



2016

ANNUAL REPORT



“2016 marked the beginning of a very promising time for the Gateway Region. The establishment and implementation of Global 3.0! means thousands of better jobs are on the way to our area. I look forward to seeing all of the upcoming growth and its impact on how our citizens live, work and play.”

-Victor K. Branch, VGR Board of Directors Chairman

Partners, allies and business community,

With 2016 came more innovative ideas and opportunities for businesses and citizens in the Gateway Region than ever before. After surpassing every goal set forth for the previous five-year strategic plan, Virginia's Gateway Region Economic Development Organization launched its third initiative for regional prosperity, Global 3.0. To serve existing regional businesses, VGR collaborated with Virginia Commonwealth University's Center for Urban and Regional Analysis, the Greater Richmond Partnership, JPMorgan Chase and the Virginia Economic Development Partnership's International Trade Division to implement the Metro Richmond Exports Initiative, a pilot program to foster business growth through exports. Statewide improvements such as the new Workforce Credential Grant program and expansions at the Port of Virginia to accommodate the world's largest trade vessels further reinforced the Gateway Region as a top place for business both in 2016 and for years to come.



I am pleased to share with you the highlights of the region's success throughout the past year. It is important to understand that a network of community members, private partners and regional corporate leaders make the work that we do for the region possible, and together we are working smarter to create better jobs that bring greater prosperity for our citizens.

Sincerely,

C. Renee Chapline

C. Renee Chapline
President & CEO, Virginia's Gateway Region EDO



Port of Virginia in Norfolk
Photo Courtesy of Port of Virginia

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Corporate and community leaders from the region joined VGR board members and staff to celebrate VGR's 55th anniversary at their annual meeting at the Country Club of Petersburg in April.



In June, members of VGR's Board of Directors and other partners visited the Port of Virginia. The tour gave VGR stakeholders the opportunity to see the port in action while learning more about the logistics advantages the Gateway Region's close proximity offers.

1,093
companies
researched

39
new projects

2016 MARKETING ACTIVITIES

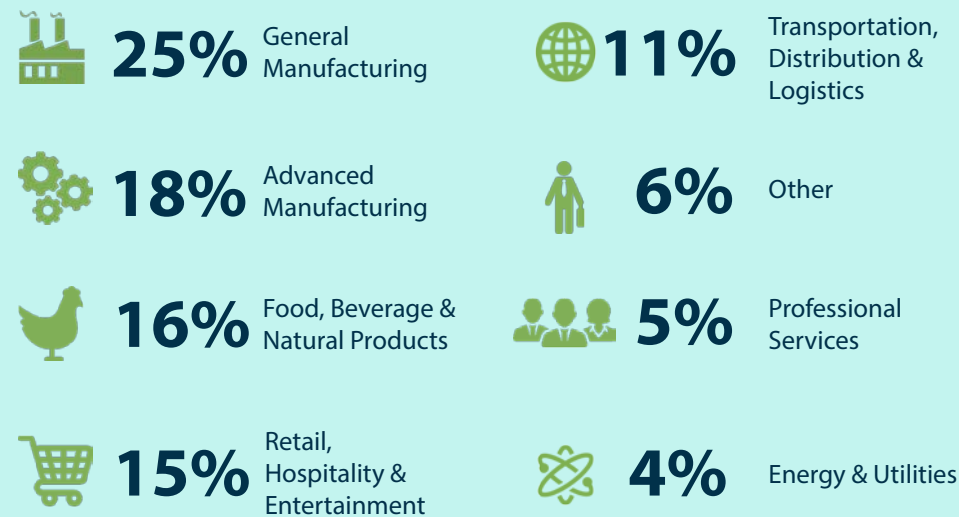


VGR submitted 57 different properties in 2016. Pictured above is an aerial view of Peter's Pointe Site in Petersburg.



In July, VGR attended the Farnborough International Airshow in Hampshire, England.

ACTIVE PROJECT INDUSTRY COMPOSITION



150
project
proposals
submitted

3
Regional
Ambassadors visited
3 countries and
7 states

LEAD GENERATION



SITE SELECTION





Hopewell Get Your Business Online Workshop



Service Center Metals Expansion
Photo Courtesy of Richmond Times-Dispatch

11
company
announcements



Plan for Boathouse at City Point
Photo Courtesy of Progress-Index

VGR and the City of Hopewell hosted Google's Get Your Business Online workshop to help local business owners succeed online.

Service Center Metals completed their 190,462-square foot expansion, creating 35 new jobs. This is their third expansion in two years at their facility in Prince George County.

Boathouse Restaurants announced their plans for a fourth location on City Point in the City of Hopewell. The new, 6,000-square foot restaurant will create 75 jobs.

OUR COMMUNITIES WIN BIG



478
jobs
created



Teens at "Dream it Do it" Manufacturing and Technology Camp

Photo Courtesy of ITAC, Chesterfield County

\$233M
capital
invested



All jobs aren't created equal. All jobs are good, but you can't build an economy selling ice cream. You must build an economy with quality jobs that allow workers to purchase ice cream.

-Dr. Stephen Fuller, Professor of Public Policy, George Mason University
VGR Regional Economic Forum Keynote Speaker

GATEWAY REGION WORKFORCE PROGRAMS

Governor McAuliffe announced the **Workforce Grant Program**, which reduces the price of 124 community college training programs in Virginia to one-third of the cost. The Community College Workforce Alliance in the region offers ten of those programs.

Transitioning or recently separated military service members can now apply for an 18-week training course at the **Commonwealth Center for Advanced Manufacturing** to earn qualifications as computer numeric controlled machinists. This certification program would typically require two years of training at a community college and opens doors to long-term careers in manufacturing.

Dinwiddie County's Economic Development Office and Public Schools collaborated to host **Industry Day**. The annual event gives students an opportunity to visit with the region's industry leaders, better preparing them to enter the workforce after graduating.



Workforce Grant Program Graduate
Photo Courtesy of VCCS

\$67M
foreign direct
investment

GLOBAL 3.0!

A Regional Prosperity Strategy

A community's quality of life and its economic prosperity go hand-in-hand. Positive economic growth and community building require an effective strategy, leadership and investment. VGR's third strategic plan, "Driving Economic Growth and Embracing a Global Future 3.0," recognizes the importance of not only the number of new jobs and investment from industries but also the tangible and intangible personal health benefits - physical, emotional and financial - that come with securing sustainable employment with fringe benefits that result from business growth.

Since 2006, VGR has answered partner expectations by committing itself to a well-defined strategy that can be assessed against objective, quantifiable metrics to determine partner return. As a result, the organization has developed a strong track record for both accountability and delivering results. In its previous five-year strategic plan, "Driving Regional Growth and Embracing a Global Future" (G2), VGR surpassed each of the goals set forth by the organization's leadership in 2011. While a steep record to follow, VGR expects that Global 3.0 will facilitate even more growth over the next five years.

Built on a foundation of five pillars, Global 3.0 boasts rigorous goals to improve the Gateway Region's quality of life. The strategic plan takes advantage of the area's world-class assets such as a strong manufacturing heritage with multi-generational work experience, abundant forestry, agricultural resources and available development sites, a regional workforce drawn from two major metro areas, and a midpoint location on the East Coast with unparalleled access to markets.

With the creation of 3,000 primary jobs paying wages at or above the median regional average, successful implementation of Global 3.0 will generate an estimated 5,301 secondary jobs, \$344,253,967 in total earnings and \$190,671,440 in annual area consumer expenditures, which includes a projected additional \$5 million in philanthropic contribution to all other nonprofits.

Truly the implementation of this strategic plan will rise the tide of the entire region.

- C. David Hudgins, Old Dominion Electric Coop.

50
company
announcements

3,000
new jobs

\$700M
capital
investment

\$150M
foreign direct
investment

If Virginia's Gateway Region were receiving a performance review, its rating for the past five years would have to be "exceeds expectations." And if that track record is any indication, Central Virginia can look forward to thousands of new jobs and close to \$1 billion in investments in the next five years.

- The Progress-Index



Global 3.0 officially launched on September 12, 2016 at Virginia State University with an impressive 63% of the campaign funding fulfilled. VGR Board Chairman Victor Branch (right) introduced the Campaign Leadership Team, a group of the region's corporate and community leaders personally invested in Global 3.0's fundraising phase to support the region's premier economic development efforts.

Beginning in 2016, Convergent Nonprofit Solutions conducted a feasibility study of the organization using data from over 100 private stakeholder interviews. Community and corporate partners came together over a two-month period to refine their findings, evaluate strategies, and establish priorities for the next five years. After seven months of challenging work on behalf of regional leadership, members of the strategic refinement team put forth five pillars of focus, the foundation for Global 3.0.

PILLAR I: BUSINESS EXPANSION & LOCATION NEEDS

Cultivate the Gateway Region's economy through targeted outreach and assistance across the business spectrum through the implementation of several initiatives including global business attraction, business retention and expansion, startup and small business assistance and targeted high-growth company support.

PILLAR II: REGIONAL AWARENESS & MESSAGE

Increase awareness of the region's assets and identify to various audiences to capture growth opportunities and convey the region's identity to new and existing residents.

PILLAR III: HUMAN CAPITAL & TALENT RETENTION

Address broad spectrum talent issues and engage a multifaceted, collaborative process to develop the talent pipeline to its fullest potential, particularly within marginalized groups.

PILLAR IV: INFRASTRUCTURE DEVELOPMENT & PREPAREDNESS

Analyze, raise awareness and promote strategic infrastructure readiness to increase competitiveness for future opportunities.

PILLAR V: QUALITY OF PLACE AND REGIONAL LIFESTYLE

Convey the unique identity of the region and its member communities and assist the implementation of quality of life enhancements.

METRO RICHMOND EXPORTS INITIATIVE

The Metro Richmond Exports Initiative was created to encourage and assist local firms seeking to reach the 81% of bulk demand for American products that exists outside of the U.S. In order to keep up with the growing global economy, it is necessary that businesses of all sizes strive to satisfy the increasing global demand for American goods and services.

Exporting benefits both individual companies and its surrounding communities. Companies that export experience higher revenues per employee, allowing for higher wages and improved regional talent retention. Additionally, exporters enjoy more rapid growth and higher market value than non-exporters.

While it involves much more than currency exchanges and shipping arrangements, MREI exists to facilitate and expedite the export process. MREI's strategy plans to increase exporting in the Richmond MSA by hosting monthly events featuring experienced exporters, collaborating with the Community College Workforce Alliance to develop an Exporting 101 curriculum, working with the U.S. Commercial Service to deliver ExporTech seminars and providing assistance grants to potential exporters.

Over the next four years, the Metro Richmond Exports Initiative aims to increase export success of small- and medium-sized businesses in the Richmond MSA by 40%. If successfully implemented, MREI will result in an increased number of current exporters entering new markets, companies exporting for the first time and product innovations and patents. Such increases will lead to more jobs supported by exports, more capital investment due to exports and a projected increase in sales.

40%
increase in
export success

Strengthen
Metro Richmond
Exports
Ecosystem

Increase
Exports
Outreach

Monitor
Exports
Progress

2016 • MREI Launch Event at the Boathouse at Sunday Park • 38th Virginia Conference on World Trade • Trade Mission Open House • Inaugural Lunch & Learn

OCTOBER 4-5 // 38TH ANNUAL VIRGINIA CONFERENCE ON WORLD TRADE



VA Secretary of Commerce & Trade Todd Haymore
Photo Courtesy of VEDP

In partnership with MREI, Virginia's Gateway Region provided \$1,800 in grant money for eight companies to attend this year's Virginia Conference on World Trade. Major business leaders and service providers in the international arena joined enterprises new to or considering exporting at the two-day event. The VCWT gave companies interested in exporting the chance to network with industry experts, explore international opportunities, and learn more about global trade.

DECEMBER 1 // TRADE MISSION OPEN HOUSE

Held at Virginia's Gateway Region, the Trade Mission Open House gave companies interested in exporting an opportunity to learn about international trade missions and how they fit into other MREI programs. Attendees met individually with a representative from Virginia Economic Development Partnership's International Trade Division to discuss their eligibility for MREI's trade mission grants. Trade missions give businesses the opportunity to meet with vetted customers in specific markets.

2017 // UPCOMING PROGRAMS

Monthly Lunch & Learns: Informative luncheons designed for prospective exporters to learn from industry experts and companies currently engaging in international trade

Export 101: Crash course developed in tandem with local community colleges to provide an introduction on salient issues faced in international trade

ExporTech: Advanced course that coaches companies on how to develop and implement their own, customized export plan

Shark Tank Competition: Modeled after the TV series, companies compete for grants of up to \$5,000 based on their business plans, service or product, targeted market and ability to perform

Internship Program: Interns from international business and MBA curriculums will be available to assist qualified companies in implementing their export plans

SEPTEMBER 8 // MREI LAUNCH EVENT



Photo Courtesy of VCU

Community and corporate leaders from all over the Richmond MSA joined MREI's leadership (above) at the Boathouse at Sunday Park to celebrate the initiative's launch. From left to right: Barry Matherly, Greater Richmond Partnership; Todd Haymore, Virginia Secretary of Commerce and Trade; Renee Chapline, Virginia's Gateway Region; VCU President Michael Rao; Nick Klym, Chase Commercial Banking; John Accordino, VCU Center for Urban Regional Analysis and Wilder School Dean; Greg Wingfield, VCU Wilder School

2017 • Monthly Lunch & Learns • Export 101 and ExporTech Curriculums • Shark Tank Competition • International Business & MBA Student Internship Program

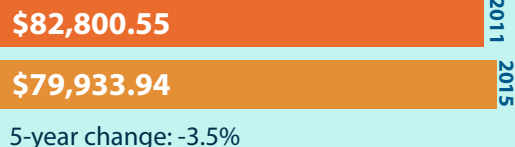


JPMORGAN CHASE & CO.

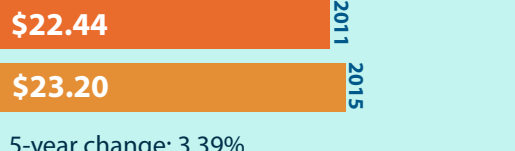


ECONOMIC DASHBOARD

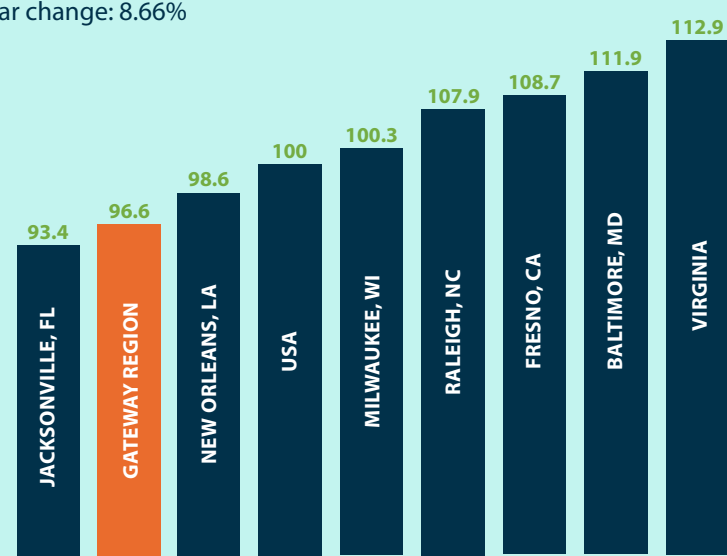
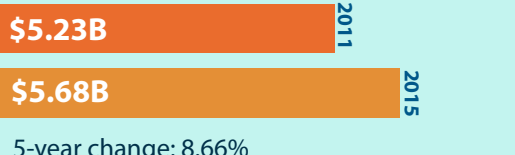
MEAN HOUSEHOLD INCOME



GROSS REGIONAL PRODUCT

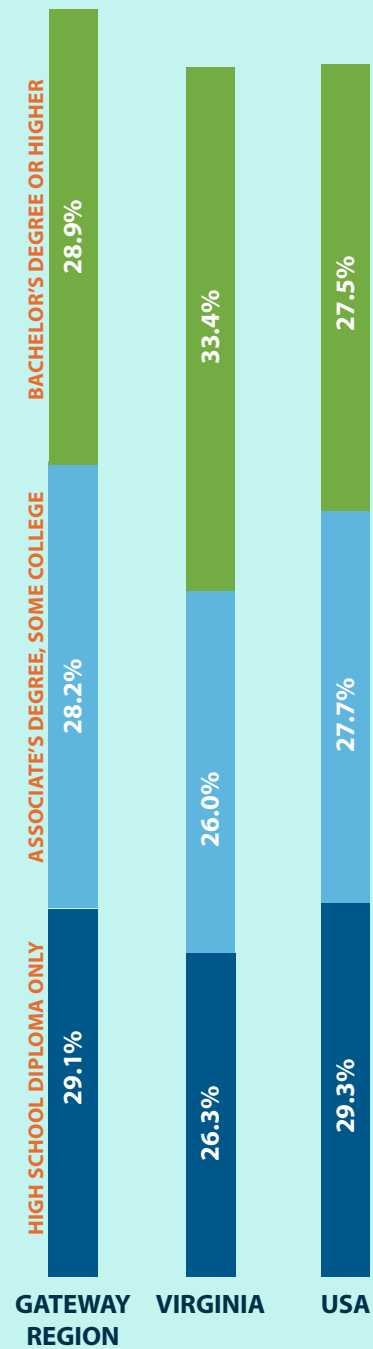


TAXABLE SALES



COST OF LIVING INDEX

EDUCATION ATTAINMENT



"Imperium" Premier at the Beacon Theatre
Photo Courtesy of Richmond-Times Dispatch



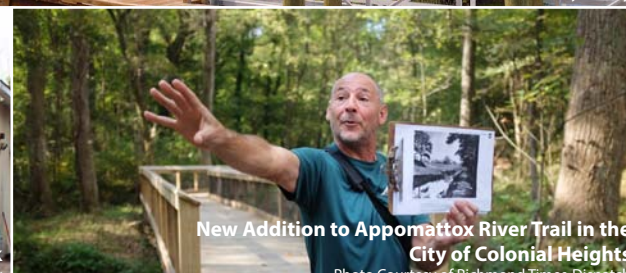
Surry Seafood Company, opened May 2016
Surry County



Petersburg Provisions, opened Sept. 2016
Photo Courtesy of Richmond Times-Dispatch



Little Italy, Stony Creek
Sussex County



New Addition to Appomattox River Trail in the City of Colonial Heights
Photo Courtesy of Richmond Times-Dispatch



Governor McAuliffe visits Hillphoenix in Chesterfield County
Photo courtesy of Governor's office



Ammo Brewing, opened July 2016
Photo Courtesy of Progress-Index



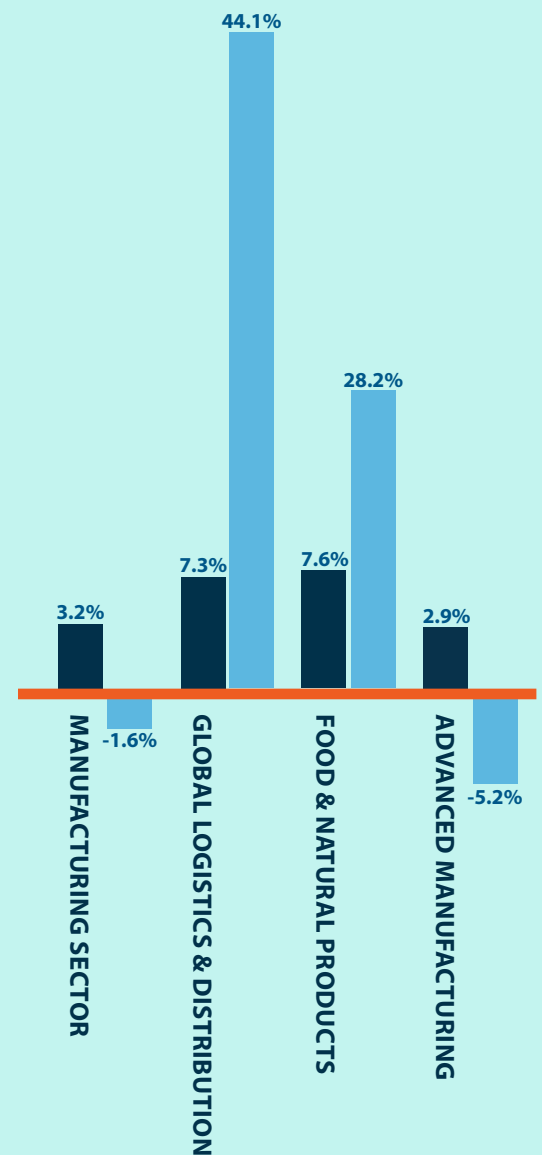
Sussex County Courthouse



EMPLOYMENT BY INDUSTRY

JOB CHANGE BY TARGET CLUSTER

■ USA 5-year % Employment Change
■ Gateway 5-year % Employment Change



LABOR FORCE PARTICIPATION RATE



EMPLOYMENT



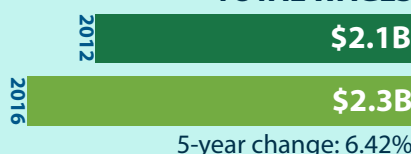
UNEMPLOYMENT RATE



AVERAGE WAGES



TOTAL WAGES



OPERATIONAL TEAM

Renee Chapline
President & CEO

Lauren Bowman
Associate Project
Manager

Emily Flippo
Marketing &
Communications
Associate

Ian Ginger
Associate Project
Manager

Linda Mendy
Associate Project
Manager

Emily Salmon
Part-Time Business
Development
Manager

Virginia's Gateway Region Economic Development Organization exists to enhance economic development opportunities for the cities of Colonial Heights, Hopewell and Petersburg and the counties of Chesterfield, Dinwiddie, Prince George, Surry and Sussex. VGR is a private, non-profit organization that is publicly and privately funded to facilitate new business opportunities, work with existing businesses, advance resources that will enhance the economic viability of the region and foster regional cooperation among the public and private entities that are involved in economic development activities.

BOARD OF DIRECTORS

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Jim Daniels

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Daniel Lee
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Samuel Parham
Winston Sanders (Treasurer)

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Surry County

John Seward
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Sussex County

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Jay Burchell
Christine Chandler (Vice Chairman)
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Mitch Hassell
Mike Malandro
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Robert Walker

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Suzanne B. Jackson
Dr. Edward Raspiller
Nicholas Walker



The Cameron Foundation and Virginia's Gateway Region Economic Development Organization together are devoted to making the Gateway Region into a healthy, vibrant and prosperous place to live, work and play. Generous support from The Cameron Foundation has enabled Virginia's Gateway Region to evolve from Virginia's first regional economic development group into the high-performing organization that exists today. In recent years VGR has worked with The Cameron Foundation as a leading partner to develop best practices in economic development to be the best organization to serve our region. VGR was honored to be supported by The Cameron Foundation and thereby recognized by the Standards for Excellence Institute for organizational management and efficiencies. The Standards for Excellence program recognizes nonprofits nationwide to promote the highest standards of governance, management and operations. The Cameron Foundation's extraordinary work helps to make the region a top place for business year after year. Virginia's Gateway Region is immensely grateful for everything the foundation does to support regional economic development.

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The Hollingsworth Companies
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SunTrust

TowneBank

Village Bank

Virginia Commonwealth Bank

Virginia Credit Union

Wells Fargo

Chambers of Commerce

Chesterfield County
Colonial Heights
Dinwiddie County
Hopewell/Prince George
Petersburg
Surry County
Sussex County

Communities

Chesterfield County
City of Colonial Heights
City of Hopewell
City of Petersburg
Dinwiddie County
Prince George County
Surry County
Sussex County

Education & Training

John Tyler Community College
Richard Bland College
Virginia State University

Entertainment, Retail & Hospitality

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Carter Myers Automotive
Leete Tire & Auto
The Progress-Index
Shamin Hotels

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Edward Jones Investments
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Jacobs Financial Group

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The Cameron Foundation
Fraternal Order of Eagles, Aerie #882

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Anthem Blue Cross Blue Shield
Bon Secours Foundation
HCA John Randolph
Healthsouth Rehabilitation Center
Southside Regional Medical Center

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John E. Burchell, Jr.
Christine Chandler
Pamela Martin Comstock
Frederick P. Harry, Jr.
Alfred Futrell
Dorothy Jaeckle
Mike Malandro
John Newby
Robert & Marilyn Walker
Winston Sanders
John Seward
Nicholas & Lindsay Walker
Wayne Walton

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Church & Dwight
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Evonik Industries
Goya Foods
Hillphoenix
Rolls-Royce North America
Service Center Metals
Wauford Group

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Virginia Economic Developers Association
Virginia Economic Development Partnership

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Dominion Commercial
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GrayCo
Longest & Daniels Realtors
Napier Realtors
Parr & Abernathy Realtors
Porter Realty
Roslyn Farm Corporation
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