Virginia

RVA757 Connects releases plan for global internet hub

Group calls for digital infrastructure growth across Richmond, Hampton Roads

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BY KATHERINE SCHULTE

RVA757 Connects, a nonprofit focused on regional cooperation for economic development in Richmond and Hampton Roads, released on Thursday its 10-point strategic plan for transforming the "megaregion" into the next global internet hub.

Virginia is already home to the world's largest internet hub in Loudoun County's Ashburn area, which has the <u>world's greatest concentration of</u> <u>data centers</u> — Data Center Alley — through



RVA757 Connects President and CEO John Martin presents the organization's digital infrastructure map in Williamsburg on Sept. 28. Photo courtesy RVA757 Connects.

which more than 70% of global internet traffic is routed. From 2017 to 2021, data centers <u>contributed \$54.2 billion</u> to Virginia's gross domestic product, according to a PricewaterhouseCoopers study released in September. And now RVA757 Connects hopes to build similar success across the megaregion.

Internet hubs have subsea and terrestrial cable landing points and access to physical fiber networks, a combination of data centers and internet exchange points, and internet service providers, according to RVA757 Connects, which defines a global internet hub as "a physical location that facilitates the exchange of internet traffic among multiple networks, internet service providers, content delivery networks and other interconnected entities."

The larger area stretching from greater Richmond to Hampton Roads has multiple strengths in digital infrastructure, said John Martin, president and CEO of RVA757 Connects, as he presented the plan during the organization's 2023 Convergence conference, held at the Williamsburg Lodge. "It's really going to take two cities to make the next global internet hub," he said.

Virginia Beach currently has three subsea cables that land in the Camp Pendleton area: MAREA, which connects to Spain; BRUSA, which connects to Brazil and Puerto Rico; and DUNANT, which connects to France. The landing site has the capacity for a fourth cable, according to RVA757 Connects.

Virginia Beach-based Globalinx Subsea Colocation is <u>building four more subsea bore pipes</u> in the city's Sandbridge area, the city announced in May 2022.

The megaregion currently has 12 data centers, including the QTS Data Centers and Meta data center campuses in Henrico County. <u>QTS' network access point in Henrico</u>'s White Oak Technology Park connects to the three cables that come through Virginia Beach.

The first strategy in the plan is establishing a global internet hub industry council, which the organization has done by converting the work group that developed the strategic plan and a map to show investors into a subcommittee of RVA757 Connects. So far, the organization has raised approximately \$100,000 for the council, including a \$50,000 grant from the Hampton Roads Community Foundation.

Its second strategy is to brief cities and counties in the I-64 corridor from Richmond to Hampton Roads. The council plans to give each jurisdiction a briefing.

"We've got to get everybody to understand, time kills deals. So if somebody comes to you" with a proposal for a digital infrastructure project, "already be educated so you can say yes or no, but don't have to study it then," Martin said.

Third, the organization plans to increase digital infrastructure investors' awareness of the corridor and its assets by sending resources like a map graphic showing the region's cable landing points, data centers and other relevant resources.

Fourth, the organization plans to support the growth of "robust local internet networks" by promoting the need for additional investment and creating an inventory of existing internet routes.

The fifth strategy is to pitch Virginia as a place for more international subsea cable landings. The internet hub council will work with Virginia Beach and the Hampton Roads Alliance to promote available sites — like the approved Sandbridge site — and to create and communicate no-anchor zones.

"We're also working with the Coast Guard because, believe it or not, these cables — sometimes anchors get dropped on them ... so we've got to have a very sophisticated communication system to tell ships, 'You're in a no-anchor zone,'" Martin said.

The sixth strategy is for the council to work with GO Virginia and other economic development organizations to inventory and market sites for potential data centers.

Next, the group plans to encourage the growth of the region's internet exchanges (IXs) and internet exchange points (IXPs), which are physical locations where internet companies like internet service providers connect and exchange internet traffic. These allow networks to connect directly, rather than through third-party networks, creating shorter routes for internet traffic. Currently, the only one in the corridor is a DE-CIX point in Henrico's White Oak Technology Park. DE-CIX is a carrier- and data center-neutral internet exchange with operations in North America, Africa, Asia, Europe and the Middle East.

The eighth strategy is to support the concept of a fiber network ring — completing a regional ring in Hampton Roads, examining the need for one in the Richmond area and examining an I-64 corridor-long loop. Virginia Beach, Chesapeake, Portsmouth, Norfolk and Suffolk are building a 119-mile fiber ring managed by the Southside Network Authority with an expected completion in summer 2024. The Hampton Roads Planning District Commission is overseeing construction of a fiber extension to the Isle of Wight and Southampton counties.

The council's ninth strategy is promoting utility Dominion Energy's ability to provide power to digital infrastructure. In July 2022, Dominion said it wouldn't be able to meet Loudoun County data centers' demand for electricity until 2026 as it built out infrastructure. But data center development continues, and Dominion has accelerated some projects and is working with developers on some projects in individual cases, Washington Business Journal reported in March 2023.

The I-64 corridor can benefit from being near a large hub like Ashburn because as the area becomes more expensive and reaches its growth constraints, the Richmond area can present an attractive, less expensive alternative for developers, said Jon Hjembo, senior research manager for market research company TeleGeography.

"You have tons of intercontinental traffic moving straight through here, going to Ashburn," Hjembo said. "Find out who these potential partners who are ... generating traffic, building these networks, and take advantage of the fact that you're at this crossroads, both on the Eastern Seaboard itself, but also between Ashburn and the rest of the world."

For its 10th strategy, the council will work to advance the corridor's tech talent pipeline, from K-12 through higher education. The plan also includes a potential second component to the tech talent pipeline — a focus on advancing digital equity. The organization is working on bringing to the region the nonprofit PCs for People, which provides low-income families, nonprofits and individuals with low-cost computers, free training and no- to low-cost internet service. VIRGINIA'S NEWS LEADER

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I-64 widening east of Richmond to start in November

DAVE RESS Richmond Times-Dispatch

Work is set to begin in November on widening Interstate 64 east of Richmond, with the aim of completing a six-lane superhighway connection to Hampton Roads, said Virginia Department of Transportation Commissioner Stephen Brich. The aim is to add a third lane

in each direction on I-64 in New Kent County and the northern reaches of James City County.

The wider highway would connect with the recently widened section of I-64 between mate of \$277.8 million. Newport News and Williams- A team of Shirley Contracting

The widening in New Kent and James City, along with the lanes already added between between mile 215 and mile 224, Newport News and Williams-burg and the two new tunnels underway next to the Hampton Roads Bridge-Tunnel, will tackle the chronic traffic jams that cost \$244 million. frustrate shippers moving cargo between Interstate 95 and port spring for the third segment, be-

facilities in Hampton Roads. The first work, east of Rich-mond, will carve away at the median between mile 205, by the Bottoms Bridge exit, to mile 215, just east of the exit for Route 155 and Providence Forge, Brich told a conference hosted by the RVA757 Connects business group, which seeks to promote economic progress in Richmond

and Hampton Roads. Work on this segment is slated to finish in July 2027 and will cost \$210 million. The cost is coming in below VDOT's esti-

and the Dewberry design firm won the contract.

which is 4 miles east of the exit for Route 33 and West Point, is set for completion in April 2028. VDOT has estimated it would VDOT will seek bids next

tween miles 224 and 233 - where the already-widened portion of I-64 begins. This portion is supposed to be finished in Novem ber 2027. VDOT estimates this cost at \$231.8 million. The budget compromise the

General Assembly enacted this year includes \$150 million more for widening I-64 in New Kent and James City counties, while the Central Virginia Transpor-tation Authority, the Richmond regional body that deploys funds from the region's sales and fuel tax surcharges, has committed \$100 million to get started on what is likely to be a \$750 million project when it is completed. The highway between New-

port News and Williamsburg was widened in the same way as is planned for the work east of Richmond – by cutting into the median between eastbound and westbound lanes. That often meant using the shoulder as a travel lane.



This view shows Interstate 64 near the Bottoms Bridge exit in New Kent County. The first I-64 widening work will carve away at the median between mile 205, by the Bottoms Bridge exit, to mile 215, just east of the exit for Route 155 and Providence Forge.

Richmond and Hampton Roads regions' economic future. have argued that adding lanes in the final 29 miles of I-64 Dave Ress between Richmond and Wil- (804) 649-(804) 649-6948 Business groups in metro liamsburg is critical for the two dress@timesdispatch.com

VIRGINIA GAZETTE

Economy is resilient, but could slow next year, business leader says



Jason El Koubi, who is leading Virginia's plan to drive growth as president and CEO of Virginia Economic Development Partnership, spoke at the annual Convergence Conference on Thursday at the Williamsburg Lodge.

By **BRANDY CENTOLANZA** | bcentolanza@cox.net | Correspondent PUBLISHED: September 29, 2023

WILLIAMSBURG — Business, education and community leaders from Richmond and throughout Hampton Roads gathered on Thursday for the annual Convergence Conference as they prepare for the formation of a megaregion designed to drive economic prosperity into the future.

The event was held at the Williamsburg Lodge with 175 people in attendance, most from Chamber RVA, Hampton Roads Chamber and RVA757 Connects. The three entities are leading efforts for a megaregion status known as the I-64 Innovation Corridor with the intent of becoming the world's next global internet hub. "We are trying to bring two unique regions together for the betterment of all," Bryan Stephens, president and CEO of Hampton Roads Chamber, said in his opening remarks. This year's conference focused on the I-64 Innovation Corridor's economic outlook as well as the strategic plan for global internet hub designation. Several speakers offered their thoughts on the current state of the economy as well as what it will look like heading into 2024.

Renee S. Haltom, regional executive and vice president of research communications at the Federal Reserve Bank of Richmond, said that despite predictions earlier this year of a recession, "the economy has proven to be very resilient and continues to surprise on the upside. The economy looks pretty good."

However, she does anticipate the economy will slow in 2024. While this year mostly saw what was dubbed as "revenge" spending on goods, services and experiences following the pandemic and shutdowns as consumers looked to "make up for lost time and spend more time with loved ones," the savings they had accumulated during the lockdowns are being depleted. So soon, there may be less money for them to spend.

"That's something that will influence the economy going forward," Haltom said.

A tight labor market, the continued housing shortage and inflation will also be factors that will affect the economy.

"Inflation is still elevated, so expect rates to stay high," she said.

Virginia's job growth remains "tepid," she added, and localities will need to focus on ways to improve working conditions to attract employees.

Jason El Koubi, who is leading Virginia's plan to drive growth as president and CEO of the Virginia Economic Development Partnership, shared that in order to compete, the I-64 Innovation Corridor must focus on four key industry clusters that are generating the jobs of tomorrow: logistics/distribution/supply chain; pharmaceutical manufacturing and life sciences; data centers/digital network; and national security/cybersecurity.

"We've got to perform really well in these sectors," he said. "We've got some work to do."

The goal, El Koubi said, is to create ecosystems with dedicated teams that will listen to what workers in these areas need and offer support in order to help them thrive.

The I-64 Innovation Corridor is on its way to adding more jobs in the supply chain field with the expansion of the interstate from Virginia Beach up to Richmond. Completion of the project will make it quicker and easier for the Port of Virginia to transport goods onto I-95 points north and south on the East Coast.

Those in attendance at the conference also heard an update on plans for the I-64 Innovation Corridor to become the next global internet hub. Internet hubs are physical locations where carrier networks, content delivery networks, social networks, cloud services and hosting and IT service providers co-locate and interconnect. These hubs have become more relevant in light of the pandemic, as more remote workers now depend on reliable home-based internet access.

RVA Connects would like to emulate the I-64 Innovation Corridor's hub after the hub in Marseille, France, which has become one of the world's fastest growing global internet hubs in the past decade.

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