel projects in Hampton Roads and also produce, move and install approximately 160 large concrete gravity foundations for the wind farm turbines out in the Atlantic Ocean. The problem is that the existing Cape Charles Federal Harbor/Federal Channel is not capable of handling these huge objects. The 15,000-ton concrete segments used in the bridges and tunnels are 29 feet high, 50 feet wide and 350 feet long. The 5,000-ton concrete gravity foundations used for wind farms, while two-thirds lighter, are 100 to 150 feet high and 80 feet wide.

Put simply, these huge concrete segments and gravity foundations would not fit in the harbor, given its current dimensions. The harbor channel today has a depth of about 18 feet, but would need to be dredged to a depth of about 35 feet out to three miles from the shore in order to accommodate the gigantic size of the concrete objects, which would be floated out of the harbor to their eventual destinations.

Here's where the financial rubber meets the road: It is estimated to cost about \$35 million to complete the dredging process, which could take place in 2012. The Town of Cape Charles, Northampton County and, of course, Bayshore Concrete together seek commonwealth and federal financial support

to undertake the dredging. They argue that it would have a potent economic stimulus effect upon the Virginia economy over the next 15 years and also that it would position Virginia as the leader for many similar future projects along the Eastern seaboard. In particular, supporters cite the prospect of Virginia becoming the primary or even sole supplier of concrete gravity foundations for what many forecast to be a burgeoning wind farm market.

Assessing The Economic Benefits

A recent economic impact study by Old Dominion University economist James V. Koch¹ found large economic benefits associated with the dredging. Table 1 summarizes those benefits.

One can see that the current value of the economic benefits to the Commonwealth of Virginia associated with the dredging of the harbor, followed by the production, delivery and installation of the concrete, is \$1.925 billion

¹ "The Economic Impact of the Cape Charles Federal Harbor/Federal Channel Dredging Project" (Old Dominion University, April 2011). Note that the funding for this study was supplied by the Town of Cape Charles, Northampton County and Bayshore Concrete.

between 2012 and 2022, if a Virginia firm does the work. On the other hand, if a non-Virginia firm does the work, then the economic benefits to the commonwealth decline to \$637 million, still a large number but only about one-third of the economic impact that is generated when a Virginia firm does the work. Graph 1 illustrates those results.

It is apparent that the non-Virginia firm benefits are less than those related to the scenario where a Virginia firm does all the work. This is because a non-Virginia firm will hire many non-Virginians to do the work and also because the non-Virginia firm will purchase many inputs, such as equipment, fuel and food, from out-of-state suppliers. These activities constitute “leakages” and reduce the economic impact of the projects on Virginia.

TABLE 1

SUMMARY OF THE ECONOMIC IMPACT OF THE CAPE CHARLES FEDERAL HARBOR/FEDERAL CHANNEL DREDGING PROJECT

If the work and production on all projects (2012-22) are performed by Virginia firms, then the economic impact is:	
Total Economic Impact	\$3,209,818,189
Virginia Economic Impact	\$2,563,735,099
Present Value Viewed from 2011	\$1,925,962,419
Total Job Years Generated	14,289.4
Total Virginia Job Years Generated	12,835.2
If the work and production on all projects (2012-22) are performed by non-Virginia firms, then the economic impact is:	
Total Economic Impact	\$3,209,818,189
Virginia Economic Impact	\$ 637,283,638
Present Value Viewed from 2011	\$ 477,720,585
Total Job Years Generated	14,289.4
Total Virginia Job Years Generated	1,381.1

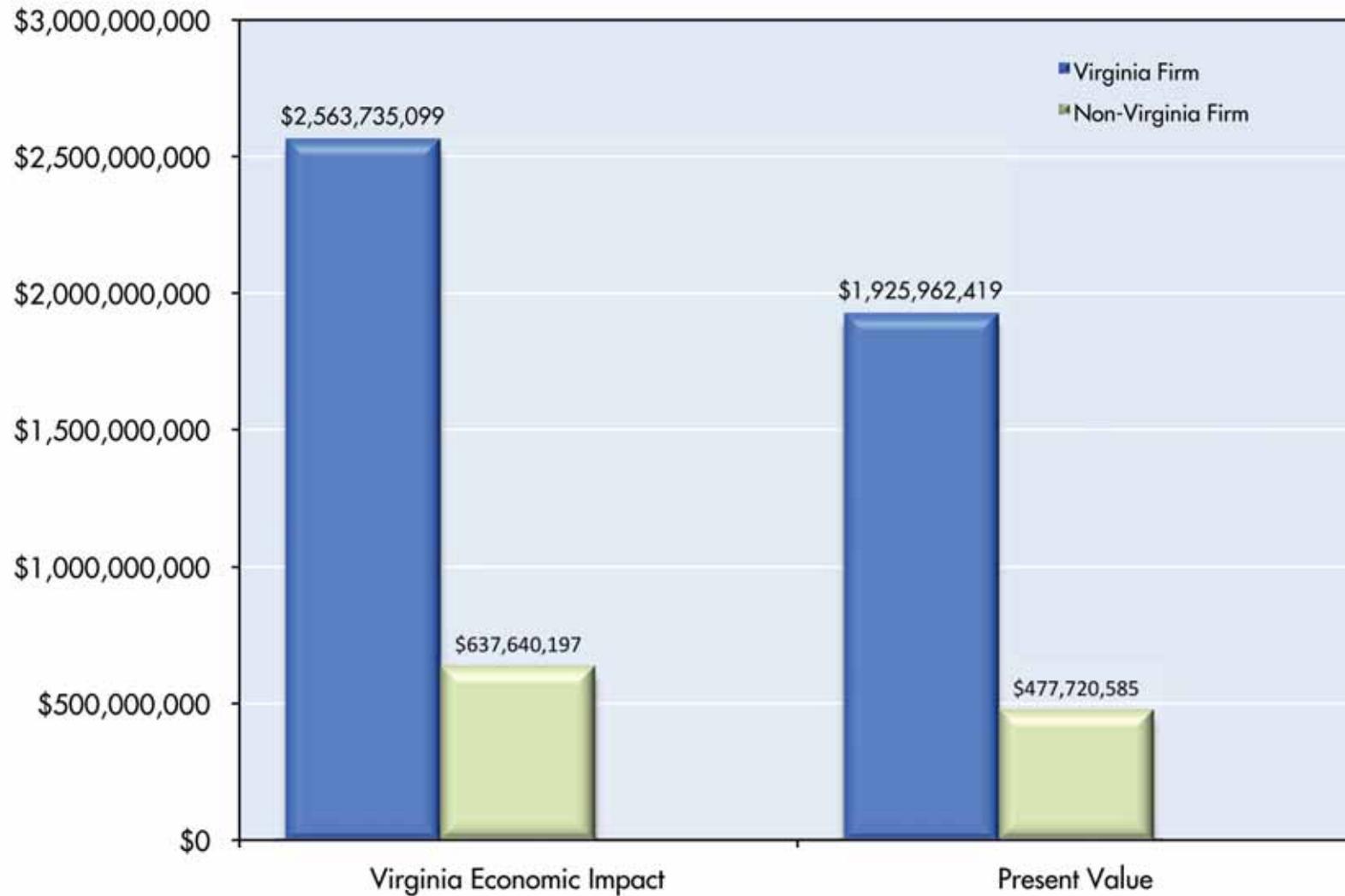
The proposed **four bridge and tunnel projects** and the value of concrete work associated with them are (all in terms of 2011 prices):

- **Midtown Tunnel (2012-16):** an estimated \$200 million in concrete work required for a project that includes adding a second tube between Portsmouth and Norfolk and an improved Port Norfolk connector between Route 164 and the tunnel.
- **Hampton Roads Bridge-Tunnel (2015-19):** an estimated \$300 million in concrete work required for a project that would expand the tunnels from two to four lanes in each direction.
- **Patriots Crossing (2016-20):** an estimated \$300 million in concrete work required for this “third crossing” project, which would connect I-564 in Norfolk with Craney Island and I-664 in Newport News.
- **Chesapeake Bay Bridge-Tunnel (2018-22):** an estimated \$400 million in concrete work required for a project that would eliminate all two-lane passages.

The proposed **wind farms** involve 80 new wind turbine locations per four-year phase, beginning in 2015. Two phases (2015-22) involving 160 total wind turbines currently are contemplated for Virginia.

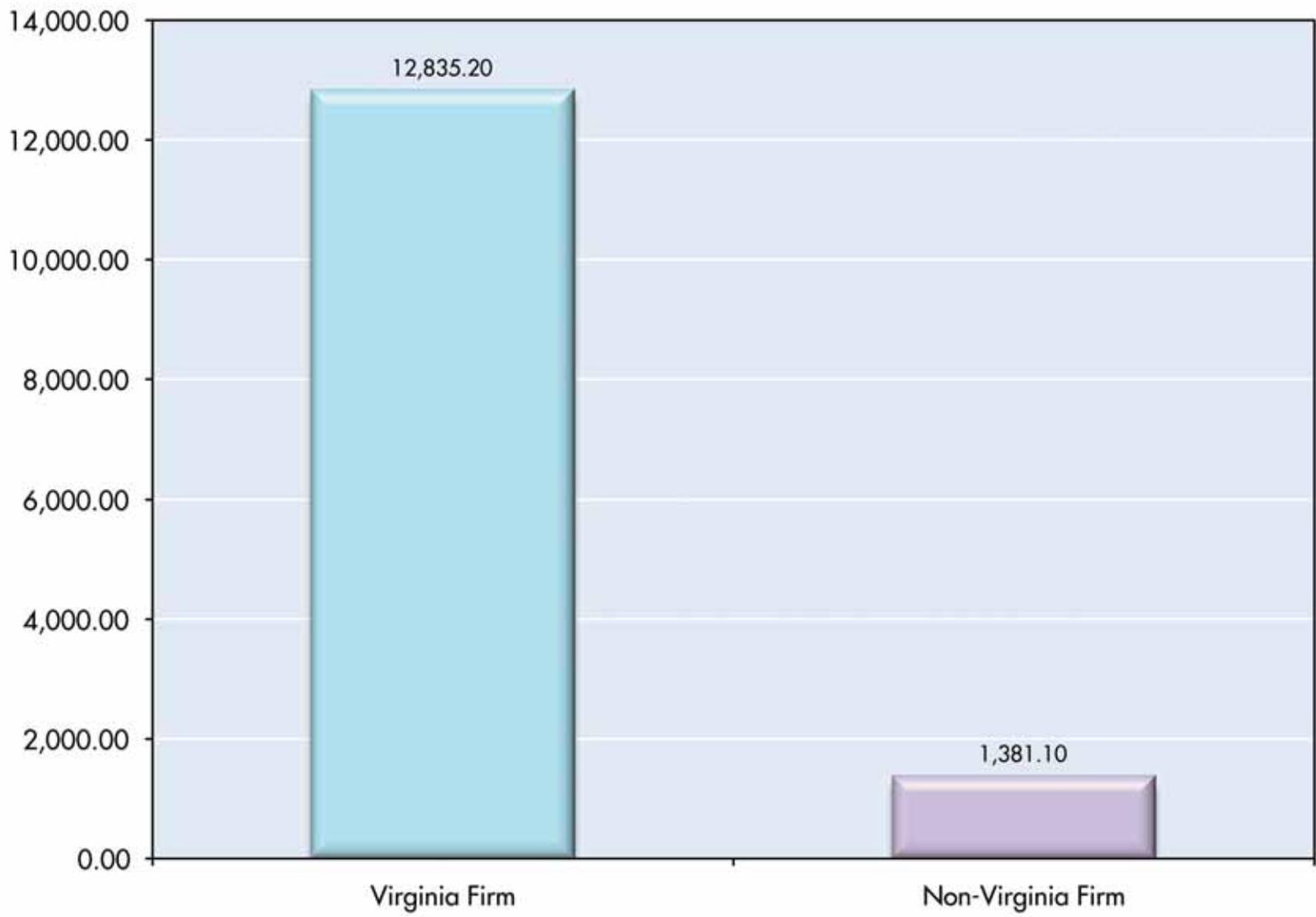
GRAPH 1

VIRGINIA ECONOMIC IMPACT: ALL PROJECTS



Source: Economic Impact of Cape Charles Federal Harbor/Federal Channel Dredging Project (April 2011)

GRAPH 2
TOTAL VIRGINIA JOB YEARS GENERATED



Source: Economic Impact of Cape Charles Federal Harbor/Federal Channel Dredging Project (April 2011)

The Koch study also found that there are many new jobs associated with the proposed projects. If a Virginia firm does the work, then 12,835 additional Virginia job years (a job year is one worker who works for one year) will be created. On the other hand, if a non-Virginia firm does the work, then only 1,381 additional Virginia job years will be created. Graph 2 illustrates those results.

Koch, however, was asked to focus only on the economic benefits associated with the production, delivery and installation of the concrete, and therefore did not attempt to assess either the costs connected to these activities, or subsequent economic benefits down the road that would accrue from enhanced bridges and tunnels and the wind farms. With respect to costs, almost surely there would be some congestion, increased demand for public services and pollution generated by the projects. While estimating these costs would be complicated, Koch points out that the difficulties associated with doing so do not mean such costs don't exist.

Presumably new taxes and tolls would be required to finance these projects. The Koch study did not examine the politically sensitive question of where the money would come from to do the dredging, pay for the bridges and tunnels and support the construction of the wind farms. There is no economic free lunch, even for activities that create lots of positive economic impact. One can anticipate heated discussions about who should pay for these projects.

Tax Collections

There are very few forms of economic activity that some governmental unit does not choose to tax. Dredging, as well as tunnel and wind farm construction, are no exceptions. The activities outlined here will generate additional tax revenues for the Town of Cape Charles, Northampton County and the Commonwealth of Virginia. Table 2 summarizes the Koch study's estimates in this regard.

The Town of Cape Charles and Northampton County in particular would feel the benefits of the proposed projects. In the case of Cape Charles, its general fund budget was \$2.61 million for 2011-12; the estimated additional tax revenues would increase its annual tax revenues by as much as 10 percent if

a Virginia firm did all the work on these projects. Where Northampton County is concerned, its 2011-12 general fund budget was \$22.67 million, and the additional real estate property taxes and sales taxes collected would increase its revenue by more than 6 percent annually. These would be significant increases in an area where population growth recently has stalled. In the adjacent map of the Eastern Shore, note the strategic location of Cape Charles, where Bayshore Concrete already maintains a plant. It is close to all of the proposed bridge and tunnel work and would be near the suggested locations for the wind farms to the east of the Eastern Shore.

The tax revenues reflect the reality that a significant majority of the jobs generated by the dredging, bridges and tunnels, and wind farms projects would be in Northampton County and many of them in the Town of Cape Charles. Not only would government coffers swell, but also the additional disposable income of these workers would immediately be felt in nearly every retail establishment in the area.

The Commonwealth of Virginia would net approximately \$10 million in additional sales and income tax collections annually if a Virginia firm completed the outlined projects.

TABLE 2						
ESTIMATED TAX COLLECTIONS GENERATED BY THE DREDGING, BRIDGES AND TUNNELS AND WIND FARMS PROJECTS, 2012-22						
	Real Property Taxes		Sales Taxes		Income Taxes	
	Major Projects Firm is from		Major Projects Firm is from		Major Projects Firm is from	
	VA	NON-VA	VA	NON-VA	VA	NON-VA
Northampton County Including Town of Cape Charles						
	\$2.1 m.	\$2.1 m.	\$13.7 m.	\$ 3.4 m.	—	—
Commonwealth of Virginia						
	—	—	\$62.9 m.	\$15.6 m.	\$42.4 m.	\$9.9 m.

Final Thoughts

Economists are accustomed to weighing the benefits and costs of projects. In this “concrete case,” only benefits were computed and the calculation of those benefits was limited to the dredging of the Cape Charles Federal Harbor/ Federal Channel, and the subsequent production, delivery and installation of the concrete tunnel segments and the concrete gravity foundations for the wind turbines. No costs (including those related to the environment and health) were considered. Further, the political hot potato of how to pay for these projects was not addressed.

In the absence of cost-related information about the projects and a determination of necessary revenue to fund them, it is not possible to reach a conclusion about their merit. What is apparent, however, is that the estimated potential economic benefit connected to these projects is quite large – \$1.92 billion spread over the time period 2012-22. This reality alone should guarantee that the dredging proposal receives very strong consideration.



FIGURE 1

VIRGINIA'S EASTERN SHORE



K-12 Independent Education on Virginia's Peninsula



K-12 INDEPENDENT EDUCATION ON VIRGINIA'S PENINSULA

This is the segment of education today that really is growing. They frequently take some of our better students.
– A Peninsula school principal

This chapter is the first of a two-part look at K-12 independent (private) education in our region. This year, we examine independent school options for students on Virginia's Peninsula, including Gloucester, Hampton, James City County, Newport News, Williamsburg and York County.

As Table 1 reports, approximately one in 10 children in Virginia (and throughout the U.S.) attends independent schools.

Parents enroll their children in independent schools for many different reasons, including the desire for a religious education, more individual attention and smaller class sizes, or the promise of stricter discipline and enhanced academic rigor. Test scores and other studies consistently indicate that the academic achievement of independent school students exceeds that of their public school counterparts.¹ The reasons for this achievement gap, however, remain a topic of debate. School choice advocates point to the greater independence and flexibility of private schools, while others suggest that the achievement gap may be more indicative of outside factors such as socioeconomic status, school admission policies and parental involvement.

Although independent schools typically offer some form of tuition assistance to students demonstrating economic need, the cost of a private school education remains beyond the reach of many families. Annual tuition and fees at independent elementary schools on the Peninsula typically range between \$4,000 and \$10,000. The cost of an independent high school education is still higher, ranging from \$6,000 to \$15,000.

The Commonwealth of Virginia does not provide tuition vouchers to students who attend independent schools, although the introduction of vouchers and voucher-like programs has been debated often in the General Assembly. In February 2011, the House approved, but the Senate's Finance Committee

ultimately rejected, a proposal that would have given tax credits to businesses that fund independent school scholarships. Proponents of the measure argued that it would provide lower-income students with greater educational opportunities; opponents countered that the state should not subsidize independent institutions at a time when public schools are struggling for funding.

	Number	Percent
Public School	1,231,987	90.0%
Private School	116,934	8.5%
Home School	20,694	1.5%
Totals	1,369,615	100.0%

Sources: Virginia Department of Education, at http://www.doe.virginia.gov/statistics_reports/enrollment/index.shtml
Characteristics of Private Schools in the United States: Results from the 2007-08 Private School Universe Survey (March 2009), at <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2009313>

Identification And Accreditation

Using data from the Virginia Council for Private Education (VCPE) and the National Center for Education Statistics (NCES), we identified 35 independent schools on the Peninsula. Graph 1 shows their approximate locations and Table 2 reports publicly available information about them. (Our list includes only those schools that cover at least three years on the K-12 spectrum.)

¹ See, for example, "Student Achievement in Independent Schools: Results from NAEP 2000-2005" at <http://nces.ed.gov/nationsreportcard/pdf/studies/2006459.pdf>

Of these 35 schools, 14 responded to our request for supporting information through a mailed survey. Building a comprehensive portrait of the region's independent schools is a less straightforward undertaking than many readers might expect. Some institutions have a well-established presence in our region; others are recent startups, or may not advertise widely for students.

State regulation of independent schools is minimal and therefore they are not compelled to report test scores or other information that is required of their public school counterparts.

There is, however, an optional accreditation process for Virginia independent schools. Since 1985, the Virginia Board of Education has authorized the VCPE, an independent nonprofit organization, to oversee this process. The VCPE works cooperatively with other nonprofit organizations that have been designated as Approved State Recognized Accrediting Members. There are currently 13 VCPE-member organizations whose accreditation procedures are recognized by the Commonwealth of Virginia. Five of these organizations accredit schools on the Peninsula:

- Association of Christian Schools International
- Southern Association of Colleges and Schools – Council on Accreditation and School Improvement
- Virginia Association of Independent Schools
- Virginia Association of Independent Specialized Education Facilities
- Virginia Catholic Education Association.

All meet a core set of standards delineated by the VCPE. These organizations must, for example, have a racially nondiscriminatory membership policy, and they must perform comprehensive on-site evaluations of their member schools every five to 10 years.

Of the 35 independent schools examined in this report, only 15 possess state-recognized accreditation. This does not, however, mean that the other 20 are inferior or unsafe. Several are, in fact, members of state-recognized associations like the American Montessori Society (AMS) or the Association of Classical & Christian Schools (ACCS); others are affiliated with established churches in our

region. For parents considering independent schools, therefore, accreditation might best be thought of as a kind of insurance. As explained to us by VCPE President George McVey, accreditation ensures that there is an informed, impartial observer “looking over a school’s shoulder,” monitoring its adherence to quality standards and its commitment to continuous improvement. Students who attend an accredited school know that their records will be safely retained if the school closes, and that their course work will be recognized if they transfer to a public school.

Accreditation is just one of many factors for parents to consider when selecting an independent school. School size and location, educational philosophy, tuition, extracurricular opportunities and accommodations for special needs may also play a role. No one school – independent or public – is optimal for everyone. Considered as a group, however, the independent schools in our region offer a rather wide array of options for students and their families. This chapter provides an overview of these options, using data from the VCPE, the NCES and the schools themselves. We’ll see how independent school offerings on the Peninsula compare to those throughout the United States, and we’ll also look at these schools’ racial diversity. We do not attempt to rate our region’s independent schools or address the quality of education they provide.



FIGURE 1



TABLE 2

INDEPENDENT K-12 SCHOOLS ON VIRGINIA'S PENINSULA

School	City	ZIP Code	Estab.	Grade Span	Typology	State-Approved Accreditation	Other Memberships	Student/Teacher Ratio	Total Students (non-pre K)	K Tuition + Fees **	Grades 1-5 Tuition + Fees **	Grades 6-8 Tuition + Fees **	Grades 9-12 Tuition + Fees **	
** These are approximate figures, based upon the available information from each school. The actual cost of tuition and fees can depend on variables such as church membership, financial need, the type of payment plan selected or how many students from one family are in attendance. Services such as transportation and extended care are generally offered at additional expense.														
1	Saint Mary Star of the Sea School	Hampton	23663	1923	PK-8 (Elementary)	Catholic	SACS-CASI, VCEA	NCEA	17.2	193	\$4,740 - \$6,360	\$4,740 - \$6,360	\$4,740 - \$6,360	N/A
2	Our Lady of Mount Carmel School	Newport News	23601	1954	PK-8 (Elementary)	Catholic	SACS-CASI, VCEA	NCEA	20.0	383	\$4,872 - \$7,050	\$4,872 - \$7,050	\$4,872 - \$7,050	N/A
3	Peninsula Catholic High School	Newport News	23601	1903	8-12 (Secondary)	Catholic	SACS-CASI, VCEA	NCEA	11.0	276	N/A	N/A	\$6,820	\$9,190 - \$10,220
4	Walsingham Academy	Williamsburg	23187	1947	PK-12 (Combined)	Catholic	SACS-CASI, VCEA	NCEA	10.5	308 (Upper School only)	\$10,395	\$10,395	\$11,898	\$12,634
5	Majesty Christian Academy	Gloucester	23061		PK-9 (Combined)	Other religious (Conservative Christian)	No	ACSI	4.3	33				
6	Calvary Christian Academy	Hampton	23666	1991	PK-5 (Elementary)	Other religious (Conservative Christian)	No	ACSI	7.6	84	\$3,785	\$4,440	N/A	N/A
7	Calvary Classical School	Hampton	23666		PK-6 (Elementary)	Other religious (Conservative Christian)	No	ACSI, ACCS, HRACS						
8	Faith Outreach Education Center	Hampton	23666	1979	PK-12 (Combined)	Other religious (Conservative Christian)	No	ACSI	7.4	56				
9	First Friends Christian Academy	Hampton	23666	2001	PK-5 (Elementary)	Other religious (Conservative Christian)	No	ACSI			\$5,000	\$5,080	N/A	N/A
10	Hampton Christian Schools	Hampton	23666		PK-12 (Combined)	Other religious (Conservative Christian)	ACSI	HRACS	10.2	537	\$4,173	\$4,810	\$5,018 - \$6,013	\$6,013

TABLE 2

INDEPENDENT K-12 SCHOOLS ON VIRGINIA'S PENINSULA

School	City	ZIP Code	Estab.	Grade Span	Typology	State-Approved Accreditation	Other Memberships	Student/Teacher Ratio	Total Students (non-pre K)	K Tuition + Fees **	Grades 1-5 Tuition + Fees **	Grades 6-8 Tuition + Fees **	Grades 9-12 Tuition + Fees **	
<p>** These are approximate figures, based upon the available information from each school. The actual cost of tuition and fees can depend on variables such as church membership, financial need, the type of payment plan selected or how many students from one family are in attendance. Services such as transportation and extended care are generally offered at additional expense.</p>														
11	Victory Baptist School	Hampton	23663		PK-12 (Combined)	Other religious (Conservative Christian)	No	ACE	4.4	22				
12	Denbigh Baptist Christian School	Newport News	23602	1968	K-12 (Combined)	Other religious (Conservative Christian)	ACSI	HRACS	12.0	346	\$3,600 - \$5,325	\$5,325	\$5,825	\$6,000 - \$6,200
13	Denbigh Christian Academy	Newport News	23608	1977	PK-8 (Elementary)	Other religious (Conservative Christian)	ACSI		12.5	116	\$3,289	\$4,112 - \$4,164	\$4,080 - \$4,117	N/A
14	Rhema Christian Center Academy	Newport News	23607		PK-3 (Elementary)	Other religious (Conservative Christian)	No	ACSI	5.4	38				
15	Warwick River Christian School	Newport News	23602		PK-8 (Elementary)	Other religious (Conservative Christian)	SACS-CASI	ACSI, HRACS, MEA	13.4	302				
16	Greenwood Christian Academy	Williamsburg	23185		PK-7 (Elementary)	Other religious (Conservative Christian)	No	ACSI	10.0	55	\$5,385	\$6,985	\$6,985	N/A
17	Providence Classical School	Williamsburg	23188	2001	K-10 (Combined)	Other religious (Conservative Christian)	No	ACSI, ACCS	12.3	105	\$6,000	\$8,300	\$8,300	\$8,300
18	Williamsburg Christian Academy	Williamsburg	23188	1978	PK-12 (Combined)	Other religious (Conservative Christian)	ACSI, SACS-CASI	HRACS	13.0	252	\$6,250	\$7,900	\$8,550	\$9,620
19	Living Word Academy	Tabb	23693	1993	PK-8 (Elementary)	Other religious (Conservative Christian)	No	ACSI			\$3,315	\$4,315	\$4,320	N/A

TABLE 2

INDEPENDENT K-12 SCHOOLS ON VIRGINIA'S PENINSULA

School	City	ZIP Code	Estab.	Grade Span	Typology	State-Approved Accreditation	Other Memberships	Student/Teacher Ratio	Total Students (non-pre K)	K Tuition + Fees **	Grades 1-5 Tuition + Fees **	Grades 6-8 Tuition + Fees **	Grades 9-12 Tuition + Fees **	
** These are approximate figures, based upon the available information from each school. The actual cost of tuition and fees can depend on variables such as church membership, financial need, the type of payment plan selected or how many students from one family are in attendance. Services such as transportation and extended care are generally offered at additional expense.														
20*	Summit Christian Academy	Yorktown (Upper School)	23693		PK-12 (Combined)	Other religious (Conservative Christian)	No	ACSI, ACCS, HRACS	N/A	213 (Grammar School only)				
20**	Summit Christian Academy	Newport News (Grammar School)	23601											
21	Calvary Seventh-Day Adventist School	Newport News	23605		K-8 (Elementary)	Other religious (Seventh-Day Adventist)	No	GCSDAC	6.0	18				
22	Saint Andrew's Episcopal School	Newport News	23601	1946	PK-5 (Elementary)	Other religious (Episcopal)	VAIS	NAIS, NAES	10.3	123	\$7,350	\$8,280	N/A	N/A
23	Resurrection Lutheran School	Newport News	23601	2001	PK-2 (Elementary)	Other religious (Lutheran)	No	LEA	5.9	47	\$4,350	\$4,350	N/A	N/A
24	Gloria Dei Lutheran School	Hampton	23669	1973	PK-5 (Elementary)	Other religious (Lutheran)	No		15.2	343				
25	Trinity Lutheran School	Newport News	23607	1960	PK-8 (Elementary)	Other religious (Lutheran)	VAIS		8.5	221	\$6,795	\$7,390 - \$7,420	\$7,965	N/A
26	New Mount Olive Christian Day Care and Academy	Hampton	23666		PK-4 (Elementary)	Other religious (Unaffiliated)	No		4.6					
27	Gethsemane Baptist Christian Academy	Newport News	23607		K-4 (Elementary)	Other religious (Unaffiliated)	No		N/A	22				
28	Parkview Christian Academy	Newport News	23605	1968	PK-3 (Elementary)	Other religious (Unaffiliated)	No		1.9	22				
29	Ware Academy	Gloucester	23061	1949	PK-8 (Elementary)	Nonsectarian (Regular)	VAIS	NAIS	8.1	134	\$8,164	\$8,838	\$8,838	N/A
30	Hampton Roads Academy	Newport News	23602	1959	PK-12 (Combined)	Nonsectarian (Regular)	VAIS	NAIS	10.1	571	\$8,760	\$8,760 - \$10,460	\$13,835	\$15,055

TABLE 2

INDEPENDENT K-12 SCHOOLS ON VIRGINIA'S PENINSULA

School	City	ZIP Code	Estab.	Grade Span	Typology	State-Approved Accreditation	Other Memberships	Student/Teacher Ratio	Total Students (non-pre K)	K Tuition + Fees **	Grades 1-5 Tuition + Fees **	Grades 6-8 Tuition + Fees **	Grades 9-12 Tuition + Fees **	
** These are approximate figures, based upon the available information from each school. The actual cost of tuition and fees can depend on variables such as church membership, financial need, the type of payment plan selected or how many students from one family are in attendance. Services such as transportation and extended care are generally offered at additional expense.														
31	Academy at Newport News Behavioral Health Center	Newport News	23603		K-12 (Combined)	Nonsectarian (Special education)	VAISEF							
32	East End Academy	Newport News	23607	1996	K-12 (Combined)	Nonsectarian (Special education)	VAISEF	7.6	38					
33	Gloucester Montessori School	Gloucester	23061	1979	Ages 3-12 (Elementary)	Nonsectarian (Special emphasis)	No	AMS	11.3	52				
34	Hampton Roads International Montessori School	Newport News	23606	1991	Ages 2½-12 (Elementary)	Nonsectarian (Special emphasis)	No		4.4	47	\$6,800	\$7,200	N/A	
35	Williamsburg Montessori School	Williamsburg	23188	1982	Ages 1½-15 (Combined)	Nonsectarian (Special emphasis)	No	AMS, VAIS	11.1	100	\$7,550	\$8,550 - \$8,900	\$9,700	
Organizational Acronyms	ACCS	Association of Classical & Christian Schools						NAES	National Association of Episcopal Schools					
	ACE	Accelerated Christian Education						NAIS	National Association of Independent Schools					
	ACSI	Association of Christian Schools International						NCEA	National Catholic Educational Association					
	AMS	American Montessori Society						SACS-CASI	Southern Association of Colleges and Schools - Council on Accreditation and School Improvement					
	GCSDAC	General Conference of the Seventh-Day Adventist Church						VAIS	Virginia Association of Independent Schools					
	HRACS	Hampton Roads Association of Christian Schools						VAISEF	Virginia Association of Independent Specialized Education Facilities					
	LEA	Lutheran Education Association						VCEA	Virginia Catholic Education Association					
	MEA	Mennonite Education Agency												

Sources: 2007-08 Private School Universe Survey, at <http://nces.ed.gov/surveys/pss/privateschoolsearch/>
 Virginia Council for Private Education, at <http://www.vcpe.org/>
 Private schools of northern Hampton Roads

Varieties Of Independent Schools

The National Center for Education Statistics' Independent School Universe Survey identifies three main categories of independent schools: Catholic, Other Religious and Nonsectarian (see Table 3). All three types are present on the Peninsula.

CATEGORY ONE: ROMAN CATHOLIC SCHOOLS

The Peninsula is home to four Catholic schools:

- Saint Mary Star of the Sea School (Hampton, PK-8)
- Our Lady of Mount Carmel School (Newport News, PK-8)
- Peninsula Catholic High School (Newport News, 8-12)
- Walsingham Academy (Williamsburg, PK-12).

The two elementary/middle schools are affiliated with specific parishes, while Peninsula Catholic is a regional school overseen directly by the Diocese of Richmond. Walsingham Academy is affiliated with the Sisters of Mercy.

All four institutions are among the oldest of our region's independent schools and were founded between 1903 and 1954. Catholic schools long dominated K-12 independent education in the United States. Until the late 1980s, more students attended Catholic schools than all other independent schools combined. The ongoing integration of American Catholics into mainstream society has contributed to Catholic schools' diminishing influence, as has the proliferation of other religious and nonsectarian independent schools. Today, Catholic institutions comprise approximately 22 percent of U.S. independent schools and 43 percent of U.S. independent school students. The comparatively small number of Catholic schools in northern Hampton Roads may be attributable to a smaller Catholic population on the Peninsula than in other regions of the country.

The cost of a Catholic school education has risen over time, in part because fewer nuns now serve as teachers and administrators. Today, most Catholic

school tuitions are comparable to those at other independent schools, although at least some need-based financial aid is available at every institution. **Walsingham Academy – self-described as “the premier independent school in the Williamsburg area” – ranks among the most expensive schools in the region; admission is selective and dependent upon standardized testing.** Tuition at the region's other three Catholic schools is more moderate, with significant discounts offered for practicing Catholics, as well as for families with more than one child attending school.

All Catholic schools in the Diocese of Richmond possess state-recognized accreditation through the Virginia Catholic Education Association (VCEA) and the Southern Association of Colleges and Schools' Council on Accreditation and School Improvement (SACS-CASI). These schools likewise share common curriculum standards, which may be accessed on the website of the Diocese of Richmond's Office of Catholic Schools. Student assessment data, indicating a high overall level of academic achievement, are also available online. Catholic schools tout an academically rigorous, disciplined learning environment that is grounded upon church tradition. **In 2003 and 2009, Walsingham Academy Lower School and Our Lady of Mount Carmel School were designated as high-performing “Blue Ribbon Schools” by the U.S. Department of Education.**

CATEGORY TWO: OTHER RELIGIOUS SCHOOLS

More than two-thirds of northern Hampton Roads independent schools are classified as “other” religious schools. All, however, are rooted in Protestant Christian church traditions.

Conservative Christian Schools

As defined by the Private School Universe Survey (PSS), 16 of the 24 “other religious” schools are “conservative Christian.” **Enrollment in conservative Christian schools has risen consistently over the past two decades and now represents 15.2 percent of all U.S. independent school students. On the Peninsula, this percentage appears to be much higher.** The common bond of conservative Christian

TABLE 3

INDEPENDENT K-12 STATISTICS: PENINSULA AND THE UNITED STATES

Selected Characteristic	United States				Peninsula	
	Number of Schools	Percent	Number of Students	Percent	Number of Schools	Percent
Total	33,740	100.0	5,072,451	100.0	35	100.0%
Catholic	7,507	22.2	2,156,173	42.5	4	11.4%
Other Religious	15,403	45.7	1,930,707	38.1	24	68.6%
Conservative Christian	5,106	15.1	772,951	15.2	16	45.7%
Other Affiliated	2,741	8.1	452,787	8.9	3	8.6%
Unaffiliated	7,555	22.4	704,969	13.9	5	14.3%
Nonsectarian	10,830	32.1	985,571	19.4	7	20.0%
Regular	5,603	16.6	670,057	13.2	2	5.7%
Special Emphasis	3,691	10.9	209,094	4.1	3	8.6%
Special Education	1,536	4.6	106,420	2.1	2	5.7%
School level						
Elementary	21,870	64.8	2,513,099	49.5	21	60.0%
Secondary	2,932	8.7	826,905	16.3	1	2.9%
Combined	8,938	26.5	1,732,447	34.2	13	37.1%
Sources: Characteristics of Private Schools in the United States: Results from the 2007-08 Private School Universe Survey (March 2009), at http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2009313 2007-08 Private School Universe Survey, at http://nces.ed.gov/surveys/pss/privateschoolsearch/ Virginia Council for Private Education, at http://www.vcpe.org/ Private schools of northern Hampton Roads						

schools in our region is membership in either the Association of Christian Schools International (ACSI) or Accelerated Christian Education (ACE), two of four organizations cited by the PSS as an identifier of a conservative Christian school. Fifteen schools in northern Hampton Roads are ACSI members; five have been formally accredited by ACSI as well. Self-described as a “worldwide community uniquely positioned to deliver the message of Christ through education,” ACSI comprises more than 5,900 member schools in over 100 countries. In addition to school accreditation, ACSI offers an extensive menu of additional services, including professional training, legal/legislative support, and textbooks and other resources available through the Purposeful Design publishing house.

Our region’s ACSI-member schools are a diverse group, spread throughout the Peninsula’s localities. Most were founded in the 1970s or later. All enroll elementary students, and six offer a complete K-12 education. Among the largest of these schools are Hampton Christian Schools, Denbigh Baptist Christian School (Newport News) and Warwick River Christian School (Newport News), each enrolling more than 300 students. Several schools are quite small, with just a few students per grade. Approximately half of the schools are associated with a particular congregation; Warwick River Christian School represents the Mennonite faith. The rest are independent or nondenominational, including three classical Christian schools.

Classical Christian schools are comparatively new to our region, but they are grounded upon medieval European traditions, including an emphasis on history and classical literature, the study of Latin and the organization of learning into three stages (grammar, logic and rhetoric) known as the trivium. Interestingly, today’s classical Christian schools often identify these stages with the elementary, middle and high school levels. Although some classical schools are nonsectarian, those affiliated with the Association of Classical & Christian Schools (ACCS) are explicitly Christian. Membership in ACCS has grown from 10 schools in 1994 to 229 schools in 2011. Calvary Classical School (Hampton) joined ACCS in 1995, Summit Christian Academy (Newport News/Yorktown) in 1998 and Providence Classical School (Williamsburg) in 2001.

Other Affiliated and Nonaffiliated Schools

The PSS identifies the remaining “other religious” schools as affiliated or nonaffiliated, depending upon their membership in religious school organizations such as the General Conference of the Seventh-day Adventist Church (GCSDAC) or the National Association of Episcopal Schools (NAES). In northern Hampton Roads, these institutions are chiefly elementary schools associated with a church in Hampton or Newport News. Baptist, Church of God, Episcopal, Lutheran and Seventh-day Adventist traditions are represented. Saint Andrew’s Episcopal School and Trinity Lutheran School (both in Newport News) possess state-recognized accreditation through the Virginia Association of Independent Schools (VAIS). Trinity Lutheran School is the only independent school in our region that participates in the International Baccalaureate Primary Years Program (IBPYP); currently a candidate school, it anticipates full authorization in IBPYP by 2013.

CATEGORY THREE: NONSECTARIAN INDEPENDENT SCHOOLS

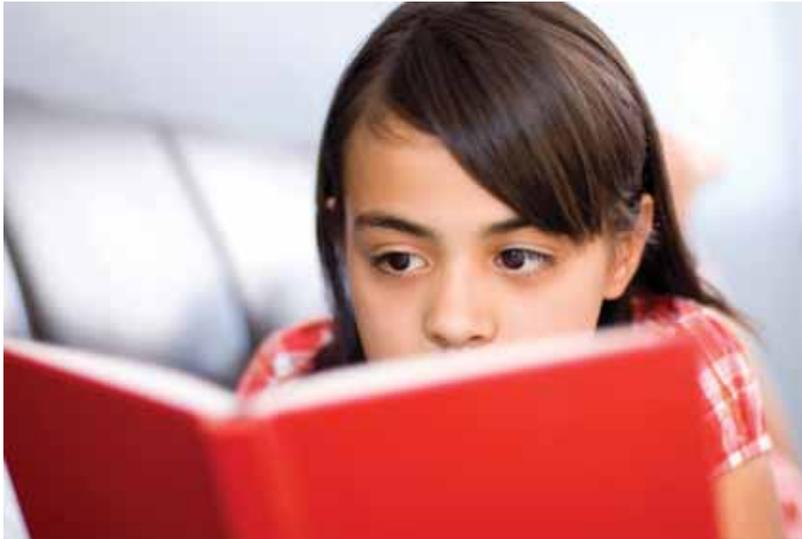
Nonsectarian schools comprise about 20 percent of independent schools on the Peninsula. According to PSS definitions, the region has three special emphasis, two special education and two regular nonsectarian independent schools.

There are numerous kinds of special emphasis schools – vocational/technical, performing arts and so forth. On the Peninsula, all schools classified in this way promote the Montessori educational method. Grounded upon the teachings of Dr. Maria Montessori, these schools promote interdisciplinary, student-directed learning, with an emphasis on hands-on experimentation and the use of concrete learning materials. Montessori classrooms feature multi-age groupings, rather than traditional divisions by grade level. The Gloucester Montessori School, Hampton Roads International Montessori School (Newport News) and Williamsburg Montessori School educate elementary students through age 12. The Williamsburg school also operates a middle school for students ages 12-15 at the Watermen’s Museum in Yorktown.

Newport News is home to the region’s two special education schools. The Academy at Newport News Behavioral Health Center “provides alternative educational programs for students age 5-21, in a highly structured therapeutic

environment who have emotional, learning and mental disabilities,” according to the institution’s website. East End Academy serves students with disabilities and at-risk youth; “small class sizes, individualized instruction and highly structured behavior-management programs are the hallmark of East End, Inc.,” as stated on its website. Both schools are accredited by the Virginia Association of Independent Specialized Education Facilities (VAISEF).

Peninsula “regular” nonsectarian schools are those without a Montessori or special education focus. **Ware Academy (Gloucester, PK-8) and Hampton Roads Academy (Newport News, PK-12) are among the region’s oldest independent schools, founded in 1949 and 1959. Both are college preparatory schools with spacious campuses; they emphasize academic rigor, a well-rounded curriculum with extensive extracurricular opportunities and the promotion of values such as integrity and compassion. Admission is selective, based upon factors such as testing, recommendations and a school visit.** Unsurprisingly, Ware Academy and Hampton Roads Academy are among the most costly independent schools in our region, although some financial aid is available at each institution. Both possess state-recognized accreditation through VAIS.



Racial Diversity

Like our region’s public schools, some independent schools in Hampton Roads have had a troubled history concerning racial segregation. The U.S. Supreme Court’s landmark 1954 *Brown v. Board of Education* decision ordering the dismantling of separate school systems for blacks and whites, and the Massive Resistance laws subsequently passed in the Commonwealth of Virginia, did not apply to independent schools. **Some Virginia independent schools, especially Catholic schools, integrated voluntarily soon after the *Brown* decision. In other cases, new independent schools for whites, so-called “segregation academies,” were established in order to avoid compulsory integration.**

White students in Virginia received state tuition grants to attend segregated independent schools until 1964, when such grants were declared illegal. Nearly 50 years later, these past injustices continue to inform present discussions about the public support of independent schools, as demonstrated by reactions to this year’s proposal to award tax credits to Virginia businesses that fund independent school scholarships. As portrayed by *The Washington Post* in February 2011, “the debate over school choice and voucher-like programs has split the African American community along generational, and perhaps, class lines.”² **While some black elders have worried that independent school vouchers and the rallying call of “school choice” would represent a step back toward resegregation, younger African Americans have been more apt to embrace the reforms as a welcome means of escaping troubled school districts.**

Today, all accredited Virginia independent schools must possess racially nondiscriminatory admission policies. Many institutions – for example, all VAIS-member schools – place these policy statements prominently on their websites and in other promotional materials. Even so, despite such good intentions, the available statistics indicate that nearly all independent schools on the Peninsula are somewhat

² Frederick Kunkle, “Va. African Americans split in battle for school choice,” *The Washington Post* (Feb. 26, 2011), at <http://www.washingtonpost.com/wp-dyn/content/article/2011/02/24/AR2011022403688.html>

segregated. According to data from the Private School Universe Survey (PSS) and from our communications with the schools themselves, a majority of the region's independent schools have student bodies that either are overwhelmingly white, or overwhelmingly black. The predominantly black institutions tend to be small elementary schools affiliated with a particular church. The broad cross-section of the region's independent schools has student bodies that are predominantly white.

A few words of caution are merited in interpreting the numbers in Table 4 regarding enrollment by race/ethnicity. Independent schools are not required to report the racial or ethnic backgrounds of their students to the NCES. Indeed, only 28 of 35 independent schools on the Peninsula supplied this information on the most recent PSS. In 2007-08, the PSS provided a choice of five racial/ethnic categories for identifying students – American Indian/Alaskan, Asian, Black, Hispanic, White – but four schools responded to our request for updated enrollment information with additional categories such as Multi-Racial, Mixed Race and Middle Eastern (all represented as “Other” in Table 4). Other schools in our region also may have students who could be represented in this way, although this was not reflected in the PSS.

Given our region's legacy of racial segregation, there is reason to focus on the relative enrollments of white and black students. A school's diversity can, however, be measured in other ways and is not limited to race. Hampton Roads International Montessori School (Newport News), for example, advertises that “six of the seven continents” are represented among its students and faculty, which include “families from 18 countries with approximately 13 native languages spoken.”

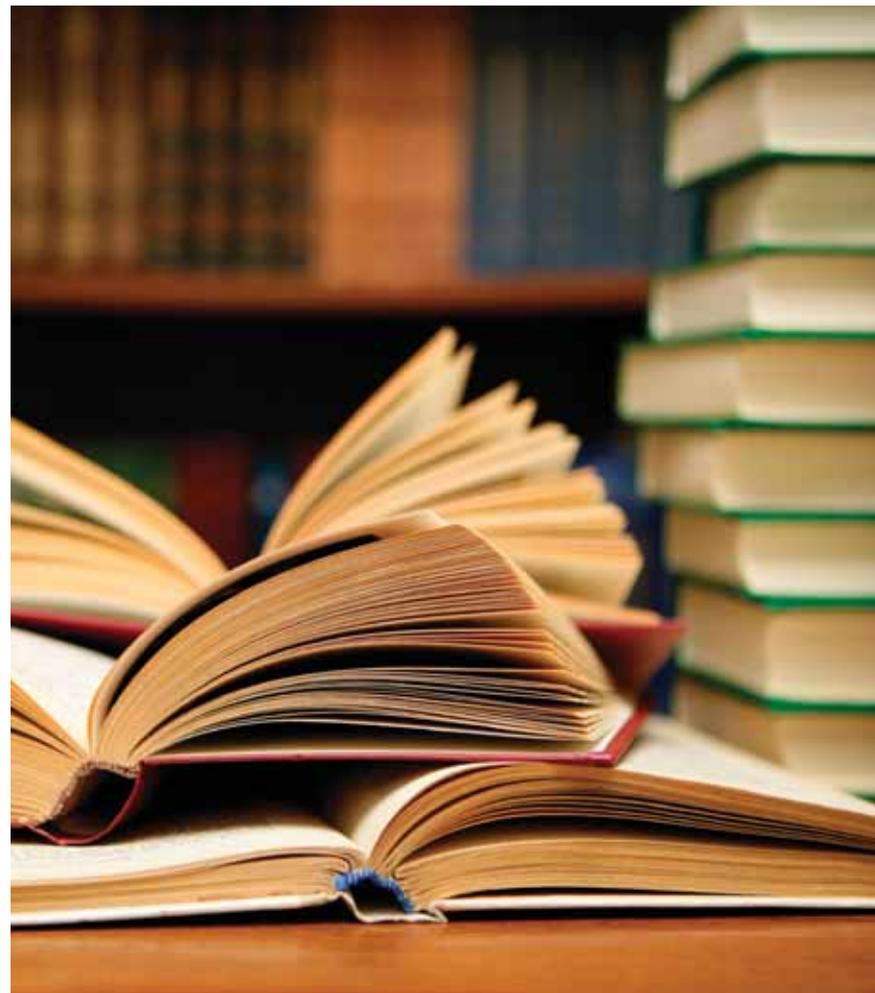


TABLE 4

RACE AND ETHNICITY IN K-12 SCHOOLS: PENINSULA AND THE UNITED STATES

School	City	ZIP Code	American Indian / Alaskan	%	Asian	%	Black	%	Hispanic	%	White	%	Other	%	Total	
1	Saint Mary Star of the Sea School	Hampton	23663	0	0.0%	24	12.4%	9	4.7%	17	8.8%	143	74.1%		193	
2	Our Lady of Mount Carmel School	Newport News	23601	3	1.1%	8	2.9%	21	7.7%	7	2.6%	233	85.7%		272	
3	Peninsula Catholic High School	Newport News	23601	0	0.0%	35	9.1%	5	1.3%	24	6.3%	293	76.5%	26	6.8%	383
4	Walsingham Academy (Upper School only)	Williamsburg	23187	0	0.0%	6	1.9%	1	0.3%	6	1.9%	295	95.8%		308	
5	Majesty Christian Academy	Gloucester	23061	0	0.0%	5	15.2%	1	3.0%	2	6.1%	25	75.8%		33	
6	Calvary Christian Academy	Hampton	23666	0	0.0%	0	0.0%	80	96.4%	3	3.6%	N/A	0.0%		83	
7	Calvary Classical School	Hampton	23666												0	
8	Faith Outreach Education Center	Hampton	23666	N/A	0.0%	1	2.2%	27	58.7%	3	6.5%	15	32.6%		46	
9	First Friends Christian Academy	Hampton	23666													
10	Hampton Christian Schools	Hampton	23666	N/A		N/A		N/A		N/A		N/A				
11	Victory Baptist School	Hampton	23663	0	0.0%	0	0.0%	3	13.6%	0	0.0%	19	86.4%		22	
12	Denbigh Baptist Christian School	Newport News	23602	0	0.0%	16	2.9%	17	3.1%	17	3.1%	502	90.9%		552	
13	Denbigh Christian Academy	Newport News	23608	0	0.0%	2	1.7%	56	48.3%	2	1.7%	39	33.6%	17	14.7%	116
14	Rhema Christian Center Academy	Newport News	23607	0	0.0%	0	0.0%	37	97.4%	0	0.0%	1	2.6%		38	
15	Warwick River Christian School	Newport News	23602												0	
16	Greenwood Christian Academy	Williamsburg	23185	0	0.0%	0	0.0%	1	1.8%	1	1.8%	53	96.4%		55	
17	Providence Classical School	Williamsburg	23188	0	0.0%	7	6.7%	7	6.7%	1	1.0%	90	85.7%		105	
18	Williamsburg Christian Academy	Williamsburg	23188	0	0.0%	3	1.2%	29	11.5%	9	3.6%	207	82.1%	4	1.6%	252
19	Living Word Academy	Tabb	23693													
20 *	Summit Christian Academy (Upper School)	Yorktown	23693	N/A	0.0%	2	0.9%	12	5.6%	6	2.8%	193	90.6%		213	
20 **	Summit Christian Academy (Grammar School)	Newport News	23601													
21	Calvary Seventh-Day Adventist School	Newport News	23605	0	0.0%	0	0.0%	15	83.3%	1	5.6%	2	11.1%		18	

TABLE 4

RACE AND ETHNICITY IN K-12 SCHOOLS: PENINSULA AND THE UNITED STATES

School	City	ZIP Code	American Indian / Alaskan	%	Asian	%	Black	%	Hispanic	%	White	%	Other	%	Total	
22	Saint Andrew's Episcopal School	Newport News	23601	0	0.0%	5	4.1%	11	8.9%	1	0.8%	106	86.2%		123	
23	Resurrection Lutheran School	Newport News	23601	0	0.0%	3	6.4%	5	10.6%	6	12.8%	33	70.2%		47	
24	Gloria Dei Lutheran School	Hampton	23669													
25	Trinity Lutheran School	Newport News	23607	39	17.6%	10	4.5%	15	6.8%	4	1.8%	153	69.2%		221	
26	New Mount Olive Christian Day Care and Academy	Hampton	23666	0	0.0%	0	0.0%	22	95.7%	0	0.0%	1	4.3%		23	
27	Gethsemane Baptist Christian Academy	Newport News	23607	0	0.0%	0	0.0%	22	100.0%	0	0.0%	0	0.0%		22	
28	Parkview Christian Academy	Newport News	23605	0	0.0%	0	0.0%	13	59.1%	0	0.0%	9	40.9%		22	
29	Ware Academy	Gloucester	23061	0	0.0%	1	0.7%	5	3.7%	1	0.7%	127	94.8%		134	
30	Hampton Roads Academy	Newport News	23602	0	0.0%	35	6.1%	37	6.5%	12	2.1%	445	77.9%	42	7.4%	571
31	Academy at Newport News Behavioral Health Center	Newport News	23603													
32	East End Academy	Newport News	23607	0	0.0%	0	0.0%	38	100.0%	0	0.0%	0	0.0%		38	
33	Gloucester Montessori School	Gloucester	23061	N/A		N/A		N/A		N/A		N/A				
34	Hampton Roads International Montessori School	Newport News	23606	0	0.0%	5	10.6%	9	19.1%	3	6.4%	30	63.8%		47	
35	Williamsburg Montessori School	Williamsburg	23188	0	0.0%	16	16.0%	5	5.0%	1	1.0%	78	78.0%		100	

Sources: 2007-08 Private School Universe Survey, at <http://nces.ed.gov/surveys/pss/privateschoolsearch/>
Private schools of northern Hampton Roads

Transparency Issues

Virginia is a laissez-faire state in terms of regulation of independent K-12 schools. The commonwealth's independent schools are under no legal obligation to supply many kinds of information to the state, for example, data concerning the qualifications and compensation of faculty, the nature of curricula, standardized tests scores and the like. Consequently, many independent schools do not routinely supply such information, though some (for example, Hampton Roads Academy, St. Andrew's Episcopal School and Trinity Lutheran School) deserve plaudits for doing so, both in their published materials and on well-developed websites. Many of the schools choose to ignore requests for such information.

The upshot is that it is difficult either for outsiders, or for parents of prospective students, to develop informed opinions about these schools. Religious ties often appear to be quite important in determining whether parents send their children to specific schools, and word-of-mouth information often substitutes for more concrete data.

There is nothing inherently wrong with this situation; the proof of the pudding ultimately is in the eating. If parents and students are satisfied with the education provided, then perhaps this is the crucial market test. **However, since the commonwealth does not accredit independent schools, nor require them to submit much information about their activities, it is difficult to reach strong conclusions about the quality of the educational experience being provided at many of the schools. A variety of independent school accrediting bodies exists, and most of the Peninsula's independent schools are affiliated with one or more of these accrediting bodies, but participation is optional in Virginia.**

Clearly, it would be easier to evaluate the quality of independent education everywhere in Virginia if many independent institutions were more transparent about issues such as curriculum, faculty, student performance and the like. However, as a public school principal put it to us, "They're growing very nicely without doing so; they don't have much incentive to change."

Final Thoughts

Virginia's Peninsula is home to an interesting variety of independent, co-educational day schools. (There are no single-sex or boarding schools.) As might be expected, institutions with larger student bodies and more costly tuitions tend to offer a broader curriculum and numerous other activities. Smaller schools offer lower student-teacher ratios and greater individualized attention. Many of the region's independent schools provide transportation or "extended care" programs (at additional cost) before and after the regular school day, helping to accommodate the needs of working families. Our region's independent institutions may be accommodating to students with learning disabilities and other special needs; however, most do not employ special education staff or other related service providers. The independent high schools, in particular, appear to attract and sustain high achievers; promotional materials emphasize impressive test scores, college placement rates and other indicators of academic achievement.

Compared to national statistics, the large proportion of conservative Christian schools is a distinctive feature of K-12 independent education in our region. Virginia's Peninsula offers comparatively few nonsectarian options for families who seek an alternative to the public school system. All of the region's religious schools are Christian schools; no schools grounded in the Jewish, Muslim or other faiths have been established on the Peninsula at this time.

We are richer as a region because of the variety of independent schools that exists in our midst. Their growth in recent years makes it clear that many parents are impressed by their educational offerings.



If It Bleeds, Does It Still Lead? Local Television Evening News in Hampton Roads



IF IT BLEEDS, DOES IT STILL LEAD? LOCAL TELEVISION EVENING NEWS IN HAMPTON ROADS

In 2008, the State of the Region report examined the evening news coverage of television stations located in Hampton Roads. That study focused on the stories run by the four major television network stations in the region from Sept. 10-27, 2007. The results were provocative because they reported that evening news coverage was heavily weighted with stories about crime, especially violent crime. This finding sparked debate among media critics and practitioners alike. We thought it worthwhile to revisit both the programming and the statistical results to see if anything had changed over the 3½ years since the initial study.

For the 2008 report, we asked local television news directors to comment on our findings, but none expressed interest. That chapter, titled “If It Bleeds, Does It Lead?”, demonstrated that all of the major local evening newscasts were heavily weighted with stories dealing with crime, and this was especially true for lead stories. Further, African Americans were prominently featured in these stories. Several of the news directors of the major television stations in Hampton Roads expressed their displeasure with the content of the 2008 State of the Region chapter concerning them, even though they had declined to talk with us about our findings.

The same general disinterest holds true in 2011. Why? This is not clear. It could be the case that the ratings numbers connected to the coverage of crime are sufficiently strong that the stations feel they know what the public really prefers and hence can ignore any momentary adverse publicity that attaches to their coverage. While the content of the State of the Region report often stimulates news coverage by regional television stations, if past experience holds, then it is unlikely that the findings of this particular chapter will receive much, if any, television coverage.

Our Focus

Some people believe that local broadcast news provides an overwhelming negative and even misleading view of urban life. Striking images of crime and violence regularly appear on local television evening newscasts. Vivid images

of shootings, beatings and assaults – all are potentially part of the local evening news. However, is this widely held assessment accurate? Do crime stories actually dominate the news on the local television evening news programs here in Hampton Roads?

Context

The 2011 issue of *Journal of Communication* delved into issues of framing and agenda setting in the news media. During the past 20 years, nearly all scholarly inquiries have found that major news media coverage in cities reinforces an overwhelmingly negative and misleading view of urban America because it showcases an unrelenting series of stories that augments social pathologies such as gangs, drug problems, mounting crime, racial tensions, and inadequate social and educational services. Minimal news coverage has been given to community organizations that address and even resolve problems.

The adage regarding television news, “If it bleeds, it leads,” usually still runs true to form. Television stations believe that audiences are drawn to the drama of crime news on television in the same way they are drawn to the scene of an accident. The late famed news broadcaster David Brinkley once noted, “One function TV news performs very well is that when there is no news we give it to you with the same emphasis as if there were.”

Researchers found that local news exposure has an agenda-setting effect by inspiring what people talk about and helping determine the things to which they

attach importance. One fascinating and quite relevant example illustrates the more positive aspect of this tendency. WAVY-TV investigative reporter Andy Fox, the 2011 recipient of the Edward R. Murrow Broadcasting Award, exposed how certain restaurants bought possibly tainted meat. He followed distributors using unrefrigerated trucks for more than three hours in sweltering summer heat in order to make his case. His coverage caused this issue to become a leading topic of concern and outrage.

Americans tend to rely on news media sources for their understanding of social events, of which crime is a particularly salient concern. In his "Columbia History of American Television" (2007), Old Dominion University Professor Gary Edgerton demonstrated how television histories have shaped our collective memory in the media age, sculpting our national consciousness. American audiences form general impressions about issues in incremental ways, integrating news bites and images into an overarching belief system. These beliefs then influence social interactions, views of one's community and voting habits.

The key communication concept explaining this phenomenon is known as framing, the process whereby news producers and directors select what news to investigate and broadcast, and in what ways. They not only choose which stories to cover, but also select which reporters to assign, how much airtime to give them and how to prioritize the stories that result. Complicated and quick decisions must be handled with efficiency, dexterity and sensitivity to the pressing needs and values of the community they serve. Framing helps television news audiences recognize the newsworthiness of a story and influences their own understanding of the world. It establishes the importance and personal significance of the reported news.

Framing necessarily prioritizes certain stories over others, and even if it doesn't lead to predetermined conclusions, it sets the story as a prioritized topic of discussion. It also sets the agenda, highlighting particular issues and particular aspects of those issues. For example, one study by researchers Kimberly Gross and Sean Aday tested agenda setting using local broadcast news and neighborhood crime rates to discover how television created "The Scary World in Your Living Room and Neighborhood" (the title of their study, published in vol. 53, issue 3 of *Journal of Communication*). Essentially, they found that the watching of local television news has a powerful effect on the perceptions of viewers about what is important, and what is not. Humorist Dave Barry was not

far off target when he confessed, "I would not know how I am supposed to feel about many stories if not for the fact that the TV news personalities make sad faces for sad stories and happy faces for happy stories."

The challenge of framing crime stories raises its own set of assumptions and concerns. Television news, by its own limited nature, simplifies complex issues of crime and antisocial behavior. For example, reporters too often tend to explain the causes of crime in terms of poverty or dysfunctional social networks, whether or not those actually apply. Even though the vast majority of lower-income people do not engage in criminal behavior, the impression that they do because of poverty lingers through select news coverage. Such coverage tends to reinforce stereotypes. To paraphrase the late humorist and newspaper columnist Art Buchwald, the problem with television news is that it has no page two, so that every lead story "gets the same play and comes across to the viewer as a really, big scary one."

Our Methodology

We examined four weeks of local television evening news in order to report the content that makes up the news presented by the four major network-affiliated stations: WTKR (CBS), WAVY (NBC), WVEC (ABC) and WVBT (Fox). We recorded and examined weekday programming from Jan. 3-31, 2011 – 21 days in all. This time period was chosen in order to avoid major political events that could skew the results. For the local ABC, NBC and CBS stations, we recorded the early evening news program. For the Fox affiliate, which does not broadcast an early evening news program, we recorded the news from the late evening broadcast. Trained coders analyzed all of the programs to assess the news content. Each news story was a unit of analysis and the total number of news stories analyzed was 1,132.

What We Found

Question No. 1: What is the percentage of crime stories on the local television evening news programs in Hampton Roads?

With regard to what was the “subject” of the story, we found that the category general crime, which is nonviolent crime that could not be considered as white-collar crime, was found to be the subject most often identified. For example, much theft falls into this category. General crime was the subject of 149 stories (13.2 percent). Tied for the subject of the second most identified news story were violent crime and sports, each with 125 (11 percent) of the stories analyzed. Some of the other top news story categories were: military (8.3 percent), accidents (6.5 percent), politics/government (5.7 percent) and arts/entertainment (5 percent). It is not surprising that military stories made up a significant proportion of local news, as this area has a significant military population.

Table 1 provides a visual description of the raw number of crime stories reported on the early evening and evening news (291 total crime stories out of 1,132 stories analyzed, which is 25.7 percent of all news stories).

When we examined types of violent crimes reported in the local television news broadcasts (see Table 1) we found that 125 of the stories (11 percent) were about violent news events. White-collar crime accounted for only 1.5 percent of the news coverage (17 stories).

As indicated by Table 1, violent crime represented nearly 43 percent of all crime stories (125 out of 291 stories). General crime stories primarily involved petty larceny, grand larceny and other crimes devoid of serious injury. All sexual assaults were coded as violent crimes.

Subject of News Story	Frequency	Percent	Cumulative Percent
Violent Crime	125 stories	11.0 %	11.0 %
White-Collar Crime	17 stories	1.5 %	12.5 %
General Crime	149 stories	13.2 %	25.7 %
Total Crime Coverage	291 stories	25.7 % of the news	

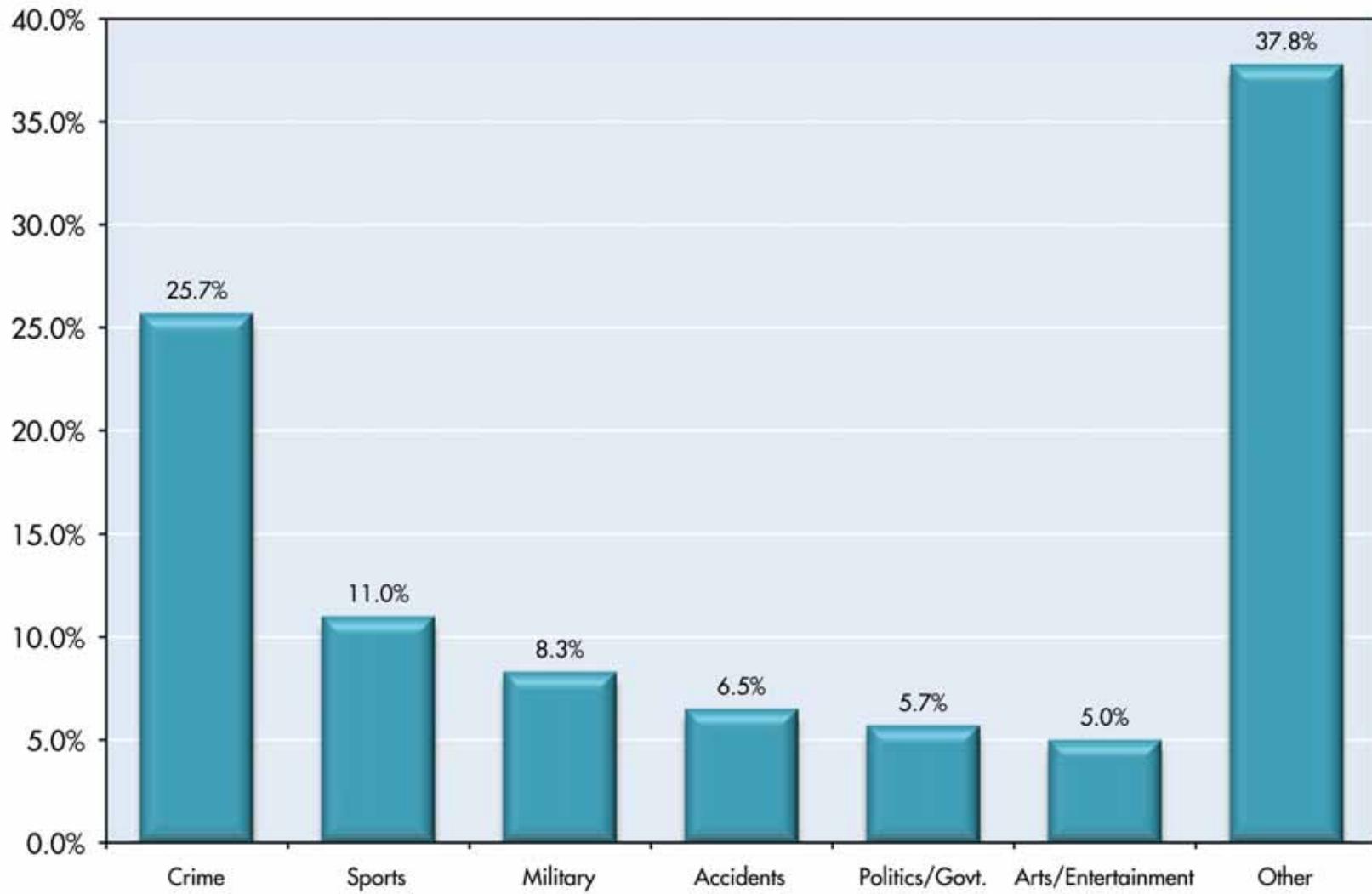
Question No. 2: What types of stories lead the local newscasts?

Crime formed the basis of 25.7 percent of local television news stories (see Graph 1). Violent crime accounted for 11 percent of all news stories, with robbery and murder being reported most often (see Graph 2). Rape, assault, arson and other violent crimes were also mentioned, but not nearly as often as the first two categories.

We found that almost 13.3 percent of the lead stories dealt with some sort of violent crime. Further, when we examined all the lead stories that dealt with any type of crime (both violent and nonviolent), we found that they constituted the lead story in more than 33.3 percent of all newscasts. Overall we found that one in four of all stories related to crime; however, one in three of all lead stories related to crime. Note in Graph 3 how the first five news stories are dominated by general crime and violent crime. The data reveal that when violent crime stories are broadcast in television news, 93 percent of the time they are reported within the first five news stories. When general crime stories are broadcast in television news, they are reported 95 percent of the time within the first five news stories. In contrast, white-collar crimes are only broadcast within the first five news stories about 13 percent of the time. Thus, excluding white-collar crime, violent crime and nonviolent crime are given equal importance in terms of their placement in television news programs.

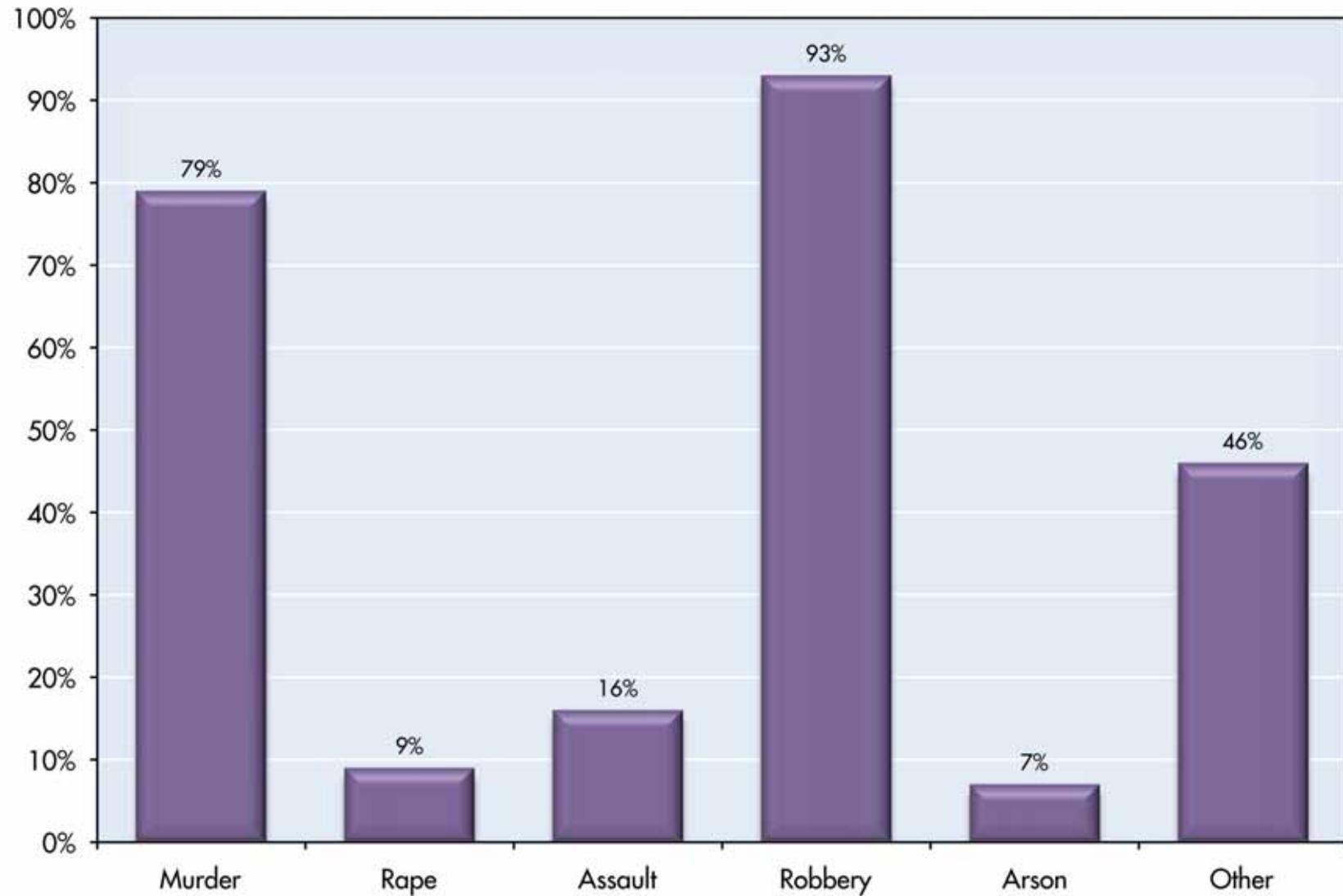


GRAPH 1
TYPES OF LOCAL EVENING NEWS STORIES



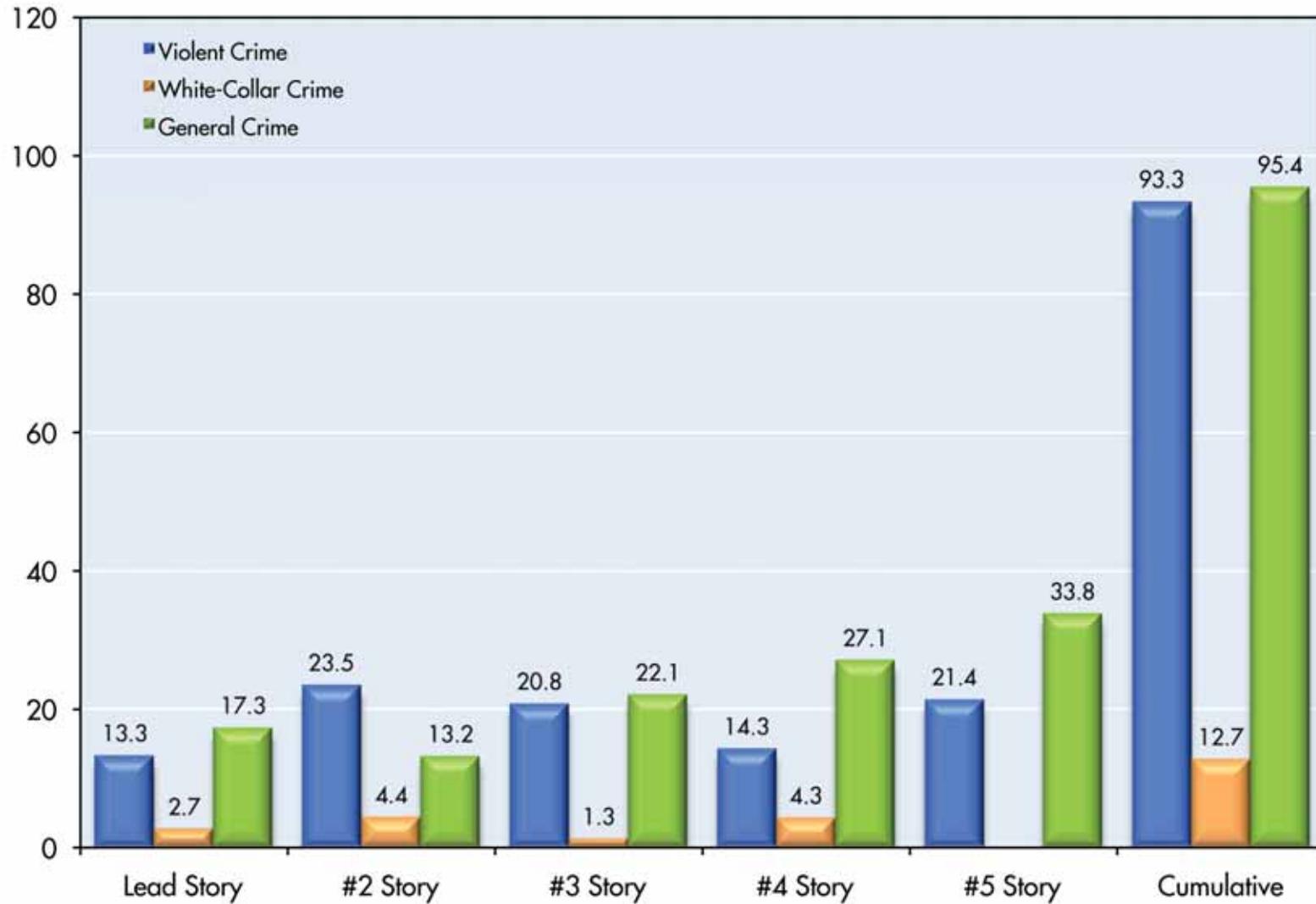
GRAPH 2

TYPES OF VIOLENT CRIME DEPICTED IN TELEVISION NEWS STORIES



GRAPH 3

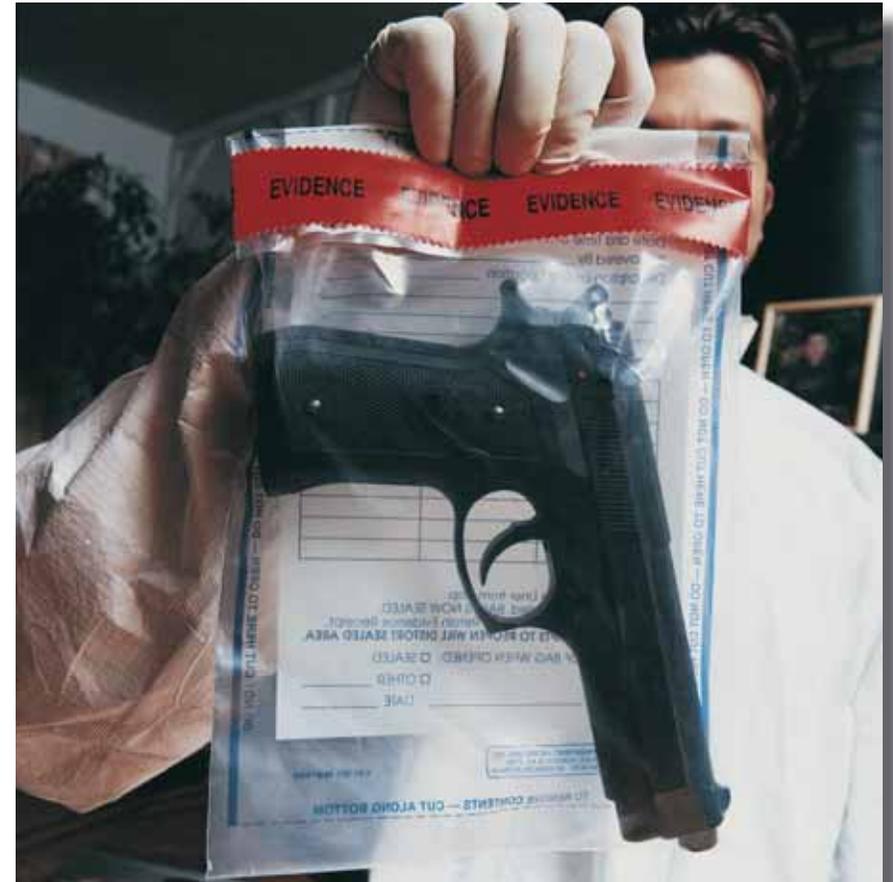
PLACEMENT OF CRIME STORIES IN LOCAL TELEVISION NEWS



Question No. 3: How are minorities portrayed in local television news?

The third major objective of this study is to report how the ethnicity of the perpetrators of crime and victims of crime is portrayed in television news stories. We can see in Graph 4 that blacks¹ are most likely to be the perpetrator of a crime in the local television news stories. This is especially true when reporting on perpetrators of general crime, where black perpetrators outnumber white perpetrators by more than two to one. The one exception to this trend of identifying blacks as the perpetrator is in the area of white-collar crime, where whites are usually reported as the perpetrator.

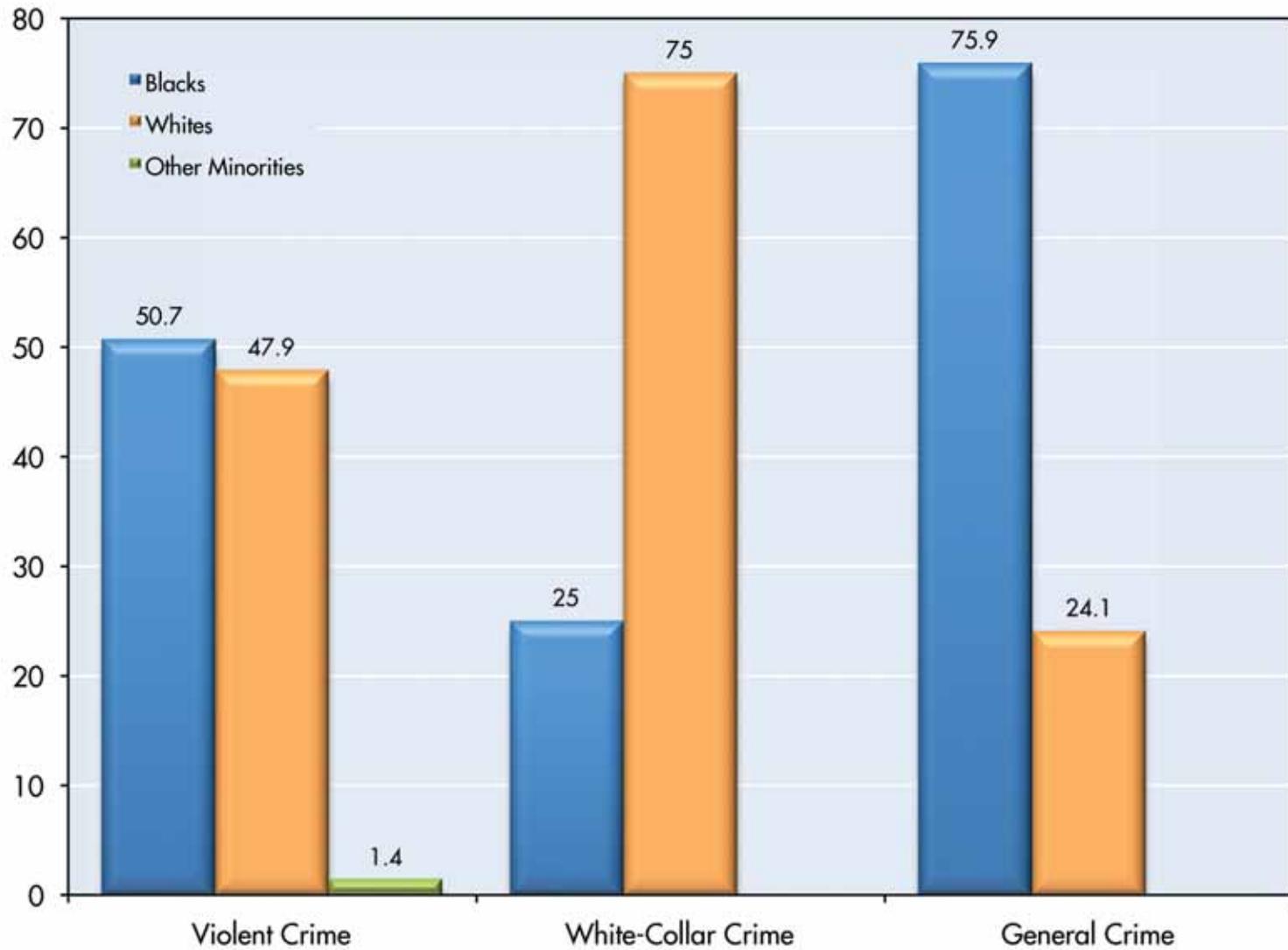
However, when it comes to reporting on the victims of crime in the local news (Graph 5), blacks are noticeably absent from many of the crime stories and whites are typically found to be the victim. In fact, whites are about four times as likely to be reported as the victim of crime (both violent crime and other crime) as blacks. Thus, when crime news stories are reported, they involve blacks far more often than whites, or than any other non-black minorities, except when the victims of the crimes are identified. Then, whites predominate.



¹ "Black" here is inclusive of African Americans and other apparently black individuals. We make no claim to be able to identify flawlessly the race of all individuals who are highlighted on local evening newscasts. Therefore, our percentages should be regarded as estimates, albeit ones with sufficient precision to be worthy of attention.

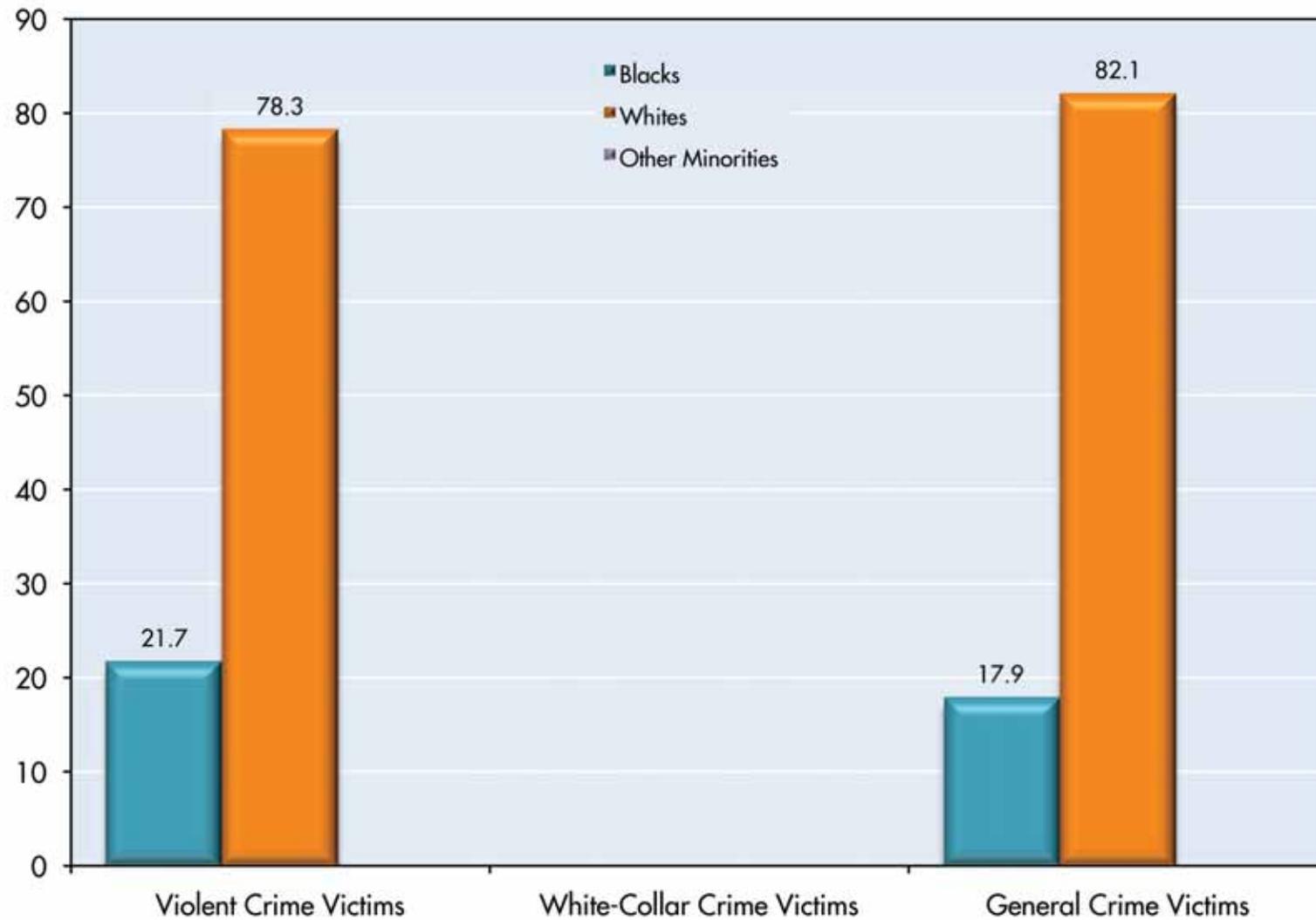
GRAPH 4

ETHNICITY OF CRIME PERPETRATORS IN LOCAL TELEVISION NEWS



GRAPH 5

ETHNICITY OF CRIME VICTIMS IN LOCAL TELEVISION NEWS



Comparing The Stations In Terms Of Their Crime Portrayals

In this last section of our study we show comparisons of crime reporting by television news programs in Hampton Roads. As can be seen in Table 2, the NBC affiliate WAVY reported the greatest number of crime stories, followed closely by WVBT, the Fox affiliate. WVBT reported the greatest amount of violent crime. This finding is understandable, given that the Fox news team has available an additional four hours of news gathering than the other stations, since Fox does not have an early evening news program, and many violent crimes are committed in the evening hours. WAVY reported the largest number of stories of other crime among the four stations.

TABLE 2
**COVERAGE OF CRIME IN LOCAL TELEVISION NEWS:
COMPARING THE STATIONS**

Crime Shown	WTKR (CBS)	WAVY (NBC)	WVEC (ABC)	WVBT (Fox)
Violent Crime	11.5	10.3	7.9	13.6
White-Collar	0.7	2.2	0.8	2.2
Other Crime	9.1	19.5	9.1	14.6
Total Crime	21.3	32.0	17.8	30.4

It is also interesting to note that WAVY and WVBT both reported significantly more white-collar crime stories (2.2 percent of all stories) than did WTKR (CBS) and WVEC (ABC). Given that white-collar crime is seldom reported on television news, since it rarely makes for dramatic television, this finding is important. For a more visual rendering of these numbers, see Graph 6. Overall, these findings confirm that crime is well covered by the four major network television stations in Hampton Roads, especially by WAVY and WVBT.

In the next comparison we examined how each of the four local television news affiliates depicted the victims of violent crime, finding some significant differences, as shown in Table 3.

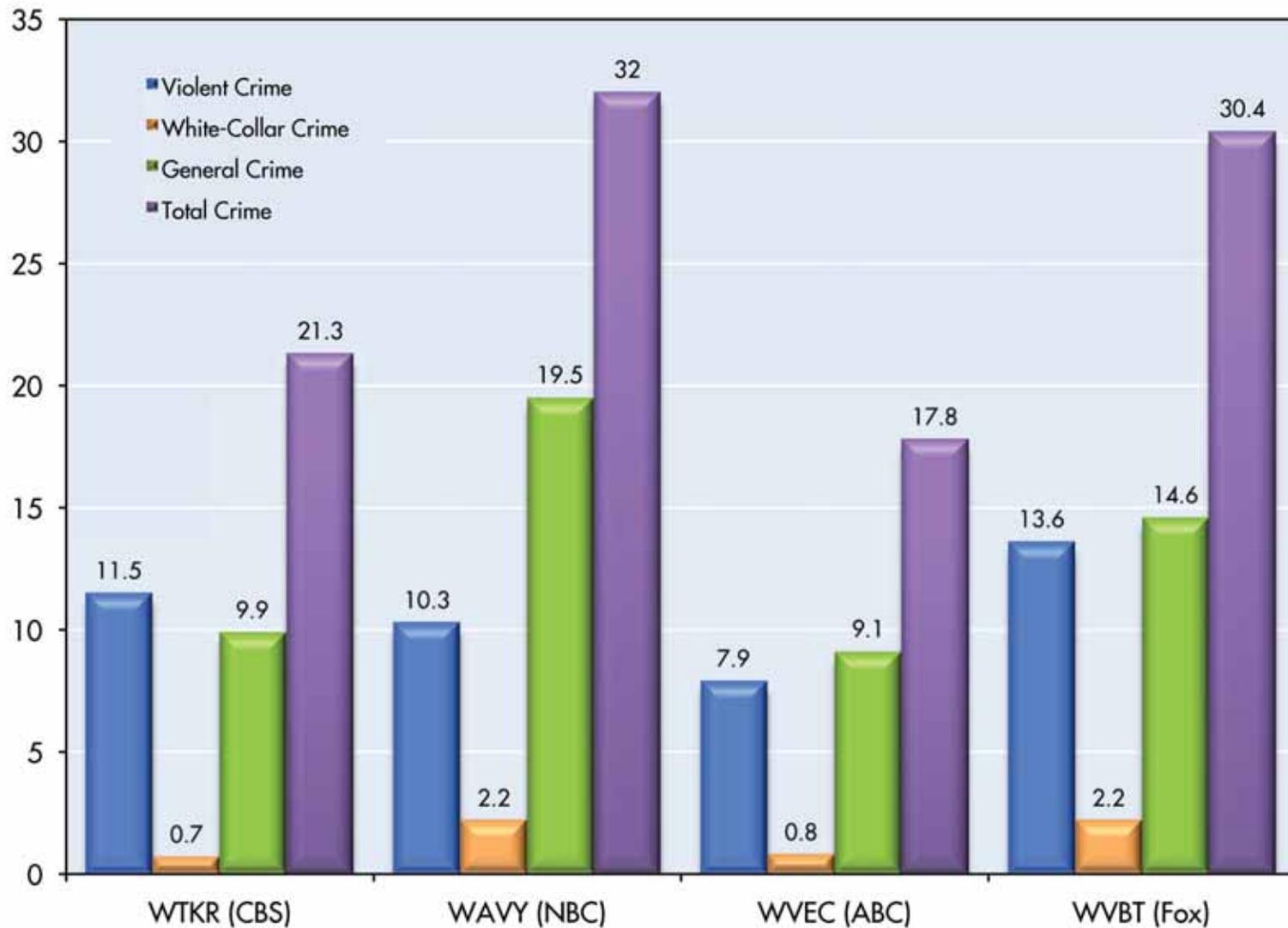
TABLE 3
**VICTIMS OF VIOLENT CRIME DEPICTED IN
LOCAL TELEVISION NEWS**

Ethnicity Shown	WTKR (CBS)	WAVY (NBC)	WVEC (ABC)	WVBT (Fox)
Black	0.0	18.2	12.5	43.8
White	100.0	81.8	87.5	56.2
Other Minority	0.0	0.0	0.0	0.0



GRAPH 6

COVERAGE OF CRIME IN LOCAL TELEVISION NEWS: COMPARING THE STATIONS



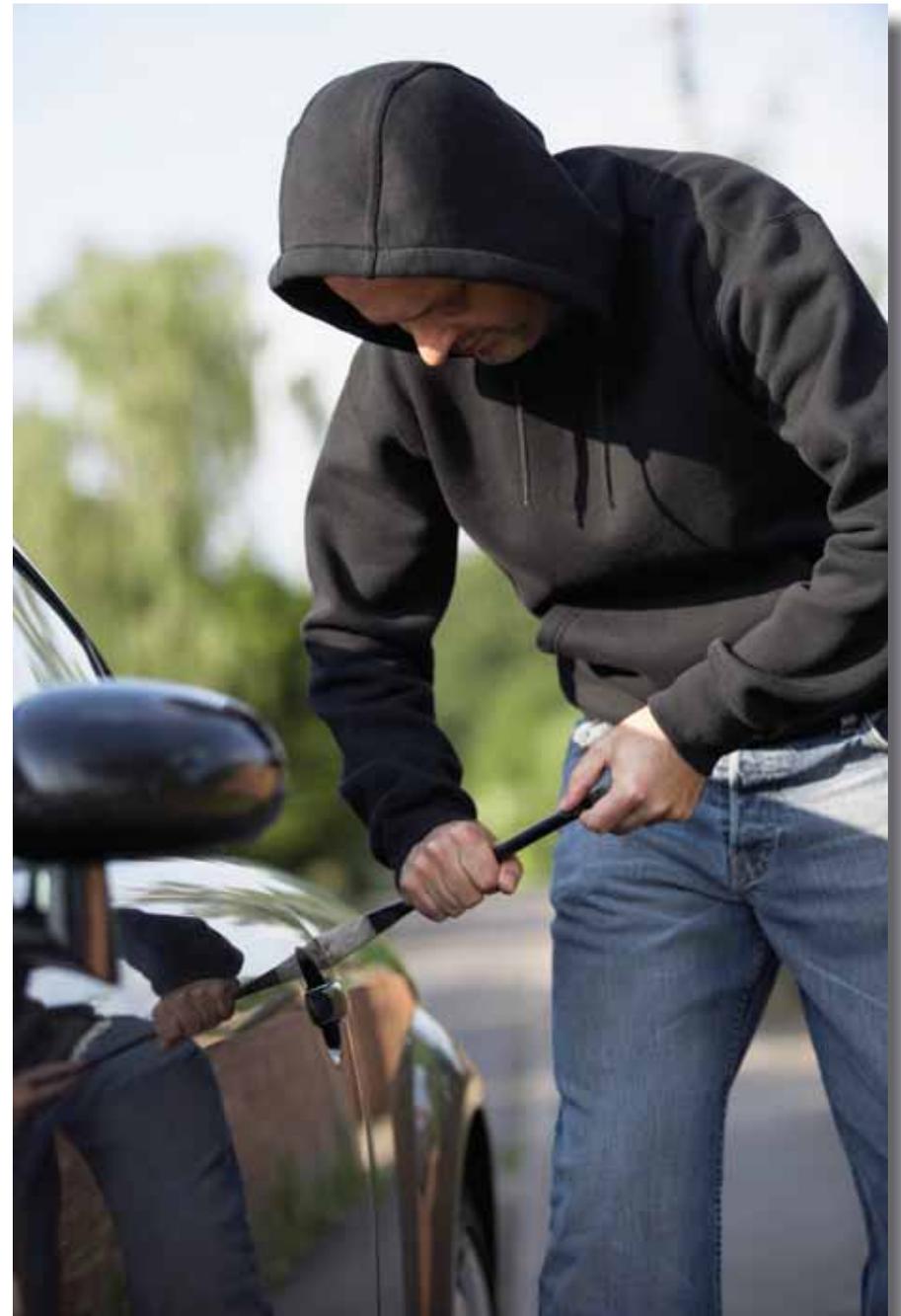
WVBT (Fox) stories identified the ethnicity of the victims of violent crime as black 43.8 percent of the time, while its competitors depicted blacks as victims in fewer stories: WAVY (NBC), 18.2 percent; WVEC (ABC), 12.5 percent; and WTKR (CBS), 0.0 percent. For three of the local affiliates, whites were depicted as the victim an overwhelming majority of the time. WVBT was the exception, with whites depicted as the victim 56.2 percent of the time (Graph 7). Thus, the Fox affiliate was much more balanced in its reporting on the victims of violent crime.

In comparing crime stories depicted in local television news in September 2007 with our latest study of January 2011 (Table 4), we find that news programs reported less violent crime in 2011 than was reported in the 2007 study. In contrast, white-collar crime and general crime stories increased substantially during this period, while overall crime reporting remained about the same, accounting for an average of one-fourth of all news stories. These results are also presented in Graph 8.

TABLE 4

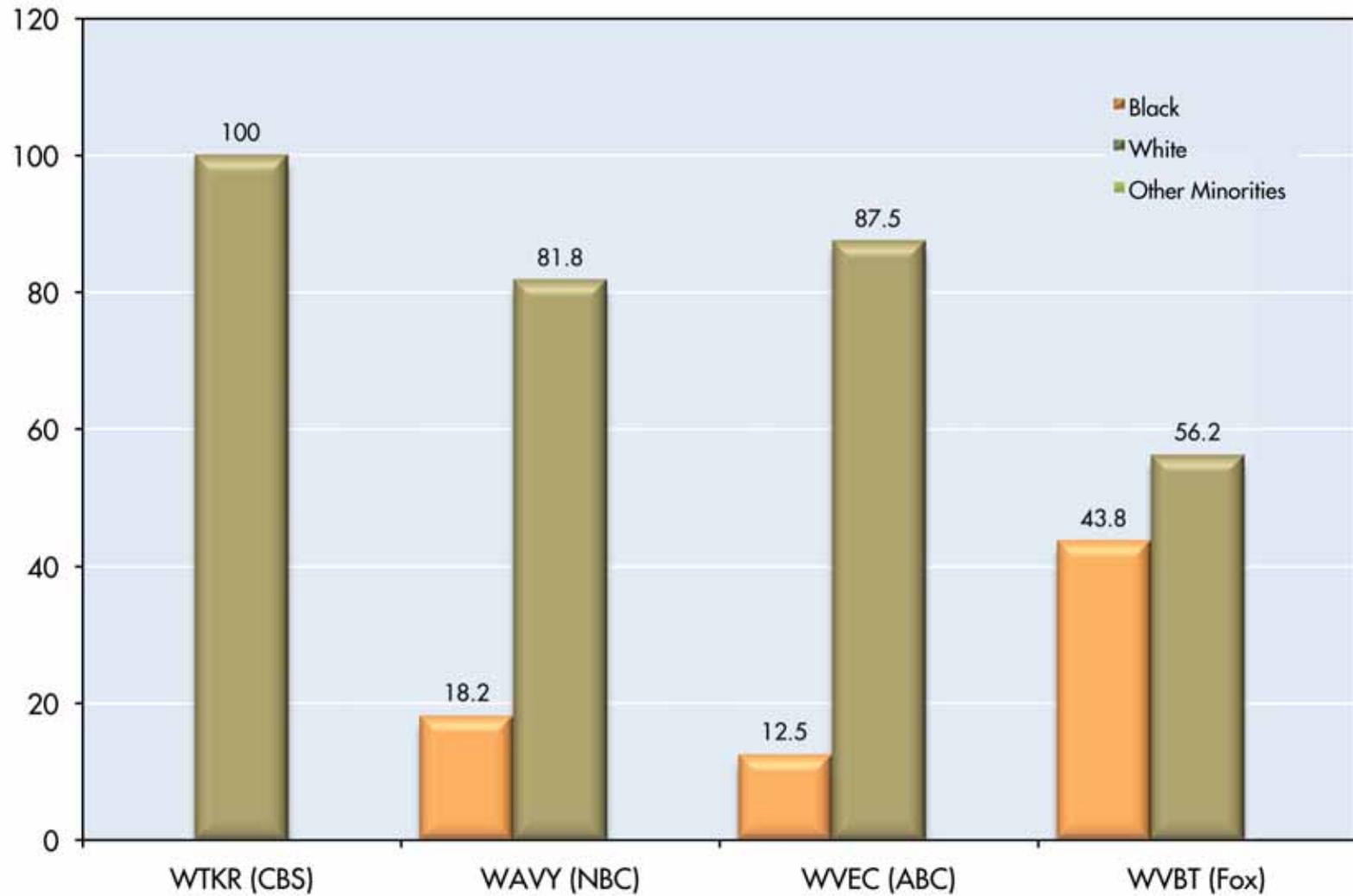
**CRIME STORIES DEPICTED IN LOCAL TELEVISION NEWS:
2007 VERSUS 2011**

Year of Study	Violent Crime	White-Collar Crime	Other Crime	All Crime Stories
2007 Study	16.2	0.2	7.9	24.3
2011 Study	11.0	1.5	13.2	25.7
Average	13.6	0.9	10.6	25.0



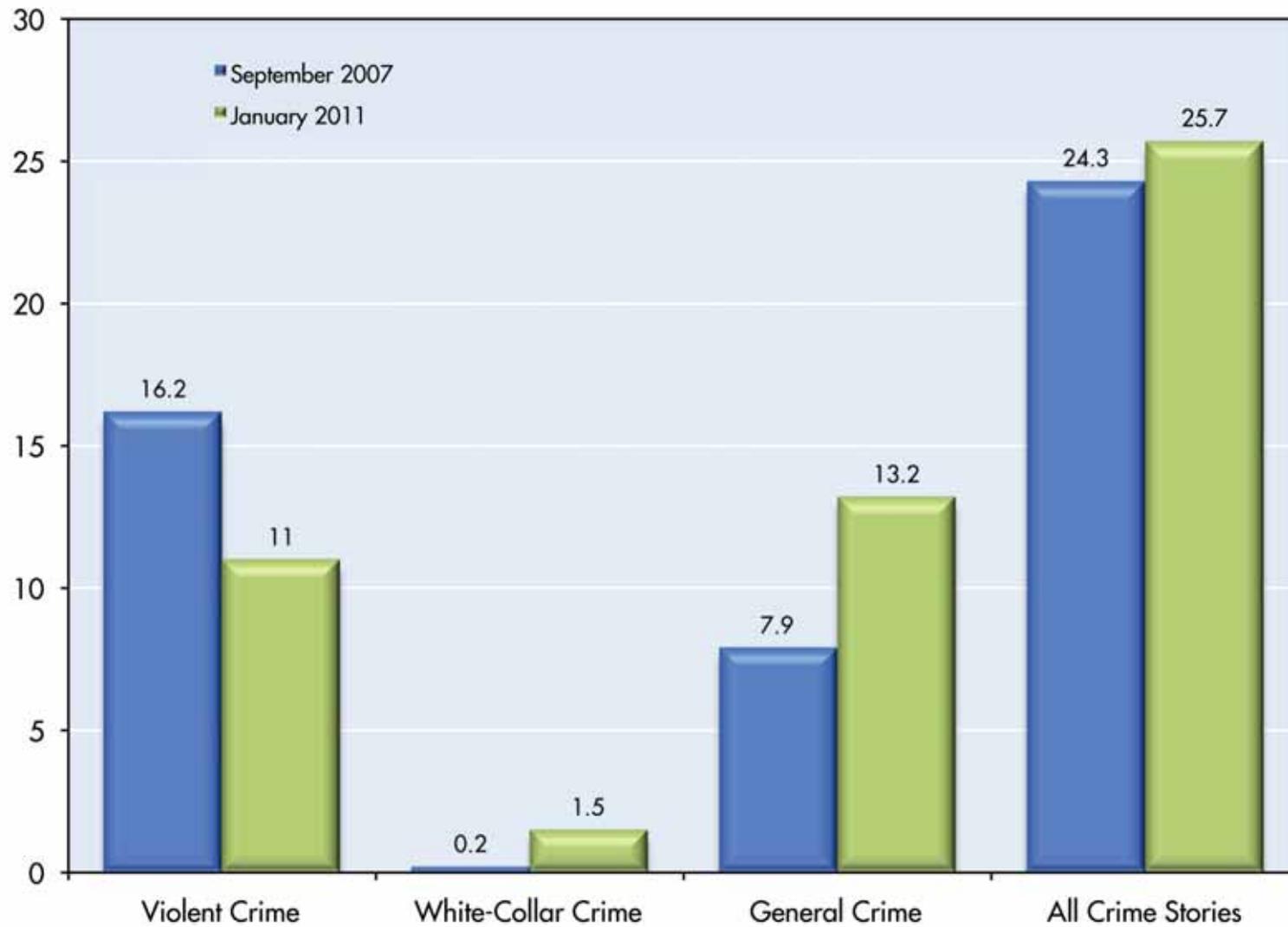
GRAPH 7

**VICTIMS OF VIOLENT CRIME DEPICTED IN LOCAL TELEVISION NEWS
HAS LOCAL TELEVISION CRIME COVERAGE CHANGED SINCE 2007?**



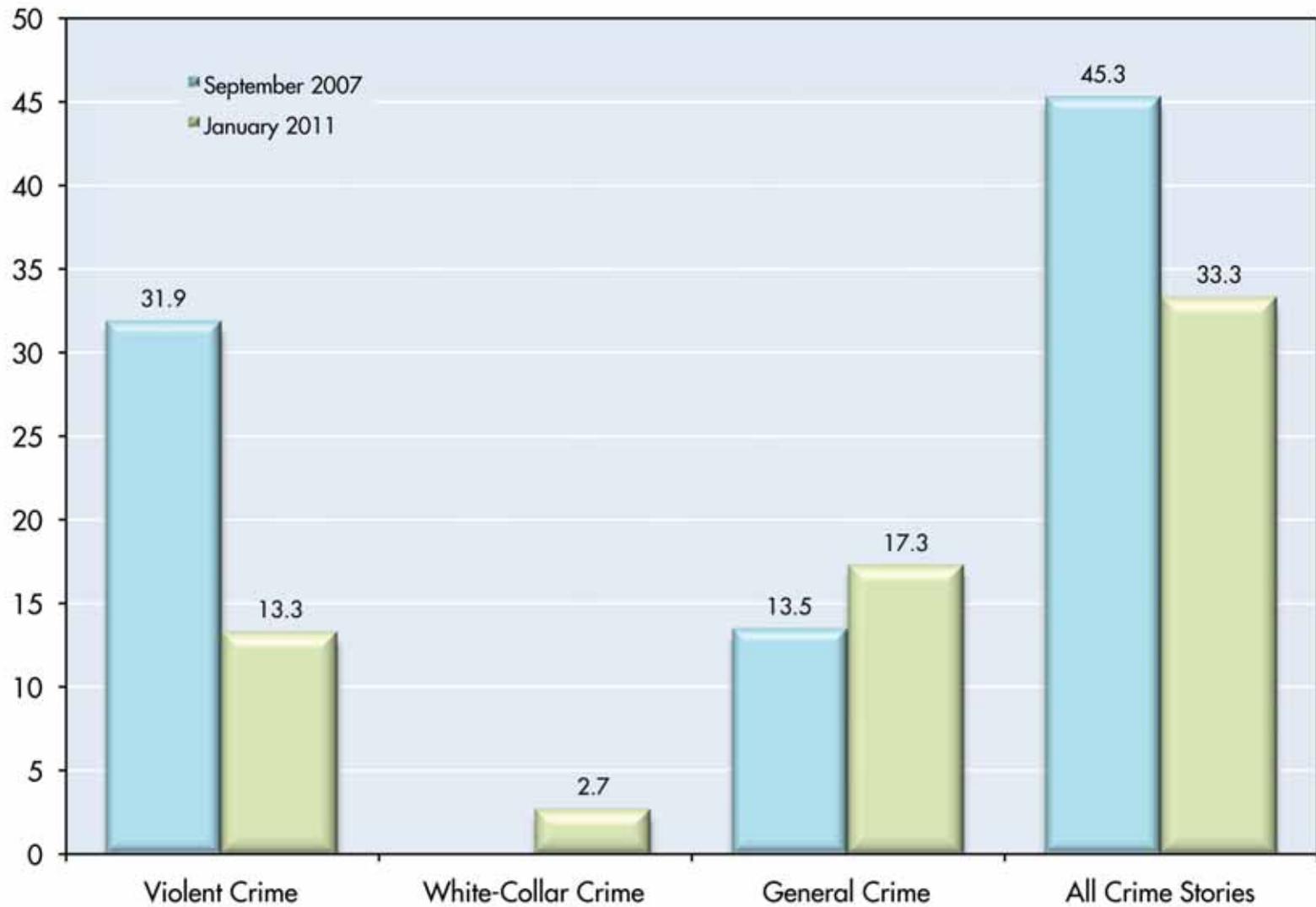
GRAPH 8

CRIME STORIES DEPICTED IN LOCAL TELEVISION NEWS: 2007 VERSUS 2011



GRAPH 9

**FREQUENCY COMPARISON OF CRIME AS THE LEAD STORIES DEPICTED IN LOCAL TELEVISION NEWS,
2007 AND 2011 COMMENTARY**



When comparing the lead stories depicted in the local television news from September 2007 with the stories we analyzed from January 2011 (Table 5), we find a significant difference in the reporting of violent crime. The 2011 study found violent crime lead stories were used less than half as much as they were in the 2007 study. Although other crime stories are up slightly in 2011 over the 2007 study, the overall reporting of violent crime as lead stories on television news is down, as illustrated in Graph 9. Also, white-collar crime in 2011 was the lead news story 2.7 percent of the time as compared to none in 2007.

TABLE 5

COMPARISON OF CRIME AS THE LEAD STORIES DEPICTED IN LOCAL TELEVISION NEWS, 2007 AND 2011

Year of Study	Violent Crime	White-Collar Crime	Other Crime	All Crime Stories
2007 Study	31.9	0	13.5	45.3
2011 Study	13.3	2.7	17.3	33.3
Average	22.6	1.4	15.4	39.3

Local television news stations accept the challenge and responsibility to represent a community to itself. They not only scan and seek out events, concerns and interests of the communities, but also select, marshal and present their findings in ways they deem both important and relevant to their viewers. Nevertheless, these viewers are citizens who filter the news from the particular vantage point of the news reporters, editors and producers.

Coverage in local newspapers (The Virginian-Pilot and the Daily Press) during the comparable period focused on charges against officers of the USS Enterprise for improper oversight of raunchy videos and against a local state delegate for alleged bribery in relation to Old Dominion University. Other dominant issues ranged from the impending closure of JFCOM, the horrific shooting rampage in Arizona and President Obama’s State of the Union address, to state funding for roads and the democratic demonstrations and chaos in Egypt. Locally, The Pilot focused on day care negligence, light rail debates, the rape of several female sailors and the death of a police recruit. There was also remarkable coverage

of community events for the homeless and environmental cleanup efforts (as well as reports on some minor tussling by school boards and city councils). The Hampton Roads section also ran headlines about bank and liquor store robberies, school board firings, the future of Waterside and foreclosures, and featured the delightfully sassy columns of Kerry Dougherty on such topics as dead fish and dive-bombing birds.

Daily Press coverage during the same period paralleled that of The Pilot, with stories ranging from the indictment of Peninsula Delegate Phil Hamilton to the chaos in Cairo (although the Daily Press seemed to focus more on personal stories, such as reporting on the plight of local Hampton Roads tourists stuck in Egypt). More human-interest items (brain tumor patients and leaders of shipbuilding firms) appeared on the front pages of the Daily Press. Various white-collar crimes and local crime briefs were also featured, such as black-market cigarette stings and targeting career criminals. Interestingly, several articles showcased how police were being trained to respond to mental health crises and other local concerns, illuminating positive community-building steps in the news.

Significantly, Hampton Roads television news programs showcased reports on crime less than their national counterparts. Only one-fourth of the time did violent crimes lead the national nightly news. This represented a significant statistical difference from our previous study – quite astonishing, actually, in the reduction of such criminal reportage as the lead story. In summary, both studies reveal that about one out of every four stories reported in Hampton Roads television news programs is about crime. However, both studies also reveal that crime news reporting has decreased as the lead news story, dropping from 45.3 percent in September 2007 to 33.3 percent in January 2011.

While the common practice of leading television evening news with violent crime stories (“If it bleeds, it leads”) was still evident in local broadcasting practices, it was down 50 percent from the 2007 levels. The number of white-collar crime stories increased in our study, suggesting that more attention has been paid to this trend or that violent crime has actually decreased. The alleged bribery by Delegate Hamilton, the rise of meth activity, the improper refrigeration of restaurant meats

and charges regarding a taxpayer-funded Norfolk Community Services Board employee in a “no show” case were reported alongside stories of robberies and sexual assaults. Yet, while the number of all crime stories increased, the presentation of violent crime was down.

Reportage on African American victims and perpetrators tended to emphasize the latter, identifying black lawbreakers, but not the injured parties.

By not reporting the ethnicity of violent crime victims, which statistically is higher for minorities, one may easily misperceive the identity of the victims. For many years and over many studies, there has been a clear difference in how blacks and whites are reported in relation to crime. Blacks are perceived to be overrepresented as the perpetrator of crimes and whites are more often seen as the victim. Our study finds that this is still the case with news stories being reported in Hampton Roads.

When examining the stories of victims of violent crime depicted in local television news, a clear trend emerged. The victims of violent crime were identified more often as white than black. However, there were some significant differences between how the stations reported these stories. All of the victims of violent crime whose ethnicity was identified on WTKR (CBS) were white; however, only 56.2 percent of the victims were identified as white on WVBT (Fox). Both WAVY (NBC) and WVEC (ABC) news stories identified the victims as white more than 80 percent of the time.

To reiterate, our comparison of Hampton Roads news stories from September 2007 to January 2011 revealed that violent crime reporting significantly decreased from 16.2 percent to 11 percent.

Several factors could contribute to this finding. For example, it may be that violent crime is not as prevalent now as it was 3½ years ago, but it is also possible that news organizations are more aware of the negative consequences in reporting too much violent news and are more careful and balanced in how they report this kind of story. Nevertheless, when violent crime is reported on our local news programs it is among the top five news stories 93 percent of the time. Regardless of the cause, there is a noticeable positive change in violent crime reporting.

When examining lead stories in local television news in 2007 and 2011, it is clear that there is a substantive drop in the reporting of crime stories. In 2007, we found that 45.3 percent of all lead stories on local television news were crime stories; but this year, we discovered that only one-third of the lead stories were about crime. Again, several factors could account for this change, including the time of year we collected the data, a change in the number of crimes committed or the intentional efforts by news reporters and editors to provide more balanced reporting.

News content is changing as communities embrace new technologies, but the local evening news is still an important part of the social fabric of the world we inhabit. How this world is reported influences our understanding, affects our emotions and contributes to our feelings of anger, fear, ethnic bias and disgust, as well as our sense of joy, peace, racial harmony and safety. In short, the news affects how we behave toward one another and the choices we make in living out our lives.

If we are continually fed a diet of crime and fear, then we may be negatively affected by these images. They may instill in us seeds of suspicion and mistrust of our fellow man. It is clear that the news media can create a fear of visiting cities, living in urban areas and an irrational concern about being a victim of random violence. As responsible citizens we must help others to understand how the news is framed and how this influences our perceptions of the world.

Cover: Clockwise from left:

Sailors man the rails aboard the aircraft carrier USS Enterprise as the ship returns to homeport at Naval Station Norfolk after a six-month deployment. (U.S. Navy photo by Mass Communication Specialist 2nd Class Andre Rhoden)

Welcome home, courtesy of the U.S. Army

Steve Earley/The Virginian-Pilot

Inside Front Cover: Hampton Roads region map produced for HREDA by Seventh Point Advertising, Marketing and Public Relations

Page 1: The aircraft carrier USS George H.W. Bush, left, transits near the aircraft carrier USS Enterprise. The USS Bush is deployed in support of maritime security operations and theater security cooperation efforts in the U.S. 5th Fleet area of responsibility on its maiden overseas deployment. (U.S. Navy photo by Mass Communication Specialist 2nd Class Tony D. Curtis)

Page 38: Steve Daniel

Page 40: Steve Daniel

Page 42: Chuck Thomas

Page 45: Steve Daniel

Page 47: Steve Daniel

Page 85: Steve Daniel (left)

Barbara Hamm Lee and guests during a taping of "Another View," courtesy of WHRO (right)

Page 94: The WHRO Voice provides daily live readings of area newspapers and periodicals for listeners with visual or other disabilities, courtesy of WHRO (top)

Steve Daniel (bottom)

Page 100: WHRO president and CEO Bert Schmidt, left, and Virginian-Pilot publisher Maurice Jones congratulating the winners of the 2010 Virginian-Pilot Spelling Bee, courtesy of WHRO (left)

PBS personality Super Why! at the Children's Festival in Norfolk's Town Point Park, courtesy of WHRO (right)

Page 103: Past and present staff members at the 2011 WHRO Pioneer Awards, honoring the station's 50th anniversary, courtesy of WHRO

Page 105: Concrete piers, courtesy of Bayshore Concrete

Page 111: Straddle carriers and concrete segment, courtesy of Bayshore Concrete



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