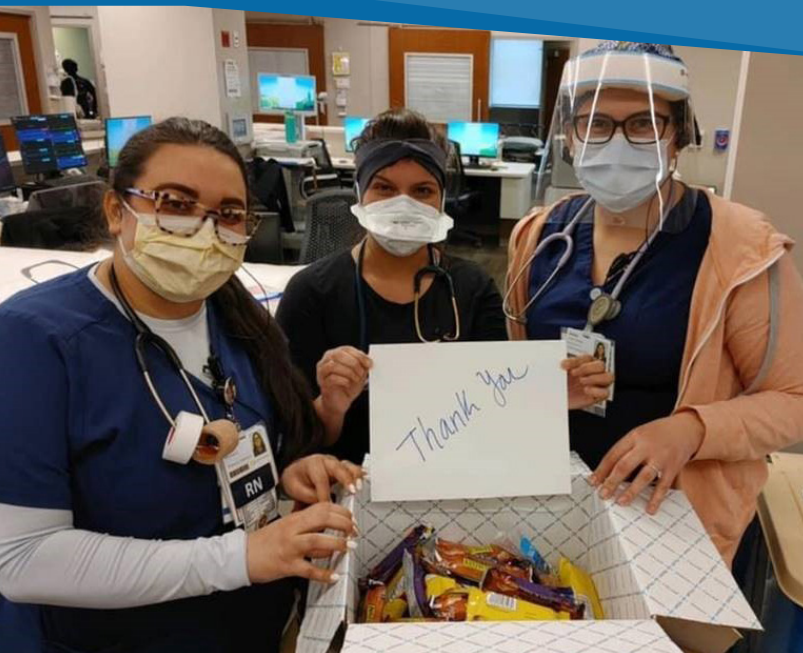


YesSuffolk

ECONOMIC ACTIVITY REPORT

TOGETHER, WE'RE
MOVING FORWARD





Looking at the past year we can agree it has been overwhelming and life-changing in so many ways. But the events of the year, be it weather, health, professional or personal, have also reinforced the resilient nature of the people of Suffolk.

This city may experience hardship, but we are determined to make our community and the health of our residents and businesses better than before. 2020 has shown us we can do so much more when we care for each other. Together, We're Moving Forward. – Mayor Michael “Mike” Duman

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



Mayor Michael “Mike” Duman

January 2020 began with all signs pointing toward a strong year ahead. Relationships were strong with area partners and City Council and city management were poised to continue to sing Suffolk's praises: AAA Bond rating, close proximity to Port of Virginia, ample workforce, diverse population and industry, outstanding natural resources and quality of life.

Then, as we know, everything changed.

This report covers 2020 calendar year business activity, but it would be impossible to report on such without a focus on the pandemic and the toll it took on businesses, workforce and our population. Healthcare and front-line workers emerged as the heroes they are; adding to the pandemic, were two tornadoes that impacted residents and businesses. Suffolk literally "weathered" storms of many kinds in 2020. It would be remiss to not acknowledge how much of what is held dear was lost.

In spite of the challenges of the year, much was gained.

Suffolk experienced new retail openings all over, industrial projects continued to arise and mixed-use developments offered walkable, livable environments. There were notable expansions by key employers Massimo Zanetti Beverage USA and CMP Global. Sentara Healthcare embarked on a substantial renovation of their Sentara Obici Hospital Emergency Department.

This may not have been the year that we envisioned but supporting Suffolk businesses of all sizes brought much to be proud of. Seeing the creative ways businesses responded, while helping their neighboring businesses, gave us a sense of their spirit and dedication. Although much remains to be seen, Suffolk will remain focused on attracting and retaining what make it such a remarkable community.





COVID-19 Response

Throughout the past year, we saw businesses rise to face the challenges by finding innovative ways to reach and serve their customers. Restaurants were especially charged with being creative, and many switched to offering curbside pickup, takeout or even delivery. Business response wasn't limited to restaurants, though. For example, Kerma, a medical products company began distributing hand sanitizer, at the time an extremely valuable resource, to clinics and businesses with demand, while Tegra Global held an internal campaign for a new staff greeting.

The Suffolk Economic Development Department, along with city leaders and other city departments, also had to immediately pivot and refocus efforts to become a resource for the business community. Some examples of COVID-19 related resources:

- Suffolk Economic Development Authority 2020 Grants – Over \$700,000 of grant funds were provided in rounds to small businesses.
- Weekly Job Fairs – Free, socially distanced job fairs were held to connect businesses actively seeking new talent with job seekers.
- Small Business Resources – Listings and links on available resources for businesses affected by the pandemic included information on loans, grants, coaching, guidance and other services.
- Dedicated Curbside Pick-Up Parking and Signs – Permits were fast-tracked to allow safe parking zones for customers looking to quickly pick up meals.
- Outdoor Dining – The city provided safe traffic barriers and outdoor seating was allowed in designated areas to encourage diners to patronize sidewalks and patios of participating businesses. Many opted for heat lamps or fire pits to create warmth and ambiance.



Vibrant Retail Sector

Consumer spending on retail goods drives much of the overall economy and the retail sector employs a large number of people. While it probably was by no means easy, an impressive number of retail establishments made strides in 2020. Over 45 retail establishments in Suffolk expanded or opened during the year, adding 287 new jobs and impacting almost 250,000 square feet of commercial space.

MUD is Key to Revitalization

Mixed-Use Developments (MUDs) encourage growth within dense, more compact areas of land, reduce traffic and pollution by allowing residents to use their cars less and create pedestrian-friendly environments thanks to the short distances between living, work, commercial and recreational destinations.

MUDs are often the key to revitalizing otherwise underdeveloped areas. Businesses residing in these developments provide jobs that can fuel local economic growth as employees and their families become customers for local grocery stores, retail stores and restaurants. The resulting tax revenue from raised property values can be put toward improvements in the development's infrastructure, which in turn stimulates more growth. The Point at Harbour View, Bridgeport North Suffolk and Peanut Crossing are good examples of how mixed-use developments encourage high quality design and greater flexibility.





Downtown Suffolk

A new Downtown Suffolk Branding initiative was unveiled to further enhance and bring awareness to this important corridor. The new branding effort creates a strong visual identity to bring recognition to the district and represents a creative, thriving and cooperative environment, while also acknowledging the roots and heritage of the founding of the City. Businesses in the Downtown District are able to access the logo and other marketing tools to share messages in an exciting and engaging way that tailors to key audiences such as residents, visitors, developers and other businesses.





Targeted Industries Call Suffolk Home

Medical Sector

Healthcare is one of the highest growth industries in the entire world, and that growth is quite evident in Suffolk. In 2020, Suffolk welcomed 11 new medical facilities and expanded eight existing healthcare businesses. One of the biggest medical sector capital investments of 2020 came from Sentara Healthcare. Sentara invested \$13 million to expand Obici Emergency. Emergency room visits at the facility have been above its 40,000 patient-per-year capacity for nearly 10 years. The expansion increased its emergency room size to 20,000 square feet and its capacity to serve 73,000 patients per year.

In 2020, new and expanded business in the Medical industry sector added 142 new jobs, impacted over 61,650 square feet of real estate and benefitted from more than \$19.6 million in capital investments.

Office & Administration Sector

Layer 9, an industry-leading technology company, has been experiencing continued growth and recently said “hello” to its new 8,687 square foot headquarters in Harbour View, bringing 13 new jobs to the area.

In total, new and expanded business in the Office & Administration industry sector added 20 new jobs, impacted 22,187 square feet of real estate and benefitted from more than \$900,000 in capital investments.





Massimo Zanetti Beverage USA

Industry is Booming

The previous year's industrial sector growth was led by Massimo Zanetti Beverage USA, one of the largest vertically integrated coffee companies in North America, with an overall \$18.3 million investment to build a new state-of-the-art distribution center in Suffolk. This new facility will support its corporate headquarters and main roasting operations also located in Suffolk. The new 355,933 square foot distribution center is in the Equus Capital Partners' Virginia Port Logistics Park.

CMP Global, a leading provider in real world logistics, invested \$1.5 million to move to a larger facility to increase their advanced manufacturing facility to 83,700 square feet. With these two companies expanding their businesses, along with other new and expanding businesses in the industrial sector, Suffolk gained 26 new jobs, impacting more than 434,000 square feet of real estate and benefitting from \$22.5 million in investment.

Construction began on the 3.8 million square foot Amazon Distribution Center. The two-story building will serve as a robotics fulfillment center and is expected to open in 2021.

Amazon



Calendar Year 2020



94,960
Population

est. 2020 University of Virginia -
Weldon Cooper Center for Public Service

Food & Beverage

Advanced Manufacturing

WH & Distribution

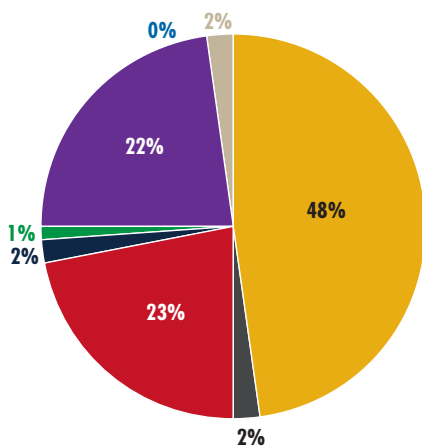
Office

Retail

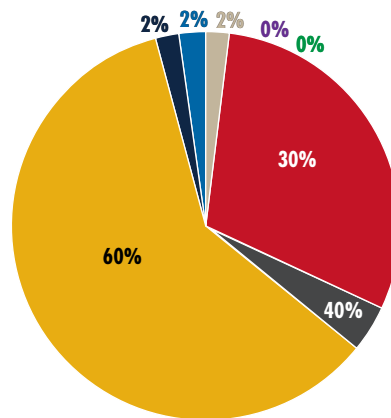
Mod & Sim

Medical

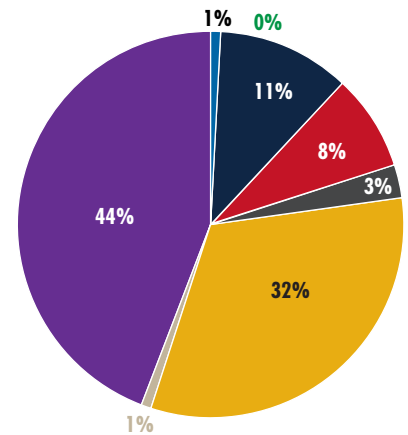
Hospitality



\$84.8M+
Capital Investment



475
New Jobs Created



766K+
Square Footage Impacted

Air Force Recruiting RUB A DUB DOG CARE LLC

AMERICA'S BEST WINGS Totally Taffi

AMEDEO'S Apogee Engineering

➤ **Together, We're**

SAKANA SUSHI

SPECTRUM

MOVING

TPMG HARBOUR BREEZE FAMILY PRACTICE

VARTECH Fun Park Pediatrics

HAMPTON ROADS CROSSING STORAGE

DUCK THRU GRAN RODEO

PARTY TIME ENTERTAINMENT

COMMONWEALTH VASCULAR INSTITUTE **CLUB PILATES**

KNOTT'S COFFEE Nothing Bundt Cakes

High Tide **NORTH SUFFOLK CIGARS**



LAYER 9 CITY NAILS & SPA

STEPHANIE'S FASHION VENTURE STAFFING

HATCH NAIL BAR Orange Theory

SOUTHEASTERN PHYSICAL THERAPY FOR KIDS

Behl Orthodontics

MOD OLIVE

HOME DEPOT

First Watch

BREEZE DENTAL

PEANUT CROSSING

Rapid Prep

SOUPER PHO

WALL STREET CAFÉ

FORWARD

PLASTIC SURGERY SPECIALISTS OF VIRGINIA

BLAKELEY WEAVER COUNSELING CENTER

GOODMAN SQUARE

Christian Daviller, DDS

MEZEH

WILL O WISP GAME STORE

TA DA PERFORMING ARTS

CORNERSTONE PRIVATE PRACTICE LLC

NOWCARE NORTH SUFFOLK



ECONOMIC ACTIVITY REPORT

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