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Dear City Council, Citizens and Business Community,

I am happy to report that FY2012–2013 was a very good business year for our City. The Department of Economic Development recorded the creation of more than 2,200 new jobs and \$260 million in new capital investment by 54 project announcements. Thirteen percent of the projects announced capital investment totals of at least \$10 million, with the largest being the \$105 million expansion of the Town Center of Virginia Beach. Four international projects, including two U.S. headquarter locations, were announced as were eight small, women- and minority-owned company projects.

Virginia Beach continued to receive recognition as a leading global city, being named one of the “Top Five Overall American Cities of the Future” by *fDi Magazine*, and CNNMoney.com reported Virginia Beach as the “Easiest City to Start a Business,” as well as being the “2nd Friendliest to Small Business.” This type of success does not just happen by chance; it results from visionary leadership that does not shy from a commitment to big ideas and bold plans.

Our efforts do not happen in a vacuum; they require the help of many partners, and my sincere thanks go to all who share this Authority’s commitment to Virginia Beach. We were all saddened, though, by the unfortunate loss of one such partner this past year, as long-time Authority member Dan Brockwell passed away after a short illness. Dan brought a true passion for Virginia Beach to everything he did, and he will be missed. His legacies will help guide this Authority through what will, without doubt, be another banner year for our great City.

Respectfully,
John W. Richardson
Chair

VIRGINIA BEACH DEVELOPMENT AUTHORITY

John W. Richardson
Chair
Kaufman & Canoles

Elizabeth A. Twohy
Vice Chair
Capital Concrete, Inc.

C. Maxwell Bartholomew, Jr.
Commissioner
Dominion Virginia Power

Linwood O. Branch
Commissioner
Days Inn Virginia Beach

Dan H. Brockwell (1945–2013)
Treasurer
DAPARO Construction Services

Bryan D. Cuffee
Assistant Secretary
Gold Key/PHR Hotels & Resorts

Shewling Moy
Secretary
Coldwell Banker Professional Realtors

Peter K. Mueller
Commissioner
STIHL, Inc.

Robert L. Nicholson
Commissioner
East Coast Appliance, Inc.

Charles M. Salle
Commissioner
ADS, Inc.

Dorothy L. Wood
Commissioner
JD&W, Inc.

CITY LEADERSHIP

William D. Sessoms, Jr.
Mayor

Louis R. Jones
Vice Mayor
Liaison to the Virginia Beach Development Authority

Rosemary C. Wilson
Liaison to the Virginia Beach Development Authority

Glenn R. Davis
Bill R. DeSteph
Bob Dyer
Barbara M. Henley

John Moss
Amelia N. Ross-Hammond
John E. Uhrin
James L. Wood

VIRGINIA BEACH DEPARTMENT OF ECONOMIC DEVELOPMENT

Warren D. Harris
Director

Linda Assaid
Economic Development Technician/
Clerk to the Virginia Beach
Development Authority

Michelle Chapeau
Business Development Manager

Betty Clark
Executive Assistant to the Director

David Couch
Strategy Coordinator

Scott Hall
Business Development Coordinator

Steve Harrison
Business Development and
Research Manager

Ashley Hashampour
GrowSmart Associate

Rob Hudome
Project Development Manager

Lloyd Jackson
Business Development Manager

Karen Kehoe
GrowSmart Coordinator

Sean Murphy
Virginia Beach Development Authority
Accountant

CITY STAFF

James K. Spore
City Manager

Ruth Hodges Fraser
City Clerk

Mark D. Stiles
City Attorney

Robert S. Herbert
Deputy City Manager

Alexander W. Stiles
Associate City Attorney

Olivia O'Bry
Economic Development Assistant

Jeffrey Smith
Business Development Manager
(Small, Women- and Minority-Owned
Business)

Jerry Stewart
Workforce Development Coordinator

Svetla Tomanova
Marketing Assistant

Mark Wawner
Project Development Coordinator

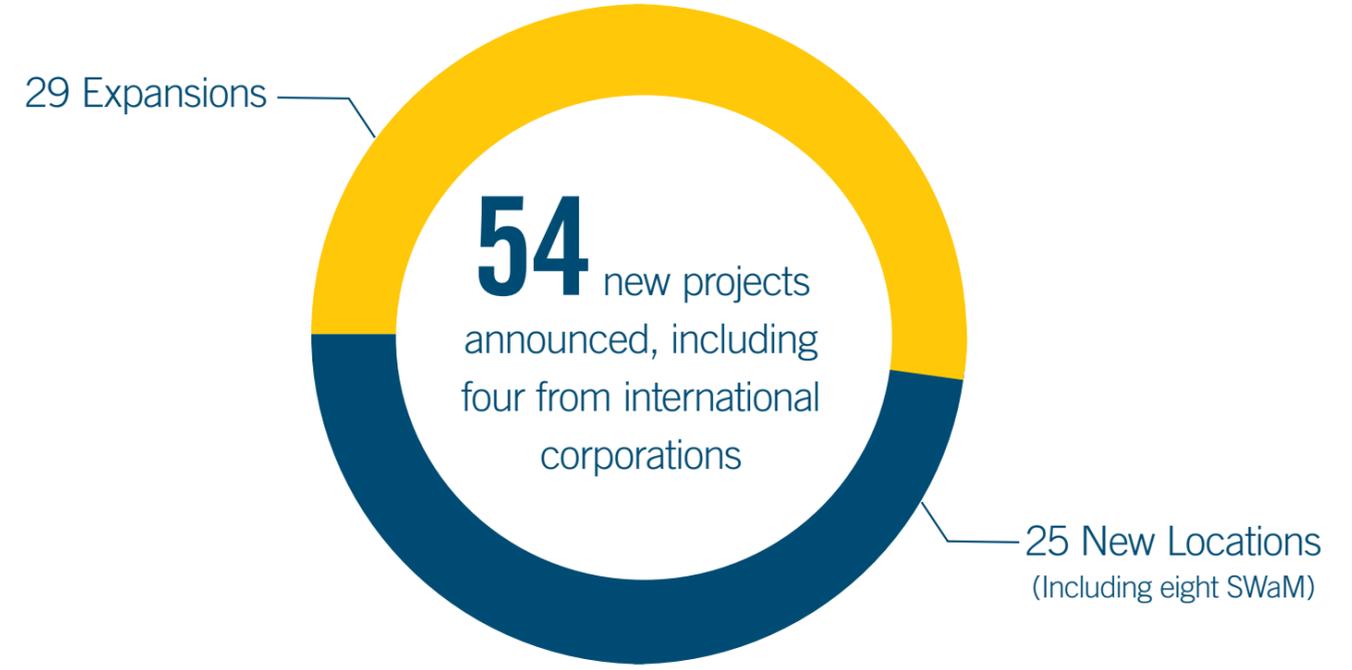
Ray White
Business Development Manager

GO FORWARD.

Global corporations continue to flock to Virginia Beach. In the last fiscal year, four more companies headquartered outside of the U.S. chose to relocate here.

THE VIRGINIA BEACH BUSINESS COMMUNITY INVESTED **\$260 MILLION** IN NEW CAPITAL

\$ = 5 MILLION



Investment in more than **1.3 MILLION** square feet of new and existing commercial space.

1,300+ jobs retained through existing industry expansion.

More than **2,200** new jobs created, a 100% increase over the last fiscal year.

GO BIG

“ We call Virginia Beach home, but most of our business—about 60 percent of it—is with big, national retailers like Ford Motor Company, like Firestone, like the New York Yankees.”

Craig Rohde
President, Architectural Graphics Incorporated (AGI)

AGI has almost quadrupled its size over the last seven years, and their scope of work is growing, too. One of the company's major projects was signage for the new Yankee Stadium.





Forward-thinking and focused on business growth, Virginia Beach was named one of the Top 5 Best Overall American Cities of the Future.*

Virginia Beach attracted national attention in 2012, when the City unveiled plans for a proposed new arena—a \$300 million, 18,500-seat, 750,000sf project in the Resort & Convention District. Initially developed in partnership with Comcast-Spectacor, the goal was to attract and secure a major professional sports franchise.

Intense negotiating and strategic research confirmed Virginia Beach's status as a top-tier market. In all categories—population, income, corporate inventory, quality of life, cost of living, and media market—the City ranked strongly when compared to cities that currently house a major professional sports franchise.

Development of a major arena in Virginia Beach remains a priority. More than 150 event nights are projected per year – including concerts, sporting and entertainment events, and major conventions – which would add to the City's facility inventory, and increase revenue.

*Rated by fDi Magazine

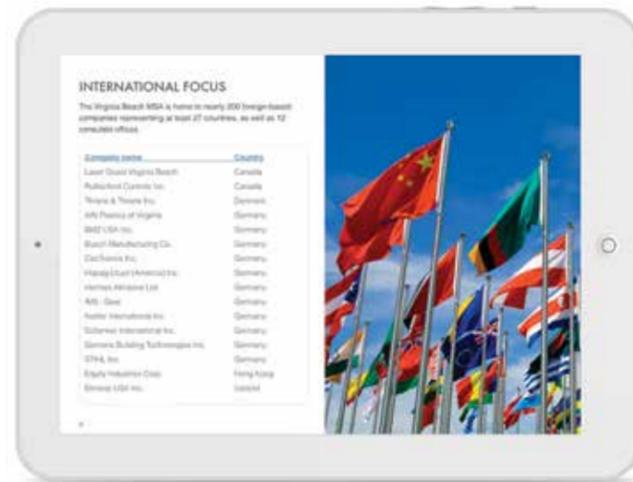
A large graphic featuring the words "GO" and "EXCITE." in a bold, sans-serif font. "GO" is in white with a slight shadow, and "EXCITE." is in yellow. The background is a dark, blurred image of stadium lights, with a silhouette of a person in the foreground with their arms raised in a celebratory gesture.

GO
EXCITE.

MARKETING

Recognized as a national leader in the field of economic development, Virginia Beach is continually expanding marketing initiatives to reach a broader audience. In FY2012-2013, Virginia Beach Economic Development focused on the most effective marketing tools—direct face-to-face contact and electronic communications—aggressively pursuing national and international businesses.

33
PERCENT
OF ALL PROSPECT
ACTIVITY
WAS INTERNATIONAL.



Targeted industry iBooks are in development, which will provide an accessible and in-depth look at the City's business strengths by industry type.

FACE-TO-FACE MARKETING

VBDED staff participated in 11 international marketing events, as well as 48 national marketing events—a 25% increase over the previous year.

Outreach events included:

- 5 missions to meet with site selection consultants
- 11 special events
- 16 trade shows
- 9 marketing missions
- 18 trade and professional conferences

VBDED staff had face-to-face meetings with more than 720 business decision makers and consultants, introducing and promoting Virginia Beach as a world-class corporate destination.

DIGITAL MARKETING

As mobile technology becomes increasingly prevalent, the Department has made a concerted effort to broadcast information through newly developed digital marketing materials and social media. Information about the City now reaches clients directly; good news is shared via real-time updates.

In FY2012-2013, the Department designated a digital media manager to help incorporate new technologies into its overall marketing program.

Digital Marketing Materials:

- VBDED became the first economic development department to convert marketing materials into interactive iBook formats, featuring accessible data, photos, and videos highlighting the City's business advantages.
- The highly successful targeted email blast program continued, with 22 quarterly e-newsletters, video testimonials and project announcements released to more than 5,500 subscribers from the U.S. and around the world. Opens were recorded at 20,208—reaching rates as high as 27%, nearly 40% higher than the standard for economic development emails.

SOCIAL MEDIA

- Created new profiles on Twitter and LinkedIn.
- Established a YouTube channel for all business testimonial videos.
- Expanded the Department's presence on Facebook, sharing more business-related news with stakeholders, media and others. Messages were shared by many influential parties, including Huntington Ingalls Industries, *fDi Magazine*, and the Port of Virginia.
- Gained close to 1,000 followers on the Department's social media platforms in the first four months.

ADVERTISING

- Web banner advertising was concentrated on a network of news-related sites, including Washington Times, ABC News, NY Daily News, Philadelphia Inquirer, Boston.com, Washington Post and Associated Press.
- Unique website landing pages were created for each web banner, increasing effectiveness with messaging specific to each geographic market targeted.
- The campaign yielded a total of 5,053,841 impressions and more than 8,198 clicks to YesVirginiaBeach.com.



GO EXPLORE.

An innovative new research program provides an in-depth look at the City's business climate—a key resource for citizens, businesses, and prospects.

RESEARCH AND INITIATIVES

The Virginia Beach Department of Economic Development created a formal research program in FY2012-2013, expanding the database of information regarding the City's business climate. Resources are now more readily available to the business community. A research manager and marketing assistant were also hired, ensuring that VBDED can easily provide custom reports for prospects and serve as a one-stop shop for City information.

The goal: To develop a Proactive Research Program where information is pushed to stakeholders immediately, rather than only when requested. The Department now has an additional focus on the following areas:

- Prospective and Existing Company Research
- Demographic Analysis
- Targeted Industry Analysis
- Mapping
- Real Estate Database Collection and Analysis
- Workforce Data Collection and Analysis

VBDED also revised and re-launched its Virginia Beach Community Profile document as an in-depth look at the City's demographics, target industries, workforce and education, quality of life, and business costs. The 48-page document was featured as an insert in *Inside Business*, and also made available online as an iBook and on yesvirginiabeach.com.

Finally, work began on a new website and mobile-friendly application which will allow interested parties to gain access to more information about Virginia Beach in an easy-to-use format.

INTERNATIONAL BUSINESS

Global trade is big business in Virginia Beach, with 20 international-based firms having their U.S. or North American headquarters here.

Additionally, more and more Virginia Beach-based companies are expanding into overseas markets, including Asia, South America, Europe and Australia. To capitalize on the City's universal appeal, international marketing programs expanded and strengthened in FY2012-2013 with a seventy-five percent increase in international prospect activity. Staff participated in nine overseas marketing trips to nine different countries, while using digital outreach to expand into three additional countries.

Four major business announcements were made during FY2012-13:

- **Koster American:** announced a \$4.6 million, 44,000sf expansion of their U.S. headquarters and manufacturing facility
- **PRUFREX USA Inc.:** announced plans to locate their U.S. headquarters and manufacturing facility to Virginia Beach, a \$7.33 million investment that will create 60 new jobs
- **DaiEi Papers:** relocated their U.S. headquarters to Virginia Beach, leasing 5,100sf of office space and creating 10 jobs
- **Hi-Logic:** opened their U.S. headquarters office, leasing 1,000sf in Town Center

Last year also marked an increased focus on German business. Forty-seven percent of all international companies in Virginia Beach are based in Germany, and of those, fifty-seven percent serve as U.S. or North American headquarters for their parent companies. These strong ties led to two major international initiatives. German web banner advertising now leads to a unique web page highlighting the City's resources for international companies. In addition, the City engaged PSD Global and opened its first European office in Dusseldorf, Germany, a central location from where prospects can be developed throughout Europe.



12 INTERNATIONAL MARKETING MISSIONS

(9 TRIPS + 3 DIGITAL)

More Than
30 International Companies
Operating Significant Business Here

VIRGINIA BEACH INTERNATIONAL BUSINESS

AIN Plastics of Virginia, Inc.	Germany	Distribution
A.R.S. Manufacturing, Inc. / ARAI Americas, Inc.	Japan	Manufacturing
Atlas North America LLC	Germany	Manufacturing
BMZ USA	Germany	Distribution
Busch Manufacturing Company USA, Inc.	Germany	Manufacturing
CeoTronics, Inc. - USA/Canada/Mexico	Germany	Manufacturing
DaiEi Papers USA	Japan	Services
Equity Industries Corporation	Hong Kong	Distribution
Gentek Building Products, Inc.	Canada	Distribution
Hapag-Lloyd (America), Inc.	Germany	Service
Hermes Abrasives, Ltd.	Germany	Manufacturing
Hi-Logic	China	Services
IMS Gear Virginia, Inc.	Germany	Manufacturing
Kettler International, Inc.	Germany	Distribution
Koster American	Germany	Manufacturing
KRISS USA	Switzerland	Manufacturing
LaserQuest Virginia Beach	Canada	Service
Lindab Profile Inc	Sweden	Distribution
Manttra, Inc. (Veeravalli International)	India	Distribution
NGK-Locke Polymer Insulators, Inc. (NLPI)	Japan	Manufacturing
PRUFREX USA	Germany	Manufacturing
Rutherford Controls International (RCI)	Canada	Manufacturing
Schenker International, Inc. - Ocean Services	Canada	Service
SERCO, Inc.	United Kingdom	Service
Siemens Building Technologies, Inc.	Germany	Service
Skanska USA Civil Southeast (Tidewater Skanska Group)	Sweden	Service
STIHL Inc.	Germany	Manufacturing
Thrane & Thrane, Inc.	Denmark	Manufacturing
UNSA America, Inc.	Turkey	Distribution
XDIN, Inc. (Enser Corporation)	Sweden	Service



“We’ve expanded the business to more than 50 countries, and we have big aspirations for more growth. But there’s no place in the world I’d rather live than Virginia Beach.”

Rob Poellnitz
President of Business-to-Business Sales, SteelMaster Buildings

Tough yet graceful, a **SteelMaster** roof is the crowning achievement in The Arc House—a high-end residence in East Hampton, NY. Named Virginia’s 2012 Small Business Exporter of the Year, the company is the world’s leading supplier of arched steel buildings.

GO BUILD.

GO GROW.

Small businesses are big business for the City. They are a key component to creating a vibrant, successful, and global community.

SMALL BUSINESS DEVELOPMENT

Virginia Beach Economic Development, together with numerous partners, provides a wide range of support activities for entrepreneurial start-ups as well as established small businesses.

As a result of these activities, Virginia Beach was named by Thumbtack as the Easiest City to Start a Business and the 2nd Friendliest to Small Business. The City also received an A+ in both friendliness and ease of starting a business.

Virginia Beach is proud of the many accomplishments of this community, to include having 360IT Partners named as the Hampton Roads Chamber of Commerce 2013 Small Business of the Year. In addition, three other Virginia Beach companies were named to the Chamber's "Top 10 Small Businesses to Watch" list, including: the Dancing Tomato "take outery" and catering shop; GM Engineering Services, which develops situational awareness platforms for marine applications; and Hampton Roads Veterinary Hospice.

This past year, more than 250 face-to-face meetings were held with more than 100 small and entrepreneurial businesses by VBDED staff. In addition, staff reached more than 1,500 entrepreneurs and small business leaders by hosting numerous successful business development training seminars in partnership with The U.S. Small Business Administration; The Virginia Department of Business Assistance; The Virginia Department of Minority Business Enterprise; area Universities and Colleges; nonprofit partners and our local Chamber of Commerce.

The Virginia Beach Development Authority continues to support the entrepreneurial community by providing \$10,000 in funding for management, technical, and other assistance offered through the Small Business Development Center of Hampton Roads, Inc. (SBDC).

Throughout the 2012 calendar year, the SBDC provided direct assistance to 78 clients from Virginia Beach representing eighteen percent of all their clients. Attendance at training events held in Virginia Beach reached 175 attendees in 2012. In order to expand their capabilities to assist local small business, SBDC launched a new website – hrsmallbizloans.com – to provide information on various small business financing options.

Virginia Beach Economic Development also has a long-standing partnership with the local chapter of SCORE (Service Corps of Retired Executives). SCORE Hampton Roads provides confidential face-to-face counseling to clients two days each week in the offices of VBDED, from which they served 380 clients this past year.

ECONOMIC GARDENING

This year, VBDA joined with the Hampton Roads Partnership to fund the Virginia Beach Economic Gardening Initiative. Economic Gardening is a national program offering specialized services to established, second-staged, high-growth-potential companies, and it has been highly successful for Virginia Beach companies. Through a national network of business analysts, select companies receive help identifying new markets, researching industry development trends, and maximizing their use of social media and geographical research. During the first six months of the initiative, four Virginia Beach businesses entered and completed the Economic Gardening Program:

- Virginia Toy & Novelty
- ESG
- Klett Consulting
- Morphix

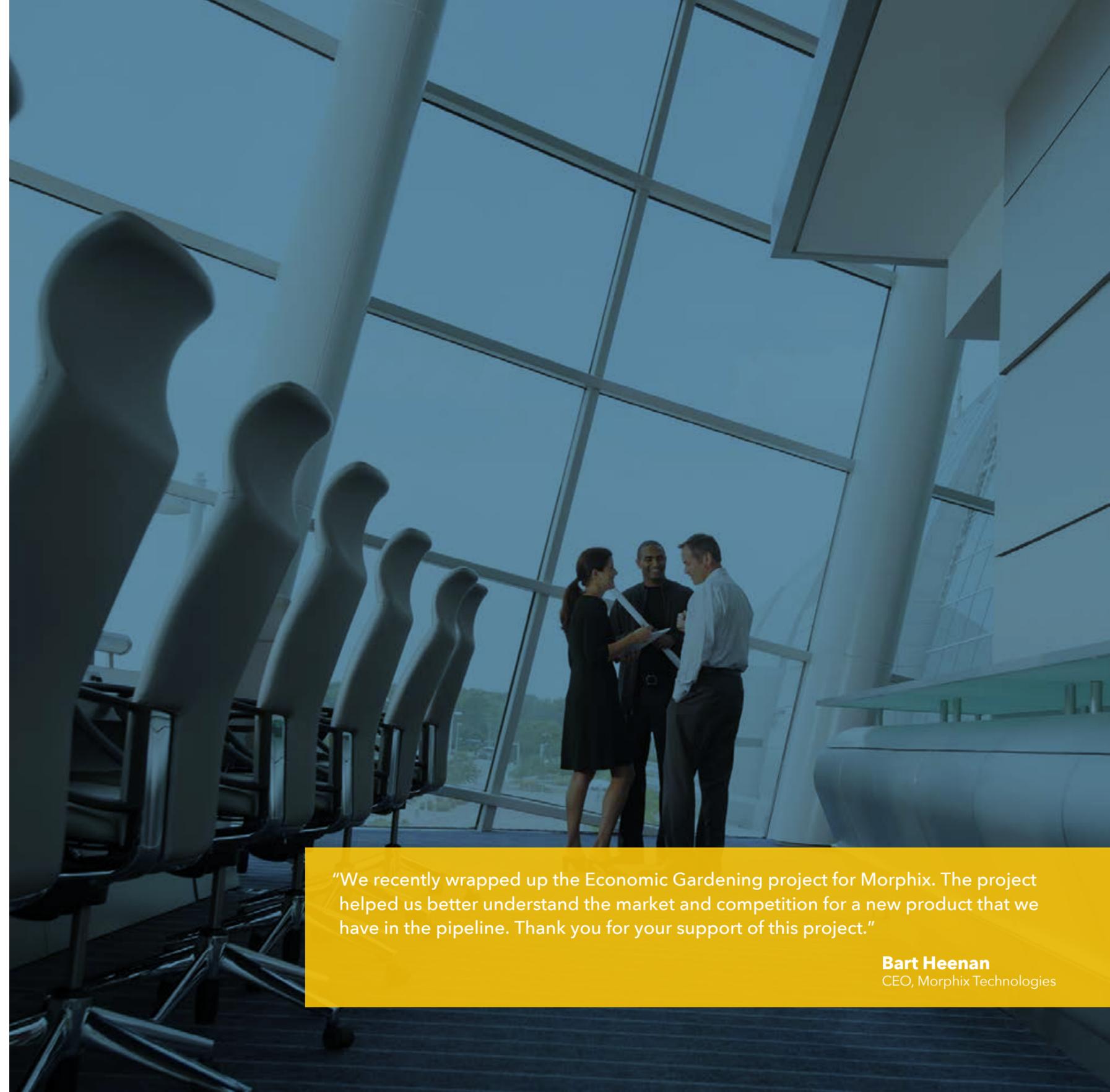
SMALL, WOMEN-OWNED AND MINORITY-OWNED (SWaM)

The Virginia Beach Development Authority actively supports City Council's commitment to providing support to Small, Women- and Minority-owned Businesses, as well as the Service Disabled Veteran-owned Small Businesses. The Department's program is designed to generate new capital investment and employment opportunities within these communities.



In FY2012-13, eight SWaM-certified companies reported expansions or relocations in Virginia Beach, representing 153 new jobs and \$1.83 million in new capital investment.

SWaM and SDVOSB businesses that relocated or expanded their operations in Virginia Beach this past year included: GSS Gear, Inc. (tactical gear supplier); Compasión, LLC (youth counseling services); Delta Demolition (industrial demolition company); Workplace Solutions (office design & furniture distribution); BFPE International (fire protection and security systems); Epsilon Systems Solutions (defense & security contractor); Urban League of Hampton Roads (community services); and Yummy Goodness (catering and food service).



"We recently wrapped up the Economic Gardening project for Morphix. The project helped us better understand the market and competition for a new product that we have in the pipeline. Thank you for your support of this project."

Bart Heenan
CEO, Morphix Technologies



GO INNOVATE.

“ The support of the small business community in Virginia Beach as well as access to chains such as Whole Foods Market has helped me turn my vision into a reality.”

Carter Kostler

Owner and Inventor, Define Bottle

Define Bottle was developed by a fifteen-year-old Virginia Beach entrepreneur and was recently ranked in *Entrepreneur Magazine* as one of the “100 Most Brilliant Companies of 2013.”



GO STRONG.

“Virginia Beach’s strong and dynamic workforce has been critical in allowing ADS to not just compete, but to be successful in meeting the global demands of our U.S. and international customers.”

Luke Hillier
CEO, ADS Tactical Inc.

ADS Tactical Inc., a \$1 billion company founded in Virginia Beach in 1997, is the world’s leading provider of operational equipment and logistics solutions to the U.S. Department of Defense and U.S. Government.

GO FOCUS.

Clearly defined target industry sectors allow for more effective marketing, business attraction and retention based on the City's competitive advantages.

TARGET SECTOR REPORTS

During FY2011-12, the Authority approved a new Economic Development Strategic Plan that updated the Department's target industry list. To increase the effectiveness of the Department's marketing, business attraction and existing industry programs, resources are focused on several key business clusters for which the City of Virginia Beach has been determined to hold a competitive advantage. During FY2012-13 implementation of the target industry program commenced, with each of the Department's Business Development Managers assigned responsibility for business attraction and retention activities within at least one target sector. Following are key accomplishments within the target sectors.

Clark Nexsen announced the relocation of their corporate headquarters to the new 4525 Main Street office building under construction in Town Center, leasing 80,000sf of space for their 350 employees.



OFFICE/PROFESSIONAL SERVICES

- Avalon Bay announced a \$1.4 million expansion, creating 85 new jobs in their Corporate Shared Services Center in the Lynnhaven Business District.
- Parsons Brinckerhoff leased 17,000sf of office space at Convergence Center and created 10 new jobs in the consolidation of their regional headquarters.
- Atlantic Bay Mortgage leased 21,000sf of space in the Chase Office Building in the Lynnhaven Business Corridor for their corporate headquarters.
- LoanCare announced the creation of 178 new jobs in a 20,000sf expansion of their regional mortgage loan service center.



MANUFACTURING

- Green Flash Brewing Company announced the location of its first East Coast brewery, a \$20 million project to include a new 58,000sf brewery and creation of 41 new jobs.
- Architectural Graphics announced a \$17.35 million expansion, creating 125 additional jobs.
- PRUFREX USA announced the location of their first U.S. manufacturing facility in the Lynnhaven Business Corridor, creating 60 new jobs with an investment of \$7.33 million.
- Labels Unlimited announced a \$3.5 million expansion, creating 71 new jobs.
- Hosted Mayor's Roundtable Seminar for local manufacturing firms
- Attended Hannover Messe International Trade Fair – Hannover, Germany
- Developed new Manufacturing Target marketing materials

TARGET SECTOR REPORTS



BIO/LIFE SCIENCES

- City Council approved \$100,000 in funding for FY2013–14 to engage a Consultant to help shape the Department’s Bio/Life Sciences program
- Attended three key trade and marketing events:
 - Bio International Trade show – Chicago
 - Virginia Bio Trade Show – Charlottesville
 - MEDICA Medical Device Trade Show – Dusseldorf, Germany
- Reconstituted the Bio at the Beach event with the Virginia Bio Organization
- Medical Facilities of America announced plans for a new 70,500sf medical care facility, creating 120 new jobs in the Princess Anne Corridor
- The New Hope Center for Reproductive Medicine expanded into 18,249sf of office space at Oceana Place to serve as their new headquarters
- Developed new Bio Marketing materials
- Hampton University announced a 20,000sf expansion of its School of Nursing in Town Center of Virginia Beach



TECHNOLOGY

- 360IT PARTNERS was selected as winner of the Hampton Roads Chamber’s Small Business of the Year Award, as well as named #48 among the Virginia Chamber of Commerce fastest growing businesses in the state
- Endurance IT Services (Endurance) was named as one of the 2013 Best Places to Work in Virginia.
- Attended the CEBIT International Technology Trade Fair – Dusseldorf, Germany
- CoesterVMS opened a new technology management system operations center, creating 40 new jobs
- Epsilon Systems Solutions, provider of technology services to government and private security agencies, leased 30,000sf of space in Airport Industrial Park



MARITIME/LOGISTICS

- Mosaic Tile announced a \$2.4 million expansion to include the renovation of a 23,900sf commercial building in the Lynnhaven Strategic Growth Area
- ARC Granite & Marble opened a new 23,100sf wholesale distribution facility in Taylor Farms Business Park
- DaiEi Papers relocated the U.S. headquarters for its paper trading operation to the AMSEC Center
- PHH Arval announced the leasing of 15,600sf for its first facility in the Virginia Beach MSA
- Towne Air Freight leased 27,000sf of space in Airport Industrial Park
- Hosted Mayor’s Roundtable Seminar for existing maritime and logistics companies
- Sponsored reception for Virginia Maritime Association



DEFENSE

Military/DOD:

- Engility leased 11,000sf of space in London Bridge Industrial Park
- EURPAC leased an additional 25,000sf of space in Airport Industrial Park
- GSS Gear, Inc leased 10,000sf of space in Airport Industrial Park
- Sponsored and attended the 2013 Joint Warfighting Conference
- Virginia Beach sponsored and attended the 2013 ADS Warriors Expo and Trade Show – Virginia Beach
- Attended the Navy League Sea-Air-Space Expo and Trade Show – Washington, DC
- Attended the Expeditionary Warfare Division Annual Meeting – Virginia Beach
- Attended the High Performance Craft Forum – Norfolk, VA
- Participated in six briefings of local military commands with the Virginia Beach Military Economic Development Advisory Committee

Modeling & Simulation:

- Attended the Modeling & Simulation Congressional Caucus Leadership Summit and National Modeling & Simulation Coalition annual meeting – Chesapeake, VA
- Attended the Mod-Sim World Conference and Trade Show – Hampton, VA

Alternative Energy:

- Team led by Dominion Virginia Power was awarded \$4 million for a proposed 12 megawatt offshore wind energy test project off the coast of Virginia Beach
- Participated in the Green In The Military Conference – Virginia Beach
- Attended the Hampton Roads Energy Forum – Norfolk, VA

Composites & Sensors:

- Attended Composites 2013 Expo – Orlando, FL



RETAIL

- Attended the ICSC ReCon Trade Show – Las Vegas, NV
- Dave & Buster’s opened a new 44,000sf, \$7.5 million entertainment facility at Lynnhaven Mall
- Kroger completed a \$25 million redevelopment that included a new 124,000sf Kroger Marketplace prototype
- The Shops at 31Ocean, a new 39,000sf retail center at the Virginia Beach Resort, opened with 83% of its space leased
- General Growth Properties announced plans for a multi-million dollar interior renovation of Lynnhaven Mall
- Pembroke Mall completed a \$35 million renovation and expansion
- Town Center of Virginia Beach is adding 27,000sf of new retail space as part of the \$105 million Phase V expansion

GO BOLD.

Innovative programs such as EDIP grants help the City maintain a low unemployment of 5.7%, well below the US average of 7.8% (June 2013).

Approved
\$4,190,000
EDIP Funds

LEVERAGING

\$121,112,267
Capital Investment

CREATING & RETAINING

1,241
JOBS

ECONOMIC DEVELOPMENT INVESTMENT PROGRAM

In FY2012-2013, the VBDA approved a total of \$4,190,000 of Economic Development Investment Program (EDIP) awards, leveraging more than \$121,112,267 in capital investments and creating or retaining 1,241 Virginia Beach jobs. EDIP assistance was approved for the following companies:

- AvalonBay Communities
- Avis Budget Group
- Compasión
- Green Flash Brewing
- Koster American
- LoanCare
- Mosaic Tile
- Parsons Brinkerhoff
- Town Center of Virginia Beach – Phase V
- Urban League of Hampton Roads
- Virginia Beach Airport

In addition, \$595,000 in special EDIP funds related to the YesOceana program were approved for YUMJACK, LLC, Workplace Solutions, Inc., BFPE International, and Architectural Graphics, Inc., leveraging \$7,375,000 in capital investment.

BUSINESS PARK ACTIVITY

The VBDA owns ten business parks, representing a total acreage of 1,725. Significant activity in FY2012-2013 included:

Airport Industrial Park

Goodwill Industries | 21,885sf

Urban League of Hampton Roads | 8,076sf

Powertrain Industries | 8,712sf

Ocean Creek Apparel & Screen Printing | 8,652sf

Swift Air Logistics | 9,067sf

Acosta, Inc. | 63,350 sf

GSS Gear | 10,000sf

Towne Air Freight | 27,027sf

Oceana West Corporate Park

Architectural Graphics Inc. | 156,640sf

BFPE International | 15,660sf

Corporate Landing Business Park

Green Flash Brewing Co.
7.76 acres purchased

Liberty Tax Service Corporate Headquarters
3.5 acres purchased
Expansion into 10,270sf office building

Town Center

Phase V/Clark Nexsen Tower Construction
15-story Class "A" office tower, 950-space structured parking garage, 290 apartments, 23,000sf of retail space

Cushman & Wakefield | Thalhimer | 9,336sf

Keller Williams | 11,995sf

GO PROGRESS.

New projects keep the City moving forward. This fiscal year several projects broke ground including a \$105 million mixed-use development in Town Center and a \$30 million medical facility in the Princess Anne Corridor.

PROJECTS

Town Center continues to grow, with a \$105 million mixed-use development planned for 4525 Main Street. Featuring a 15-story, 213,000sf Class A office tower, the project will include a 950-space parking deck, 290 residential units and 23,000sf of new retail space.

Stratford University began construction on a three-story, 60,000sf building, the centerpiece of their new Virginia Beach campus.

In the Princess Anne Corridor, new developments include the \$30 million Medical Facilities of America/Landstown Center mixed-use project, which will also feature the extension of Landstown Center Way to Princess Anne Road.

Kroger Marketplace opened a new 124,000sf supermarket, a \$20 million project that included the redevelopment of a vacant big box retail site.

PROPERTIES

- The Town Center of Virginia Beach, the heart of the City's vibrant Central Business district, continues to thrive—driving the economy with more than 1.6 million square feet of office and retail space, plus hotels, meeting space and the Sandler Center for the Performing Arts. In January 2013, construction began on a new 15-story office tower, which will feature a parking garage, 290 apartments and 23,000sf of retail space.
- The Town Center Special Service District experienced slightly decreased real estate assessments in 2012. With tax rates remaining level, the VBDA continues to work with City staff and property owners to provide cost-effective services.
- Farm Bureau Live at Virginia Beach rocked ticket sales in 2012, attracting more than 220,000 music lovers to 23 events and generating \$1.24 million for the City. Over 17 seasons, performances have resulted in direct revenue of more than \$19.9 million—nearly doubling the City's initial investment.
- Virginia Beach National Golf Course was even more popular in 2012, where rounds of golf played increased to 32,316 18-hole equivalents. More than \$180,000 in rental income was generated—plus additional taxes—supporting basic City services and funding the facility's capital repairs and maintenance.

BONDS

In FY2012-2013, the VBDA issued an industrial revenue bond of \$32 million to Virginia Wesleyan College.

MAJOR EMPLOYERS

Joint Expeditionary Base Little Creek/Ft. Story	Military Base	6000
Naval Air Station Oceana/Dam Neck	Military Base	3600
Lynnhaven Mall	Retail Trade (sporting goods, books, music, etc.)	2600
GEICO General Insurance Company	Auto & Other Vehicle Insurance Carriers	2300
STIHL Incorporated	North American Headquarters; Power Tools Manufacture	2067
AMERIGROUP (Wellpoint)	Corporation Insurance Carriers	1850
Navy Exchange Service Command	Headquarters Military & Government Exchange Retail	1550
Gold Key/PHR Hotels & Resorts	Developer, Owner and Operator of Hotels	1000
Engility Corporation	Engineering Services	800
The Christian Broadcasting Network, Inc.	TV Broadcast & Cable Networks	721
CBN	Radio and Television Broadcasting	700
LoanCare Servicing Center, Inc.	Regional Headquarters; Financial Services	690
Sentara Bayside Hospital	General Medical and Surgical Hospitals	639
LifeNet Health	Ambulatory Health Care Services	560
Lockheed Martin Corporation	Information Technology Services	510
AMSEC, LLC	Shipbuilding & Repair	500
ECPI University	Business Schools and Computer & Management Training	500
SAIC (Science Applications International Corporation)	Computer Systems Design and Related Services	500
The Penrod Company	Headquarters; worldwide distributor of wood, metal and PVC	500
Regent University	Colleges & Universities	475
Securitas Security Services USA, Inc.	Investigation and Security Services	457
Architectural Graphics, Inc.	Headquarters; Sign Manufacturing	450
M. & G. Electronics Corp.	Electrical Products Manufacturing	439
ADS Tactical, Inc.	Headquarters; Military and Government Supply Wholesalers	420
Avis/Budget Group, Inc.	Vehicle Sharing	420
The Breeden Company, Inc.	Construction	420
Grand Furniture	Headquarters; Furniture Retail	405
Electronic Systems, Inc.	Electronic Equipment Repair Services	400
Liberty Tax Services/JTH Holding, Inc.	Headquarters; Technology and Financial Services	400
NCO Financial Systems, Inc.	Collection Agencies	400
S.B. Ballard Construction Company	Commercial & Heavy Construction Contractors	400
Doma Technologies, LLC	Information Technology Services	375

MAJOR EMPLOYERS

J.K. Hill & Associates, Inc.	Headquarters; Aerospace, Aviation, Engineering and Logistics	350
Wackenhut Corporation	Investigation and Security Services	350
Clark Nexsen	Headquarters; Architecture & Engineering	350
Chartway Federal Credit	Banks & Credit Unions	335
Haynes Furniture Company, Inc.	Headquarters; Home Furnishings Retail	325
Benchmark Hospitality, Inc. (The Founders Inn)	Hotels, Motels & Resorts	300
Community Reading Club of Virginia, Inc.	Business Services Sector	300
Eurpac Service Incorporated	Business Services Sector	300
LINXX Global Solutions, Inc.	Headquarters; Training, Security, Staffing, and Management	300
SeniorCorps Southside	Healthcare Management	300
Atlantic Dominion Distributors	Miscellaneous Non-durable Goods Merchant Wholesalers	280
Vacation Sales Associates, LLC	Residential Real Estate Brokerage & Management	280
London Bridge Trading Company, Ltd.	Headquarters; Design & Manufacture of Nylon Tactical Gear	260
Century Concrete	Construction	250
DuPont Sustainable Solutions	Video and Digital Training Technologies	250
New Venture Holdings, LLC	Furniture Stores	250
Q.E.D. Systems, Inc.	Engineering Services	250
Sentara Medical Group	Medical Services Administration	250
VT Milcom, Inc.	Headquarters, Integrated Solutions	250
AAA of Tidewater Virginia	Regional Headquarters; Travel, Reservation and Auto Services	240
Fhc Health Systems, Inc.	Behavioral Health and Wellness	240
Aetna Insulated Wire Company	Alumina and Aluminum Production & Processing	230
Allied Technology Group, Inc.	Information Technology Services	220
Atlantic Bay Mortgage	Headquarters; Financial Services	220
NGK-Locke Polymer Insulators, Inc.	Electrical Equipment and Component Manufacturing	220
TowneBank Enterprises	Financial Services	210
Fulton Bank and Fulton Mortgage	Finance and Insurance	200
G4s Secure Solutions USA, Inc.	Security Guard Services	200
Interim Healthcare of Eastern Virginia, Inc.	Health Care Staffing Services	200
Northrop Grumman Systems Corporation	Data Storage Systems Manufacturing	200
Professional Software Engineering, Inc.	Information Technology Services	200
Tidewater Finance Company, Inc.	Lending	200



AMERICA'S
50 BEST
CITIES

– Bloomberg Businessweek

**2nd Most Business-Friendly City and Easiest City
in Which to Start a Business**

– *CNNMoney.com Report*

2nd Most Small-Business Friendly City

– *Governing Magazine*

**Top Overall U.S. Mid-Sized City, Top 10 Infrastructure,
Top 10 Economic Potential**

– *fDi Magazine's "American Cities of the Future"*

America's 50 Best Cities

– *Bloomberg Businessweek*

One of the Best Managed Cities in the Country

– *24/7 Wall Street*

6th Happiest City in Which to Work

– *Forbes.com*

One of America's Most Literate Cities

– *Huffington Post Report (Data collected by Central Connecticut State University)*

One of the 10 Best Cities in Which to Raise a Family

– *Movoto*

8th Best Park System in the Nation

– *Trust for Public Land*

Ranked as one of America's 10 Best Boardwalks

– *National Geographic*

In memory of Dan Brockwell who served as a VBDA member for more than eight years and was co-founder of HBA Architecture. His invaluable vision, unique perspective and passion for architecture made a significant impact on the City of Virginia Beach.




VIRGINIA BEACH
 DEVELOPMENT AUTHORITY

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