



#### ECONOMIC ACTIVITY REPORT

Together One Suffolk

2021





"It is extremely rewarding and satisfying to see the progress and advancements that our business community made in 2021. The diverse makeup of the Suffolk business community remains resilient and inspiring. **TOGETHER ONE SUFFOLK** will continue to create opportunities for our citizens and businesses to thrive."

– Michael "Mike" Duman, Suffolk Mayor





#### **Suffolk City Council Members**

Michael "Mike" Duman, Mayor Leroy Bennett, Vice Mayor Shelley Butler Barlow Roger Fawcett Donald Goldberg Timothy Johnson Lue Ward LeOtis Williams



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#### Year in Review

A strong year of partnership and collaboration between Suffolk residents, businesses, and the City truly reinforced the sentiment "Together One Suffolk!"

Many key industry sectors performed well during the past year, **adding a total of 1,086 new jobs**. New and existing retail establishments and animal clinics expanded, relocated, or otherwise grew their operations, local businesses benefitted directly from innovative workforce development programs, the expansion of multiple child care facilities allowed parents to return to the workforce, and **total capital expenditures topped \$185 million** in 2021.

From early site preparedness to proactive planning, coupled with an exceptionally wellperforming Port of Virginia, the region's supply chain remained strong and reliable.

More than five million square feet of real estate space is expected to come online in the coming years due to strong e-commerce demand boosting Suffolk's warehousing and industrial market. Growing construction demand allowed three large firms in construction and site development to expand their footprint in the area. In total, **more than 2.85 million sf was impacted** in 2021.

Rounding out the year's accomplishments are the continued rebirth and reimagining of Downtown Suffolk, with several new projects in the works.



Calvin Malone Insurance Agency



Early Resultz Daycare



Sonoco

# Keeping the Supply Chain Moving

The Port of Virginia performed exceptionally well, enjoying some of its best months ever in December 2020 and January 2021. The port is making substantial investments in its infrastructure, including opening a new deeper, wider channel, expanding its central rail yard to handle more than one million rail containers per year, and adding three cantilever rail-mounted gantry cranes and their support systems. The port's successes over the past year are credited primarily to valued collaborations with labor partners on safety protocols, reinforced commitment to capabilities and strengths, and exceptional support and stewardship of key leadership and elected officials.

Ample opportunities for speculative or build-to-suit industrial developments were made possible in large part by substantial pre-construction and pad readiness site work.



Port of Virginia



Lake Cohoon Road Bridge Replacement (Under Construction)

#### E-Commerce Demand Fuels Distribution Boom

The City of Suffolk saw an unexpected yet welcome side effect of the pandemic. With individuals and families spending more time at home, e-commerce activity greatly increased over the past two years, and the demand for distribution space in Suffolk jumped as a direct result.

A staggering five million sf of industrial real estate space is slated to come online throughout the coming year.

The latest developments include:

- Amazon Robotics Fulfillment Center, Northgate Commerce Park 3,800,000 sf spread over 4½ stories, creating 1,000+ full-time jobs
- Virginia Port Logistics Park (VPLP), Route 58 900+ acre master planned industrial park, three new buildings coming online with a total of 934,380 sf
- Portside Logistics Center (PLC), Park Drive with RoadOne IntermodaLogistics leasing 338,000 sf
- Coastal Logistics Center (CLC), Route 58 and Carolina Road construction is underway on 813,721 sf, with additional phases set to include more than 1,600,000 sf

Future developments, soon to break ground, including NFI at Northgate, Unis at Virginia Commerce Park, Virginia Commerce Center, Westport Commerce Park, and Virginia Distribution Center, are expected to bring nearly 3,000,000 sf of space across 300 acres.



Amazon



Coastal Logistics Center



Massimo Zanetti Beverage USA



"The development activity taking place in the City of Suffolk is important to the future of The Port of Virginia and the economy of the Hampton Roads region. There is a real economic advantage for a company when it is located near its logistics hub, and there are significant benefits for us because we can work with that company to grow its cargo volumes moving through our efficient gateway." – Stephen A. Edwards, CEO and Executive Director of the Virginia Port Authority

#### Medical Services Continue to Expand

The demand for medical services has continued to increase in Suffolk. One of the many new additions included a new medical office building being built in the Harbour View area of Suffolk. The TPMG ENT (Ear, Nose, and Throat) Specialists group has constructed a 7,000 sf practice building at Champions Way. There, Dr. Pierre Martin and his team provide audiology care for adults and children. Regional healthcare leader Sentara Healthcare continued to invest in their existing medical campuses, including Sentara Obici Hospital and Sentara Belleharbour, spending close to \$9 million in the process. Bayview Physicians and Bon Secours also invested heavily into improving their medical services in Suffolk.

One medical industry sector that has seen tremendous growth is in veterinary medicine. Multiple veterinary practices have expanded to better serve Suffolk residents and their four-legged family members. Academy Animal Care, located along Pruden Boulevard, completed a façade renovation and added an additional 1,500 sf to their clinic. The COVE Center of Veterinary Expertise leased an additional 8,100 sf and added several new positions. Tidewater Animal Clinic designed and constructed a brand new 6,000 sf facility featuring a technologically advanced surgery suite, dental suite, and ultrasound/radiograph room. The new building allows the clinic to provide enhanced animal care services such as surgeries and limited boarding.



TPMG



Academy Animal Care



Tidewater Animal Clinic

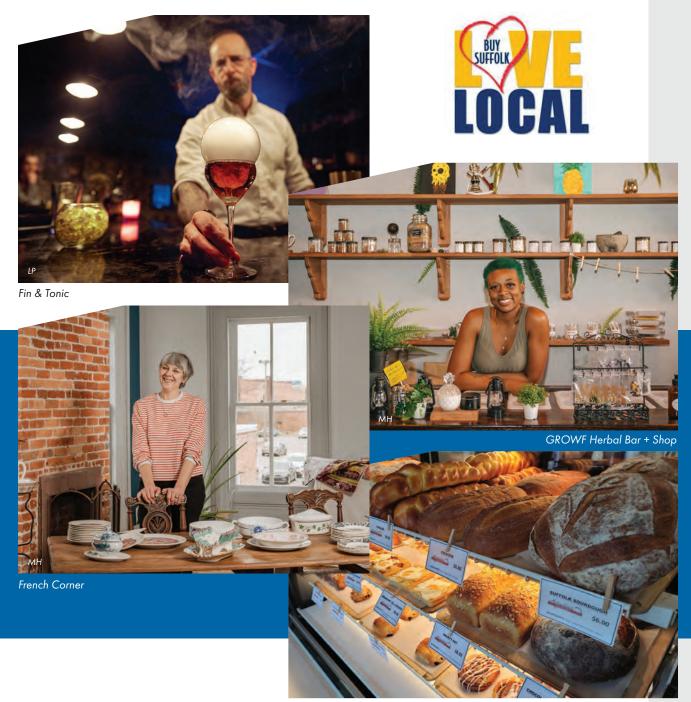
#### VMASC Telehealth Robot Provides Support

"David's Project," a telehealth robot was recently created by Dr. Tina Gustin, Co-Director of Old Dominion University's Center for Telehealth Innovation, Education, and Research (C-Tier) and clinical manager for the Pediatric Telehealth Program at Children's Hospital of the King's Daughters (CHKD), and Dr. Yiannis Papelis, Chief Technology Officer at VMASC, based in Suffolk. VMASC is the Virginia Modeling, Analysis, and Simulation Center, a research facility that is part of Old Dominion University. The prototype robot was created to engage children that are isolated due to compromised immune systems and allow them to project their presence beyond the nature of being alone in their room. Further improvements to the robot came about as a result of Dr. Gustin meeting a child named David Carey, who was in search of better opportunities to feel less isolated while receiving medical treatment. The robot was named "David's Project" in homage to him and his family. VMASC received grant support from the Governor's office and developed the prototype; additional project applications include use in many different settings, such as homes, hospitals, and schools.



# Suffolk Entrepreneurs Keep Retail Sector Strong

Suffolk's retail sector has rebounded as the effects of the pandemic began to subside. Residents, working together, have continued to support local and small businesses, furthering the recovery. Over the past year, local retail establishments added more than 160 new jobs, impacted nearly 104,000 sf, and included a capital investment of \$18,680,000. Retail was the second-strongest industry sector for Suffolk in terms of capital investment made in 2021.



Amedeo's Bakery

### Growing Construction Sector Brings New Companies to Suffolk

With strong demand for new construction and renovation of existing structures, several new companies have joined Suffolk's growing construction sector.

VirginiaCarolina Civil specializes in pre-construction planning, budget, estimating, general contracting, subcontracting, and site development. The company is experienced in all aspects of the heavy-civil, heavy-highway, and site work construction segments, executing a variety of projects throughout the Mid-Atlantic region.

 VirginiaCarolina Civil – added 25 new jobs, impacted 9,200 sf, with capital investment of \$4,000,000; new building constructed specifically for their headquarters

Branch Civil, 100% employee owned, specializes in site development, highway construction, and design-build. Known for its longstanding tradition of serving the transportation and infrastructural needs between and within communities throughout the Mid-Atlantic and Southeast United States, Branch Civil is a respected name in the civil construction industry.

 Branch Civil – added 18 new jobs, built a 9,600 sf operations center, with capital investment of \$2,100,000; to establish a new operation in Suffolk

ACI (Atlantic Constructors, Inc.) is regarded as one of Virginia's leading construction and service providers for commercial and industrial clients. With more than 700 employees, ACI provides structural steel, process piping, fabrication, HVAC/plumbing, fire alarm and fire protection, millwright/rigging, airport, green/LEED, and electrical services.

• ACI – moved to Suffolk Industrial Park and retrofitted an existing facility, added 22 new jobs, impacted 39,000 sf, with capital investment of \$400,000



VirginiaCarolina Civil





ACI (Atlantic Constructors, Inc.)

#### Investing in Local Workforce Pays Off

A dedicated, skilled workforce is a key component in the success of businesses across every industry sector. To support the local workforce, the City of Suffolk created the Suffolk Workforce Development Center, which provides workforce assistance to Suffolk businesses.

Several local employers have adopted creative and innovative workforce programs in order to groom and upskill their future pipelines of talent. Allfirst, an industrial general contractor, continues to manage an in-house apprenticeship program which teaches students skills such as welding and pipefitting. They also recently stood up a new workforce initiative using the DOD's Skillbridge Program. Soon-to-exit military members are placed in industries matching their skill sets prior to their retirement so that they can learn and grow in a new setting while still receiving the pay and benefits they are accustomed to; wherein, the company is able to provide in-person training and create a welcoming atmosphere for new recruits. Allfirst was the first business in Suffolk to utilize this new resource. Companies such as Solenis and Amadas have worked with Suffolk Public Schools' CTE (Careers & Technical Education) and Camp Community College to place

interns in positions that were suited to their interests, and upon completion of the internship are able to offer them permanent fulltime employment.





Solenis



Amadas

#### Downtown Suffolk Continues Revitalization

Downtown Suffolk has been abuzz with new construction, new businesses filling up available space, and existing businesses performing updates such as façade improvements.

The plan for a new Downtown Festival Event Space, funded through the city's Capital Improvement Program and Plan, was unveiled to serve as a catalyst to support more activity downtown. The new event area will offer ample green open space and will be located on properties that were heavily damaged by a tornado in late 2020.

Plans are also in the works to build a new Central Library downtown, part of the Downtown Master Plan, to replace the Morgan Memorial Library. The Suffolk Public Library offers over 160,000 books, books on CD, magazines, as well as digital books, movies, and music to educate, entertain, and explore. The library operates three existing library locations in addition to outreach services that include a bookmobile, Pop-Up Library, and more.

The Prentis House, one of the oldest standing homes in Suffolk, features professional office space. Thanks to a façade improvement grant, the early 1800's building exterior was updated and revived.







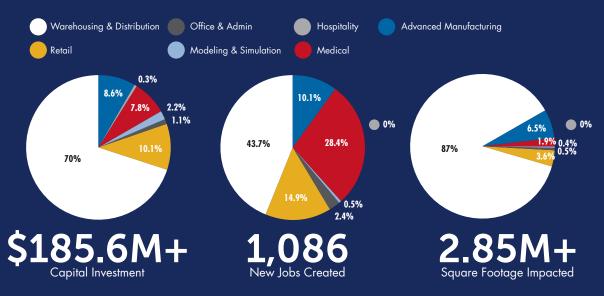
Downtown Suffolk Event Space Rendering



Peanut Crossing, a new housing development in Downtown, came online in 2021, offering upscale living options, creative workspaces, and flexible storage. The location of the Peanut Crossing development is particularly significant as it sits on the former home of the Golden Peanut Company, with roots in Suffolk dating back to 1898.



# **94,960** POPULATION



LUTTRELL STAFFING GROUP Celadon Amedeo's Bakery Bayport Credit Union JAMMIN' ACI Atlantic Constructors, Inc. MZB USA The Fabric Shoppe Integrated Audio Video virginia's daughter bridal LIAM'S DEANER Tienda Latina GXO The Children's Center Mad Batter HAIR GRAPHICS **Virginia Plastic Surgery REACH INTERNATIONAL Alperin Elder Law** NORTH SUFFOLK ANIMAL CLINIC Amazon Pruden Family Dentistry Madan Periodontics and Adler Therapy Group Snkr Tub Mike Duman Auto RoadOne B&P MEDICAL BOXX GYM Implant Dentistry **Aspen Dental** 

ogether One Suffolk

The COVE Vets Joint Chiropractic French Corner IVY REHAB Yamachen Joyful Care Children's Academy LLC Regional Finance Attronica Computers BRANCH CIVIL TPMG - ENT GREEN CLEAN CAR WASH X2 Shop TRINDCO Early Resultz Day Care terbo AMERICA'S BEST WINGS Calvin Malone Insurance Agency Old Skoo CHUCKATUCK TRADING POST PIVOT PHYSICAL THERAPY Sylvan Learning Center Happy Hour Glass Works Hackworth Printing Knotts Coffee Company Academy Animal Care The Knot Hole Station BAYVIEW PHYSICIANS VIRGINIA GASTROENTEROLOGY **Monarch Women's Wellness Absolute Quality** Clarity Acne & Aesthetic Dermatology Tidewater Animal Clinic ARNE Freefall - Skydive Suffolk VIRGINIACAROLINA CIVIL

# **VesSuffolk**

#### **CITY OF SUFFOLK**

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