



2017
ANNUAL
REPORT



“Virginia’s Gateway Region EDO has become the premier organization, recognized as a business-led regional partnership. With a deep commitment to collaboration, VGR’s leadership and its partners are working more cohesively than ever to ensure the southern portion of the Richmond MSA is recognized for its innovation and technology - and its unparalleled lifestyle.”

-Victor K. Branch, VGR Board of Directors Chairman

DEAR COLLEAGUES AND FRIENDS,



I am pleased to present the 2017 Annual Report to our partners, allies and business community. When I arrived in 2005, I had no idea what tremendous impact the organization could accomplish for the communities that comprise the Gateway Region! We are a very different organization today, boasting more than 120 corporate partners and several government, foundation and nonprofit stakeholders supporting and collaborating together to grow the regional economy. Thanks to each of you, here is where the organization stands today:

- ★ We are in the second year of a five-year economic development strategic plan developed in 2016 by corporate and community leaders across the region. Over 100 industry partners support the administration of this program, Global 3.0;
- ★ Recent completion of the third successful capital funding program since 2005 will support the organization’s funding stream through 2020;
- ★ The VGR employees are a well-developed, talented team of economic development professionals, ready and capable to implement the strategic plan and continue the world-class customer service for which the organization is recognized;
- ★ Results from a 10-year organizational evaluation and review by a third-party, independent consultant ranked VGR among the nation’s premier regional economic development organizations. The study was commanded and funded by The Cameron Foundation to benchmark and validate VGR’s metrics and successes with globally competitive economic development groups. The review was presented to the full Board of Directors, The Cameron Foundation, and regional stakeholders in June, 2017. The report validated the work and regional impact of VGR;

- ★ We have successfully completed the “Standards for Excellence” program, a national certification for nonprofit organizations. The certification process identifies six major criteria of nonprofit governance and management, which contain 27 different topic areas. Each topic area includes specific benchmarks and measures that provide a structured approach to building capacity, accountability, and sustainability in an organization. VGR received the Basic Standards certification in 2016 as required by The Cameron Foundation.

The organization is fortunate to have a team of dedicated professionals that work tirelessly to facilitate business opportunities alongside our wonderful community economic development partners. VGR’s Interim President & CEO, Emily Gupton Salmon, has the skills to support this transition and lead the organization to the next level of global competitiveness. I want to express my profound gratitude for her service, loyalty and commitment to our entire region. Emily has always exemplified professionalism and her desire for excellence will continue to drive VGR’s success and impact for the region. Thank you, Emily!

I cannot thank my Board of Directors and partners enough for all of the opportunities and experiences that you have provided me during my time with VGR. We have proven that together we can achieve great opportunities for our communities and the families which are part of the region. Virginia’s Gateway Region EDO is a vibrant regional organization with strong leadership that can continue to fuel the economy and enhance the business opportunities for future generations. Thank you for allowing me to serve as your President.

Sincerely,

C. Renee Chapline

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



Photo courtesy Dinwiddie Monitor

Wayfair Distribution Warehouse in Chesterfield County

Crater Regional Workforce Center opens in the City of Petersburg



Photo courtesy Richmond Biz-Sense

Guy Fawkes Festival in Surry County



Photo courtesy Sussex-Surry Dispatch

Milton Hargrave recognized for nearly 50 years of service to VGR as a representative of Dinwiddie County



Photo courtesy Progress-Index



Photo courtesy Progress-Index

Governor McAuliffe visits Sussex County Public Schools to celebrate the full accreditation of all schools county-wide

Southside Regional Medical Center breaks ground on a new free-standing emergency center in the City of Colonial Heights



Photo courtesy Progress-Index

The 4th Annual Harvest Festival brings crowds of all ages to the City of Hopewell’s downtown

New spire display at I-95 Exit 45 in Prince George County



Photo courtesy Progress-Index

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PLANTING SEEDS

SPOTLIGHT: PRINCE GEORGE ELECTRIC COOPERATIVE'S LAST-MILE BROADBAND INITIATIVE

Nearly 34 million people in America lack access to high-speed internet, 23 percent of which live in rural areas overlooked and underserved by major wireless and cable providers. In 2017, Prince George Electric Cooperative finally answered rural America's plea for affordable, reliable broadband equivalent to their urban counterparts.

Established in 1938, the Prince George Electric Cooperative's (PGEC) founders "acted on a vision of improved quality of life" to bring the comforts of automated overhead lighting and running water to rural Prince George and Sussex Counties for the first time. Eighty years later, PGEC has grown to service over 12,000 members across six counties, from households, schools and churches to heavy agricultural and industrial users.

In 2017, household electricity has been rendered an assumption; however, PGEC's CEO Mike Malandro still encompasses the progressive values of his predecessors at PGEC, acting on a vision to improve the area's quality of life through broadband access.

Originally unveiled in October 2016, PGEC's pilot program entails a last-mile, fiber-to-the-home model. This revolutionary process begins with the installation of a "smart grid" of large fibers connecting power substations across the service area. Using efficient tools, PGEC's own linemen lay the "last-mile" of fiber, connecting individual homes and businesses directly to the smart grid.

PGEC's initial proof of concept connected 50 homes and public buildings along West Quaker Road at a modest

7000 Hardware Drive in Prince George County is the largest available Class A Distribution Center in the Mid-Atlantic at 798,786 square feet and expandable by 391,000 square feet.



Photo courtesy CBRE

8 BUSINESS ATTRACTION PROGRAMS
90 BUSINESS ATTRACTION MEETINGS
49% INTERNAL LEAD GENERATION
REGIONAL AMBASSADORS VISIT WITH 3 STATES & 8 COUNTRIES

cost of \$82 per month for access to 30 Mbps with no data restrictions.

After the successful completion of the test phase in May 2017, the Prince George County Board of Supervisors unanimously approved a \$1 million grant to further expand broadband service to 500 additional customers by July 1, 2021. However, PGEC plans to easily surpass this goal, with projections to reach 500 customers within 24 months, two years ahead of schedule.

In conjunction with PGEC leadership, Prince George County officials recognize high-speed internet as a rudimentary aspect of life in 2017.

"Right now, rural America is at a socioeconomic disadvantage without internet service," said Jeffrey Stoke, Deputy County Administrator of Prince George County. "Students cannot complete homework, parents cannot take online classes for career advancement, and business owners cannot connect to the global economy from their own homes."

Increased access to high-speed internet will most profoundly affect workforce development in rural areas. Deployment of broadband affords rural residents the ability to access online community college and four-year university courses, providing the area with a stronger workforce, which will ultimately attract more economic development opportunities.

3,751 COMPANIES RESEARCHED
58 PROJECT PROPOSALS SUBMITTED
41 NEW PROJECTS

VGR and VEDP hosted media representatives from publications such as *IndustryWeek* for a tour of the Gateway Region in April 2017



Photo courtesy VEDP

46 MEDIA MENTIONS
18% INCREASE IN WEB TRAFFIC
7 MEDIA STORIES
41,714 NEWSLETTERS DELIVERED
10% INCREASE IN SOCIAL MEDIA ACTIVITY



Photo courtesy Port of Virginia

Expansions underway have placed the Port of Virginia in the top five largest ports in the country. The Port welcomed their largest ship ever in 2017, the COSCO Development (pictured above). The ship has the capacity to carry 13,092 TEUs.

ACTIVE PROJECT INDUSTRY COMPOSITION
30% ADVANCED MANUFACTURING
26% GENERAL MANUFACTURING
21% FOOD, BEVERAGE & NATURAL PRODUCTS
8% TRANSPORTATION, DISTRIBUTION & LOGISTICS
4% ENERGY & UTILITIES
4% PROFESSIONAL SERVICES
4% RETAIL, HOSPITALITY & ENTERTAINMENT
3% OTHER



Photo courtesy CCAM

Every year, VGR joins communities nationwide to celebrate modern manufacturing on the first Friday in October, National Manufacturing (MFG) Day. Pictured above is the MFG Day celebration at the Commonwealth Center for Advanced Manufacturing.

ACCELERATINGGROWTH

SPOTLIGHT: COMMUNITY COLLEGE WORKFORCE ALLIANCE AT JOHN TYLER COMMUNITY COLLEGE

VGR’s project pipeline spans from the initial generation of a lead to assistance with staffing and workforce training required to operate successfully. As the economy continues to recover and grow, demand for U.S. consumer goods continues to increase. With the rise of e-commerce and a growing workforce skills gap manufacturers, in particular, struggle to keep pace with demand.

As an economic development organization intimately involved in business locations and expansions across the region, VGR works to best ensure that new jobs coming to the region are adequately staffed with qualified employees. To do so, VGR utilizes proprietary training resources and the community college network, specifically working closely with the Community College Workforce Alliance (CCWA) when possible.

In October, John Tyler Community College (JTCC) and CCWA addressed area workforce concerns with VGR leadership and area manufacturing executives at their Manufacturing Summit. Using responses from a survey issued prior to the event, participants at the summit identified: (1) the most critical positions to be filled in the next five years; (2) the most important skills and behaviors for applicants to demonstrate; (3) specific certifications, licenses and credentials required or preferred for entry-level applicants; (4) strategies and partnerships used previously for employee recruitment; and (5) effective training programs and models already available in the region.

CCWA, housed at JTCC in Chesterfield County, is a unique and valuable asset to the region that VGR often involves

both during prospects’ preliminary visits to the area and after their decision to locate here. CCWA/JTCC specializes in ten of the workforce training programs subsidized by the Commonwealth through the Workforce Credentials Grant Program, launched by Governor McAuliffe in 2016.

The Workforce Credentials Grant Program provides grants covering two-thirds of the tuition for students enrolled in a workforce training program designed to fill in-demand jobs in their home region. After the first year of the program, 2,173 Virginians secured industry-recognized credentials, a 180% increase in workforce certifications earned during the previous year.

Companies want to locate in a region where they have access to superior infrastructure and a vibrant, competent, 21st-century workforce. This workforce must have the skills and training necessary to support research and development for innovative products and services that will bring profits to shareholders and drive sustainability for their industry. The Gateway Region is fortunate to have programs such as the Community College Workforce Alliance that seek to effectively and efficiently train and refine our eager workforce. CCWA and JTCC are world-class assets that perfectly complement VGR’s work to bring jobs and better opportunities to our citizens.

- Renee Chapline, President & CEO
Virginia’s Gateway Region EDO



ALDI broke ground on their new, 500,000-square-foot distribution center in Dinwiddie County in March 2017. ALDI announced their decision to establish divisional headquarters in the Gateway Region in August 2016 with plans to invest \$57 million and create 145 new jobs.

Chesterfield County announced plans for the Matoaca Mega Site, 1,675 acres to be used to attract a large, industrial manufacturing company. Such a project could bring up to 10,000 direct and supplier jobs and billions of dollars in investments to the Gateway Region.



Governor McAuliffe announced 2,173 graduates of community college credentials in the past year.



VGR stakeholders held a planning session with VEDP’s new President & CEO, Stephen Moret



Publix super market opened in Colonial Heights in November 2017 following a six-month, \$8 million self-funded renovation.

GLOBAL 3.0

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.

Launched in 2016, VGR's third strategic plan, Global 3.0, recognizes the importance of both the number of new jobs and investment from industries, as well as the tangible and intangible personal health benefits - physical, emotional and financial - that come with securing sustainable employment (including fringe benefits) resulting 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.

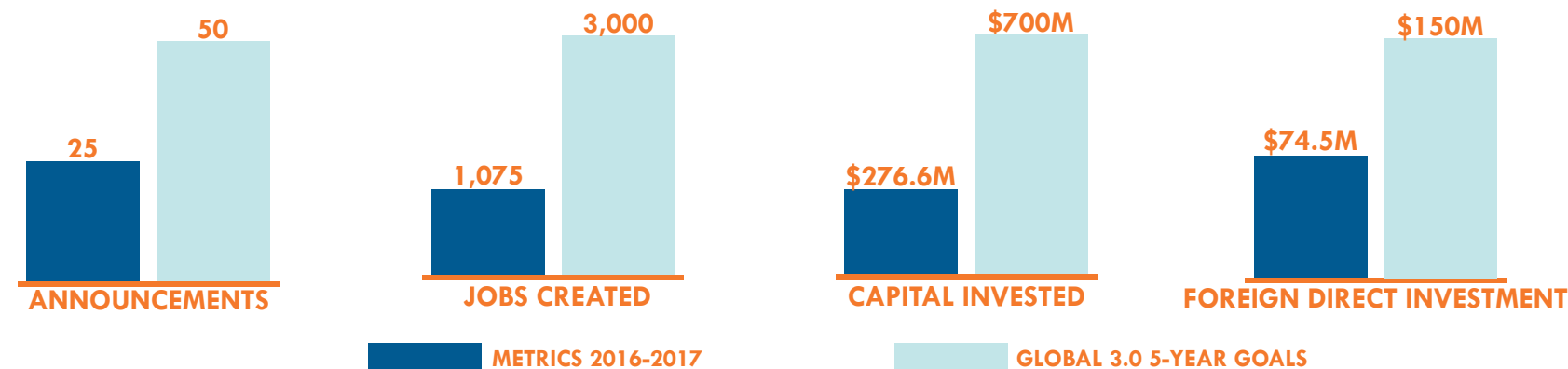


Photo courtesy Chesterfield Business

VGR Partner Atlantic Constructors announced a \$3 million expansion in Chesterfield County in April, increasing the size of their facility by 30 percent.



VGR with MREI partners organized and facilitated ExporTech, a three-class program to educate companies in generating a comprehensive export plan and taking preliminary steps toward implementing such a plan. Four companies participated in 2017.



MREI holds regular Lunch+Learns featuring speakers including service providers and local executives with personal exporting experience.

Virginia's Gateway Region's MREI program and its resources have presented the opportunity for Shoe Crazy Wine to pursue Central American markets and make connections with vetted, domestic distributors. The program's leadership and mentoring have been invaluable to helping Shoe Crazy Wine develop a complete strategy.

- Gwen Hurt, CEO & General Manager
Shoe Crazy Wine

The Metro Richmond Exports Initiative (MREI) 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.

MREI exists to facilitate and expedite the export process. MREI's strategy aims to increase export success of small- and medium-sized enterprises (SMEs) in the Richmond MSA by 40%.

Since its launch in September of 2016, MREI has hosted events for businesses at all stages of the exporting process at venues across the entire Richmond MSA, and also unveiled a brand new website to provide area businesses with easy-to-find information on export-related topics.

- ★ 1,356 Target Companies Identified
- ★ 120 Actively Interested SMEs
- ★ 17 MREI Presentations to Localities and Service Providers

METRO RICHMOND EXPORTS INITIATIVE

MetroRichmondExports.com includes a comprehensive listing of programs and grants offered by MREI; a database of local service providers to assist companies with their diverse areas of exporting expertise; current news and success stories to highlight how exporting supports business growth; an events calendar for the popular Lunch+Learn education series, and more.

The first year of programming placed heavy emphasis upon three core components:

- (1) **Research:** identifying target businesses that could benefit from this program and service providers to assist companies throughout the export continuum
- (2) **Education:** educating local partners, communities and small- to medium-sized enterprises on the importance of exporting, how to get started, and MREI's services
- (3) **Outreach:** networking, phone calls, email, website development, social media, and development of MREI collateral to raise awareness of MREI and its offerings

- ★ Over 4,897 Emails Sent
- ★ Nearly 1,000 Email Responses
- ★ 7 Media Stories Disseminated

REPORTCARD

Founded in 2003, The Cameron Foundation supports and promotes groups dedicated to making the Gateway Region a better place to live, work and play. After 10 years of generous grants, The Cameron Foundation offered VGR the opportunity for an independent assessment of the organization, measuring its practices and accomplishments since 2005 and benchmarking its efforts and metrics against other regional economic development groups.

PROCEDURE

Mr. Scott M. Hebert of Sustained Impact in Boston, Massachusetts performed the study from June 2016 through January 2017. During that time, Mr. Hebert conducted 39 interviews with representatives from the Gateway Region and Richmond; analyzed all VGR publications, press releases, server files, and metric-tracking systems; reviewed relevant news articles pertaining to the Gateway Region; hosted consultations with economic development, workforce development and community development experts; reviewed economic development professional guide books and journals to gather intelligence on the industry's best practices; and compared VGR's procedures, activities and results with other premier regional economic development groups nationwide.

RESULTS

Mr. Hebert's analysis found VGR to be a highly capable organization whose contribution to the region's economy is undeniable. VGR demonstrated its overwhelming success in achieving (and exceeding) all goals set forth by the organization's leadership for its 2011-2015 strategic plan, G2. At the culmination of G2, VGR reported the creation of 10,785 quality jobs from new and existing business growth, surpassing its goal of 2,200 jobs by nearly five-fold.

The growth that VGR fosters through job creation and capital investment generates more economic

opportunities for residents to support local business. Such activity also increases tax revenues, giving public services including local schools and public safety departments more funds for better resources. Finally, the report added that VGR's work also brings a wealth of corporate talent to the area, which opens doors for further growth.

With the size of the VGR staff and with the talent that they have in-house, the amount that they do and the amount of things that they've taken on - such as the Global 3.0 initiative and Metro Richmonds Exports Initiative- is phenomenal.

-Scott Davis, City of Colonial Heights

Results from stakeholder interviews were overwhelmingly positive. Mr. Hebert reported that one word used repeatedly to characterize VGR was "phenomenal." Stakeholders described VGR as a supremely effective, high-functioning organization with a very responsive and professional staff. Over the past decade, VGR has given a voice to the business community both on the organization's board of directors and in VGR's activities and events. Since 2005, VGR has acquired over 100 corporate partners who fiscally support the organization and often provide pro bono services to assist with projects. Prior to 2005, VGR was funded 97% by the government; as a result of the organization's 10-year transformation, VGR is now 75% funded by the private sector.

During his comparative study of regional economic development groups nationwide, Mr. Hebert identified three organizations with which to benchmark VGR's results: well-known regional EDOs serving Virginia's Coastal region, Southwest Virginia, and Eastern North Carolina, chosen for strong military presence and other regional characteristics similar to the Gateway Region. The report concluded that VGR's range of services, activity and results achieved measure very favorably in comparison to the other economic development organizations. Despite having a substantially smaller annual budget and fewer employees, VGR reported more announcements, jobs created and capital investment from 2014 through 2015 than any other EDO reviewed.

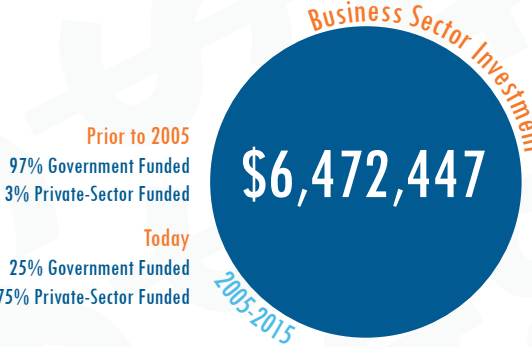
Basically, VGR is my economic development staff. I need them to be there because I take a project and turn it to them and say, 'you handle it' - and they do it, every time.

-Jeff Stoke, Prince George County

- 1960 ✧ Organization founded as Appomattox Basin Industrial Development Corporation, the first regional economic development organization (EDO) in Virginia
- 2004 ✧ Organization evolves into Virginia's Gateway Region EDO
- 2005 ✧ Renee Chapline hired as Executive Director
- 2006 ✧ Momentum campaign kick-off; Ranked in top 20 EDO's in the U.S. by *Site Selection Magazine*
- 2007 ✧ International marketing program established
- 2008 ✧ Recognized by *Site Selection Magazine & Business Facilities* for Economic Development Deal of the Year
- 2009 ✧ Richmond-Petersburg MSA ranked 4th top region for job growth by *Forbes*
- 2010 ✧ VGR receives The Cameron Foundation's Excellence in Organizational Management Award
- 2011 ✧ G2 five-year program of work begins; Region celebrates creation of 3,668 jobs and \$1.5B capital invested during Momentum campaign
- 2012 ✧ Amazon.com fulfillment centers recognized as state's largest job-creation projects since 2004
- 2015 ✧ Region celebrates creation of 10,785 jobs and \$3.4B capital invested during G2
- 2016 ✧ VGR named one of *Southern Business & Development's* best EDOs in Virginia Launch of Global 3.0
- 2017 ✧ Successful 10-year, third-party organizational review places VGR among nation's top EDOs



Scott M. Hebert of Sustained Impact visited the Gateway Region for a third time to present the findings of VGR's evaluation to community and corporate leadership from across the entire Richmond MSA.



SINCE 2005

230 COMPANY ANNOUNCEMENTS

19,313 NEW JOBS CREATED

\$5.4B CAPITAL INVESTMENT

\$3.3B FOREIGN DIRECT INVESTMENT

VGR WEBSITE

Virginia’s Gateway Region launched a new website in December 2017 to provide corporate and community leaders worldwide with easy-to-find information on the Gateway Region. The website serves as a one-stop shop for everything Gateway and caters to all users, from international executives searching for customized workforce data to local families planning day trips across the Commonwealth.

The Data & Report Builder feature compiles custom reports for download including detailed information on transportation infrastructure, taxes and incentives, workforce demographics and training information, along with individual, comprehensive overviews of the region’s five counties and three cities.

Benchmarked against other economic development organizations nationwide, Mr. Scott Hebert of Sustained Impact deemed VGR’s website the most robust and detailed of all websites reviewed. With the addition of a Live & Explore section, VGR’s new website now also includes listings of restaurants, shopping, museums, festivals, sporting attractions and more across the Gateway Region. The Day Trips section includes attractions from around the Commonwealth, emphasizing that both families and young professionals can “access everything” from the Gateway Region.

The website’s updated look and cross-platform functionality ensure a user-friendly experience on all devices. Richmond-based The Hatchery developed the new website.

GatewayRegion.com is divided into four main categories:

LOCATE
Geared to educate business executives on the Gateway Region’s world-class business assets, this section houses transportation infrastructure, business costs and incentives, workforce training, a Data & Report Builder tool, and site selection information.

START
With resources to help identify target markets, develop a business plan, and secure funding, office space and employees, this section is devoted to entrepreneurs seeking to open a small business in the Gateway Region.

EXPAND
Already operating in the Gateway Region? This section houses resources specific to expanding businesses including staffing and training information and tax and incentive details.

LIVE & EXPLORE
Learn about the area’s local lifestyle in this section with detailed listings of attractions, schools, housing and community events.

In addition to these four categories, there is a detailed newsroom with both current and archived news stories, publications, videos and more.

804.732.8971 ABOUT NEWSROOM SITE SELECTION PARTNERS COMMUNITIES CONTACT



LOCATE
FIND A LOCATION

START
ESTABLISH YOUR BUSINESS

EXPAND
RESOURCES FOR GROWTH

LIVE & EXPLORE
LOCAL LIFESTYLE



COME AND GROW
Amazon, AdvanSix, Rolls-Royce, Sabra Foods, Service Center Metals, Aukland, Evonik. Keep good company with thriving brand name industries.
LET'S GO!

IN THE NEWS

Wayfair Latest to Join Regional Distribution Boom

An e-commerce retail giant known for its home furnishings and decor is adding to its network of distribution hubs with a new location in metro Richmond.

Boston-based Wayfair has signed a four-year lease to establish a 46,000-square-foot facility in the Rivers Bend Industrial Park at 805 Liberty Way in Chester, its first in the local market.

[READ MORE](#)

SPOTLIGHT

Export Resources for Area Businesses

Did you know that 80% of consumer demand for U.S. goods and services comes from abroad? Let VGR staff guide your business through a variety of exclusive resources to increase your business' export activity. No matter where your business is on the export spectrum, VGR as part of the Metro Richmond Exports Initiative has the right program to assist with your global outreach efforts. Contact us today to find out more about the programs and MREI grants to capture your business' share of the global marketplace.

[READ MORE](#)

ABOUT US

Connecting Businesses to Opportunities

Whether starting up, expanding or searching for a new location, let Virginia's Gateway Region Economic Development Organization help your business access the right talent, logistics advantages and more than 40 percent of the U.S. market right here from the center of the East Coast and Gateway to Global markets.

[READ MORE](#)

PARTNER SPOTLIGHT

Prince George Electric Cooperative

A Tidewater Energy Cooperative

VGR's valued partners participate in the economic development progress being made in the region.

[PARTNER DIRECTORY](#)[BECOME A PARTNER](#)



The GatewayRegion.com homepage features the new VGR logo and marketing scheme that was designed and developed entirely in-house. From the homepage, easily scan website content from four drop-down menus: Locate, Start, Expand and Live & Explore. At the top of the page find quick-link buttons to the VGR newsroom, site selection tools, partners listings, community-specific information and more.

The Data & Report Builder is a user-friendly, one-stop tool for customized data reports on the Gateway Region's world-class business assets. With cross-platform functionality and full translation capabilities, download information from the Data & Report Builder on any device from anywhere in the world.

Data & Report Builder



Select the **Add to Report** icon + to build your own custom report for output, or download individual reports by selecting the **Download** icon ↓.

TRANSPORTATION & INFRASTRUCTURE

- ↓ + Transportation
- ↓ + Utilities Rates
- ↓ + Air Travel
- ↓ + Marine & Port Access
- ↓ + Freight Forwarding & 3PLs

LOCAL BUSINESS CLIMATE

- ↓ + Business Costs
- ↓ + Incentives
- ↓ + Research & Innovation
- ↓ + International Business
- ↓ + Entrepreneur Resources
- ↓ + Industries

BUSINESS ENVIRONMENT

- ↓ + Union Presence & Activity
- ↓ + Cost of Living
- ↓ + Weather & Climate

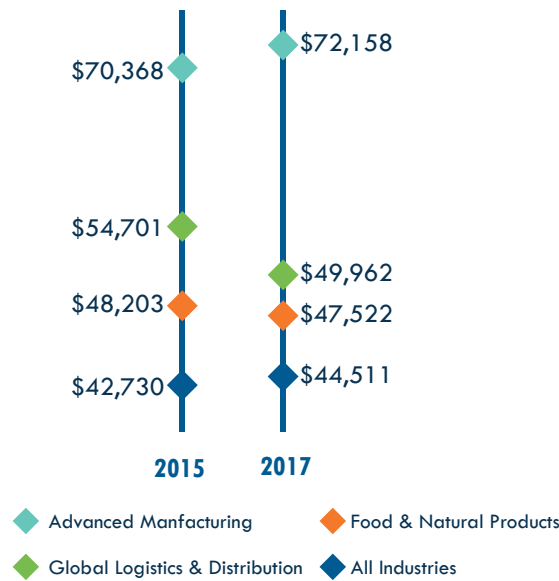
WORKFORCE PROFILE

- ↓ + Education & Training
- ↓ + Workforce Dashboard
- ↓ + Socio-Economic Dashboard

BUILD YOUR CUSTOM REPORT

PROSPERITYIMPACT
JOBS AND WAGES GROWTH

AVERAGE WAGE GROWTH

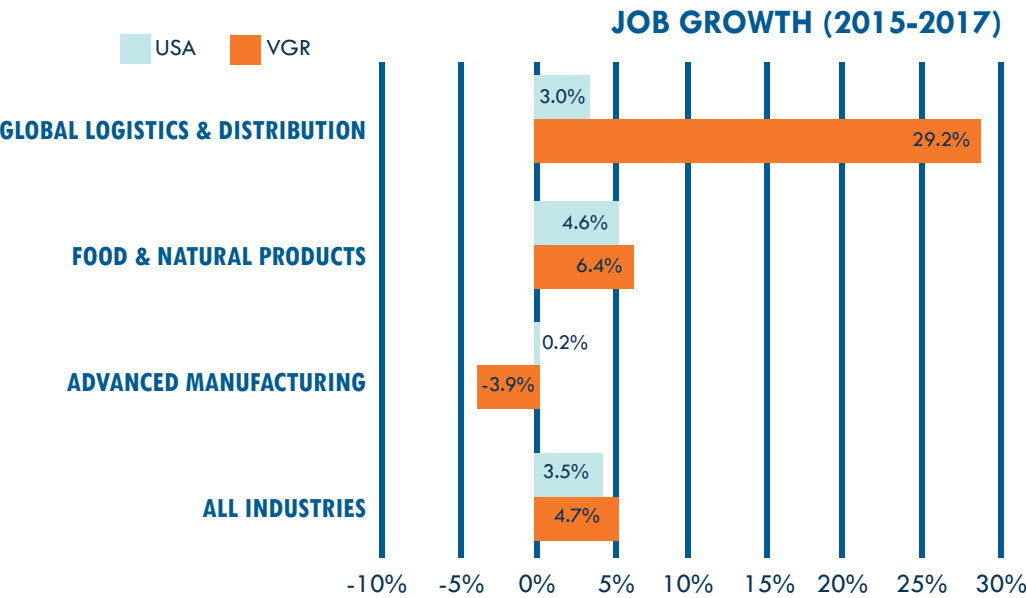


AVERAGE WAGE GROWTH (2015-2017)

ALL INDUSTRIES	+4.2%
ADVANCED MANUFACTURING	+2.5%
FOOD & NATURAL PRODUCTS	-1.4%
GLOBAL LOGISTICS & DISTRIBUTION	-8.7%*

NEW JOBS

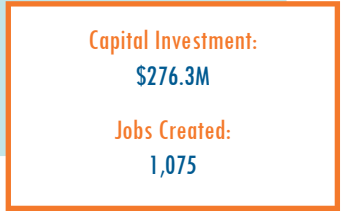
	CURRENT EMPLOYMENT	JOBS CREATED SINCE 2015
ALL INDUSTRIES, TOTAL	207,889	+9,407
ADVANCED MANUFACTURING	9,010	-362
FOOD & NATURAL PRODUCTS	3,010	+181
GLOBAL LOGISTICS & DISTRIBUTION	19,148	+4,323



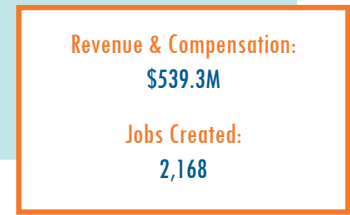
Source: Bureau of Labor Statistics' Quarterly Census of Employment and Wages and Chmura data, December 2017
Note: Data are based on a four-quarter average, preliminary data are excluded. Comparisons are made between Q1 2015 and Q1 2017.
*The decrease in Global Logistics & Distribution average wages, despite an increase in the number of jobs, is a result of market saturation.

PROSPERITYIMPACT
DIRECT & INDIRECT IMPACT ACROSS THE REGION

BUSINESS INVESTMENTS



TOTAL IMPACT



VGR and its partners actively worked toward increasing the number of new jobs in the region in the last two years. VGR and its community partners also facilitated the investment of over \$380 million from new business locations and existing company expansions between 2016 and 2017. These companies initially added 1,075 jobs to the region; however, the regional impact of the initial capital investment and associated job growth proved much larger. Such business investments also stimulated the creation of 520 indirect and induced jobs, which are linked to supplying industries and direct employee consumption. In addition, the regional economy gained nearly \$458 million from investing companies' revenue and paid compensation.

As with other regions, the impact of business investments within the VGR footprint also benefits the extended labor market. From 2016 to 2017, this equated to an additional 572 jobs, as well as nearly \$81 million in revenue and compensation in surrounding communities.

Overall, the total impact of the \$276 million capital investment and 1,075 direct jobs created in the Gateway Region between 2016 and 2017 is as follows:

CAPITAL INVESTMENT: \$276,301,000
DIRECT JOBS: 1,075

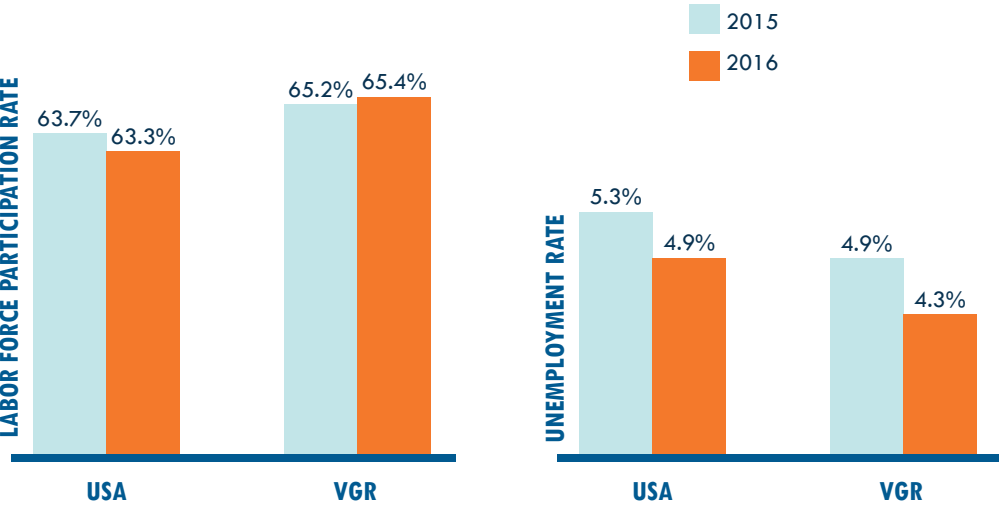
REGIONAL IMPACT (VGR's Eight Communities)
Jobs: 1,596 including 520 indirect & induced jobs
Revenue and Compensation: \$81,141,511

TOTAL IMPACT (VGR Extended Labor Market)
Jobs: 2,168
Revenue and Compensation: \$539,365,575

More than one-half of the business investments were in the Advanced Manufacturing (22%), Food & Natural Products (7%) and Global Logistics and Distribution (25%) core industry clusters.

Source: Chmura, December 2017
Note: Analytics to estimate the impact developed by Chmura and customized for the VGR region.

PROSPERITYIMPACT
IMPROVED REGIONAL WELL-BEING



In the last two years, job growth, increased business activity and training opportunities in Virginia's Gateway Region have encouraged its citizens to return to work, positively affecting the region's labor force participation and unemployment rates.

The unemployment rate in the region declined nearly 0.6 percent between 2015 and 2016, decreasing at a faster pace than the national unemployment rate.

The increase in the number of jobs and higher wages also resulted in increased home-ownership, income, and stable poverty rates.

Although the median household income increased in the last year, VGR is working to assist in growing the amount of income earned by households to equal or surpass the national average. In addressing the median household income challenge, VGR is also targeting lower poverty rates.

HOME-OWNERSHIP

	VGR	USA
2016 NEW HOME-OWNERS	1,185	168,977
2015-16 NEW HOME-OWNERS GROWTH	+1.0%	+0.2%

MEDIAN HOUSEHOLD INCOME

	VGR	USA
2016 MEDIAN HOUSEHOLD INCOME	\$50,928	\$55,322
2015-16 MEDIAN HOUSEHOLD INCOME GROWTH	+1.9%	+2.7%

PEOPLE LIVING IN POVERTY

	VGR	USA
2016 POVERTY RATE	10.5%	15.1%
2015-16 POVERTY RATE CHANGE	+0.1%	-0.4%

Sources: U.S. Census Bureau's 2015 and 2016 American Community Survey 5-Year Estimates for Labor Force Participation Rate, Home-Ownership, and Poverty data; U.S. Bureau of Labor Force Statistics' Local Area Unemployment Statistics (2015 and 2016 Annual Data) for Unemployment Rate

PROSPERITYIMPACT
ENTREPRENEURIAL ECOSYSTEM GROWTH

Between 2016 and 2017, there were 223 inventors in the region that created 329 patents. Thirteen of such inventors created 16 patents without affiliation to a business. The other inventors created 313 patents assigned to 85 companies worldwide. VGR's inventors mainly worked for advanced manufacturing and scientific research and development companies.

The Gateway Region's existing companies also benefit from an increase in the number of educated workers. The number of educated people entering the region's workforce is increasing at a faster pace than the national rate.

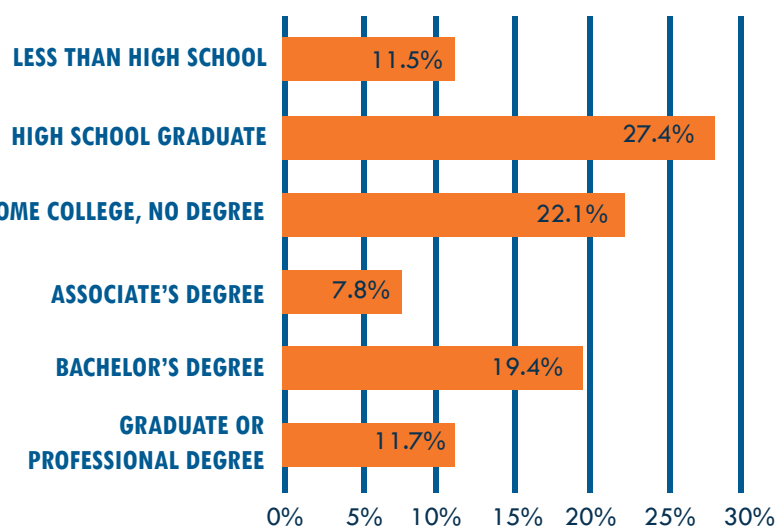
Virginia's Gateway Region offers an entrepreneurial eco-system that bodes well for existing companies looking to expand, individuals launching new businesses or national and international companies considering a location in the region.

Taxable sales increased by more than \$118 million, or 2.0%, between 2015 and 2016, reflecting a healthy regional economy and the presence of sufficient demand to support local business services.

TAXABLE SALES

RETAIL TAXABLE SALES, 2016	\$5.8B
2015-16 RETAIL TAXABLE SALES GROWTH	+2.0%

VGR EDUCATIONAL ATTAINMENT



CHANGE IN EDUCATIONAL ATTAINMENT SINCE 2015

	VGR	USA
LESS THAN HIGH SCHOOL	-2.5%	-1.5%
HIGH SCHOOL GRADUATE	-0.7%	+0.2%
SOME COLLEGE, NO DEGREE	+1.4%	+0.5%
ASSOCIATE'S DEGREE	+5.0%	+2.6%
BACHELOR'S DEGREE	+4.5%	+2.6%
GRADUATE OR PROFESSIONAL DEGREE	+4.7%	+3.3%

Sources: Weldon Cooper Center for Public Service's Center for Economic Policy Studies at University of Virginia for Taxable Sales data; U.S. Census Bureau's 2015 and 2016 American Community Survey 5-Year Estimates for Educational Attainment data (population aged 25 years and older).

ABOUTVGR

OPERATIONAL TEAM



Renee Chapline
President & CEO



Emily Salmon
Vice President of Strategic Initiatives



Emily Flippo
Marketing & Trade Investment Manager



Linda Mendy
Research & Business Investment Manager



Racheal Stewart
Executive Assistant to the President & CEO



Ty-Li Brickus-Clark
Intern

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MISSION

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.

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