



CHESAPEAKE, VA. CREATING A BUSINESS CLIMATE WHERE INNOVATION THRIVES.

ANNUAL REPORT 2015



City of Chesapeake Economic Development Department

676 Independence Parkway, Suite 200, Chesapeake, Virginia 23320

Tel: 757.382.8040 Fax: 757.382.8050

www.chesapeakeva.biz research@chesapeakeva.biz



Top Accolades

#10 among The Hardest Working Cities in America (2015)
WalletHub.com

Small Business Community of the Year (2014)
U.S. Small Business Administration

#87 among Millennial Magnets (2014)
USA Today

#19 among The Best Cities for Hispanic Entrepreneurs (2014)
WalletHub.com

#48 among America's 50 Best Cities to Live (2014)
24/7 Wall Street

#19 among Best Cities for Quality of Life (2014)
NerdWallet

AAA bond rating (2014)
Standard & Poor's, Fitch Ratings

Aa1 bond rating (2014)
Moody's Investors Service

#6 among The Best Run Cities in America (2012)
24/7 Wall Street

#21 among America's 50 Best Cities (2011)
Bloomberg Businessweek

In Chesapeake, our entrepreneurial spirit and focus on innovation drives us, and we're creating a city where people and businesses alike can thrive.

Start-up companies like the Big Ugly Brewing Company were able to take a leap of faith and build a craft-brewing venture. German-owned Becker Hydraulics launched its first U.S. manufacturing production facility in Chesapeake, and a company that started out as a handful of variety and toy stores has transformed itself into a Fortune 500 company called Dollar Tree.

Year after year, Chesapeake's economy also continues to generate multi-million dollar business investments and high-demand jobs.

Significantly, a key to that growth has been Chesapeake's investment in itself. Right now, we're building the largest municipally-managed project in Virginia. A \$345 million investment called Veterans Bridge, the project will break the back of congestion on Dominion Boulevard and create new opportunities for everyone.

We're achieving national recognition for our accomplishments too. The U.S. Small Business Administration has named Chesapeake the "Small Business Community of the Year," and USA Today ranked us among the "Top 100 Best Cities for Millennials."

Our focus on the future has paid off with yet another national accolade. WalletHub.com listed Chesapeake as one of "The Hardest Working Cities in America." Add to the mix the best schools in Hampton Roads located in one of America's safest cities, and you have a positive climate and strong foundation upon which to grow and prosper.

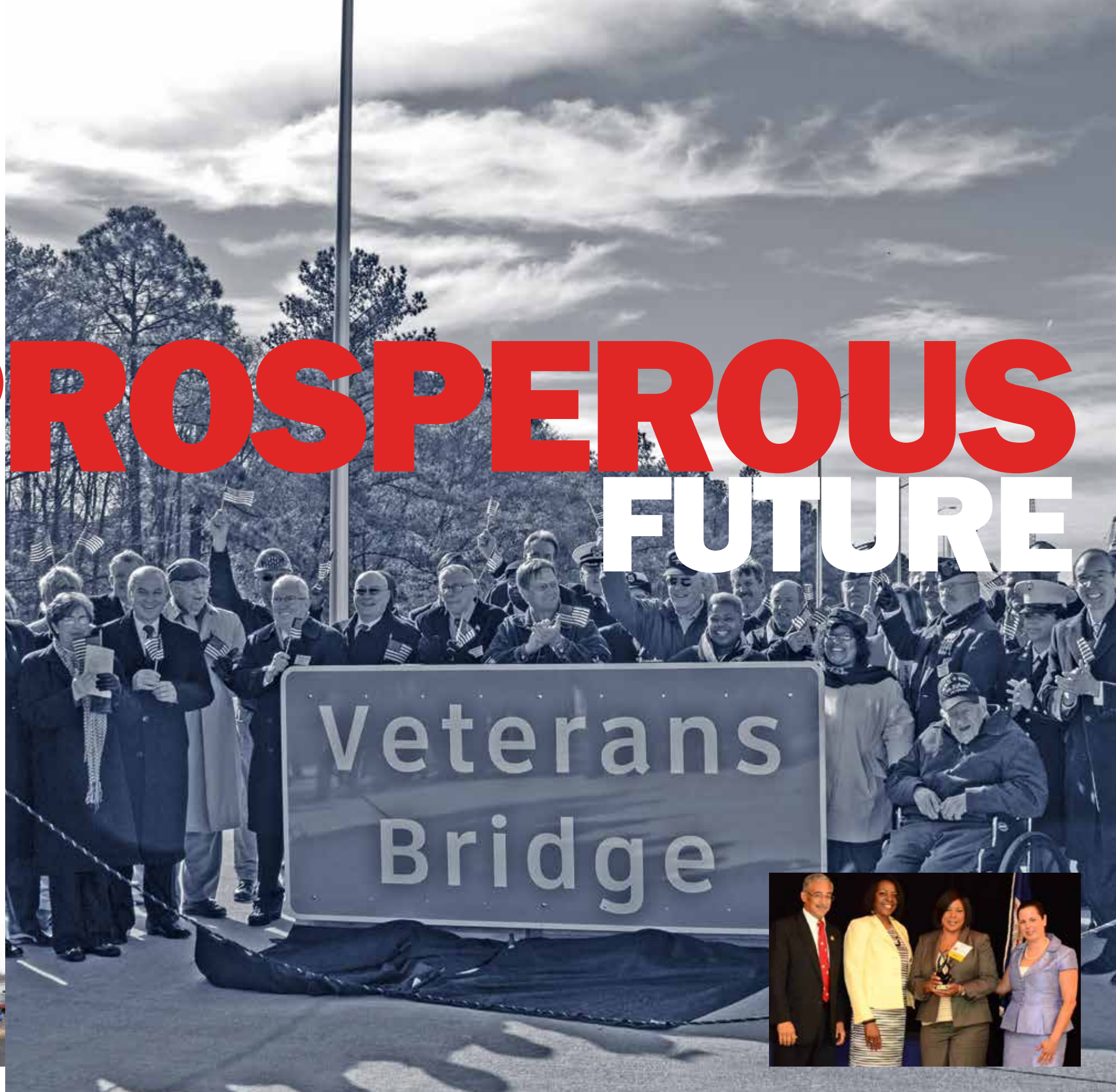
Our community also knows how to relax and have fun. Chesapeake's natural resources - waterways, bike trails and parks - are perfect places to unwind and recharge.

And if we don't have it in Chesapeake, we're not afraid to take chances on dreamers of all shapes, sizes and backgrounds.

Because if you believe in Chesapeake, then we will believe in you.

Mayor Alan P. Krasnoff

PROSPEROUS FUTURE



EVENT TIMELINE

✂
02/05/14
Regus Inc.
Ribbon Cutting

✂
02/07/14
CrossFit Njörd
Ribbon Cutting

✂
02/12/14
DESMI Inc.
Ribbon Cutting

★
03/10/14
Perdue AgriBusiness
2014 Agribusiness of the Year Award

★
05/06/14
Angela Barber,
Chesapeake Small Business Development Coordinator
2014 Woman in Business Champion of the Year Award



BFPE International has more than doubled its office and warehouse space with the opening of its new 12,000-square-foot regional headquarters location in Chesapeake.

"Our company is proud and excited to remain in Chesapeake, Virginia. This new facility will allow us to grow and better serve our customers throughout the Hampton Roads region and beyond. I'm excited to be a part of it."

*Michael Beatty, Sr.,
Chesapeake General Manager,
BFPE International*

Investments in Chesapeake totaled \$152.6 million during 2014, and with that came the creation of 1,220 new jobs.

In addition, renewed leases from 74 companies totaled \$20.9 million and represented 468 saved jobs.

Becker Hydraulics USA, Inc.

invested \$540,000 and created 10 jobs

Big Ugly Brewing Company

invested over \$80,000

Capital One

created 390 jobs

Cinema Café

invested \$7.3 million

Coastal Precast Systems, LLC

invested \$6.2 million and created 154 jobs

Greenbrier Mall

invested \$2.1 million

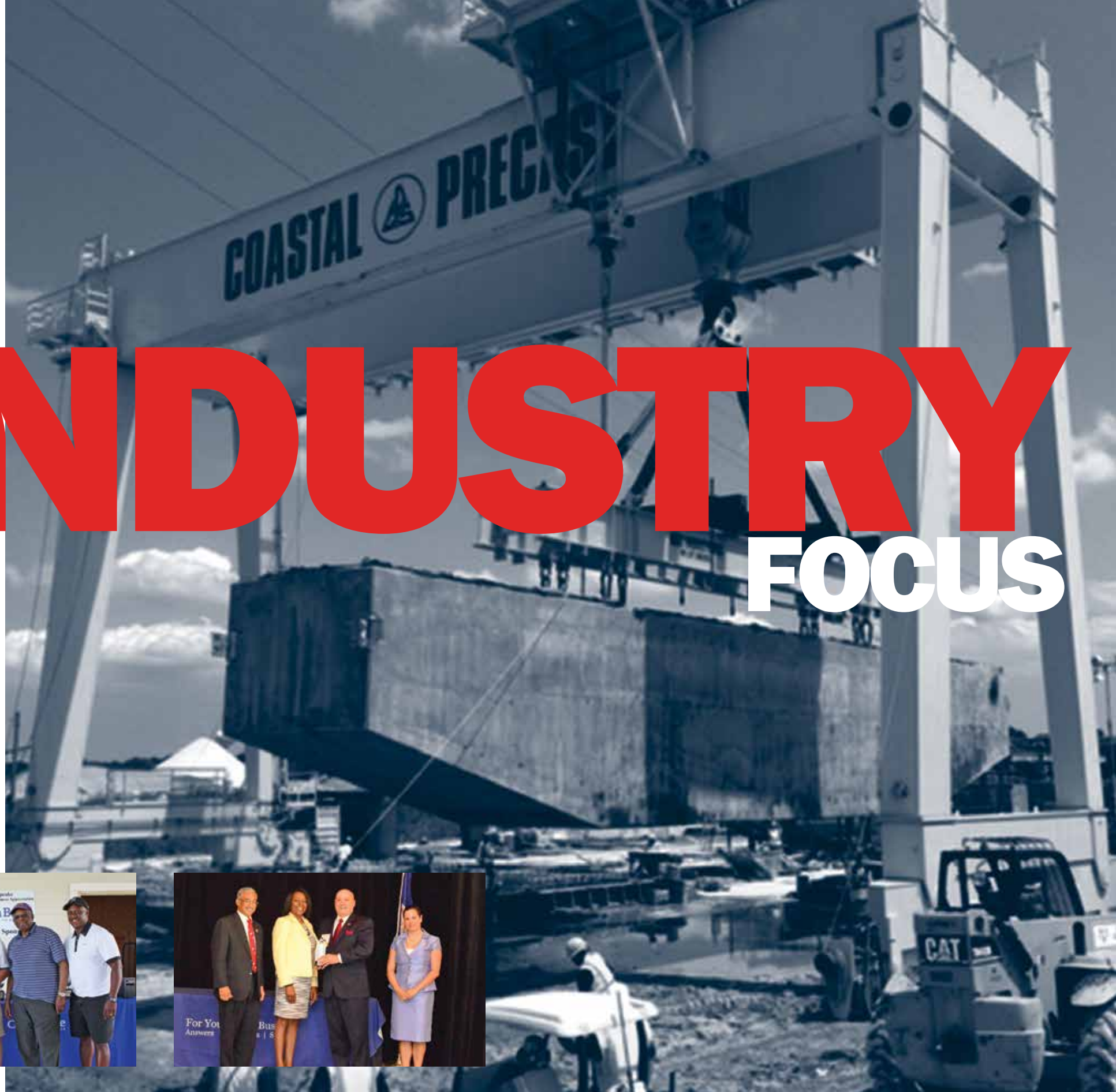
Hampton Roads Executive Airport

invested \$28.2 million

Walmart Neighborhood Markets

invested \$7.5 million

INDUSTRY FOCUS



EVENT TIMELINE

★ 05/22/14 ★

Oceaneering International Inc.
2014 Business of the Year Award

Coastal Precast Systems
2014 Waterfront Business of the Year Award

★ 06/13/14 ★

AVMAC LLC
2014 Sub-Contractor of the Year Award

City of Chesapeake
2014 Small Business Community of the Year Award



The City of Chesapeake and Tidewater Community College jointly dedicated the facility's new Precision Machining Lab, which prepares students for work in advanced manufacturing on 'smart' machines.

"The Chesapeake campus' Precision Machining Lab is the most current – but by far not the last – realization of TCC's commitment to the advancement of manufacturing and skilled trades in our community."

Lisa Rhine, Chesapeake Campus Provost, Tidewater Community College

Chesapeake Showcases Local Manufacturing Industry with Month-Long Celebration

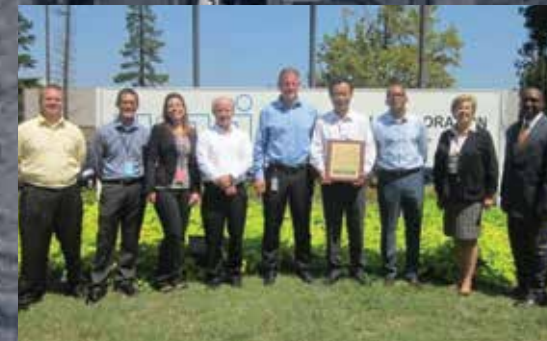
Over the past 10 years, more than 40 Chesapeake manufacturers have collectively generated \$306 million in new business investments and created over 1,100 new jobs, positioning the city to be an example of success for others.

In an effort to provide insight into industry workings and dispel common misperceptions about manufacturing, Chesapeake kicked off National Manufacturing Day in October 2014. The month-long celebration featured a series of events, including a scholarship challenge, roundtable discussion, proclamation reading and plant tours.

To kick off the month, donations totaling \$5,000 were made by local manufacturing companies to Chesapeake's scholarship challenge, which aimed to provide educational assistance to students pursuing manufacturing careers. Flowserve also contributed to the celebration by hosting a Military2Manufacturing roundtable discussion and plant tour. During the discussion, Chesapeake manufacturers considered steps for attracting exiting and transitioning military members and spouses to manufacturing careers.

"This is the first time Chesapeake celebrated National Manufacturing Day, but it won't be the last," said Steven Wright, director of Chesapeake Economic Development. "Chesapeake's manufacturing sector will not only continue to be a vital part of our local economy, but will also help pave the way for future growth in this region for years to come."

MANUFACTURING HUB



EVENT TIMELINE



06/18/14
Martin's Soul Food & Catering
Ribbon Cutting



06/20/14
Animal Medical of Chesapeake
Ribbon Cutting



08/02/14
Daisy Cakes LLC
Grand Opening



08/13/14
Usui International Corporation – Virginia Plant
Ford Q1 Supplier Award



The American Orthotic & Prosthetic Center received the Community Development award for Chesapeake at the 2014 Virginia Small Businesses Thinking Big Conference.

"It is an honor to be recognized with the Community Development award in Chesapeake. We are dedicated to providing our patients with high-quality care and service, and giving back to the small business community any way we can."

Michael Smith, Owner, American Orthotic & Prosthetic Center

Small Business Community Remains a Key Component of Chesapeake's Growth

While Chesapeake continues to actively pursue national and international opportunities, the city's commitment to its small business community is always at the forefront of Chesapeake's success.

In 2014, the U.S. Small Business Administration's (SBA) Richmond district office recognized Chesapeake with three awards, including the coveted Community of the Year award. Chesapeake was praised both for its innovative outreach programs designed to foster retention and growth, and its initiatives created to assist startups.

In addition to the Community of the Year award, Chesapeake's Economic Development and SWAM (Small, Women-owned and Minority-owned business) Coordinator Angela Barber was named SBA's Woman in Business Champion of the Year. Providing vital resources for women starting and growing their own businesses, Barber helped create the Advancing Women in Business Series. As a result of her efforts, Chesapeake is now home to more than 200 women-owned small businesses.

AVMAC LLC, which is headquartered in Chesapeake, was also recognized by the SBA as the Sub-Contractor of the Year. Since 2011, the company has doubled its number of employees, increased its revenue every year, and participated in the SBA's Small Business Development program, which helps businesses compete for government contracts.

Chesapeake Mayor Alan Krasnoff stated, "From the beginning, I've said small businesses and the entrepreneurs that grow them would be at the heart of our city's success story, and this proves it."

SMALL BUSINESS COMMUNITY



EVENT TIMELINE



09/10/14

757 Boxing and Fitness Club
Grand Opening

Shear Luxury Salon
Grand Reopening



10/02/14
BFPE International
Ribbon Cutting



10/14/14
National Manufacturing Month
Chesapeake City Council Proclamation



10/15/14
Murphy USA
Groundbreaking Ceremony



Dollar Tree Inc., a Fortune 500 company, established its corporate headquarters in Chesapeake eighteen years ago and has since grown into the largest discount retailer in North America and the largest public company in Hampton Roads. Dollar Tree has 4,900 locations and over 87,000 employees, including 1,400 in Hampton Roads.

"Dollar Tree continues to bring global recognition to Chesapeake as a prime business location for companies looking to manage their worldwide operations and distribution networks. We are fortunate to have Dollar Tree's visionary leadership as the company evaluates a long-term plan to develop a 70-acre site adjacent to its Greenbrier headquarters with high-density residential, retail and commercial development."

Steven C. Wright, Director,
City of Chesapeake,
Department of Economic Development

New Development Projects Planned Across the City of Chesapeake

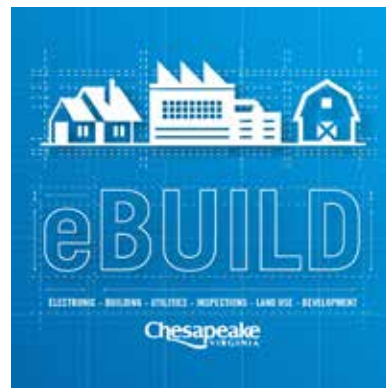
From redevelopment to new development, fresh opportunities are just around the corner for the city of Chesapeake.

Greenbrier, the largest mixed-use district in Hampton Roads, will add a new 54-acre industrial park with Oceaneering International as its first tenant. And with redevelopment opportunities such as the former Library site and the Southgate Plaza Shopping Center, South Norfolk continues to evolve as an attractive location for businesses, employees and residents.

The Dominion Corridor is poised for future growth with the construction of the \$345 million Veterans Bridge (Route 17), which has necessitated a Corridor Study to the North Carolina state border. In addition, local leaders have recently designated the approximately 4,000-acre Williams Farm property as a mega-site for the development of a non-residential manufacturing center.

With many projects in the pipeline, Chesapeake is committed to keeping citizens informed of updates and included in the process. The city plans to launch a new electronic permitting system, Chesapeake e-Build, for developers, planners, business owners and homeowners alike. Replacing existing systems such as EZ-Permits, Chesapeake e-Build is an integrated, digital program that gives citizens continual access to important information regarding residential and commercial projects and permits. With the new system, users can submit applications electronically for plan reviews or permits, pay for permits, schedule inspections, and identify projects in specific areas.

"We are constantly seeking and evaluating new development and redevelopment efforts, and keeping our valued residents in the loop has always been a major part of that process," said Chesapeake Mayor Alan Krasnoff. "It is no secret in our community that when opportunity comes knocking, Chesapeake always answers."



DEVELOPING DISTRICTS



EVENT TIMELINE

★
10/28/14
American Orthotic & Prosthetic Center
2014 Community Development Award for Chesapeake

✂
10/31/14
Tidewater Community College
Precision Machining Lab Dedication

✂
11/13/14
Einstein Bros Bagels
Ribbon Cutting

✂
11/15/14
State Farm
Ribbon Cutting