Putting The Future Together
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Preface

Methodology

In the early 1990’s I conducted a study of Richmond for a group of business leaders and made recommendations to guide the community forward. Some of those recommendations are outlined in the following section titled, “Fifteen Years Later – What has Changed?” In March 2007, the Greater Richmond Chamber asked me to re-examine the metro area and make recommendations that would enhance its future development and competitive position. Business and community leaders sought an independent perspective on four questions:

- Is the region properly focused and aligned for successful future growth and economic prosperity?
- To what extent is the region underachieving, given its current status and resources?
- What transformational projects should the region consider undertaking to improve its competitive position, and why?
- Is the region’s leadership - business, government and non-profit – adequately aligned and coordinated to craft a regional vision, marshal resources and mobilize and encourage “high energy” civic involvement toward achieving priority goals?

Between 5 August and 13 September 2007, 110 one-hour interviews were conducted with business, political, and community leaders from Richmond and the counties of Chesterfield, Henrico, and Hanover. Selected leaders from Petersburg and the outlying counties of Goochland and Powhatan were also interviewed. The willingness of busy people to give so freely of their time says volumes about their interest in the area’s future. Their candor was as impressive as their astuteness. In addition, numerous studies from other independent firms, governments, non-profits, churches, and corporations were reviewed. The master plans of the city of Richmond and the surrounding counties as well as those of major institutions like VCU and area hospitals were also examined. Finally, discussions were held with citizens who live and work in the region and whose lives are affected by how the area is today and how it will be tomorrow.

The greater Richmond area was viewed as both an urban center and a business. The report is straightforward and written without paying homage to the political sensitivities that one usually finds in these types of reports. For long-time residents and community leaders, this assessment may be a tough read. The report paints a picture of a region full of potential and promise, but one that is not efficiently and effectively capitalizing on its resources. Instead of leveraging its past, the metro area has allowed itself to become a prisoner to it. It also identifies many of the area’s strengths and finds in them an opportunity to build a unique community of national significance.

Most of all, the report provides a roadmap for the future that is both specific and actionable and sends a clear message—the future is in its own hands. That message is both encouraging and daunting and will require the best that its leaders have to give. I hope that the report will be the beginning of a strategic transformation that leads the metro area into this new century with a renewed sense of purpose, opportunity and confidence.
Fifteen Years Later – What has Changed?

The report issued 15 years ago made recommendations for change. As a benchmark, it is useful to look at what has changed and what hasn’t. The base findings were as follows:

- Tradition creates a resistance to change that shapes the pace, the style and the structure of decision making.
- Richmond has neither a heartfelt community identity nor a compelling picture of its future.
- Business leaders accuse political leaders of a lack of coordination, yet they themselves are fragmented.
- There are major economic, educational and racial differences that make securing regional cooperation difficult.
- The business community lacks the diversity today that will characterize it tomorrow.
- Richmond is on a trajectory to further erosion through high crime, political weakness, continued downtown deterioration, weak air and mass transit infrastructure, and marginal economic development.

In order to correct the challenges identified, some of the following recommendations were made:

- Develop an overarching vision and strategic plan for the community.
- Aggressively build a positive community image by leveraging local and national media.
- Consolidate the multitude of business organizations into one high-powered business organization that coordinates regional economic development around core driving industry/technology clusters.
- Expand and develop the business potential in the African-American community.
- Change the form of city government to a strong mayor form of government to assure political accountability and at-large representation.
- Build a new airport and rename it.
- Develop the potential of VCU/MCV as a biotechnology center and build a VCU engineering school.
- Develop the downtown business core, especially Broad and Grace streets.
- Make mass transit a priority and build a deep water port.
- Make the reduction of crime a major priority and replace public housing projects.
- Encourage regional cooperation on water, waste treatment modernization, and transportation issues.
- Expand Leadership Metro Richmond to include leaders from throughout the region.

If one takes the recommendations above as a benchmark, one gets a sense of the progress, or lack thereof, that Richmond has achieved in the last 15 years. As with any report, not all
recommendations are acted upon with the same energy and urgency and some are not addressed at all. It is instructive to note, however, that on balance, Richmond has accomplished much. The renamed airport, terminal expansion and low fare carriers have turned a former deficiency into a major asset. The Chamber has become a strong voice and advocate for economic and regional development. The Greater Richmond Partnership, in cooperation with the Chamber, coordinates regional economic development around core driving industry/technology clusters. The area has an extremely strong group of non-profit leaders who bring a business discipline to their focus areas. VCU has become the state’s largest university with a biotechnology park, new school of engineering and an emerging medical center. Crime has been reduced and Richmond is no longer the murder capital of the country. Leadership Metro Richmond includes emerging leaders from around the region. Progress has been made on race relations. The city now has a strong mayor form of government. City and county government and education leaders meet on a regular basis and have built cooperative ventures on the convention center and airport.

And yet, something is missing. The pieces are not tied together. It is as if the metro jigsaw puzzle is missing several key pieces that prevent the viewer from seeing the whole picture. Those working on the puzzle have no clear picture to guide them. There is no sense of what it will look like at the end. Some are holding onto pieces from another puzzle and keep searching for a place to put them. Those pieces don’t fit and the ones that do are difficult to place without inefficient, frustrated efforts. So people give up or come back later – hoping to make it work. Some start working on another puzzle – one less complicated. The result is a puzzle with holes. Many of the pieces are there, but there is no understanding of what it will all look like at the end. The individual pieces don’t fit together to support one another because there are too many gaps. There is no synergy and no leverage. While the picture could be striking if it were put together, it never gets done.

Dr. James A. Crupi
Summary of Findings

Richmond is a metro area with tremendous natural advantages. Its location places it within two hours of Washington, D.C., the Blue Ridge Mountains, the beaches of Virginia, and a multitude of excellent institutions of higher education. It lies within a day’s drive of 50 percent of the nation’s population and is in the path of growth of the mid-Atlantic metropolitan corridor. The James River runs through it like a life force bounded by miles and miles of trees that shelter homes, office parks, and an urban center. Revolutionary and Civil War historical sites are sprinkled throughout the area and stand as a testimony to the trials and tribulations of a nation that struggled to find the real meaning of democracy. Museums, historic sites, the state’s capitol, and the rich classical architecture of its buildings and neighborhoods give it a charm and character not found in other urban centers with the possible exceptions of San Francisco, Charleston, Savannah and Boston. Its high quality of life is exemplified by a physically attractive topography, a relatively low cost of living, minimal traffic congestion, a diverse economy that experiences neither the highs nor the lows of national business cycles, a fast-growing immigrant population, and the “easy” lifestyle of the south.

By all rights, Richmond should be booming like Atlanta, Charlotte and other metro areas that have experienced growth over the last couple of decades. And yet – it isn’t. The question is why not? While there are a range of complex contributing factors, some of which are structural, the answer lies with the fact that metro leaders have not accomplished four critical tasks:

- Move from being tactical to strategic thinkers and doers.
- Develop an overarching regional vision and strategic plan that aligns area leaders around a set of priorities and common picture of the future they want to create together.
- Resolve long-standing historical and cultural attitudes that serve to undermine trust among area leaders and prevent bold, needed initiatives.
- Maximize the value of the area’s natural and developed resources.

The inability or lack of willingness to think and act strategically is a major problem. The area’s leaders ability to understand the problems that face the area is only surpassed by their inability to work together to solve the area’s problems and take advantage of its opportunities. As was true 15 years ago, the default position among area leaders is to make individual, tactical, project oriented decisions without the framework and benefit of an overarching strategic vision and plan. There is no compelling picture of the future that gets people excited. One could almost say that the Richmond area is blessed with many great managers, but few leaders. It has people who are strong on execution but weak on seeing how all the pieces should fit together. They are weak on vision. They are like managers of a department that fails to recognize the impact their decisions have on the rest of the organization. There is either little “political” nerve and statesmanship or, the lack of clarity about the future prevents daring initiatives.

The short answers to the questions posed for this report are briefly discussed below:

- Is the region properly focused and aligned for successful future growth and economic prosperity?
The region is properly focused in the sense that most leaders across the metro area have an understanding of the challenges that lie ahead. However, it is not aligned to design its way toward future growth and economic prosperity. The area will grow despite itself. It lies in the path of growth and statistics indicate that the region eats up more acreage and builds more roads than most other areas in the country.

• To what extent is the region underachieving, given its current status and resources?

The region is significantly underachieving given the resources and talent it has. It lacks the sustained drive and optimism that comes with a clear picture of where it wants to go and what it has to do to get there. That underachievement reflects itself most in poor city public schools, lack of regional planning, no identity around which people rally, poverty, and public transportation. As one community leader said: “We are getting fat and will pay the price for not paying attention to staying in shape.”

• What transformational projects should the region consider undertaking to improve its competitive position, and why?

The top projects mentioned were: a master regional plan, a regional transportation plan, James River development, a vibrant urban core, fixing the city’s public school system, cracking the code on poverty and its impact on public housing and the local economy, and a recreational amenity package for the region that generates excitement. The answer to why will be discussed later in the report.

• Is the region’s leadership - business, government and non-profit – adequately aligned and coordinated to craft a regional vision, marshal resources and mobilize and encourage “high energy” civic involvement toward achieving priority goals?

The answer is no. The word used most frequently to describe the area is potential. The capability is there as are many of the pieces. The vision is not. What has to happen in the metro area is for people to make the opportunity statement the leader. It is not just about creating projects around priorities. It is about taking others with you to an exciting future.

The culture remains steeped in tradition much like it was 15 years ago. As was pointed out in the previous report, “Its leaders sometimes have difficulty looking to the future because the past is so much a part of the community’s psyche.” Change does not come easy. Change means taking something away versus creating opportunity. It is slow to move, but can progress rapidly. Richmond fights the wave instead of riding it. It rolls with the punch instead of delivering it. It reacts with the past in mind. It does not shape with the future in mind. As one area leader said: “Don’t give me too much change. I want to be respected like Charlotte and Atlanta, but recognize me on my terms.” Maintaining the status quo is safe and a virtue.

But, there is change in the wind. It is being driven largely by newcomers or people who left Richmond and have come back home with a clearer picture of what needs to change. As one new community leader exclaimed: “The future is ours by design or default – I chose design”! These people don’t like the pace of change and are trying to pull older, established leaders into the future with “edgy” ideas and new rules of engagement. And then there are the demographics of age and ethnicity. Perhaps the three most significant changes that will affect the metro area in the next five years are the aging of “first” generation leaders whose traditional ideas and attitudes will
wither with them, the retirement in the next five years of baby boomers who hold virtually every key leadership position in the region, and the changing multicultural makeup of the community, especially Hispanic and Asian.

Over the next five years, the leadership turnover and vacuum it creates are going to have a dramatic impact on the future of the region. Vacuums always get filled. The question for the metro area is by whom. How the community answers that question will determine the area’s future. The region has a large, diverse, young population with great ideas and energy – a feature of the community people do not see. If the area doesn’t engage this energy, it will go somewhere else. The area still has time to shape its future but the window is closing. The negatives have not grown out of control yet. The area also has an older population with very traditional attitudes and approaches to solving problems. Today, the metro area’s personality and perspectives mirror the later rather than the former. Tomorrow will be another story.

And then there is history and race – which today largely revolves around black/white relations. Richmond’s history as a center for slave trade and its capital of the confederacy roots lie in the background as a ghost that sometimes haunts decisions. It is felt most by those blacks who still suffer racial prejudice and/or fought hard for civil rights and by those whites who misinterpret the pride of being a “Southerner” that manifests itself today as an emotional willingness to “die” for something important with an understanding of the injustices that led to people to go to war in the first place. There is a pride that is not so much associated with race, but with some sense of dignity. The result is that both feel like victims and victims always feel that they are entitled to respect and compensation. Both have become prisoners to a past that has shaped who they are. They perpetuate the discussions because letting go means losing part of their identity. Rather than looking at what can be learned by history, both sides seem to perpetuate it. Each enslaves the other in the anachronism of their minds.
The problem shows itself in subtle ways and is largely found as a backdrop to how certain decisions get made that have community or institutional impact. With the exception of “safe” environments like Leadership Metro Richmond, race is not discussed. And that lack of constructive dialog makes it difficult to get beyond long-held beliefs, whether one is white or black.

Many in the community view racial discussions as confrontational rather than educational. It hangs in the air. The result is that when it comes to the interpretation of certain political and economic decisions, race is the elephant in the room. For example, when local business leaders wrote a letter advocating an appointed instead of an elected city school board, it was seen by many as an attempt by the largely white business community to victimize the black community and rob them of a voice and power to which they felt entitled. It was seen as implying that local folks were incapable of taking care of their own backyard and not as an expression of interest and caring in solving a problem related to their children’s future in a globally competitive world. On another issue, the inability of the region to build mass public transit is laced with racial overtones. The outcomes reflect a lack of understanding and sensitivity on both sides of the cultural equation. Both discount the power of thought diversity that can only come from different cultural and life experiences. These distinctions are subtle but significant because they affect how things get done, or whether they get done at all.

Part of the problem is that people outside the African-American community have stereotypes that don’t apply. No one can lay claim to the African-American community. Leaders in the African-American community are stratified economically. Most people know the leaders, but most leaders are not connected to the grass roots. Those connections are provided by the churches, fraternities, sororities and other community-based organizations. There has been a kind of reluctance to see people get too far ahead. As one African-American leader lamented: “We don’t help our own and that is very different from Hispanic and Asian cultures.” Those who leave the community face pressure from their own as well as from the normal pressures in trying to progress in a community that favors economic achievement. Because African-American leaders are not extensively involved in business leadership positions, their influence gets routed through political representation, which weakens individual influence. People ride political waves but are not unified. Because relationships are so important, the African-American community emphasizes values and beliefs over a need to focus on the big picture and that sometimes hinders the development of longer-term strategies for economic development.

There are also major differences between older leaders and those who are young or have come from outside the metro area. The younger generation believes there are no real leaders because those who aspire to leadership react, are not proactive, and are too tied to historical mental models that they believe no longer apply or get in the way of progress.

There is no panacea that defines African-American cultural and political beliefs. Most folks want what everybody else wants: a home, a safe place to raise kids, a decent paying job and an opportunity to grow. Places like Gilpin Court and Fairfield Court are worlds apart from the comfort and tolerance zone of the majority of African-Americans who live in the city. They fear going there and having their children go there. An important challenge facing the African-American community is that many are lost in the fog of feeling tolerated and not wanted, and a lack of new voices advocating a change in old thinking. Many role models have left [doctors, lawyers, etc.] although there is some evidence that they are coming back. Change is in the air. Jackson Ward is being rebuilt by business and professional people who are more focused on what they can do together than they are on
race. Highland Park and Church Hill will follow. African-Americans know that their future lies with developing economic capability. And they should be assisted by the region in doing so - not through handouts they don’t want, but with a combination of loans, access to venture capital for small business growth and university business incubators. The African-American community in the metro area has much to offer. The culture is extremely intuitive and insightful and has developed “political” and people skills that have been honed over decades of having to adapt to constant change without the advantage of significant economic resources. And they are passionate about Richmond and its future. Those skill sets are extremely valuable to business and the building of the metro area. And they should be leveraged.

Differences in communication styles also contribute to the problem. Opportunities are being lost because perceptions are getting in the way of getting things done. The black community tends to interpret problems in the context of their social consequences while whites tend to view problems in the context of their economic consequences. It is like watching a discussion between an artist and an entrepreneur. The artist is emotionally expressive and worries about the richness lost by jumping to outcomes while the entrepreneur just wants to solve the problem and views emotional expression as counterproductive. The artist is relationship-oriented; the entrepreneur is results-oriented. The artist wants people to appreciate the value of the art, which, in effect, means an appreciation of the artist himself; the entrepreneur just wants to sell it. At some point, however, both come to recognize that they need each other’s skills, insights and temperaments if they both are to be successful and that each of them is both an artist and an entrepreneur. The Richmond area’s challenge is to recognize that each is stronger by operating together than they are independently.

And yet, there is a big difference between today and 15 years ago. What is so interesting is that almost no one, black or white, wants “race” in the room. Today, it does not permeate like it did 15 years ago. People want to get beyond the historical and racial albatross that drags the community two steps back for every step it takes forward. Both blacks and whites intuitively recognize that it limits what can be accomplished if they were to work together. That recognition did not exist 15 years ago and the benefit for the metro area that it does now is potentially significant. Today, African-Americans are serving in key political, educational and business roles. Fifteen years ago, a letter expressing concerns over the state of the city’s public education would never have been signed by both white and black business leaders. Fifteen years ago, there were no black leaders involved on the board of the chamber. Fifteen years ago, a majority black community never would have elected a majority white city council and school board. Fifteen years ago, there never would have been a black school superintendent in Chesterfield County, not to mention those who occupy other senior administrative roles in other counties. Fifteen years ago, the NAACP never would have sued an African-American mayor.

There is still a problem with the lack of a sizeable black business class and presence of black businessmen and women on corporate boards, but racial distinctions are slowly giving way to class distinctions – distinctions that are determined by educational and economic disparities and not skin color. This is especially true of younger generations of blacks and whites who are moving into the Richmond area and are not held captive by historical mental models. It is also true of those who live as neighbors throughout the Richmond area and have substituted personal relationships for institutional stereotypes. Their attitude is bluntly expressed as: “Get over it.” When it comes to race, the people are ahead of their leaders in many ways.

Furthermore, the changing ethnic makeup [driven largely by Hispanics and Asians] of the community
is forcing a redefinition of what race and culture really mean. Traditional black/white discussions are slowly being replaced by a recognition that cultural distinctions across many racial and cultural divides will not only present the community with daunting challenges as people struggle to overcome longstanding stereotypes, but will also add a rich perspective and understanding that heretofore has not existed. Being minority is no longer the exclusive purview of blacks and being majority is no longer the exclusive purview of whites. The melting pot is slowly recasting the racial debate that has characterized the community for so long.

Finally, the area has not taken full advantage of its positive assets. Other communities would love to have what the Greater Richmond area has in terms of resources. Most communities accomplish much more with much less. Charlotte turned a truck stop into a financial and airline hub with all the accoutrements of professional sports. Memphis used Elvis Presley, blues and BBQ to define itself and its central location to secure the FedEx hub. Birmingham created a medical center. What San Antonio and Oklahoma City have done with artificial canals makes what Richmond has done with one of the most beautiful rivers in the nation look like child’s play. And that is only one example of a resource that has gone under utilized. Imagine what the area could do if it just took advantage of what it has.

**Concluding Thoughts**

If the Greater Richmond area was a corporate client, I would note that it has fallen behind its competitors but doesn’t quite believe it. I would caution management that they are in an especially dangerous position because overall growth in the market (the metro area and mid-Atlantic region) is exposing the depth of its underlying problems.

I would note that the Richmond area is under-investing in its core product. If Greater Richmond was a corporate client, I would find it all too easy to explain what has gone wrong. The company is too inward looking—it lacks the type of focus that successful businesses require. I would note that there is no shared vision or overarching strategy that ties the business together. I would observe that the business operates in awkward silos rather than as a cohesive whole. At its root, I would argue that the management system is highly fragmented and unclear—meaningful performance measures are practically non-existent, and without a strategy there is no obvious way to create clear accountabilities that will align the parts.

If the metro area were a business, I would outline a program that began with articulating a clear and sustainable strategy. I would put in place a performance management process with teeth to drive the change. Inevitably, I would anticipate changes in key management and leadership positions that put the appropriate mix of change agents in key positions. I would note that the aging of “first” generation leaders and the massive retirement of baby boomers in key leadership positions across the entire company in the next five years will create an enormous leadership vacuum that is not being addressed.

But Richmond is not a business. It has no market discipline to drive change. The area has no board of directors demanding improvement. There is no CEO to make the tough choices and to be held accountable. And absent a sustained, focused commitment to excellence, the type of effort required will be very difficult. Creating the type of change that the Greater Richmond area needs requires bold and coordinated business and political leadership. The path forward is clear. The need for action is equally clear. What remains unclear is who, if anyone, will provide the sustaining leadership to help the area reach its full potential.
Introduction

Richmond is a metro area with tremendous natural advantages. Its location places it within two hours of Washington, D.C., the Blue Ridge Mountains, the beaches of Virginia, and a multitude of excellent institutions of higher education. It lies within a day’s drive of 50 percent of the nation’s population and is in the path of growth of the mid-Atlantic metropolitan corridor.

The James River runs through it like a life force bounded by miles and miles of trees that shelter homes, office parks, and an urban center. Revolutionary and Civil War historical sites are sprinkled throughout the area and stand as a testimony to the trials and tribulations of a nation that struggled to find the real meaning of democracy. Museums, historic sites, the state’s capitol, and the rich classical architecture of its buildings and neighborhoods give it a charm and character not found in other urban centers with the possible exceptions of San Francisco, Charleston, Savannah and Boston. Its high quality of life is exemplified by a physically attractive topography, a relatively low cost of living, minimal traffic congestion, a diverse economy that experiences neither the highs nor the lows of national business cycles, a fast-growing immigrant population, and the “easy” lifestyle of the south. The metro area lies as a transition point between a more aggressive business style to the north and a

**Metro Strengths**

- The River and Area’s Natural Beauty
- The City’s Architecture
- Charming and Distinctive City Neighborhoods
- Diversified Economic Base
- VCU
- County Public Schools
- The Area’s Historical Roots
- Fiscally Sound and Effective County Governments
- Non-Profit Sector Leadership
- Cultural & Historical Institutions
- State Capitol
- Road Transportation Infrastructure
- Fortune 500 & 1000 Business Base
- Federal Reserve District
- The Civility of its People
- Proximity to Cultural and Outdoor Activities
- High Regional Quality of Life
more relaxed business style to the south. The differences in culture one experiences when one drives 45 minutes north or 45 minutes south are palpable. It lies in the shadow of Washington, D.C. and in some ways is marginalized because of it. It is close enough to the mecca’s of New York and D.C. but far enough away to be comfortable. It lies in the path of growth that will creep down the Eastern Seaboard. It is Southern but not like Savannah or Charleston. It is progressive, but not like Boston, Atlanta or northern Virginia. It is the Sunbelt more than it is the Bible Belt. It is a place for families more than it is a place for singles. People come to the area with some doubt and then they don’t want to leave even if their companies do. To some, the area is the antidote to the ills that epitomize the congestion of D.C. and Atlanta.

The area is blessed with an extraordinarily diverse economy that protects it from the highs and lows of the national economy. It doesn’t boom, but is doesn’t bust either. Its unemployment rate hovers around 3 percent. It has a relatively stable, diverse business base that is inexpensive to maintain especially when compared to areas north. It was ranked 3rd best city for business by Market Watch in 2007.

### Population

#### Gender Distribution (2006)

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<thead>
<tr>
<th>Area</th>
<th>Male</th>
<th>Female</th>
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</thead>
<tbody>
<tr>
<td>Greater Richmond</td>
<td>48.3%</td>
<td>51.7%</td>
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#### Race/Ethnicity (2006)

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<th>Classification</th>
<th>Profile Area</th>
<th>Labor Area</th>
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<td>White</td>
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<tr>
<td>Black</td>
<td>271,590</td>
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<td>Asian</td>
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<td>American Indian or Alaska Native</td>
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<tr>
<td>Pacific Islander</td>
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<tr>
<td>Hispanic (may be of any race)</td>
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#### Median Age (2006)

<table>
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<td>Charles City</td>
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</tr>
<tr>
<td>Chesterfield</td>
<td>36 years</td>
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<tr>
<td>Goochland</td>
<td>40 years</td>
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<td>Hanover</td>
<td>39 years</td>
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<td>Henrico</td>
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<td>New Kent</td>
<td>38 years</td>
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<tr>
<td>Powhatan</td>
<td>37 years</td>
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<td>Richmond City</td>
<td>36 years</td>
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#### Civilian Labor Force (2006)

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<thead>
<tr>
<th></th>
<th>2006</th>
</tr>
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<tr>
<td>Greater Richmond</td>
<td>344,500</td>
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<tr>
<td>Surrounding Labor Area</td>
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</tr>
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<td>Total</td>
<td>702,735</td>
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*Source: Virginia Economic Development Partnership*
There are eight Fortune 500 and 13 Fortune 1000 companies – remarkable for an urban area its size. But today’s world is different from the past. Having corporate headquarters does not mean that the weight of the corporation necessarily works to the advantage of the community. Most corporate headquarters represent a small footprint of their total presence in a global world. And that footprint will get smaller.

Companies view the area as a great back office location because of the low cost of labor and high quality of life. In a study done by the Southeastern Institute of Research in January 2006, over 60 percent of the area’s residents viewed the region most favorably as a place to live, work and raise a family. For business leaders it was over 80 percent. Those factors are key to global competitiveness. The area also has a history of local companies seeding new companies and has helped incubate companies like Capital One and CarMax, and Philip Morris’ $350M R&D efforts. It has made the transition from a hub for banking, tobacco and manufacturing to a service and government center with relatively little pain.

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**Employment by Sector** *(4th Qtr. 2006)*

- Natural Resources and Mining: 1,024 (0.2%)
- Construction: 38,463 (7.3%)
- Trade: 81,128 (15.4%)
- Transportation and Utilities: 14,310 (2.7%)
- Manufacturing: 33,781 (6.4%)
- Information: 10,680 (2.0%)
- Financial: 43,731 (8.3%)
- Services: 210,198 (40.0%)
- Government: 92,361 (17.6%)
- Other: 14 (0.0%)
- Total: 525,894 (100%)

*By Business Establishment

**Employment by Occupation** *(4th Qtr. 2006)*

- Construction, Extraction & Maintenance: 48,670 (10.6%)
- Farming, Fishing & Forestry: 566 (0.1%)
- Managerial, Professional & Related: 126,928 (27.6%)
- Production, Transportation & Material Moving: 55,342 (12.0%)
- Sales & Office: 143,647 (31.2%)
- Service: 84,628 (18.4%)
- Total: 459,781 (100%)

*By Business Establishment

Source: Virginia Economic Development Partnership
The business base is supplemented with the economic stability provided by state and local
government; a wide array of both public and private higher education and K-12 institutions;
and health care providers. One could argue that VCU has been the one constant economic
development engine in the city over the last 15 years. If you were to remove the growth of VCU
over the last 15 years, the city would have very little to show for itself in economic development
terms. Its regional growth is another story.

The City of Richmond is moving from a big little city to little big city. The small size and landlocked
nature of the community tends to accentuate its liabilities [crime, school deficiencies, urban
blight, concentration of poverty, etc.] more than its assets [state capitol, the river, one of the
twelve Federal Reserve Districts, global corporate and legal firms, neighborhoods withcharm
and character, etc.]. For example, Richmond’s violent crime per 100,000 population is less than
Atlanta, Birmingham, Charlotte, Nashville, Jacksonville and Dallas. And yet, that size gives it a
physical integrity and sense of place. It is large enough to have things to do and small enough
to be able to do them. Institutions and individuals are capable of having an impact. It has many
of the amenities found in larger cities and is small enough to manage them. Richmond is town-
like in life quality. The advantages of a bigger city and small town are a nice compromise. If
Richmond goes too far in either direction, it will lose its distinction. And that compromise is
very attractive to young urban professionals who are moving into the city. For all the problems
that cities have, they are still where the jobs are and young people gather. Young energy begets
energy where talent masses collide. And smart people want to be near smart people. This is
a generation who grew up watching “Friends,” “The Jeffersons,” and “Seinfeld” and not “Leave
it to Beaver.” Their mental models are about a sense of community in live/work/play urban
environments.

The Richmond port, airport, two major railroads, and the crossroads of I-95 and I-64 make it a
transportation hub capable of serving the needs of the mid-Atlantic region that most living in
the area do not fully appreciate. The fact that it is close to many things gives it a sense that it is
also a link to many things. It sits at the strategic juncture of a large military industrial complex
that stretches between northern Virginia with its defense contractors to the north, Norfolk with
the Navy and Joint Forces Command to the east, and Ft. Lee with a range of military and federal
agencies to the south and doesn’t appreciate its implications.

Culturally, it is a tale of two cities. It is conflicted between old money roots and new money
aspirations. It is proud of the past and embarrassed by it. It wants to grow, but doesn’t want
to change. It yearns for the reputation of Atlanta and Charlotte, but doesn’t want to be like
them. It unites around a big event or crises and then people go their separate ways. It talks a
good game more than it plays a good game. The counties have excellent schools and fiscally
strong county government and the city does not. The counties are booming and the city is not.
The city has high concentrations of poverty and the counties do not. The city has public transit
and the counties have limited public transit. The city has neighborhoods and buildings with
architectural character and charm and the counties do not. Both the city and the counties also
have different internal cultural and economic differences between east and west or north and
south depending on the area examined. Greater Richmond has individuals and companies who
succeed with their individual projects but have not figured out how to succeed as a group. The
area operates more like siblings fighting than like family. There are too many communities of
interest who focus on things that separate instead of things that it can rally around. The one word that characterizes the area is fragmentation.

When asked to describe the area’s personality, 102 out of 108 leaders said it was schizophrenic, shortsighted, and afraid to have a conversation with itself. The area is seen as one that follows and does not lead. One that doesn’t capitalize on trends - a trait that cost it the opportunity of becoming an airline and financial hub. One that lives on history instead of making it. Knows it should change to be better, but is guarded and slow with decisions. Looks back before it looks forward. Risk averse. Struggles with feelings of inferiority. Is more focused on how it protects what it has than about becoming all it can be. Believes that change means something will be taken away instead of creating opportunity. Content with where it is and not willing to do the hard work to be great. Nice manners. Too comfortable with its position. Likes what it is and doesn’t worry about what it will become. A gracious, civil, friendly, genteel, polite, intelligent, and conservative ball player who is struggling to make it to the big leagues but unsure of what he wants to be and wonders if it is worth the price. Dreams, but is not sure its dreams can be fulfilled. Questions the road not traveled. Wants to play the game but is gangly. Doesn’t quite feel up to the task and is easily bullied into passivity by confrontation. The ugly duckling that doesn’t realize it is a swan. Quick to beat itself up. The area does not cheerlead because it is undecided. As one community leader said: “The scoreboard has to clap.” There is no expressive pride because being from Richmond has no identifiable meaning.

Psychiatrists tell us that a schizophrenic’s cognitive deficits show themselves as problems with attention and the executive functions that allow us to plan and organize. These traits that tend to characterize the area’s leaders contribute to the fact that metro leaders have not accomplished four critical tasks:

- Move from being tactical to strategic thinkers and doers.
- Develop an overarching regional vision and strategic plan that aligns area leaders around a set of priorities and a common picture of the future they want to create together.
- Resolve longstanding historical and cultural attitudes that serve to undermine trust among area leaders and residents; breed caution; and prevent bold, needed initiatives.
- Maximize the value of the area’s natural and developed resources.

The inability to accomplish these tasks means that other key issues that could contribute to the strength of the area go unresolved. When leaders don’t recognize the synergy and leverage that can accumulate from having a clear operating picture, they don’t pay sufficient attention to those parts of the puzzle that can strengthen or weaken the region. The result is that windows of opportunity are lost, pieces that need to be put in place are put off, and some issues are ignored. That procrastination was less forgiving in the agricultural and industrial age, but has no place in the post-industrial economy because the speed of change and global competition is unforgiving. When the speed of change impacts inefficient communities, they lose. Greater Richmond has to have the necessary infrastructure and be more adaptable so it can respond quicker to changes in the marketplace.
The region must put a metro wide public transportation system in place to handle the congestion that is destined to come from a 20 percent growth in its population over the next five years. That population will need to have the ability to move around the region quickly and easily in order to access changing workforce needs. If anyone has any doubts about the coming death of the easy traffic, one need only look as far as Short Pump. And then there is the impact that rising energy costs and rising carbon emissions will have on consumer pocketbooks and air quality. Make no mistake about it, the region will grow in spite of what it does. The Eastern Seaboard is becoming one large metropolitan area that stretches from Boston to Atlanta and Greater Richmond lies in the path of growth. There are just too many positives that attract people. The question is not that growth will come; the question is how well it can be managed in order to maintain the quality of life and physical beauty that brings people here in the first place.

The city knows it must address the high concentration of poverty and the impact that it has on crime, the quality of its public schools, and its ability to attract and retain middle class families and businesses. Ultimately, its resolution will determine its ability to build the urban core, strengthen city finances, build a positive community identity and attract tourists. Each is dependent on one another and each either strengthens or weakens the other. The inability of the city to resolve these issues will foster Detroit-like conditions over time that will threaten not only the strength of the city, but the rest of the metro area as well.

The counties have nationally competitive fiscal management and strength. The four major advantages they have over the city are land, good schools, low crime, and a balanced commercial/industrial and residential base. Their dilemma is that as the residential base grows, people don’t want industrial around them. That will lead to alternative places to live and work. The counties are also experiencing significant change – but that change is nothing compared to what they will experience over the next 5-10 years. The ethnic makeup of the counties will change as people of multicultural backgrounds increasingly move into the area. The impact will be felt mostly by the schools. Over 60 percent of the county’s school growth will come from “immigrant” kids. Building new facilities and renovating old ones, staffing them with qualified teachers, and managing ESL [English as a Second Language] programs are just some of the challenges the schools will face. As the population grows, transportation will come to the fore as congestion grows and changes in driving behaviors take hold. As if that weren’t enough, the county governments face a workforce tsunami as many of their workers become eligible for retirement in the next five years. Training, government reorganization, and investments in technology, public safety, and facilities for the aging will escalate as county political leaders struggle to meet rising citizen expectations over the quality and extent of government services. Retirements on such a scale will also produce a wave of volunteers as these baby boomers emotionally and psychologically move from seeking success to seeking significance. They will want to leave a legacy and that will be a gold mine for non-profit organizations both in terms of money and time.
And yet, most of the pieces are there: a higher education academic village, a transportation hub, an emerging medical center, the state capitol, a strong non-profit community, natural physical beauty, a history that reflects the nation’s road to democracy, economic diversity, and an architecture that gives it a sense of place. It just needs to put it all together. A growing, vibrant region that still retains the feel of a small southern town. A place where you can work hard and play hard. A place to come home to. One has the sense that other areas have had their run up and now it is Richmond’s turn if it will just capitalize on its strengths and aggressively deal with its weaknesses. The area’s newer leaders don’t presume failure, they are thirsty for success. At the end of the day, it doesn’t matter how good or bad you are, only how good you want to be. The community is in a position to take more risks and the real question is: Will it?

Recommendations

**Develop a strategic vision for the area’s future and a plan to achieve it.**

There are several reasons why regional cooperation is difficult for the metro area. Among the more poignant are:

- The Commonwealth form of government that separates cities and counties.
- The “Dillon Rule” – a state law that forces jurisdictions to go to the state General Assembly to pass certain legislation.
- The economic, educational, political, and crime disparities between the city and the counties.
- The inability or unwillingness of metro leaders and citizens to think of themselves as a region.

### Metro Weaknesses

- No Overarching Regional Vision and Strategic Plan
- Weak Regional Cooperation
- City/County Form of Government in Virginia
- Regional Mass Public Transportation Infrastructure
- Regional Land Use Planning
- Risk Averse Business Leadership
- Fragmented Regional Political Leadership
- City/County Economic & Educational Differences
- Weak Minority Businesses
- Concentration of Poverty in the City
- Weak City Public Schools
- No sense of Identity or Image
- Tourism
- City Crime
- Downtown Core Development
- Affordable Housing
These conditions present a natural barrier to regional cooperation that is very difficult to overcome because it creates structural inefficiencies and results in the duplication of services and competition for employees across the region. For example, each jurisdiction has its own school system, its own fire and police force, and its own government administration. That creates a very expensive way to deliver services in a modern era where financial prudence and cooperation are keys to metropolitan success. The ideal answer to resolve these inefficiencies is some form of consolidation and integration of services in the form of a regional government like there is in Charlotte, Louisville and Jacksonville. But that will never happen in the Richmond metro area. Too many political, economic and experiential stakes are in the ground. The jurisdictions are silos by definition. Most citizens and their political leaders are pre-conditioned not to think and coordinate regionally. It is counterintuitive to do so. They have grown up with a mindset and orientation that has been honed by the way in which Virginia has chosen to structure its government. This impacts tax and revenue sharing and means that without regional cooperation, large scale projects are not likely to happen. In many county elections, people who advocate regionalism get defeated because regionalism in the metro area is a code word for “what’s good for the city of Richmond.” To quote one community leader in the suburbs: “It is very difficult to get the soccer moms in Henrico and farmers in Hanover to send money to the city.” There is a collective unwillingness to honestly and consistently think and act as a region. The view is that they are separate jurisdictions that happen to border one another.

This structure, when coupled with the Dillon rule [a state law that requires that localities must obtain permission from the state before enacting certain kinds of legislation], means that local jurisdictions lack the flexibility and tailored response capability that they need in a rapidly changing world to address local challenges without first going to the state assembly. In effect, the rule serves to prevent progressive local governments from going beyond the status quo to deliver services in an efficient and high quality manner. This “one size fits all” mentality forces adherence to the status quo and response mediocrity. It also means that the state can push more responsibility to local jurisdictions with unfunded mandates. The net effect is that it creates a lack of control and planning certainty for local jurisdictions. However, members of the State General Assembly interviewed for this report indicated that they were tired of the individual nickel and dime approach used by Greater Richmond area jurisdictions and that if those jurisdictions were to present a case for regional cooperative measures around increased efficiencies for all, their case for change would be strengthened.

There is a parochial, local orientation by both the city and the counties that restricts regional initiatives that are fundamental to progress. Considering that each of the individual governments are in a different stage of development, it is not surprising that the local attitude of any one jurisdiction is often in conflict with, or doesn’t recognize, the broader and deeper opportunities that are shared. Each is landlocked and cannot follow the market. They competitively create their
own. That makes expanding the tax base difficult – particularly for the city given its size. The jurisdictions need to cooperate but are not required to. Too many people are opposed to things instead of creating them. Even when the opportunities are recognized, the structure makes joint decisions difficult and they are further complicated by the historical, emotional roots associated with annexation – a process that was laced with racial and political overtones.

Each county also has its own set of circumstances with which to deal. Goochland has a split personality as it tries to cope with the ever increasing differences between the rural West and the urbanized East. Henrico is split east/west as well but its challenges are to balance the extensive commercial and industrial development that represents 65 percent of its tax base with quality residential housing while meeting increasing transportation and public safety demands. Hanover, the most rural of the counties in close proximity to the city, is split along a north/south axis. Both it and Chesterfield’s challenges are: attracting and retaining a qualified workforce; managing growth and building the schools that will accompany that growth; matching the ever growing residential base with a commercial and industrial base; paying for rising citizen demand for services; accommodating the need of an aging and increasingly multicultural population; and building the infrastructure, especially transportation, to accommodate growth. And all share the distinction that most of the revenue goes to operate the schools. The city has some unique challenges because it has a small physical geography, a high concentration of poverty, poor public schools, the highest crime rate in the region, and sizable government, non-profit and educational bases that are tax exempt.

Furthermore there are significant cultural, ethnic, political, educational and economic differences among the major jurisdictions. Culturally, it is a “tale of two cities.” It is Dr. Jekyll and Mr. Hyde. The counties have strong public schools, the city does not. The counties have a growing resource and population base, the city does not. The counties are very strong financially, the city less so. The city has high concentrations of poverty and the counties do not. The city is urban, the counties are suburban. The city has aging infrastructure, the counties have relatively new infrastructure. The counties have resources, the city has needs. The political structure of the counties are the same with supervisors who oversee a county manager and lines of accountability are clear, while the city has a mayor and city council and lines of accountability are unclear. The differences result in different priorities and philosophies.

Surrounding counties show little interest in the city of Richmond because they can’t see the real benefits and shared rewards. They are, for all practical purposes, self-contained. They intellectually understand that if the core rots, the rest of the apple will as well, but given the choice, they would rather build their strength than pour money into what they believe is a bucket with holes. It is ironic that while people in the counties recognize that the city can influence it with negative political and economic images, they under-appreciate the benefits of what would happen if those same images were positive. New corporations and people are moving into the surrounding areas. Intersections like I-295 and I-64, I-295 and I-95 as well as I-295 and Hwy 301 are becoming alternative urban retail and office centers within close proximity of people's homes. With time, more suburbanites will come to view the city as a distant isle. The outer loop and the roads that spring off it will foster a kind of fence around the city where professionals live and work. And that trend will strengthen, absent a vibrant urban core.
To gain the efficiencies and benefits that could come from regional cooperation, absent a regional government structure, requires courageous and creative political leadership and foresight. It also requires the ability to recognize the co-dependency relationship that each jurisdiction has with one another. If one jurisdiction is struggling the others will eventually suffer. Absent visionary leadership, most people won’t change unless the pain of staying the same is worse than the pain of changing, even if the advantages of changing are obvious.

Greater Richmond has individuals and companies who succeed with their individual projects but who have not figured out how to succeed as a group. There are so many communities of interest that people focus on their differences instead of focusing on what they can rally around. Too many people are opposed to things instead of creating them. That isn’t to say that there is no regional cooperation – there is actually more than people realize. However, with the notable exceptions of the airport, economic development, and the convention center, the cooperation is more tactical than strategic. For example, in the area of public safety – a discipline that does the best job in terms of regional cooperation – there is cooperation at the “street” level between police officers and on infrastructure like a unified police radio network, metro aviation and emergency medical services. However, there has been no real strategic look into issues like joint workforce development and training, common operating procedures and reporting; joint purchasing of core acquisitions of technology, vehicles, weapons, etc.; and consolidation of core services [i.e. forensic, canine, etc.]. While public safety is used as an example here, the same can be said for region-wide governmental and educational services. And these services are relatively small compared to important strategic issues like regional transportation, land use planning, waste water treatment, poverty, aging of the population, etc.

One doesn’t see in the minds of leaders a “sense of the possible” that generates the optimism needed to move forward toward common goals. People approach situations suspecting “win-lose” instead of being confident of “win-win.” People don’t enter the room with a sense of working together. There is little belief that reciprocity will happen.

In the final analysis, regional cooperation is primarily a government issue but it will take the business community as arbiter to bring them together. The nature of most governments and their politicians is to protect their turf; a characteristic not unique to the Richmond metro area. Part of it is the parochial nature of government. Looking beyond their feet is not what they were designed to do. They want local independence and the benefits that the region can provide. And so they hop back and forth. That vacillation shows itself in virtually every major decision in the area. Government bias is to focus on the urgent. When you are so focused on the urgent, you never have time to get to the important. It takes unusual leaders who step above the fray and see the linkages that others don’t. Regionalism is not just about projects, but about relationships.

At the end of the day, the questions are all the same: Where do we grow? How do we grow effectively and efficiently? How do we accommodate growth and meet the rising service expectations of citizens? How does what I do affect you, which causes you to do something that affects me? The nature of growth is that rural areas become increasingly urbanized. And that brings with it the same problems that come with greater density – poverty, congestion, rising citizen expectations, pressure on the schools to accommodate growth, and changing demographics. In short, the counties will experience the challenges that the city has been dealing with for some time. They will not be exactly the same, but they will require increased cooperation to solve.
The metro area will never maximize alignment unless its leaders and citizens believe they are a region. Assets and liabilities need to be assessed from a regional perspective. It is the difference between thinking in terms of 190,000 [the city’s population] and 1.5M [the region’s population]. People all across the region want to succeed badly. The real questions are: Do they want to do it together? Do they do it alone? Who goes first? Who takes a leadership role? Young leaders want to do it, but older leaders have been risk averse. No one wants to give something up to get something. As one young business leader said: “If you want to debate, then debate. If you want to play, then play.” Change is hard because people overestimate what they have and underestimate what they may gain by giving it up. Most make a decision to hold on to what they have. That is a freeze frame decision. It is backward looking. It is about protecting the back side.

The region is rapidly increasing its population in the suburbs, the racial and ethnic composition is changing, and its population is aging. Success depends on the area’s ability to make sense of these changes and put all the pieces together. The basis of all good relationships is reciprocity. When the vision or the task is clear – it can assume the burden of leadership because people orient and build around what they observe. Those orientations create decisions. The key insight is that people orient around what they see. Regional success depends on common regional goals, functional city government, outstanding schools, an exciting urban cultural and entertainment core, public transportation, focused social services for an aging population, cross-cultural understanding, and a sense of possibility that breeds optimism.

A recurring theme in all discussions was the need to plan around a vision for the area. Leaders need to develop a regional vision and tie projects to it, not develop projects and try to get them to fit together. Otherwise, the region will just be another area typified by urban sprawl that is generated by disjointed development. It isn’t that the leaders don’t have an idea of what needs to be done. They just don’t do it. If you don’t manage growth, it will eat you up. Almost 59,000 acres were developed in the region in the last five years-outpacing land conversion in Northern Virginia and Hampton Roads. Unmanaged development at that pace will create a magnitude of challenges. Costs rise when services must be delivered across scattered development.

Today, there is no structure that aligns regional planning. The Greater Richmond Chamber has done an outstanding job of bringing issues to the fore and keeping key issues before its members and the community but has no real way to implement regional priorities around a common vision. The Richmond Regional Planning District Commission has a staff in place, and its board is made up of public officials from the city and surrounding counties. However, the commission in recent years has lost visibility and stature in the community, and its staff is perceived as overly bureaucratic. Many question whether it should be dissolved and its resources be directed to more productive efforts.

Given the natural conflicting political priorities of the jurisdictions, the business community should take the lead because they see the metro area as a region, while most political leaders do not. They also have the financial resources to coordinate the staff and consultants needed to organize the planning sessions and are use to working together on economic development efforts through the Chamber and the Partnership. Absent a common operating picture of the future and a plan to achieve it, the metro area will find itself dealing with more difficult issues at a much higher price down the road. The area has the talent to execute the process. The question is – does it have the will?
Actions

“Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has.” Margaret Mead (1901 - 1978)

• Create a 2015 Metro Future Task force led by a business leader and give it a 12 month deadline to come up with a vision and plan for the region. The task force needs to set a future-driven economic development goal, like what happened in the Silicon Valley or in Massachusetts. For Example: “Central Virginia will utilize the biotechnical/VCU core to become the medical nanotechnology center of the world.” Or “Central Virginia will capitalize on its geographic location and become the hub of an East Coast high speed rail system that moves people and goods across the region.” It needs to dream a BIG dream and then set the tools in place to reach it.

The effort needs a non-partisan champion to drive the process and a time table for completion. Fifteen years ago a recommendation was made to develop a similar plan using organizations in place. No plan was ever developed. The area has a fragile, inconsistent approach toward regional issues and has lacked an energized, visible leadership to proactively move regional issue resolution forward. Fifteen years later, many projects have been completed, but there is no clear picture of where the region is going and why. In many ways, the stakes are higher because now there is less room for error. Too much is at stake and the second and third order effects of indecision can have tremendous consequences.

The key questions a plan should address are: What are the key features that should define the metro area in the year 2015? What steps are needed to bring that vision to reality?

Other important questions the plan must answer are:

- What are the key economic components of the metro area’s future?
- What types of new business should be recruited to balance its economic base? What resources are needed to recruit new and emerging industry sectors?
- How can the area manage its economic growth without sacrificing its high quality of life?
- What are the metro area’s transportation infrastructure needs?
- How does the city speed the development of a vibrant urban core?
- What image should Richmond have? What can be done to attract more tourists and conventions?
- How should Richmond develop the recreational and economic potential of the James River without destroying the very beauty it provides?
- How can race relations be improved? How can minorities [African-Americans, Hispanics, and Asians] be brought into the economic mainstream?
What mechanisms do the major local governments need to [1] jointly address the critical issues that impact the entire metropolitan area, [2] achieve governmental efficiencies that maximize the value of the resources it has, [3] handle the needs of an aging population, [4] meet rising citizen expectations and costs for government services, and [5] handle the increased need for public safety given the projected growth in population in the next 5 years.

How does the city improve its K-12 public educational system and how does public education across the entire metro area prepare its students for an increasingly competitive and multi-cultural global world?

How does the area ensure that there is affordable housing for a growing population, especially for teachers, public safety personnel, government workers, and low income private sector workers when the medium price of a home is increasing in the region approximately 50 percent every five years?

How does the region cooperate to address poverty and its impact on crime, education, and social services?

How does the region solve the looming workforce crises and plan for the extensive leadership turnover the region will experience in the next five years?

<table>
<thead>
<tr>
<th>PERCENTAGE AREA RENTERS AND OWNERS</th>
<th>SPENDING OVER 30% OF INCOME ON HOUSING</th>
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<tbody>
<tr>
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<td>In 2000</td>
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<tr>
<td>Chesterfield</td>
<td>Renters 32%</td>
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<td></td>
<td>Owners 17%</td>
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<tr>
<td>Goochland</td>
<td>Renters 30%</td>
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<td>Owners 20%</td>
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<td>Hanover</td>
<td>Renters 32%</td>
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<td>Henrico</td>
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<td>Powhatan</td>
<td>Renters 29%</td>
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<td></td>
<td>Owners 18%</td>
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<td>Richmond</td>
<td>Renters 41%</td>
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<td></td>
<td>Owners 26%</td>
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Source: US Census

Initially focus effort on areas where interests are common. Key future areas are: waste water purification, environmental protection, tourism, public safety, transportation, and education. Some of these areas will, by definition, create discussions and decisions that involve regional revenue sharing. The value will come when people determine the areas where they can achieve regional efficiencies by working together and where they cannot. For example, there could be regional jails, courthouses, training centers and other mixed use facilities. The debates should be passionate but dispassionate. The focus should be on creating win-win solutions for the metro area. These are easy comments to make, but often difficult to achieve. The default position should be to find those areas where agreement comes easy and act on them. Over time, dealing with the more difficult issues will become easier - either because dealing with them will become more urgent or because working together to resolve one issue makes it easier to tackle the next one.

Focus Task Force efforts on pulling the best talent together and getting it focused on the key issues affecting the region’s future that address the questions outlined above. The task force should be subdivided into issue groups. Each issue area should have a task force leader responsible for organizing and managing the process. For example, one sub task force could focus on achieving regional governmental efficiency. County managers, the city’s CAO, and key department directors could look for ways to share approaches to common problems and opportunities. An example of an outcome would
be to jointly establish a regional training center for government employees. Chesterfield County’s Chesterfield University could become that metro training center. Chesterfield is the first local government to earn national recognition for employee training and development. Its training focuses on eight core competencies and is built around six schools that cover such areas as public safety, technology, business skills, leadership, and continuous improvement. Consolidating training of government employees could reduce training and administrative costs across all jurisdictions, streamline government policy and procedures, build government relationships across the region and increase the professionalism with which government employees across the region approach their jobs and promote best practices.

Another example is to consolidate public safety forensic labs across the region. Such a decision would enable the region to consolidate costs, modernize technology and ease workforce recruitment and retention. None of these decisions will come easy because they go up against long established ways of operating. But the leaders of the region owe it to themselves and their constituencies to look at innovative ways to meet their needs in cost effective and efficient ways where they can. Similar decisions could be made with respect to those who work, teach, and administer the public schools across the region.

Existing staff from the Chamber of Commerce, VCU, the University of Richmond and Virginia Union as well as designated volunteers from companies and the community could be used. The process will be as important as the outcome because the relationships built, and the insights gained, will be invaluable when it comes time to execute.

- **Establish a Regional Transportation Authority and fund it with a 1 cent regional sales tax.** Transportation is about development. It drives development and land use more that any other factor. The metro area is already a major transportation hub with I-95, I-64, the port, two major railroads [CSX/Norfolk Southern], and the airport. Transportation is the number one issue affecting the quality of life in the two other metro areas - Northern Virginia and Hampton Roads. The Greater Richmond area is doing very little to prepare for the transportation nightmare that awaits it. If metro leaders don’t plan sufficiently, they will be singing the same sad songs a decade from now. Access and mobility will solve a number of current and future problems [job, movement, workforce development, traffic, etc.]. Many of the effects of current political silos would be overcome simply by enabling access to commerce, jobs, and services. The citizens of the metro area need to understand that if investments are not made in a comprehensive transportation network now, the area will lose the cost and flexibility it has today to respond to a rapidly changing global marketplace, and to maintain a quality of life.

Most transportation discussions in the metro area only focus on mass public transit and this focus has resulted in a myriad of studies. In short, they all come to the same conclusions:

- The Richmond metro area has the highest amount of motor vehicle travel per capita among Virginia’s major metro areas.
- Between 1983 and 2003, the total number of vehicle miles traveled in the metro area increased by over 104 percent, more than twice the rate of population increase according to the Texas Transportation Institute.
– Productivity is negatively affected as driving times increase.
– Costs to own and operate vehicles increases dramatically as people move out farther. Increases in gas prices exacerbate the price tag of longer commutes and have an impact on housing affordability.
– Families in the South spend more on transportation than on health care and food combined. Those expenditures are second only to housing.
– The bulk of transportation funding in the Richmond metro area has been devoted solely to road projects. There is no light or commuter rail service within the region and only limited passenger rail service to other regions.
– The Greater Richmond Transit Company (GRTC) is the primary fixed bus route service provider in the area. GRTC also provides paratransit for disabled persons and other specialized services. The system is one of the most efficient in the country, but service is limited compared to many similarly sized areas. It does not serve many areas where jobs are located. These jobs are either inaccessible to low income households or require high transportation expenditures to reach them.
– Federal and state funds pay almost all of the costs of road construction and maintenance, but only 55 percent of public transit capital and operating expense according to the Virginia Transit Association. This gives localities an enormous incentive to select new road construction over transit.

People don’t typically live where they work. The lack of public transit means that people will build business centers on the periphery to house corporations like Capital One, CarMax, etc. Absent a vibrant urban core, I-295 will reinforce city isolation. Increasingly, mini-urban centers will form along the corridors. People will have no reason to come to Richmond. There will be additional population growth that will accompany the expansion of Ft. Lee. All of this development will place greater stress on the road system. The impact of that kind of growth means the end to short commuter driving times as traffic congestion increases. Rising energy prices and the impact of environmental legislation that governs air quality will increasingly affect where people live and work. In the next 5 years, the metro area’s population is expected to grow by some 20 percent. Unrestrained residential development in Chesterfield, western Henrico, Goochland and Hanover will over burden the current transportation system and state funds are not adequate. While the impact is not fully appreciated, it is on the way.

Planning and addressing the transportation needs of the metro region involves much more than mass public transit. It also involves integrating the impact of the airport and the port. For example, Richmond’s port could grow by 75 percent in the next five years as it remakes itself into a rail/barge/trucking shipment center. These developments will put more trucks on metro area roads. Richmond International Airport is already the second fastest growing airport in the nation and has current needs for more parking and easy access, not to mention providing its workers with an inexpensive means to get to the airport.

It is imperative that the metro area leaders address the region’s transportation needs as part of a comprehensive regional plan today and not tomorrow. The metro area needs
a regional transportation authority to plan for future transportation needs, coordinate
growth along transportation corridors, and put in place a multi-modal transportation
system that meets the needs of corporations and individual citizens. The Richmond
Metropolitan Authority, Capital Regional Airport Commission, Greater Richmond
Transit Company and Port Authority should be consolidated into a single Regional
Transportation Authority to ensure comprehensive and integrated decision making on
area transportation needs. It should be funded by a one cent regional sales tax which
could generate approximately $1 billion over a seven year period. The authority should
seriously examine the following areas:

– Mass Public Transit that not only serves the Central Richmond Business District,
  but provides an effective link to regional employment and shopping centers like
  the Boulders, Innsbrook, Short Pump and West Creek.

– A dedicated high speed passenger rail system that connects Richmond
  International Airport and the city
  of Richmond with Washington/
  Dulles International Airport within
  one hour. Such a link would enable
  the metro area to “capture” a major
  international and freight airport
  without having to build its own while
  turning Richmond International
  Airport into Washington’s fourth
  airport. Furthermore, it would boost
  economic development by enabling
  back office and corporate relocations
  of defense companies who would
  be attracted by the lower cost of
  living and Richmond’s juncture as
  the center of a new and emerging
  military industrial crescent that
  would stretch from Tyson’s Corner to Ft. Lee.

– Development of the Richmond Port into a major east coast rail trans-shipment and
  import/export center. The port is currently a major exporter of oil.

– Maintenance and development of new and existing road networks.

– Development of a major artery road in the city.

– Transportation needs to maximize tourist development packages.

– Future land use planning.

– The impact of increased trucking traffic on existing and new road development.

The Transportation District Act of 1964 (§15.2-4501 et.seq.) was established in recognition
of the need for regional planning when developing necessary facilities and services in
metropolitan areas. The Act empowers localities to collectively constitute transportation districts, with each locality represented on a managing commission. This commission prepares a transportation plan for the district (§15.2-4515A1), has the power to construct or acquire transportation facilities specified in the transportation plan (§15.2-4515A2) and may enter into agreements or leases with private companies for the operation of its facilities (§15.2-4515A3).

A transportation district has the authority to issue bonds. The principal and interest on the bonds may be paid from any of the authority’s funds. Bonds issued by a transportation authority are only obligations of that authority and do not constitute debt of the Commonwealth or any political subdivision thereof. Authorities may only utilize funds generated by taxes when the General Assembly specifically authorizes such use by statute.

The Virginia Code has a number of variations on the concept of transportation districts. Separate statutes create the Northern Virginia Transportation Authority (§15.2-4829 et. seq.) and the Hampton Roads Transportation Authority (§33.1-391.6 et. seq.). Each of these authorities may issue bonds and collect tolls on newly constructed or renovated transportation facilities. Recently, both Authorities were given the authority to utilize funds generated by taxes and fees collected by their localities pursuant to the transportation plan that was passed during the 2007 legislative session.

Prior to any Richmond authority being granted funding from taxes or fees, the Virginia General Assembly would have to pass legislation authorizing the additional taxes and fees and their use by the authority. Area leaders need to approach the state together and create a financial package to meet the region’s transportation needs. Additional funds would need to come from the state and federal governments. The longer they wait, the more expensive it will become and the less options leaders will have to route transportation paths as residential and commercial developments eat up transit rights of way.

- Get increasingly focused on regional economic development cooperation. Organizations like the Greater Richmond Partnership, the Chamber, VCU and local governments need to get creatively specific in understanding what has to be done to develop the region into a business and technological powerhouse in line with future trends. The ground has been laid with VCU’s medical, business, and engineering schools. The area should also create a Future’s Center to analyze the impact of future trends on the region and determine how to capitalize on them. It doesn’t need to be so much a think tank as a center that turns data into action.

One example of taking advantage of future trends would be to build the region into a preferred location for data centers. For example, VCU, Virginia Tech, Dominion, and the counties could team to build data center parks. All business segments continue to grow their use of technology and federal law requires that companies in certain business segments have to have a back up data center [banks, hospitals, insurance, defense, etc.] at least two hours away from the primary center. With the metro area two hours away from Washington, D.C., one can see the potential. The market research company IDC estimates that companies spent $35 billion in power and cooling data centers worldwide in 2006. Because technology is the backbone for corporate operations, technology has become a significant site selection criterion for the location of corporate headquarters.
Three main issues are on the mind of today’s CIO: people, technology, and power. Imagine managing a department where your main business (technology) is radically transformed every 24 months (more sophisticated software demanding more memory and faster processors). Finding qualified people and keeping them current with changing technology has forced CIO’s to leverage partnerships with both industry and academia. According to Network Computing Magazine, another issue being faced is that by 2008, fully half of today’s data centers will have insufficient power and cooling capacity to support high-density equipment. Existing facilities are no longer physically capable of housing the equipment. In the past, a data center could fit inside a typical office building; today the power and cooling demands of blade server technology requires megawatts of power and 14 - 18 foot clearance from floor to ceiling. Energy experts estimate that data centers gobble up somewhere between 1.5 - 3 percent of all electricity generated in the U.S. If this wasn’t enough to manage, 9/11 and Sarbanes Oxley brought new security issues, redundancy, and data center location criteria to ensure 24/7 operating reliability. Most companies have one data center location which does not meet the location criteria for operating reliability. Thus CIO’s are looking to relocate their primary data center as well as locate a redundant location.

There are several other factors companies consider when selecting a site for a data center. The first criterion is the price of power and its reliability. According to AFCOM’s 2006 survey of its members, data center power requirements are increasing an average of 8 percent per year. Power requirements of the top 10 percent of data centers are growing at over 20 percent. Other factors include insulation from natural and man-made disasters, networking infrastructure (which most areas have today), access to the center within one day via plane or car and accessibility to key vendors as well. Another key consideration is the local talent pool and that means the importance of local college IT programs. Colleges that support the National Security Agency’s (NSA) Certification for Information Assurance have a major advantage. NSA certified programs in colleges and universities give a region a definite edge because Federal mandates -- Patriot Act, Sarbanes-Oxley -- are the drivers. The final factor is incentives from local government and utility companies in the form of cheaper taxes and rates – a combination that requires regional cooperation.

The hunt is on. Companies that lease data center space and corporate CIO’s are in the hunt for new space and they will want to co-locate with other companies to reduce costs. The site selection criteria can be very stringent and available cheap power is paramount. Communities that have the right location, abundant, reliable, cheap power, and an available qualified work force can strategically place themselves in the path for tremendous growth. Since all companies need data centers this economic growth is not subject to the downturns of a particular industry classification. Therefore communities that proactively qualify sites that meet the necessary criteria and promote these sites to the right audience will find an abundance of economic opportunity for their community. The economic impact on the metro area if just two 50 acre data center parks were built would be $800 million and that doesn’t count the businesses that would form around the park.
The metro area also has an opportunity to become the capital of a military industrial crescent. The Ft. Lee expansion completes a crescent that extends from northern Virginia through Norfolk. In the next five years that expansion will add some 45,000 new residents with an economic impact in the billions of dollars. Indeed, it has already started. The impact on housing, education, culture and transportation will be profound. Federal agencies and the military are moving south of D.C. as part of a consolidation and force protection strategy. That provides the metro area with an opportunity to attract defense companies and other defense-related industries – particularly their back office operations. It also means that linking D.C. and Richmond with high-speed rail takes on a whole new imperative. It also provides an opportunity for the university community to serve the needs of the military community and gives the metro area a new population base to enhance its tourist and entertainment activities.

- **Host a three day summit offsite attended by key area political, business, non-profit, and educational decision makers with the purpose of reviewing the recommendations and making final decisions for their execution.** Results should be published and shared across the community. Each recommendation should have a timetable and set of measurable objectives to ensure accountability. This is the stage where area leaders should shine. Their problem has rarely been executing a project to fruition. It has always been wrapping it under a vision that gives definition to its meaning and leverages its community-wide value.

**Give Richmond Public Schools a “Product” They Can Work with**

“There is something about poverty that smells like death. Dead dreams dropping off the heart like leaves in a dry season and rotting around the feet; impulses smothered too long in the fetid air of underground caves. The soul lives in a sickly air. People can be slave-ships in shoes.” Zora Neale Hurston (1891–1960)

It is easy to lay the blame on high drop out rates, poor test scores, and low graduation rates at the foot of the schools, but the fact is that schools are a reflection of the community they serve. And in 2007, according to the Virginia Health Planning Agency and Richmond Public School System, the city of Richmond’s community reflects the following attributes:

- 19 percent of the population lives in poverty – rates that are over twice as high as Henrico, ten times as high as Hanover and four times as high as Chesterfield.
- 25 percent of its children (0-17 years) live in households at or below **100 percent of the Federal Poverty Level** [i.e. below $20,650 annually].
- More than one of every two parents in Richmond is a single parent.
• Median income is less than 60 percent of the Greater Richmond average.
• 74 percent of students receive free/reduced price lunches.
• It has the highest rate of food stamp distribution in the state.
• Foster care rate is about three times the metro area’s rate.
• 50 percent children are dependent on Medicaid or FAMIS [child health insurance program].
• 30 percent of kindergarten children need additional reading assistance.
• 14 percent of children from 3-4 years old are in the Head Start Program.
• 19 percent of children have disabilities and receive special needs education.
• It has the highest teenage pregnancy rate in the metro area.
• 51 percent of students drop out of school according to a 2005-06 report by the VA Department of Education.
• The high school absenteeism rate is 26 percent and 14 percent in the middle schools [2005-2006].
• It is the only locality in the state in which all seven community problems involving youth are rated as “very serious.” Problems include: “violence on TV, movies, or in music,” lack of affordable and quality child care, lack of after school supervision, and alcohol and other illegal drug use by children or adolescents.
• It lacks a coordinated, proactive approach to addressing a young person’s needs.

It doesn’t take a rocket scientist to realize that the Richmond public schools are getting large numbers of children who are not ready for school, who grow up in single parent homes that don’t (or find it difficult to) reinforce education, require nutritional support, and live in a community environment that that makes it very difficult to study and learn. The problem is exacerbated by the fact that much of the poverty is concentrated in 4000 public housing projects that are primarily located in Fairfield Court, Whitcomb Court, Gilpin Court and Creighton Court. Were these problems in the counties, the schools would also have problems. Poverty and immigration is spreading to the counties and with it the magnitude of their challenges will grow.

The truth is that there is plenty of blame to go around. As one community leader said: “Pointing the finger at the schools is really pointing the finger at ourselves.” It is not about race. It’s about moral leadership. It speaks to the soul. And it is troubling. Every parent and every religious, civic, educational, business, and governmental leader has let the children down. Generations of children have been lost. They show up in the crime statistics, as homeless on the streets, and in the public assistance and social service lines – and not just in the city. Richmond’s leaders need to understand that concentrating on the output [i.e. what the schools produce] without addressing the input [i.e. the condition of children entering the schools] is doomed to failure. It is a question of investing on the front end or paying on the back end. The time has come to design a way forward. Addressing the poverty situation will also have positive downstream effects on increased educational attainment, public pride, crime reduction, tax base, family flight from the city once children reach a certain age, and neighborhood development to mention a few. The problem is largely a socioeconomic one. In many ways, the Richmond school district is also a tale of two cities. Public schools in the West End are prosperous.

That isn’t to say that the leaders of Richmond’s public schools are off the hook. Education is about economics. In today’s world, a student’s competition for a future job will not just come from other students from the metro area; it will come from students from China, India, and other nations. In the industrial age if you were not educated, you might have been able to get a job and in the
grand scope of things you might not have been important. In the post-industrial age, if you are not educated, you will be irrelevant. That is not a value statement, it is a contextual statement. It is no longer about how hard you work, but how smart you work. It is not so much what you have been taught, but how fast you can learn. Educational leaders are given a public mandate to provide the best education possible for the kids entrusted to their care. If they don’t, they should be replaced. Richmond has to decide whether they have met that responsibility over a reasonable time. It is clear, however, that, given the condition of the schools, something is not all that it should be.

There are a range of issues that Richmond’s educational system needs to address. While the current district system of electing a school board member provides local representation, it can force a “my school” orientation at the expense of concern for the total. For example, closing a school in one’s own district because it makes sense for the good of the system takes tremendous political courage. Quite frankly, it is not as simple as moving to an appointed school board. While having an appointed board could conceivably create a professional approach to education, it also flies in the face of having an strong elected mayor. The argument goes something like this: If people can be trusted to choose their mayor, why not their school board? Perhaps, the real answer lies in having some at-large elected school board members or fewer districts or some combination of both to ensure that decisions are weighed in the context of the larger whole.

The Richmond public school system should audit every position by position to determine if the cost benefit of the services provided is worth the expense and whether reorganization could contribute to greater efficiencies. The focus should always be about bringing the best educational services to its students. It also needs to independently audit its facilities management to ensure that there is no waste and to determine the tradeoffs in building new schools, refurbishing old ones, or closing them altogether. The school system needs to put a package together that creates financial balance and stability that lines up with achieving qualitative objectives. Some other questions to ask are:

- What should be the student/teacher ratio to achieve maximum learning and achievement?
- How do we do a better job of hiring teachers who want to make a difference in the lives of children vs. those who just want a job?
- What are the most effective partnerships we can build in and out of the community to help ensure we get kids who are ready for school?
- How do we get more parents involved in the education of their children?
- What does high absenteeism say about how we teach, what we teach and who is teaching?
- Does being accredited really mean anything if there are low graduation rates? What policies do we need to put in place to ensure we are providing our students with the best education possible?
- What are the key results we need to measure to ensure we are making progress?
- Are the school system and its governance structure organized for maximum accountability, effectiveness and cost efficiency?

**Actions**

“In early childhood you may lay the foundation of poverty or riches, industry or idleness, good or evil, by the habits to which you train your children. Teach them right habits then, and their future life is safe.” Lydia Sigourney
The business community should form a task force to develop a comprehensive plan that puts resources behind getting children 0-5 ready to enter school. Public education in the city must be equal to that in the counties. The future of the city depends on its ability to attract and retain middle class families. They are the primary consumer base of any economy. Right now the city has pockets of high poverty and high wealth. Those with money leave or send their kids to private schools. The business community has the resources and has shown interest in fixing the school problem. But it won’t be able to do it alone. The task force should include leaders from the educational, religious, civic, non-profit, and governmental sectors. It should present its plan no later than 1 July 08. The plan will need to address a range of issues. For example: Should each church “adopt” an at risk family in order to help with creating an early childhood educational environment that emphasizes reading and study. Should people who live in public housing be required to meet certain school conditions [enrollment in early childhood education and school with no absenteeism, benchmarked test score achievement, etc.]? How can the business community assist with developing the job skills and opportunities of parents in return for their attention to their child’s education? Should they pay parents like they are doing in New York City? Should they create programs like the Mayor’s Book Club in Jacksonville? The club is part of Rally Jacksonville, a $4 million city program to improve child literacy. Its partners include the Jacksonville Children’s Commission, Episcopal Children’s Services, Jacksonville Urban League Head Start, the Duval County Public Schools, United Way, the University of North Florida and public library. In that program, a $190,000 annual effort funded by public and private money gets books to 8,000 of 11,000 children. Funds come from companies like Blue Cross Blue Shield of Florida and CSX. The result: In the past four years, children have increased overall reading scores and are consistently performing above the national average on measures of alphabet knowledge.

What is the best way to provide role models from outside the schools using organizations like 100 Black Men and people like Trevor Jenifer? What is the most effective way to create a safe learning and emotional environment for children? The task force would need to examine benchmark programs like Safe and Sound Philadelphia, the Metro Council on Early Learning in Kansas City, the ESCAPE program in Houston and Hampton Health Families Partnership in Hampton, Virginia. Much of this information is available from The Community Foundation.

The business community should determine the best role it can play in helping schools deliver quality education and smooth the transition of students from school to job or college. A subgroup of the above task force should concentrate on helping students once they enter school. Some ideas might include:

- Each corporation adopts a school. That adoption might include providing volunteers and/or a school operations manager to free the principal to focus on the quality of education. Participating companies would jointly develop metrics so they could monitor each other’s progress and share ideas that worked.
- A mentor program sponsored by the Chamber and area universities that teaches high school students entrepreneurship and provides a mentor to guide the student. The Partnership for the Future program, an internship program that now serves Henrico students, is a model worth examining and possibly expanding.
- A venture capital fund that covers the college education for every student accepted to college from an at-risk family that graduates from the Richmond public school system or perhaps a venture capital fund for small business development targeted to parents in return for a certain amount saved for the child’s college education.

- An “FDR Public Works” program in cooperation with the city and school board that would provide skills training for people from the local neighborhood school to build a new school or refurbish an older one. People who acquired the necessary skills would then be hired as part of the construction efforts. The result would be community pride in the “new” school, a job for people to help reduce dependency on public assistance, and a set of skills that could provide the opportunity for similar work after the project was completed.

- **The School Board should conduct a complete independent financial, operational, and personnel audit of the Richmond school system and its facilities.** There needs to be a cost benefit analysis on every service and individual who works in the system. Particular attention should be paid with respect to a review of facilities management, roles and responsibilities, work productivity, the organizational structure’s impact on costs and benefits, outcome measures that don’t substitute quantity outcomes in lieu of quality outcomes, and use of alternative funding options like school vouchers that follow the student’s choice of school. It should examine the opportunities, benefits and liabilities of coordinating with metro county schools to share the purchasing costs of books, paper, computers, and other materials all share in common in order to reduce costs for each metro school district. The report should also address the cost benefits of closing, refurbishing, or building a new school for each school location. It may be that a company could provide the audit on a pro bono basis.

- **The school board should form a task force led by leaders of the area’s higher education institutions and private schools that would submit ideas for enhancing the educational environment in the schools.** For example, should all Richmond schools be charter schools [call them Capitol Schools] or should it test pilot the concept alongside a voucher system in three neighborhoods with open admission run by a private company? Should tenure be eliminated and replaced by higher salaries based on merit? Should Richmond have K-8 gender-specific schools? There is evidence that such an approach can produce outstanding results. Should students be required to wear uniforms? How do you maximize the use of volunteers to increase the reading and math capabilities of kids like the Assistance League of Greater Collin County, Texas is doing through their Operation School Bell® program? Should students be tested each day or each week on key subjects like reading and math [this has been done with great success in Alabama]? How can Richmond learn from schools like the Achievable Dream Academy in Hampton News, Wakefield High School in Arlington, The Preuss public school in San Diego or the Thomas Jefferson High School for Science and Technology in Alexandria? What changes should be made in the way subjects are taught to reduce absenteeism? Can the schools coordinate with corporations to enhance the practicality of math education? How can peer relationships be leveraged to create peer teachers?

- **Make cleaning up the projects a top community goal.** The projects are where the great majority of poverty exists. The metro area needs a comprehensive affordable public housing strategy built around a combination of destination bonuses, volunteer, and private sector involvement. Poverty needs to be de-concentrated. The question is: what is the best way to
accomplish it. The current piecemeal approach taken across the region will not work, nor is it fast enough. Public housing needs to be planned and redeveloped region wide in order to ensure that poverty is not displaced to another area thereby creating a cancer that someone else has to deal with. Placing the region’s poorest stratum in concentrated dense locations in the city is a failed public policy and contributes to crime, diminished public pride, and poor educational outcomes.

The city needs to appoint a “Projects Czar” and task him or her with the job of cleaning up the projects in cooperation with other local governments, volunteer groups and the business community. Measurable criteria need to be developed to ensure that goals are met. Crime reduction and safety, educational enrollment and achievement, job growth, and reduction of public assistance are examples of things to be targeted. Chicago is a leader in dealing with similar problems. Richmond has a model with Winchester Green. Local church groups as well as those from the counties have also had a positive impact. This effort should be coordinated with the business task force working on creating the conditions that get children ready to go to school. Some ideas that should be considered are:

- Build mixed income housing that combines work with living [i.e., work in the deli and live in a house over the shop].
- Create a venture capital fund for small business growth.
- Require enrollment in school by children and work by the custodian in return for public housing.
- Have an economic development officer in each project neighborhood to help foster business growth [in the 50’s, the state of Georgia placed an agricultural extension agent in each county. The program produced extraordinary economic development returns].
- Make it a policy that those living in the projects can only domicile for five years unless they have a job that renders them capable of paying mortgage payments and utilities at fair market value without being on any form of public assistance.
- Incent developers across the region to subsidize a small number of units for low income housing in large scale developments for five years. At that time, the occupier must either pay the mortgage or move. Also make it a condition of occupancy that any children must meet school achievement outcomes.

Develop the Core and the River

“As a native, I think the region has a far more cosmopolitan feel now than ever before. There appears to be fewer natives than non-natives, and yet we still wage really old battles and race rears its head far more often than it should. Some suburbs are becoming congested, but I wouldn’t say they have an urban feel. And although now is a really exciting time to spend time in the City, I’m afraid that, except during the Folk Festival, more and more suburbanites view the city as a distant isle.” – A Metro Business Leader

The City of Richmond holds the key to the region’s vitality and image. Its health, or lack thereof, will in many respects determine the metro area’s future. Anyone who doubts that need only
look at what has happened to San Antonio, Austin, Kansas City, Little Rock, Charlotte, Atlanta, Nashville, Louisville, Oklahoma City and a whole host of cities that are revitalizing themselves. The city has a master plan, but what is missing is excitement. The plan tinkers on the edges. It deals with the basics and, while important, does not generate bold images. The truth is that if you took away the spectacular development of VCU over the last 15 years, the city would be hard pressed to claim any real downtown progress. In many ways, VCU has turned Richmond into an academic village. It robs Richmond of a property tax base, but provides structure and an in town population that is driving the rebirth of restaurants and night life in the city, not to mention the intellectual capital that Richmond needs for its downtown business growth.

The major advantage and disadvantage that the city has over the counties is its size. It is small enough to be managed, but it is “landlocked” - it cannot naturally reap the benefits of market growth because it cannot annex. Furthermore, it loses some $45.6 million from city, state, non-profit, and educational institutions that are tax-exempt – a significant amount in an area that cannot easily expand its geographical tax base. That limitation means that for the city to maximize revenue, it has to be attractive, exciting and world class. It must be a destination for business and tourism in order to balance its revenue base. It must attract a consumer base that wants to live in the core, work in the core, and play in the core. It needs to be a place of envy – a place where going there means something special. It cannot be pedestrian. It cannot be average because doing so means entering a cycle of declining tax revenue.

The inevitable result: resources available to fund city services decline.

Buoyed by the natural growth in the region, community leaders point to a wide range of statistics that suggest things are okay. But analysis reveals the unmistakable signs of potential jeopardy. The city’s poverty rate is approximately 19 percent and it gives out more public assistance [i.e. food stamps] than any city or county in Virginia. Major investments need to be made in its infrastructure [roads, sewer, the canal, gas lines, storm drainage, etc.]. Primary gateway roads into the city are neither welcoming nor attractive [especially N. Boulevard, 5th street, and entrances along I-95]. Sales tax revenue is low as the suburbs capture a greater share of population and retail activity. And despite increasing overall property values, the commercial tax base is producing a lesser share of the revenue mix. According to the city assessor’s figures as of February 2007, approximately 63 percent of the city’s $19 billion worth of taxable real estate is categorized as residential. This percentage has remained relatively unchanged in recent years.

Richmond has attractive tax abatement and tax credits and needs to develop an aggressive plan to grow its commercial tax base. Furthermore, while the city is working to streamline its services to business, developers and business leaders say that the city lags way behind the efficient “one stop shop” business services one finds in the counties. To quote a medium-size business leader whose comments were indicative of others interviewed: “It is harder than it needs to be to work with the city.” There’s a lot that the city doesn’t do for business…city staff doesn’t fully understand business needs nor have enough skilled employees who deal with businesses. All this diminishes the feeling that you can get things done. Many local businesses give up and move to the suburbs to do business.”

The small size and landlocked nature of the community tends to accentuate its liabilities [crime, school deficiencies, urban blight, concentration of poverty, etc.] more than its assets [state capitol, the river, distinct architecture, one of the twelve Federal Reserve Districts, global corporate and legal firms, neighborhoods with charm and character, etc.]. That Richmond is the state’s capital is
an afterthought. And yet, Richmond’s size gives it a physical integrity and sense of place. It is large enough to have things to do and small enough to be able to do them. Institutions and individuals are capable of having an impact. It has many of the amenities found in larger cities and yet is small enough to manage them.

Richmond is town-like in quality of life. The advantages of a bigger city and small town are a nice compromise. If Richmond goes too far in any direction, it will lose its distinction. And that compromise is very attractive to young urban professionals who are moving into the city. This is a generation who grew up watching “Friends,” “The Jeffersons” and “Seinfeld,” and not “Leave it to Beaver.” Their mental models are about a sense of community in live/work/play urban environments. Baby boomer empty nesters and the younger generation are focused on green urban living with a Georgetown like feel. National trends center on the “Europeanization” of urban living. Richmond needs to ride the wave and get a young dynamic person to lead the effort to “chase” this generational group. Places like Carytown, the Fan, Church Hill, Shockoe Slip, Shockoe Bottom, Maymont, Byrd Park, and Jackson Ward are places that give credence to that lifestyle. Richmond’s neighborhoods, the river, and its architecture are its greatest strengths. They need to be protected and nourished.

The rural feel of the counties when coupled with the urban village feel of the city gives the metro area the best of both worlds because it provides options to live, work, and play that most cities do not have. The residential growth in the city is exciting. The city can expect an influx of new urbanites from a multitude of cultural backgrounds and this repopulation will redefine Richmond politically and educationally. People are moving downtown from outside the area. With some help from the government and some positive encouragement there is no reason why Richmond cannot significantly grow its population in the next five years. Those moving into the city are either single, married without children, empty nesters, or gay. The city needs to attract middle-class families. This means creating a living environment that can compete effectively with the suburbs and a business environment that attracts and retains anchor employers. It means fixing the public school system, and the intra-city transportation problems, developing the James River while preserving and enhancing its natural beauty, continuing to drive crime down, enhancing entertainment options, and improving government services.

Convention centers are, in many ways, a city’s first impression to the visitor. That impression should make each visitor a sales representative for the city. Richmond’s convention center is unattractive both inside and out. There is no beauty, no harmony with the area around it, no sense of awe, and no structural integrity that reaches out to people and makes them want to come back. Richmond is fortunate that it has a major urban corridor like Broad Street. But once again, it doesn’t capitalize on one of its assets. Richmond does not fully appreciate the strategic advantages that urban design planning can yield. From I-195 to I-95, Broad Street should be a visually stimulating experience for pedestrians and auto traffic alike. Instead, parts of it look like a ghost town that leaves its visitor wondering what they have gotten themselves into. Broad Street’s width provides it with the opportunity for entertainment, shopping, sidewalk cafes, and park-like enclaves – little of which it does. Community leaders must focus on urban design [walkable, two-way streets, human scale, people friendly, flowers, etc.]. Downtown is growing, but retail struggles. Richmond needs a big push to add the finishing touches to downtown. Richmond doesn’t have the design and structure to match the strength of its people’s hospitality. It can and should.

The pace of development is too slow to move Richmond forward. It is too fragmented and needs to be pulled together with a sense of urgency. The city, like the region, needs a bold visual picture
of what it will look like in five years. Richmond’s “City of the Future” investments in streets, sidewalks, the Carpenter Center, city parks and the Landmark Theater are a good start, but they lack visual punch and a priority emphasis on balancing commercial development. What the city needs is specific bold projects wrapped around a vision of the future that when put together create an image of a city on the move. Conceptually, Richmond needs to be one big mixed use urban development. Natural resources need to be married with structural resources. Movement and parking around the city needs to be easy.

“The river is barren – it just sits there – a life force that we ignore and from which we don’t draw life. It is indicative of the Richmond story. We don’t appreciate what we have, we don’t use what we have and what we have we let divide us.” – Richmond Community Leader

The James River is the community’s most under-utilized natural resource. Its exposed rocks and wooded islands make the James one of the most beautiful rivers in the east. It is a positive force that has served to psychologically separate the city from its outlying area instead of unifying it. Its access has been sealed off with concrete. People can come into Richmond from virtually every gateway into the city for the first time and never know there is a river. Its lack of development stands as a tribute to the general lack of vision by Richmond’s community leaders. One need only look at what other cities [San Antonio, Louisville, Oklahoma City, Istanbul, Reno, Jacksonville and others] have done to realize the enormous potential of the James River for retail, recreation and tourism. The success of the Folk Festival points to the implications of what could happen if Richmond focused on maximizing this natural asset. To develop the potential of the James requires money, commitment, creative thinking, and enormous energy. It will take business and political leaders working together.

A major word of caution – any riverfront development must not, under any circumstances, be at the expense of its natural beauty and easy access. The last thing that needs to be done is to destroy the very beauty that draws people to it in the first place. For example, Rockett’s Landing, while a superb mixed-use development, is not a model to be followed for riverfront development. For the bold vision and all the advantages that Rockett’s Landing provides, it doesn’t do so in concert with nature. Its concept would be more adaptable to a downtown area than along the river. Imagine for a moment if one looked out across the James River and saw wall to wall mixed-use condo and retail lining the river. To quote Marc Cranfield-Adams, the mayor of Richmond’s sister city in England: “Protect the view that you have from Libby Hill, from Church Hill of the river because you know that is the one physical feature that unites…To have developments with flats down there to obscure that view would just be, in my view, criminal.”

In order to develop the core, Richmond must focus on both its “software” and its “hardware.” This section will deal primarily with its “hardware.” Those are the “physical” aspects of the core that center on the river, the neighborhoods, its architecture, urban design, commercial development, retail and entertainment. While Richmond may build the perfect hardware, it will not “run” effectively without installing the best software. Its software has to do with the human dimensions affected by poverty, its public schools, crime, government services, transportation, and its history. Indeed, these are the most important factors to “get right.” It is for this reason that the report addresses each software issue separately. But it all must fit together. Even if its software operated at peak effectiveness, the lack of hardware means there is no infrastructure on which to operate. The genius of leadership means understanding the synergy and leverage points that each gives to one another and putting it all together. Richmond doesn’t show well and it needs to say: “we can do this!”
Actions

“First comes thought; then organization of that thought, into ideas and plans; then transformation of those plans into reality. The beginning, as you will observe, is in your imagination.” Napoleon Hill

- **Create a Downtown Development Authority to develop a five year urban revitalization plan in the next 12 months.** Members should include three business leaders with architectural, urban design and mixed-use development experience; the mayor; the president of the city council; presidents of Venture Richmond, the Convention Center, VCU, Virginia Union, J. Sargeant Reynolds Community College; and three neighborhood association leaders. The goal should be to create a visual picture of what Richmond will look like in five years, identify the steps and projects that need to be taken to bring that picture to life, and identify the barriers that need to be eliminated in order to reach the goals. It should be guided by four key principles: offering services and amenities of value that raise people’s standard of living, providing convenient access to services in terms of time and ease, creating opportunities for new economic growth, and offering opportunities to acquire the skills people need for job flexibility. The plan should focus on several priority areas:
  - The River
  - Retail and Entertainment
  - The Convention Center
  - Urban Design and Architecture
  - Neighborhoods
  - Commercial Development
  - Gateway Entrances

- **Develop a set of parameters and host a national contest for ideas to develop the area along the river from Rocketts Landing to Belle Isle.** Richmond needs to get serious about leveraging the river. It should invite such world class architects like Daniel Libeskind, whose work in Warsaw, Cincinnati, NYC, Singapore, and Milan are legendary, to submit ideas. There are physical and psychological barriers that must be eliminated or bridged. The barriers include the CSX elevated railroad, which parallels the river; and the Richmond Metropolitan Authority’s downtown expressway, which blocks access and curtails the river advantages of the “Bottom” and the “Slip.” Too many buildings block views and access to the river. CSX should be encouraged to eliminate or paint its elevated railroad line and hang banners on it to celebrate the river and Richmond.

  There are virtually no signs directing people through these barriers to the river bank or creative places like open air and glass-encased restaurants on tops of buildings from which to view the river. The river bank needs to be opened up for easy access where possible. Those things that can’t be removed should be made more attractive. There is a need to clean up the old Reynolds plants. Perhaps a harbor project like that which exists on the Potomac River at I-95 and the Woodrow Wilson Bridge on the Maryland side of Washington, D.C. could be a model. Festive looking signs and banners should direct visitors to the river. The city should build a large, open park in the flood plain south of
the flood wall where visitors and families can stroll, picnic, fly kites and host events like the Folk Festival or a river laser light show set to music built around a series of historical themes like one sees in Stone Mountain, Georgia. A good model is the south bank of the Potomac River in Arlington, Virginia. The bridges could be painted bright colors like the bridges in Jacksonville or perhaps lit up at night with a rotational series of different colored lights like the bridges in Istanbul.

One or two major entertainment projects should be developed along the river in the Manchester area. For example, a new ballpark could be built with the stands facing the river and Richmond’s skyline. A major music concert center could also be built for a “Music by the River” series. Music could range from gospel and jazz to contemporary and country and could even include music from different periods in the region’s history. The music center could be modeled after the Hollywood bowl in California or the Song Festival Grounds in Tallinn, Estonia. Seating could be designed so people could see the river and the skyline while listening to a concert or performance.

The center could have retractable glass siding and a roof that still gives an open air feel in case of inclement weather. Perhaps, both could be part of a combined design that would limit construction of a unique and dynamic facility that could include coliseum, music center and baseball park – something never designed before. The parking that would accompany these projects should be tree “infested” and not just a concrete parking lot. Fountains should proliferate the area – drawing and recycling water from the river itself.

Reno, Nevada has turned their river into a white-water canoeing course. Richmond could do the same but make it an Olympic-style competitive course. An annual kayaking race and white-water rafting races could be held for a major charity. National and amateur competitions could be sponsored. Walking trails should be designed along the river and into the woods around it with history in mind. There could be a Governor’s Trail that
hosted a bust of each of Virginia’s governors with a short history of what happen during their tenure and/or a President’s Trail that did the same thing for the six Virginians that went on to become president of the United States. San Antonio provides a model in their Six Flags over Texas theme park. Louisville is a model with lighting and paths. Maymont could be linked to the museums from the river using the George Washington Trail and canal and some form of public or private transport. The point is, when it comes to the river, one is only limited by the range of his imagination and energy.

- **Fix the convention center and supercharge the area around it – especially Jackson Ward.** Metro leaders need to recognize that the convention center is a major opportunity to create sales representatives for the city and additional revenue for the region, and to introduce the community to visitors. That impression today leaves much to be desired. The convention center looks like a big warehouse with few attractive features. It needs a major upgrade. It would be too costly to redo the entire center. However, some key decisions need to be made. The facade of the center should be changed to reflect the classical architecture of Richmond so it has a character and style that gives it a distinction that other centers in other cities do not have. The inside lobby should be exciting. It is inside that the center can blend modern design with some classical features. People should walk in the lobby and reception area and be awed. The Axcia Forum in Berlin provides an excellent example of how such an area could be transformed. Trees should completely surround the center and some way needs to be found to create attractive outside gathering areas with fountains, benches, flowers, lighting and greenery.

When visitors walk out of the convention center they are left with the impression that there is nothing to do and that the area is unsafe. Of course, adjacent to the center is Jackson Ward, an area of some 40 square blocks ripe for development. The city master plan calls for the area to become an entertainment area. That is exactly what should happen – and it should happen quickly and with style. Jackson Ward should be turned into a major entertainment, shopping, restaurant district designed to capture its historical roots. It could be marketed as a place where the “Mind and the Soul” meet.

Jackson Ward should have the attractiveness of Bourbon Street in New Orleans, Beale Street in Memphis, the Gaslight District in Vancouver or Pearl Street in Boulder, Colorado. The area could be a “hot” destination area for conventioneers and locals alike. Different cuisine smells and music should permeate the air. It is time to bring back the sounds of Duke Ellington, Ella Fitzgerald, Bill
“Bojangles” Robinson, Lena Horne, Cab Calloway, Billie Holiday, Nat King Cole and James Brown. To promote investment in Jackson Ward, the city should make substantial physical improvements and provide incentives. A statue of Maggie Walker should be erected and the area should be filled with brick sidewalks, flower boxes and antique lights along its major arteries. Trees should saturate the area as should fountains, benches, flowers, lighting, and greenery. It would be a natural draw for conventioneers after a long day of attending conferences as they would be within walking distance of a major entertainment venue. Broad Street should be the Peachtree Street [the major avenue in Atlanta] of Richmond. It should be designed and structured after the Champs-Elysees in Paris or the Unter den Linden Strasse in Berlin with trees and walking/biking paths in the center and bordered by sidewalk cafes, shops and condominiums. In all it does, Richmond should recognize the power of “green.” It should recognize that creating a park is an economic development strategy because it will spawn building activity around it.

- **Put strict architectural, design, and building controls in place to preserve Richmond’s unique character.** Richmond has an architectural uniqueness that needs to be protected in all new building and housing construction. There are major lessons to be learned from places like Helen, Georgia which took an isolated mountain community and transformed it into a tourist destination simply by imposing Alpine architectural controls on its buildings and hosting its own Oktoberfest. The mindset in Richmond is “y’all come.” It is a beggar mentality that turns control over to developers who set the standards – often choosing costs over quality. Richmond needs to set standards like they do in Alexandria, Virginia and insist on high quality and standards that create an architectural and “green” harmony in the city. It should not play to the lowest common denominator. No building should be built without insisting on design alignment, planting of trees and other aesthetic qualities. With the exception of areas where VCU has occupied old homes and buildings, a major opportunity has been lost with VCU’s downtown campus. The façade of its buildings should have been cast in an architectural style that added value to Richmond’s historical image. VCU could have created a classical architectural distinction that would have given it a character much like the gothic architecture that distinguishes Duke and Princeton University. The same can be said with other buildings currently under construction.

The importance of urban design is underappreciated in Richmond. The design of the entire core needs to be people friendly. The focus should be on flowers, sidewalk cafes, trees, physically appealing views, quality signage, architecture, etc. Shockhoe Slip and the Bottom are a good start. London, Vancouver, Portland, Toronto, Boulder, Colorado, and the Legacy Shops in Plano, Texas are examples to be examined. Richmond’s design efforts should focus on creating the infrastructure and space that brings people together. For example, design outcomes should be about health and well-being and not just hospitals, safety and not just policing, learning and not just schools.

In many ways, Richmond’s neighborhoods define it. One only has to look at places like Charleston, Savannah, and Georgetown to understand how protecting and encouraging new construction using traditional design can impact the attractiveness of the community. Richmond needs to encourage the refurbishment of its distinctive neighborhoods with a combination of standards, tax incentives and grants. Every neighborhood entrance should have distinctive
signage. It should annually give a “neighborhood of the year” award. The award could be judged on the basis of physical beauty, adherence to such categories as architectural standards, quality of neighborhood watch program based on level of crime, etc. The award could include recognition and a significant cash award to further beautify the area.

The city could also carve out an area in the downtown business district where it could take the gloves off and encourage bold modern design to enable it to project a city on the move image alongside the charm and sense of place that comes with its more classical architecture.

- **Create the first large downtown office park in the nation to spawn a major commercial development.** There are insufficient funds to make the necessary changes related to many issues in the community. Richmond needs a commercial/corporate base to fund its dreams. It should start by creating a campus-style office park modeled after West Creek, The Boulders and Innsbrook inside the city limits. The initial park should be designed and built on and around the area that currently houses the current Braves ballpark. It should encompass an area that straddles I-195, Broad Street, and I-64. The exit off I-64 at Boulevard should be redesigned as a major entrance into the city from the north through the park. The park should have biking trails, ponds and fountains with thousands of trees in the area.

Such a development would help balance the city’s tax reliance on residential property. It could include a technology and trade school. The park would have a major impact on the Fan and Virginia Union, not to mention housing developments, both within the city limits and Henrico and Hanover counties. A walking bridge could be built over I-64 to connect neighborhoods to the north and east. Richmond needs to create a campus environment for business development that mirrors that found in the region as the area moves from its manufacturing base to a service base. The city needs to understand that it can create even smaller parks and open green spaces and the market will decide what to build around it.
Invest in enhancing the beauty and attractiveness of the city’s gateways and create a skyline symbol that the area can call its own. Richmond needs to realize that a visitor’s first impression of the community is formed the minute they experience a gateway into the city. It has done nothing to augment that first impression. Below is a map that shows the major road gateways into the city. The key entrances are at N, Boulevard, 5th Street and I-64, and I-95 entrances. These road gateways need to be simple, but aesthetic. They need to be viewed not just in the context of the point of entry itself, but one mile deep into the city as well. Otherwise it is just a “flower box” along the way. There should be one sign that emphasizes Richmond’s assets at each gateway surrounded by natural greenery and aesthetics that require little maintenance [i.e. rock formations, greenery, etc.]. For example, the sign could say simply: “Welcome to Richmond – Virginia’s Capitol City” or “Welcome to Richmond – The River City” or “Welcome to Richmond – Where History Meets the Future.”

But there are other key gateways. The most prominent are the airport, the convention center, the rail station, the bus centers, and the river. It is amazing that Richmond does not market itself at the airport or the convention center. The entrance and exit corridor from ticketing to the gate area should be redesigned to accentuate Richmond’s river, the state capitol, its history, and its neighborhoods. It could include quotes from famous
area people like Jefferson, John Brown, Arthur Ashe, Patrick Henry, Oliver Hill, Maggie Walker, Lewis Powell, Douglas McArthur, etc. It could foster a historical timeline. It could be designed in classical style architecture. The Savannah airport is a great example of how to mirror in the airport a sense of the city itself. Similar themes should be strategically placed in the baggage claim area. Maps marking tourist attractions in the region and coupon books with discounts to restaurants, museums, tours, etc. should be handed to travelers who rent cars or catch a cab into the city. The convention center should have large murals or photographs that provide the same visual message throughout the center. There should be a tourist desk manned by volunteers who hand out maps marking tourist attractions in the region and coupon books with discounts to restaurants, museums, tours, etc. Richmond has got to get in the game when it comes to seamlessly marketing its community. Once the river development plan has been developed, it will be obvious how to boost the interaction of the river with locals and visitors alike.

Richmond has no visual, cultural, aesthetic skyline experience that defines it like the arch does in St. Louis. It needs to get submissions from architects like was done in New York for Ground Zero or with the proposed Transbay Transit Center in San Francisco with its possible 1,200-foot tower, elevated public park the length of five football fields and room for high-speed trains someday linking California’s major cities. Such a symbol would improve a visitor’s impression of the city and build community pride at the same time.

**Strengthen Richmond’s City Government**

“First it is necessary to stand on your own two feet. But the minute a man finds himself in that position, the next thing he should do is reach out his arms.” *Kristin Hunter, O Magazine, November 2003*

City government needs to focus its efforts on three major areas: streamlining government services, strengthening its balance sheet by growing and balancing its tax base and monitoring costs, and resolving charter disputes between the mayor and city council. City leaders are aware of the tasks at hand. The current administration inherited years of neglect and fixing it will not happen overnight because of ingrained attitudes and structures. With the advent of a strong mayor form of government, the city has made strides in hiring some good people and created transparency in its operations by making its actions and documents available online for review. It is a big improvement from 15 years ago. However, relative to operations in the surrounding counties, it has a long way to go and has current and looming resource challenges that make achieving governmental efficiency absolutely necessary.

As mentioned previously, the city needs to achieve a better tax revenue balance between residential and commercial. Infrastructure bills in areas such as water mains, storm sewers, and streets will be coming due over the next two decades. This, coupled with a retirement burden that will materialize as the city government baby boomers begin to retire, will place a financial strain on the community. As of June 2007, the retirement system’s funded status was estimated at 71.1 percent. With an estimated 63 percent of the city’s $19 billion worth of taxable real estate categorized as residential, even a modest decline in property values will compromise the long-term financial plan. And that doesn’t include tax revenues from sales taxes that have dissipated as retail activity moves to the suburbs.
According to data provided by the city assessor’s staff, about 10.5 percent of Richmond land was identified as vacant property. This works out to be 4,018 acres, or 6.28 square miles of land available for some kind of development. And that doesn’t include redeveloping land with projects like the office park mentioned above. The city needs to look seriously at how it could enhance commercial development on existing land or use vacant land for commercial development. As part of that effort, it needs to streamline government services to business. The bad news is that business often finds dealing with the city difficult and unnecessarily slow and bureaucratic. The city also lacks certain engineering and business skill sets relative to business development. And that slows the pace of business development in the city. The good news is that it doesn’t have to look farther than the surrounding counties to find models to follow. The city should take advantage of the fact that when it comes to government administration, it has some of the best examples in the nation right on its borders.

In addition, it should audit the government position by position to determine if the cost benefit of the services provided are worth the expense and whether reorganization could contribute to greater efficiencies. The focus should always be about providing excellent and timely city services to its citizens. The city can also minimize the tax burden on its own citizens by growing sales tax contributions from visitors and tourists. The key point is the city needs to put a package together that creates better financial balance and stability.

While the change to a strong mayor form of government has produced greater political accountability and positive results to include crime reduction, the adjustment has not always been an easy one. Anytime an organization transforms the way it does business, the change is difficult because people have to break old habits and adjust to a new way of operating. This is true for any organization.

Ordinarily, in reports like this one, the author refrains from discussing personalities, but that is difficult in this case because not only does Richmond have a strong mayor form of government, it has a strong personality in the mayor’s position. Looking at the situation in context is necessary if one is to accurately and fairly determine why Richmond is having such a difficult time adjusting to its new form of government. Anthropologically, some of it has to do with the traditional culture of Richmond, some with the personalities of the players involved, some with adjusting to the new form of government, and some with role confusion. To understand the impact of cultural nuances is to understand that Richmond has been, and still is to a great extent, a community where discussions, debates, and conversations are not held out in the open. It has always been considered bad form and not in concert with the more conservative and genteel way of operating. Confrontational styles are not appreciated and are even seen as counterproductive to solving problems. Leadership is about conflict resolution using quiet and civil discussion. In the past, the result was that little was accomplished, as evidenced by historically high crime rates, poor public schools, extensive poverty, and administrative inefficiencies.

A strong mayor form of government provided a chance at political accountability around identifiable public issues. Into that situation came a charismatic mayor with a provocative operating style and very clear strategic objectives around reducing crime, creating better public schools, fostering affordable housing and eliminating corruption. The situation was ripe for a turnaround artist because tough and unpopular decisions needed to be made. And that meant interrupting the status quo. And that is exactly what happened and what needed to happen. The question in Richmond today is not that the exercise of power was necessary, but about the extent and manner in which it is exercised. It is hard for a reformer to sustain the message three years out because without action,
words become rhetoric. In the late 19th century, people felt the same about Mayor John Fulmer Bright. People want a vision that they can get behind without the petty issues and personality clashes. People also have a tradition of not really caring how things are supposed to work and generally have looked at elected officials as advocates. The second and third order effects of this cultural conflict have been interesting to watch. The good news is that the key issues of crime, public schools, etc. came to the forefront and began to be openly discussed and debated as other leaders in the political and business community began to tackle issues publicly where before they would have stayed in the shadows. The council began to work together on issues where before there was little significant cooperation. For the first time, political and business leaders began to write letters and editorials on key issues. That “open air” style of operating is not the way things have historically gotten done in Richmond. And it breathed life into the debates about Richmond’s future.

The bad news is that it is easy to break cookie jars, but difficult to rebuild them absent a team effort. A culture can only handle so much change before it reacts. At some point a transition took place where the issues became secondary to the behaviors involved. Attacks and positioning came to be seen as personal and not institutional. The government froze in place as the energy and time that would have been spent on important matters were redirected to deal with role definition, accountability, and political power. It all became great political theater and now is wounding Richmond. It has hurt Richmond’s image in the metro area because it has resurrected past images of political incompetence and embarrassment and creates confusion as to who to trust for decisions. It has undermined economic development and marketing efforts as those who might locate to the area are put off by what they see as governmental instability and lack of professionalism. And it has taken the spotlight off the really important tasks at hand as various factions are at “war.” Political cohesion is gone. The result is that the city is experiencing inertia where once it had momentum, doubt, where once it had hope, and caution, where once it yearned to trust. As Andy Grove, the former chairman of Intel, has said: “Culture eats strategy for lunch every day.”

Richmond city government is laboring under a city charter that is not comprehensive and clear to its members. Questions of who does what must be clearly resolved. Although there are struggles over whether school administrators can be kicked out of city offices or a certain chief administrative officer can be hired – the real issue is over the lack of role and authoritative clarity. Successful organizations need clear alignment between accountability (who is accountable for delivering results), responsibility (who delivers the results), and authority (who controls the resources to deliver). When accountability, responsibility, and authority become misaligned, organizations are plagued by inaction and finger-pointing. During the new form of government’s honeymoon period, one of the first actions that should have been taken was to identify areas where accountability and roles were unclear and work in the charter to resolve them together or in concert with the general assembly – and do it in a retreat like setting. Government officials should have taken field trips to other cities with strong mayor forms of government and looked at ways to adjust charter inadequacies. Those actions would have gone a long way toward conflict resolution.

For the health of the community and the best interests of its citizens, Richmond’s political leaders need to put egos and hurt feelings aside and get past the current impasse. The longer the current process goes on, the worse things will get. Perhaps, even more alarming is that Richmond will default to the courts to resolve the future of its political structure in lieu of mastering its own.
Actions

- **Richmond’s political leaders should call a “truce” and go back to square one.** Square one means going back to school. City officials should immediately visit several cities with strong mayor forms of government and see how their charter stacks up against Richmond’s charter. Some cities that have a similar population size are: Birmingham, AL, Salt Lake City, UT, Spokane, WA, St. Petersburg, FL, Nashville, TN, and Ft. Wayne, IN. An independent facilitator [perhaps someone from The Weldon Cooper Center for Public Service or Thomas Jefferson Institute for Public Policy] should accompany the group and record the salient points of the discussions and differences in cities charters and what they mean practically and operationally. After several visits, city officials should attend a facilitated retreat outside the city no later than March 2008 with the express purpose of clarifying roles and accountability in the existing charter and agreeing to changes that would strengthen the current charter. The objective should be to craft a document that provides the citizens of Richmond with efficient, effective and accountable government. The updated charter should embed the following principles:
  - A chief executive who is accountable for effective administration of the city.
  - Elected officials who are responsible for setting strategy, objectives and goals.
  - Performance assessments that are systematic.
  - Performance measures that are input and outcome focused.
  - A balanced budget that reflects the priorities of the city’s strategic plan.
  - A long-term financial footing that is never compromised.

The charter’s architecture should be guided by four themes: [1] clarity through defined roles, statutory obligations, and performance contracts that align the accountability, responsibility, and authority of individuals, departments and boards; [2] connect the goals and objectives of elected leadership, the strategic plan, and department operations through the performance contracts of key city executives: chief administrative officer, city auditor, city treasurer, and key department heads; [3] transparency; and [4] move the reporting obligations, timing, and format out of the political arena and into a statutory requirement.

- **The mayor and president of city council should approach the Virginia General Assembly together with the proposed charter adjustments.** It is critical that the two major political leaders of Richmond’s government ask the General Assembly to support adjustments to the charter together. It is inconceivable that the State Assembly would turn down such a request knowing that there was political agreement as to its request.

- **Team each department head with someone from one of the surrounding counties in a similar role and have each review how the other operates.** The advantage of such an approach would be to take advantage of how services are managed close by and build relationships that foster learning and regional cooperation. What is also missing is a comprehensive city focus and a cross department program for delivering change. The city would benefit from an independent audit of its services and financial services with the purpose of recommending improvements in structure, service and organization. Each improvement in a core component of the city’s service structure will have a positive
effect on improving another. Smoother services to business will encourage people to live and work in the city; people living and working in the city increase sales tax revenues, and so forth. A warning: addressing only the politically expedient elements will likely fail. Each part of the system needs to be improved or the broken parts will overwhelm the improvements. An alternative would be to ask an independent consulting firm to conduct a pro bono review to determine those areas where Richmond can achieve greater service and financial efficiencies.

- **Create a task force that includes local business leaders to determine the best way to maximize commercial development in the city.** The city needs to diversify its financial base and bring a concentration to the effort that makes it a city priority. It will be commercial development that will ultimately provide the city with the revenues it needs to meet the city’s fiscal and resource needs.

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**Leverage the Past and Stop Being a Prisoner to It**

“Human history becomes more and more a race between education and catastrophe.” H. G. Wells (1866 - 1946), *Outline of History* (1920)

The metro area needs to put the past behind it and embrace it at the same time. For the Richmond area, history reflects an intricate tapestry that weaves together race, the civil war, the civil rights movement and annexation. The community has always looked to its history to define it. That is part of the reason why moving quickly into the future is so difficult. It is as if it is unable to see itself in a future that is different. It has so much buried in yesterday that tomorrow’s promise is difficult to grasp. It is routinely the source of public angst (e.g., issues with the Museum of the Confederacy or issues around who gets invited to what and when). Its preservation is the result of a combination of philanthropy and passion. In Richmond, a popular refrain is to ask: “How many people does it take to change a light bulb?” Answer: “four - one to change it and three to talk about how good the old one was.” The real question is whether the area can honor its history without reliving it everyday. On the racial front, the majority of people are putting history behind them. A black leader’s comments, “I drank from the back of the bus, but it doesn’t define my life,” harmonizes with a white business leader’s reflection that, “At some point I realized I couldn’t be Christian and hold onto the prejudices and biases that I had been raised with.”

It is beyond the scope of this report to get into a lengthy discussion of how and why Richmond has taken so long to rid itself of the confluence of historical factors that seem to haunt it when so many other communities have. But one point is clear – its inability to let go of the ghosts of its past will continue to jeopardize its future. It is already doing so. It is why the area struggles with an identity it can be proud of. It is why the area fails to capitalize on a historical base that would be the envy of virtually every other community in the nation. It is why the area has failed to put a tourism package together that could accrue to the economic and psychological benefit of all metro citizens. The area constantly underestimates it’s rich diversity and how that has contributed to its uniqueness.

History shows itself all over the metro area from its architecture [the historical fabric of the city] to its nearby historic sites [the historical fabric of the counties]. Richmond is not just a city, it is
a region. History is a record of the past and a blueprint for the future. The problem is finding an approach to history that gives voice to the range of stories that need and want to be told. It is bigger than any one factor and incorporates all. The answer has always been there, but once again, Richmond’s tactical capabilities and its propensity to silo solutions have prevented it from seeing it. The irony is that the answers can be found by looking at Richmond’s history in the context of a bigger dream.

The metro area needs to view its history as a learning laboratory about democracy and the building of a nation. The Greater Richmond area is a history lab that the rest of the U.S. can learn from. It is all there - the Powhatan Indians, British investments, importation of Africans and tobacco seeds, the search for religious freedom, the revolutionary war, Jefferson’s argument that Richmond -- not Williamsburg -- should be the state capital, Patrick Henry, Benedict Arnold, George Washington’s James River Company opening of the canals, the rise of manufacturing and coal mining, the slave trade, the civil war, Maggie Walker, the rise of Jackson Ward as America’s “black Wall Street,” segregation, civil rights, annexation, white flight, black flight, the highways, the railroads, etc. It is a story few other places have. Its richness and value lie not in any one event or series of events but in its wholeness. It represents the great American drama with all its trials and tribulations. It is not something to be ashamed of, but something to appreciate.

**Actions**

“Men make history, and not the other way around. In periods where there is no leadership, society stands still. Progress occurs when courageous, skillful leaders seize the opportunity to change things for the better.” *Harry S. Truman (1884 - 1972)*

- **Establish a Sports, Entertainment and Tourism Authority.** The purpose of the authority would be to plan, create, consolidate, and execute the marketing and promotion of all activities related to sports, large scale entertainment venues, and tourism. Richmond is not tourist friendly. The Convention center is located in an area in need of a major face lift. The latest authority legislation, passed during the 2007 General Assembly session, is the “Tourism Financing Development Authority Act.” This Act allows a single locality or multiple localities to create a tourism financing development authority for the purpose of supporting tourism infrastructure in localities. Any locality that levies a transient occupancy tax must designate any excess over two percent to be used for purposes of the authority except where such revenues are already encumbered by the locality. Members of the board of the Authority are to be appointed as agreed upon by the forming localities. A Tourism Financing Development Authority has the power to acquire, improve, maintain and equip authority facilities. Such an authority may also lease its facilities for a charge in addition to selling or conveying all of its facilities. In furtherance of its purpose, the Authority may accept contributions or other financial assistance from governmental entities for the acquisition, construction or maintenance of authority facilities or in order to make loans in furtherance of its purposes.

It could be that the Greater Richmond Convention Center Authority could be recast and expanded to take on that role. At this time, it does not appear as though it is set up to manage or operate specific facilities which could be valuable later. But its mission is structured along the lines of marketing the region and assisting groups that choose the metro area as a destination.
The new authority could be divided into three advisory boards – each with a “czar” whose sole job in life is to extend the focus of their particular area: sports, entertainment, and tourism in order to coordinate and focus the activities of the many organizations and that operate individually. For example, the tourism board might consist of the heads of museums, historical sights, historians, business leaders with marketing and advertising backgrounds, the president of the convention center, etc. Sports might include the top executives of the Sports Backers, the Braves, Richmond International Raceway, etc. Entertainment might include key leaders from Kings Dominion, opera, ballet, theater, coliseum, Folk Festival, etc. Richmond has major decisions to make about its sports and entertainment amenities – the coliseum, a new ball park, a white water rafting course, a statewide open college basketball tournament, and a range of other activities and facilities that could help define its future and benefit its citizens.

- **Build a tourism package for the metro area under the theme: “The Road to Democracy – The Challenges of Building a Nation.”** Develop story lines that cover different periods of history. Confront the good, the bad, and the ugly of each period and how it helped shaped the road to democracy for a young nation. Focus on a particular part of history during a particular season. Create a single ticket that provides entry into a block of institutions. Sell local family and corporate ticket packages that provide annual entry into historical venues much like they do at Stone Mountain Park in Georgia and other locales. Walking tours of places like Church Hill, Jackson Ward, Shockoe Slip, and the Fan need to proliferate. There needs to be a more interactive approach taken with visitors. Create ticket packages and discount coupons for tourists and conventioners that they can get at local hotels, the airport, car rental companies. Leave no stone unturned when connecting with people. Bus tour packages should be sold to conventions that take people into the sites in the counties and beyond. One day tours could be sponsored from Richmond to Charlottesville and Williamsburg. Leverage, leverage, leverage. Host seminars on the trials and tribulations experienced during different periods of history and the lessons learned from them. The area needs to make economic history from its art and architecture. Richmond needs to accentuate what it has and stop minimizing what it doesn’t. Only the imagination of the people would limit what could be done.

- **Market the region as the center of beauty.** It has proximity to the Chesapeake Bay and the Shenandoah. It is near seats of national and state power. The beauty of Richmond as a state capital is that it can leverage the assets of Virginia in a way that no other region can. Marketing efforts should lead with quality of life, followed by its transportation hub benefits, followed by the stability of the region’s business base, followed by the richness of its history as a place where the lessons of democracy come alive.

**Prepare Now for the Demographic Tsunami**

“There is a moment when the center feels in its bones that the ground beneath it is moving, whether it likes it or not.” *Anonymous*

They say that demographics is destiny. The metro area is about to be hit by a
demographic title wave that will define its future in ways it cannot even imagine. The three impacts will come from immigration, aging and the retirement of an incredibly large number of leaders in key positions throughout the metro area.

In terms of leadership, the front end of the tsunami has already started to hit the metro shore. Chesterfield County has a new county manager, police chief and superintendent of schools. The president of the Greater Richmond Chamber announced his retirement as of June 2008. Leadership Metro Richmond is getting a new director this next year. The following positions are just some that will have new leaders in five years: Richmond Mayor, VCU President, Airport Director, Hanover Police Chief, Virginia Country Club Director, and the Richmond Port Director. Last year, one-third of the executives in the area’s top 60 companies turned over. Over the next five years, the Greater Richmond area could also see the retirement of two police chiefs, a county manager, several state elected officials and another 13 area leaders in key community or business positions who have not announced their retirement, but will do so soon.

The implications for the area are enormous because it means that a vast amount of institutional knowledge will be lost – knowledge that only comes from having relationships long enough to understand the intricacies of the organizations they lead. Furthermore, it means new ideas will permeate the region – ideas born of a new generation. As the leadership vacuum gets filled with a new cast of characters, the lingering question is: what does it mean? The answer is: no one knows. It could signal opportunity or crises. The challenge for the region is to bring young leaders into key roles – roles that are involved with addressing the issues in this report. It is imperative that these young leaders follow the community learning curve as quickly as possible. And it is important that the community doesn’t cycle responsibility down while cycling authority up. In short, young leaders need to be given both the responsibility and the authority to make decisions. They are capable and ready.

There is a real opportunity to merge the wisdom of experience with the drive, creativity and passion of young leaders across the entire spectrum of business, government, non-profit, religious and social organizations. The retiring workforce has a major responsibility to the community to get the next generation ready to lead the region into the future. The younger generation must understand it has an imminent and real community responsibility to prepare itself accordingly and engage. The region’s leadership must recognize that the days of just competing with Charlotte, Atlanta, Jacksonville, etc. are over. It is in competition with cities and regions around the world. That means building a mecca to attract and retain the so-called creative class of young workers. What attracts the young? Three words: opportunity, innovation, and energy. Not just bald economic capacity, but a culture that nurtures creative action, involvement and game-changing enterprise. They want places where they can maximize their potential and where the community invests in physical, cultural and intellectual infrastructure. Turn them loose on Jackson Ward, the Slip, and the River and the results will be staggering. And the region has lots of competition. Shanghai, New York, San Francisco, Vancouver, Buenos Aires, Toronto, Berlin, Fort Collins, Colorado, Portland, Oregon, and Raleigh Durham are just some of the areas that young workers consider as the places to go. It means that the area has to drive down its cost structures, have an adaptable workforce, and enhance its major advantage – a wonderful life quality in a physically beautiful area that has access to major U.S. and global markets and other quality of life features. The region could use this moment in time when its leadership is transforming to create the conditions for young people to take the city and the region into the 21st century.
The next wave will be in the form of immigration. That immigration will be driven by a 20 percent growth in area population in the next five years. With that growth, new people with new ideas, experiences, and expectations that don’t resemble those embraced by residents who have grown up in a culture dominated by history and southern ways will come. Many will come from the north and many will be of different ethnic and cultural backgrounds. It has already started. School construction in the counties is exploding and with it a demand for teachers. School infrastructure needs in the counties run in the hundreds of millions. Many teachers who have built their school’s reputation are retiring or leaving education altogether. Most teachers only stay in the system four to five years. There are not nearly enough math, science and special education teachers in the teacher preparation pipeline. Four or five major school districts in Virginia could hire every single teacher that is available. What happens to all the other school jurisdictions that have the same needs? And what happens to Greater Richmond if it can’t get what it needs? These shortages will challenge the region’s schools’ ability to turn out globally competitive students. It is a crisis in the making and the region needs to get serious about how to solve it.

The future of the metro area is multicultural and its young leaders should represent that future. Ethnically, the African-American population is declining relative to the rise of the Hispanic and Asian populations. Indeed, the Asian/Hispanic population in the Greater Richmond area is growing 269 percent faster than the national average according to private corporate studies. Hispanic-owned business is growing three times faster than mainstream business and their impact is felt most in construction, retail, landscaping and accounting. The growth is giving rise to a variety of minority-focused agencies and chambers of commerce. It is an emerging multi-billion dollar market that area companies are paying attention to and it will transform downtown and the metro area. These ethnic groups come to make their own history and understand more than most that history is to be leveraged and not carried as a chain around the neck. They are attracted by the hospitality, stability and economic opportunities of the area and disturbed by the social conflict that threatens to undermine them. Today the city and Henrico County are majority black. Chesterfield’s Hispanic and Asian communities are exploding. The impact is hitting the county schools like water cascading over the rocks of the James River. The demands for English as a second language are growing every year. Hanover has students who speak 90 languages and two-thirds of the school system’s growth is coming from “immigrant” kids. Other counties are having similar experiences.

The third impact is the aging of Greater Richmond. As can be seen in the graph, the metro area is about to experience the aging and retirement of its baby boomers not to mention the growth in the numbers of those over 65. The impact will transform the area. As the population ages the demands on government services, healthcare, housing and workforce development will be profound. Cultural diversity will increase as the majority of home healthcare workers are ethnic minorities. And it will affect everything from declining revenue due to decline in taxable wages to an increased need for home healthcare workers. Greater Richmond area workforce development has not been extensively explored. However, 108 of 110
persons interviewed for this report said that finding and keeping talented workers was the number one issue facing their organization over the next five years. Finding, attracting, and developing a large, capable and ready workforce will create challenges for local organizations because not only will they need to recruit from outside the region, they will compete with one another within the region. This is already happening. One local county public safety department hired 19 people from a pool of 800 for 40 positions. They just could not find enough talented workers. Not only is that department losing people to other metro area departments but to the federal government as well. There were similar stories from many of those interviewed whether it was finding quality teachers and principals, government workers or business talent. It is as if the area is screaming for talent – and lots of it. It is a “seller’s” market. This means that the broad environment for local economic development, market prosperity and talent will be increasingly competitive with sustained and increasing demand on resources met with increasingly scarce available resources. The metro area is going to have to lift, sharpen and effectively execute its value proposition if it wants to attract and retain the talent area organizations and companies will need. Organizations will increasingly go outside the region to get that talent – in many cases, they will get it from outside the U.S. Most metro companies interviewed for this report are already outsourcing jobs internationally because they believe they can get a better workforce at reasonable rates. Also, in an 24/7 world, companies need to have employees spread across different time zones. As has been said, the area needs to attract younger workers, many of whom will not share the same cultural and experiential backgrounds that locals do. Its inability to do so will not only have a major impact on economic development and prosperity but will turn Greater Richmond into a retirement community. The region will have to change much of its collective mindset -- less risk aversion and preservation of the status quo – in order to get the job done.

**Actions**

- **Determine the region’s future workforce needs and develop a plan to provide for them.** The global economy takes Darwinism to a whole other level. The region is losing IT jobs to India, China, Ireland and Eastern Europe. As corporations become more global and streamline their operations they will access the global marketplace for back office capability. A people shortage and insufficient trained workforce for expansion of existing companies will make it difficult to attract new companies. Global competition will create more corporate consolidations and the churn will occur at an increasing rate. Baby boomer transition will mean other shortages in education, government and business. Demand for healthcare workers and other support services will increase. The key question is: “what can the metro area do to build a distinguishable workforce relative to other areas?”

  It must pursue two paths: have the workforce in place or create a high quality of life environment that attracts that workforce. The region needs to attract a technically adept, versatile supply of graduates in order to attract major employers. Greater Richmond has little problem in attracting people from VCU and those who want to raise a family. It does not compete with other areas in attracting graduates from UVA, Virginia Tech, William & Mary and other top rated schools. It is not always about pay, it is also about the availability of the quality of the talent pool. Talented people attract talented people.

  Workforce development needs to be a major point of regional cooperation and should be included in the regional strategic plan. The plan must include how it is going to counter the
coming teacher shortages that will put all metro area schools at risk. The area’s economic future depends on it. The solution lies in creating a nexus that involves attracting talent, creating the environment that naturally attracts that talent, preserving the beauty of its natural environment, and having the infrastructure in place to ensure that workers can easily move around the region to access work and play as population growth begins to erode the conditions that people enjoy today. For example, retail is overbuilt in the counties while the city is retail starved. The counties struggle to find workers while parts of the region have unemployed workers who cannot find transportation to access those jobs. That is a regional competitive disadvantage.

- **Healthcare leaders need to host a regional summit that pulls together business, non-profit, and social service leaders to determine how to meet the needs of its aging population.** Healthcare leaders will not be able to handle the issue alone. There is a looming shortage of doctors and nurses and alternatives will need to be found on how to serve with less skilled people. Time is short. The clock is ticking. Charlottesville has already started to plan. The issue is urgent because the demands will be significant. And each solution it develops will have an impact on housing, transportation, retail development and the kind of workforce it will need to handle the problem.

- **Culturally-focused business and non-profit organizations should consolidate into one.** There are Hispanic chambers, Asian chambers, and a number of “minority” focused organizations trying to assist young entrepreneurs build their companies and network with others to grow their markets. All need more revenue, staffing, and resources to effectively focus their efforts on the special needs of their members. They should consolidate so they can eliminate costs and duplication [rent, office equipment, etc.] and use the savings to better serve their members. Those needs are the same for anyone trying to grow a business. Consolidation would have the added benefit of creating cross-cultural relationships and understandings. Those relationships and understandings are going to be increasingly needed as the metro area adjusts to the influx of different cultures. History teaches us that the magnitude of the influx of different cultures currently experienced by Greater Richmond can lead to misunderstandings that lead to conflict. The new organization would become a resource for the region, particularly the schools, hospitals, businesses and public safety organizations.

- **Leadership Metro Richmond [LMR] should devote a session to cross cultural understanding and sponsor similar sessions for its alumni and leaders across the region.** LMR already addresses race [mostly in a black/white context] in its sessions. It needs to expand that discussion to include other cultures. The metro area is changing and LMR needs to get ahead of that change on behalf of the community. It has the network and it has the experience.

- **The Chamber should take the lead in identifying young leaders and matching them with community projects alongside project leaders.** When asked who they thought would be the up and coming leaders five years from now, virtually all those interviewed responded with blank stares. That is unusual in these kinds of studies and is not a good sign for the metro area. That does not mean that the young leaders are not out there. It just means that they either feel the culture won’t accept their contribution, they are not interested, or they have high job demands. The Chamber has the resources to identify and match young leaders with its own members on metro projects and efforts. It should coordinate
with organizations community-wide to identify “young” leaders from a range of sectors so that diversity of thought and expertise is brought to bear on specific regional efforts. People tend to rise to the level of what is expected of them and young leaders should be given both the responsibility and the authority to lead efforts along the way. Such an effort would foster a smooth leadership transition across the region and help preserve the institutional memory that helps prevent people from reinventing the wheel.

**The Business Community Needs to Step Up and Step Out**

“Leadership is communicating to people their worth and potential so clearly that they come to see it in themselves”. Stephen Covey, *The 8th Habit*

Business leaders are passionate about Greater Richmond. They understand the problems the area faces but find it more comfortable working on individual projects like a center for the performing arts or an airport renovation. They like specificity. Once they decide to do something, they generally do it well. They are tactical. They prefer to operate behind the scenes, not because they are doing anything wrong, but because they don’t feel comfortable in a supercharged “political” and public atmosphere. They have shown neither the inclination nor the ability to do the hard work of “political” leadership. They have generally been AWOL from the community. They tend to rely on business organizations like the Chamber or business associations to “carry the water” for the group as a whole. They tend to focus their efforts locally around very specific efforts. Greater Richmond is not unique in that respect. But that may be changing as evidenced by the “infamous” education letter. That letter was a watershed event in Richmond because it set the stage for business’ coming out party. The real issue, however, is whether that letter will be backed up by the resources to solve area problems and build its future.

What is different in the Greater Richmond region is that individual leaders don’t step into the public fray, take a strong position on what the area should become and why, and then work to make it happen. Mobilizing activities without lines of authority is difficult and goes against the way most operate. As has been said, the business community is tactical and not strategic. It doesn’t look out on the horizon and determine what should be done. It doesn’t develop a group agenda. Business leaders benchmark world class when looking at their companies, but when making decisions for the region; they go it alone and rely on history and culture for solutions. There are many business leaders who are doing many things in the community very quietly and very effectively. They dream, but are not visionary. They handle issues one at a time and handle them piecemeal. They are attracted to those who have the economic resources to act and undervalue social and intellectual capital. People with social networking skills or creative ideas are typically not brought “to the table” on community projects or issues unless they also have economic means. That is a real problem because it takes people with a range of skills and cultural backgrounds to build community power and diversity of thought; ironically skills that they recognize when it comes to global competition. The metro area also doesn’t have very many minority business leaders and those that there are typically operate small companies or are in professions like law and medicine and don’t have the economic resources valued by executives of larger corporations and wealthy families. That is unfortunate. The good news is that the metro area has some very smart people across a range of backgrounds. Many of them come from non-profit organizations, education, law, medicine, and small-to-medium size companies. And they need to be accessed.
The culture of the business community also makes it difficult to comprehend the different challenges present in making government function well. The ability to make political contributions does not connote political knowledge. Political acumen is a learned, not purchased, attribute and the business community has shown little interest in learning it. Learning “political” skills and knowledge is just as important to corporate health as the next quarterly statement or individual project. Instead of waiting for government to lead, the business community needs to decide what role it wants government to play and determine how one another’s capabilities are best used for the benefit of the region.

Business leaders need to step up and step out. They appear afraid to take risks. They have the ability to do it but don’t want any of the trouble associated with doing it. They want to dip their toe in the water, but don’t want to dive in. It is almost if people are waiting for the Queen to arrive. The attitude is that somehow I want to be great, but I am doing okay with things the way they are - why take the risk? The people are ready, the leaders are not. The area will drift if individual business leaders don’t step up to the plate with regularity. It takes generational persistence, not short term project focus to get important, large scale regional projects done.

Actions

- **Individual business leaders need to end their vow of community silence.** The time has come for individual business leaders to shape a vision for the region, articulate that vision, create a sustaining structure to carry it forward for the next five to ten years and put the necessary resources in place to achieve it. The future of the region hangs in the balance and it will take bold, out front leadership to move the region forward. The question is who will rise to the challenge.

- **Involve people with social and intellectual capital and youth with regularity.** For too long the business community has not placed social and intellectual capital on par with economic strength when working on community problems. The metro area is blessed with plenty of both and it will require a diversity of talent if the region is to move together as one in working on regional issues. Wisdom and experience when coupled with the creativity and drive of young people is a powerful combination that also needs to be leveraged.

Conclusion

“You see things; and you say, ‘Why?’ But I dream things that never were; and I say, ‘Why not?’”

*George Bernard Shaw (1856 - 1950), “Back to Methuselah” (1921), part 1, act 1*

Greater Richmond is a different place than it was 15 years ago. Back then, it was at a crossroads and headed for the ditch. The ditch never materialized. Yes, some things are the same, but many things have changed. History and culture have a way of slowing things down – especially in Richmond. But the area has so much potential because it has so much to offer. Some of the pieces are there but some key ones are not. A new day is dawning and it needs to do more – much more. And it needs to do it together. The world has also changed in the last 15 years. Competitive forces are more extensive. The world can access Greater Richmond’s doorstep from afar and it can access theirs. The margins for error are thinner, but the opportunities more extensive. And demographics are knocking at the door. There is a wise old saying “*that to whom much is given, much is required.*” For Greater Richmond, much is given and much is required – and even more is expected. It’s about putting the future together.