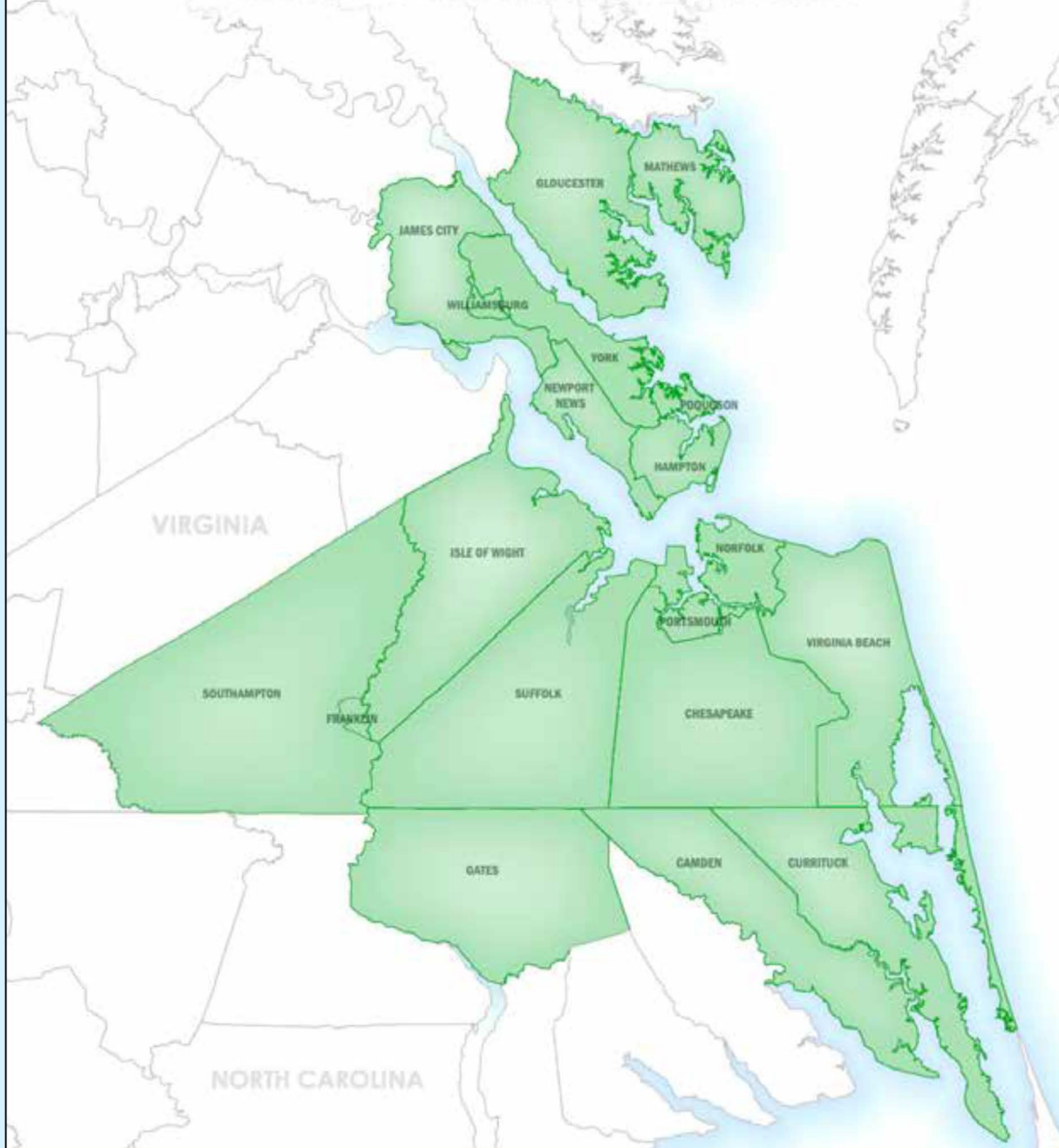




The State of the Region

HAMPTON ROADS 2022

**VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC
METROPOLITAN STATISTICAL AREA**



October 2022

Dear Reader:

This is Old Dominion University's 23rd annual State of the Region Report. While it represents the work of many people connected in various ways to the university, the report does not constitute an official viewpoint of Old Dominion, its president, Brian O. Hemphill, Ph.D., the Board of Visitors, the Strome College of Business or the generous donors who support the activities of the Dragas Center for Economic Analysis and Policy.

Over the past year, we have experienced the continued uncertainty of the COVID-19 pandemic, the rise of inflation, and geopolitical shocks that have affected our daily lives. We live, for better or worse, in uncertain times, and our resilience is likely to be tested in the coming years. The question before us remains the same as in many previous reports: How can we invigorate economic growth as a region that raises the fortunes of all, not just the most fortunate?

We only need to look at neighboring metropolitan areas for examples of how setting aside parochial differences and working together can yield a sum that is greater than its parts. Hampton Roads faces two generational challenges: sea-level rise and the revolution in military affairs due to the transformative impact of unmanned weapons on the modern battlefield. If challenge and opportunity are two sides of the same coin, we must move beyond talk and into action, else we may be left behind.

Our work seeks to inform without minimizing the challenges facing the region or downplaying the opportunities to emerge stronger and more resilient from the experiences of the past.

The 2022 State of the Region Report is divided into six parts:

Inflation, Drones, and the Economy of Hampton Roads

2022 may be characterized as the "best of times and worst of times."

Unemployment continued to fall, wages continued to rise, and homeowners experienced rises in property values. Hotels continued to rebound from the COVID-19 economic shock and the Port of Virginia experienced record volumes of cargo traffic. On the other hand, prices at the grocery store, gas station, and, it seems, almost everywhere else, continued to rise. Employers struggled to find the right employees at the right time and economic sentiment soured. Russia's invasion of Ukraine highlighted the continuing revolution in military affairs brought about by drones and other unmanned systems. We ask how Hampton Roads fared over the past year and prospects for growth in 2023.

The Rent is Too Damn High: Housing in Hampton Roads

Is Hampton Roads an affordable place to live? At first glance, median rents and housing values are below those of the closest major metropolitan areas. Comparing housing costs to household income yields a different conclusion: More than 1 in 3 households in Hampton Roads paid more than 30% of their income for housing, and 1 in 7 households paid more than 50% of their income

for housing. In this chapter, we explore housing affordability in Hampton Roads, Virginia, and the United States and ask what the region can do to make housing more affordable.

Splish – Splash – Cash: Swimming in Hampton Roads

Hampton Roads is known for its relationship with water. For some, it is too much water in the wrong place at the wrong time. For others, it is how water can transform lives. Hampton Roads is home to several premier swimming organizations, and Hampton is opening a state-of-the-art aquatics facility. We explore how swimming is intertwined with the history of the region and the economic impact of the sport on the economy and lives of the region's residents.

Does Hampton Roads Have Enough Nurses?

In 2021, nursing ranked again as the most trusted profession in the United States. Yet, even though many Americans view nurses favorably, nurses have been the target of conspiracy theories, verbal abuse, and physical violence. As more nurses report symptoms of burnout and some are quitting the profession entirely, we explore the coming shortage of nurses in Hampton Roads, Virginia,

and the United States and ask what factors limit the supply of nurses in the region.

Strangers in a Strange Land: Finding Refuge in Hampton Roads

In 2022, a record-breaking 100 million people were forcibly displaced, fleeing war, persecution, and other forms of violence. This humanitarian tragedy has been fueled by conflicts in Ukraine, Afghanistan, and other hot spots around the globe. This chapter explores how these developments are affecting Hampton Roads, which has received more than 300 Afghans and other political refugees over the past 18 months.

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

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All 23 State of the Region Reports are available at www.ceapodu.com. A limited number of printed copies of the 2022 State of the Region Report are available for purchase for \$50 each. If you have comments or suggestions, please email us at rmcnab@odu.edu.

Sincerely,



Robert M. McNab

Director of the Dragas Center for Economic Analysis and Policy

Perhaps I Won't Go to Law School After All: Lawyers in Hampton Roads

While movies and television shows portray lawyers as members of high society, with expensive cars and tastes, the reality in Hampton Roads is grittier. Between 2005 and 2021, lawyers' real income in the region declined by more than 25%. In this chapter, we explore the supply of lawyers in Hampton Roads and whether we are producing too many lawyers for economic conditions in the region. We ask what the future may hold for the legal profession in Hampton Roads, Virginia, and the nation.

Thank you to our partners

The George and Grace Dragas Family Foundation

The Dragas Family is proud to support Old Dominion University’s sound economic analysis and policy work for the betterment of the people of Hampton Roads and the Commonwealth of Virginia.



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Table of Contents

Inflation, Drones, and the Economy of Hampton Roads . . . 3

The Rent is Too Damn High: Housing in Hampton Roads . . . 41

Splish – Splash – Cash: Swimming in Hampton Roads . . . 71

Does Hampton Roads Have Enough Nurses? . . . 93

Strangers in a Strange Land: Finding Refuge in Hampton Roads . . . 123

Perhaps I Won't Go to Law School After All: Lawyers in Hampton Roads . . . 141

Cover: Defense.gov

Inside Front Cover: Hampton Roads Planning District Commission

Page 27: Shara Weber

Page 34: Navy.mil

Page 90: Clancy and Theys

