

October 13, 2015

The Honorable S. Chris Jones
Virginia House of Delegates
P.O. Box 5059
Suffolk, VA 23435

Dear Chris:

Representing significant employers in Hampton Roads, we write with a sense of urgency about the economic future of our region.

Overly reliant on Pentagon spending and government-funded jobs, Hampton Roads languishes in last place among the nation's 100 largest metropolitan areas in recovering from the Great Recession and has fewer jobs today than it had in 2007.

Leaders in our region are attacking this crisis on a number of fronts. We know that our fate lies primarily in our own hands. However, **in one crucial respect, we need help from our state leaders.**

More prosperous and diversified metropolitan areas are being powered by adequately funded institutions of higher education in several important ways: (a) they are magnets for talented faculty and students; (b) they serve as major employers, developers and purchasers of goods and services; and (c) their researchers and graduates spin-off technological and bio-medical advances into new business opportunities.

Old Dominion University, Eastern Virginia Medical School, and Norfolk State University are indeed major economic drivers in our region. For this region to diversify and repair its economy, however, they need to play an even larger role. **Currently, these three flagship institutions are chronically underfunded compared to their peer institutions and are on the bottom rungs of the state's "base adequacy funding" ladder.**

This disparity in state funding exacerbates the fiscal stress placed on three institutions which disproportionately focus on educating Virginia residents. Approximately 87% of students enrolled at ODU and at NSU reside in the Commonwealth, and EVMS supplies approximately 25% of the region's doctors and over 1,150 of its health professionals. Further, these schools serve a disproportionately greater population of first-generation college students, military families, minorities and Pell Grant recipients. These are not students who can afford significant tuition increases.

Given the size of our population, the recovery of the Hampton Roads economy is crucial to the economic growth of the Commonwealth, and increased funding for ODU, EVMS, and NSU is critical to that recovery and an equity issue for our region.

With respect to ODU, additional base adequacy funding will result in improving its student/faculty ratio from an unacceptably high 20:1 to a 17:1 ratio that will bring it more in line with its peer institutions. Other ODU funding imperatives include the establishment of the Center for Sea Level Rise & Coastal Resiliency, a partnership between ODU, VIMS and W&M that could make Hampton Roads a nationally recognized center of excellence in this field.

EVMS, if adequately funded, has the potential to become a national leader in healthcare analytics and community-based clinical care, urgent priorities for a region plagued by abnormally high incidences of diabetes, cardiovascular disease and other conditions with widespread community impact unique to Hampton Roads. EVMS currently receives only 85% of the funding that is recommended by the State Council on Higher Education (SCHEV) under the guidelines for base adequacy. We support funding of SCHEV's recommendation of an additional annual appropriation of \$4.3 million for EVMS. We also support establishment of a Consortium for Public Health and Population Health Sciences, a partnership between EVMS and ODU that also includes participation by NSU and W&M. It promises to improve public health care in a way that could make Hampton roads a nationally recognized center of excellence in this field as well.

Norfolk State needs \$17.2 million in FY 2017 and \$19.3 million in FY 2018 to achieve 100% funding of the established student financial assistance funding model. Anything less than an additional \$5 million per year will threaten NSU's accreditation under the prevailing accreditation standards.

Finally, we urge you to include the capital-project priorities of these institutions in any capital investment strategy adopted by the Commonwealth in 2016: new Chemistry and Health Sciences buildings at ODU; a Health Professions academic building at EVMS; and a replacement Science Building at NSU, all of which are crucial to the region if it is to be successful in constructing a more diverse economy powered by technological and bio-medical advances.

Enclosed is additional information on the funding requests of each institution and the case for supporting their requests. We thank you in advance for your support of these South Hampton Roads institutions of higher education. Our economic future depends on it.

Respectfully,

Chuck McPhillips, President
Greater Norfolk Corporation

Craig Poppen, President
Virginia Beach Vision

Harry Lester
[Hampton Roads Business Roundtable?]

Ken Alexander

Gil Bland

Jeff Ainslie

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