









2022 ECONOMIC ACTIVITY REPORT



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"Suffolk's strong, diverse business community has much to be proud of when looking at all that was accomplished in 2022. Several large industrial projects have come online, Suffolk's downtown is experiencing a rebirth, and numerous small businesses have opened throughout our community. I welcome you to read this Annual Report and see for yourself how Suffolk continues to grow and evolve as a community desirable to businesses of all sizes."



- Michael "Mike" Duman, Suffolk Mayor

### NANSEMOND 1646 SUFFOLK 1742 **Suffolk City Council Members** Michael "Mike" Duman, Mayor Roger Fawcett Lue Ward, Vice Mayor John Rector Timothy Johnson Leroy Bennett Shelley Butler Barlow LeOtis Williams

## Connectivity Expanding Citywide

Suffolk continues to build its infrastructure and has recently taken a major step forward with enhanced broadband connectivity options citywide that will ultimately provide western Hampton Roads with "Universal Coverage" through Cox for Business, Spectrum, and GloFiber. Broadband capability for every home in Suffolk will enhance quality of life for citizens and provide more opportunities for business.

The Hampton Roads Planning District Commission, in partnership with Charter Communications, was recently awarded a \$21 million Virginia Telecommunications Initiative (VATI) grant to bring universal broadband coverage to Suffolk. The grant provides needed funding to build a high-speed, reliable, and affordable fiber internet network to areas of western Hampton Roads currently without service. More than 12,000 homes and businesses are estimated to gain access to new broadband service.

GloFiber (Glo), powered by Shenandoah Telecommunications Company (Shentel), has recently entered the Suffolk market to provide next-generation fiber-to-the-home (FTTH) multi-gigabit broadband internet access, live streaming TV, and digital home phone service. Glo has been providing telecommunications services to eastern Virginia for 120 years, and will be bringing gigabit broadband to Suffolk.

The Southside Network Authority, a collaboration of multiple cities and counties in Virginia's Southside, was created to provide or assist in the provision of qualifying communication and currently is working on a suite of eight projects centered on the Regional Connectivity Ring (RCR), a dark fiber, open access ring, which will connect all five Southside cities to transoceanic cables, accelerate the growth of digitally-empowered communities, and serve as the foundation for smart region development. The primary goal of the RCR is to connect the entire 757 Region and serve as the backbone of the 757's current and future digital ecosystem.

Cox currently provides service to 11 cities in the Hampton Roads area and has recently committed \$100+ million in additional investment over the next three years. As part of this investment, approximately 1,500 Suffolk businesses now have access to cutting-edge technology with fast, reliable broadband-based service following the completion of nearly 30 miles of newly laid fiber. These businesses will be able to access dedicated fiber-optic internet with speed up to 100 GBPS, cloud solutions, and phone service.





### Technology and Logistics

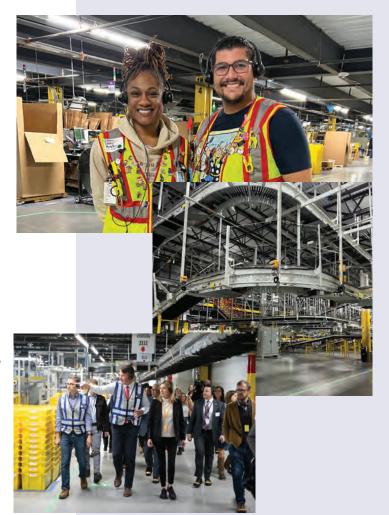
The first Amazon robotics fulfillment center in Virginia officially opened in Suffolk in October 2022 with a grand opening ceremony and site tours. The event was attended by Governor Youngkin. Anticipated to bring 1,500 new jobs to Suffolk, Amazon's new high-tech fulfillment center is a major industrial force.

At nearly four million square feet, the facility can currently process an average of 200,000 packages per day. Amazon estimates nearly one million packages can be processed per day once the facility reaches its full operating potential.

The fulfillment center is a strong economic driver for Suffolk and Hampton Roads.

In addition to Amazon's major investment in Suffolk, Lowe's, the second-largest home improvement and hardware retailer in the U.S., is slated to open a 1.5 million square foot regional distribution center. Estimated at around \$75 million, the new center is the latest addition to Virginia Port Logistics Park and is projected to bring 100 new jobs to Suffolk.

Suffolk's convenient location to the Port of Virginia provides major retailers and industry with a reliable supply chain. The Port, which saw record-high cargo volumes in 2021 and 2022, is a key logistics partner in Suffolk's growth.







# Healthcare is Growing

Bon Secours – Hampton Roads is part of Bon Secours Mercy Health, one of the 20 largest health systems in the U.S. In October 2022, Bon Secours, alongside Suffolk business and community leaders, celebrated the groundbreaking of their new Harbour View Hospital.

Adjoining Bon Secours Health Center at Harbour View Campus, the new Harbour View Hospital is estimated to cost nearly \$80 million to construct the three-story facility and will be 98,000 square feet once completed.

To best serve the Suffolk community, this surgically-focused hospital will have 18 medical/surgical beds, up to four operating rooms, a 15-bed emergency department, on-site lab services, and imaging services, including CTs, MRIs, and X-rays.



Sentara, another valued health system in Suffolk, recently invested \$10.6 million in its local operations. With more than 1,500 employees in Suffolk, Sentara's footprint has expanded with major improvements to its health care technology, medical equipment, and physical plant, including the addition of a new outpatient unit, laparoscopic equipment upgrades, CT and X-ray expansion, Cath/EP lab replacement, and outpatient rehab expansions and renovations, among other improvements.





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#### Food and Beverage Continues to Produce

Suffolk's food and beverage industry remained strong over the past year and included several noteworthy investments and expansions, one of the largest of which came from Birdsong Peanuts.

Birdsong Peanuts, headquartered in Suffolk and a staple in Virginia's peanut industry for more than 100 years, announced it would invest \$25.1 million in its Suffolk peanut shelling facility. This investment will allow Birdsong to modernize and automate its production lines.

Birdsong Peanuts was founded in 1914 by T.H. Birdsong in Courtland, Virginia. After Birdsong's shelling plant burned down in 1939, Amedeo Obici, Planters Peanuts founder, asked Birdsong's five sons to relocate their factory next to his Planters Peanuts factory in Suffolk. That facility, which was so crucial to the early success of Planters Peanuts, remains in operation today and has since been joined by dozens of other Birdsong peanut buying, shelling, shipping, and cold storage facilities across 11 states.







Massimo Zanetti Beverage USA (MZB-USA), based in Hampton Roads for 17 years, announced it would be investing more than \$29 million to consolidate and expand operations at its roasting facility in Suffolk. Virginia successfully competed with New Jersey for the project, which will create nearly 80 new jobs in Suffolk.

MZB-USA is the only completely vertically integrated coffee company in the United States. MZB-USA coffee is farmed in Hawaii, Brazil, and Costa Rica, purchased by MAZ (coffee buying entity), shipped through the Port of Virginia, delivered to the Suffolk MZB-USA Roasting facility, transported to the Suffolk MZB-USA warehouse, and distributed through grocery, e-commerce, and retail merchants.

Although MZB-USA may be a global company with a large footprint in the food and beverage space, its local impact is also quite profound. Many local restaurants, including Amedeo's Bakery, serve MZB-USA coffee in their establishments.





















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### Downtown, We're Open

Known for its quaint buildings and historic architecture, Downtown Suffolk is a wonderful place to live, work, and visit. Downtown Suffolk is filled with local boutiques, scrumptious local cuisine, and engaging attractions for everyone to enjoy.

Suffolk embraces creativity and experimentation to set itself on a path for long-term success and sustainability. There are many things that keep a downtown ticking, in hard times and boisterous ones. There are the business owners whose vision and drive create the shops, restaurants, and entertainment establishments that bring us back again and again. There are the residents who choose to make downtown their home. And there are the collaborations from private investment projects that are also key to downtown's long-term success.

This year has been no exception to that commitment, with everything from beautification projects and the reintroduction of the Downtown Business Association, to highlighting our business community in partnership with a Suffolk Center for Cultural Arts exhibition. We hope to continue these efforts in the years to come, especially with the arrival of a new festival event park and mixed-use renovation project.











### Supporting Small Businesses in Suffolk

The City of Suffolk Economic Development Authority (EDA) created the Small Business Improvement Grant (SBIG) to provide financial assistance to new and existing retail and restaurant businesses looking to expand in designated areas of the City. The goal is for these businesses to generate tax revenue through entrepreneurship in specific categories.

Grant funds can be used to improve walls, ceilings, flooring, permanent shelving and cabinets, interior lighting, elevators, life safety upgrades (sprinkler and fire alarm systems), or utility-related updates.

There is a thorough application process for local businesses to complete and specific criteria must be met in order to be eligible for funding.

In addition to the SBIG, the EDA's Business Façade Improvement Grant program was established to provide financial assistance to commercial property owners in designated areas of the City to rehabilitate their buildings and properties. Visit www.YesSuffolk.com to learn more about the regulations, qualifications, and procedures. Grant funds can be made available for commercial rehabilitation projects and can be distributed to eligible property owners on a reimbursement basis. Eligible locations include Downtown Suffolk (as designated in the Historic Conservation Overlay District), The Villages, and Gateway Corridors.

In addition to various grants offered by the City, small businesses are supported in many other ways. From hosting special events to grand openings and farmers' markets, small businesses are embraced and supported throughout Suffolk.

















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#### Retailers Continue to Grow Local Economy

The retail economy in Suffolk continued to thrive over the past year. HomeGoods opened a new store, Tractor Supply began construction on its second Suffolk location, and Banner's Hallmark relocated to a larger space.

HomeGoods, a national home décor retailer with nearly 850 stores throughout the U.S., officially opened its new Suffolk location in November 2022 in the Harbour View East Shopping Center. The new store employs roughly 65 workers and contains 28,000 square feet filled with furniture, decorative accessories, kitchen gadgets, pet supplies, and holiday and seasonal gifts.

Tractor Supply, another major national retailer, and the largest rural lifestyle retailer in the U.S., will soon be opening its second location in Suffolk. This new location, located at the Northgate Commerce Park, is just over 21,000 square feet.

Banner's Hallmark, a family-owned and operated card and gift company, operates 58 Hallmark stores throughout Virginia, Maryland, and North Carolina, recently relocated to a new, larger storefront. The previous Suffolk store was 3,600 square feet; the new store is located in the same shopping center but in a much larger 6,000-square-foot space. This expansion will increase Hallmark's staff from 12 to 17 employees.









#### **Facts and Figures**



99,179



\$369M+



**598**NEW JOBS CREATED



**3M+**SQUARE FOOTAGE IMPACTED

#### **Businesses Growing in Suffolk**

Sight 2 See Optometry North Suffolk Psychiatry ReVision MedSpa Spa and Laser Center
Lifestance Health PortCo Digital Realtor Press'd City Electric Supply Reynold's Café Charcoal Chicken All Grit Athletics AAAA Self Storage AJ Gator's Souper Pho HomeGoods Country Boys BBQ Arby's Apothecary 1885 AT&T Ocean Storage Vortex Carwash Lowe's Coastal Holding Facility America's Buffalo Wings DART NFI Transload Northgate Bankers Insurance Building Resilient Solutions IRG Unis Oldcastle Solenis Acesur Virginia Carolina Civil Lipton Birdsong Peanuts Comfort Suites Brentwood Inn & Suites Cedar Point Country Club Nansemond Veterinary Clinic Sentara Bon Secours Bayview Physicians Group Gastrointestinal and Liver Specialists of Tidewater Main Street Physicians Sports Medicine and Orthopaedic Center **DOD Joint Staff Suffolk Complex** Navy Cyber Defense Command Harbour Breeze Professional Center Cricket Wireless Sherwin-Williams Royal Farms Unique Little Hands **Banner's Hallmark Velveteen Rabbit Allong** Virginia's Daughter Bridal Boutique Wendy's Nansemond Self Storage Suffolk Center for Cultural Arts Tractor Supply Supreme Gas Station Hardee's Shine Hair Salon Nansemond Parkway Self Storage Crossfire Logistics Mills Marine Target Excel

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