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2004 Another Banner Year for Chesapeake's Economy

City's Job Growth Among Highest in America

CHESAPEAKE, VIRGINIA....2004 was another banner year for the City of Chesapeake's economy, as both private investment and employment continued to grow at a high pace. For the eighth time in the past nine years, new capital investment exceeded \$70 million, and over 1,400 new jobs were created.

Job growth for Chesapeake continues to be among the highest in the country, according to the U.S. Bureau of Labor Statistics. For the first quarter of 2004 (most recent statistics available), the City was ranked among the Top 20 U.S. localities for percentage job growth; Prince William, Loudon and Fairfax Counties were the only Virginia localities with higher rankings. Since 2003, only Chesapeake and Loudon County have been ranked in the Top 25 for each quarter by the Bureau of Labor Statistics:

1 st Quarter 2003:	2.4% increase	#21 ranking
2 nd Quarter 2003:	2.4% increase	#23 ranking
3 rd Quarter 2003:	3.2% increase	#15 ranking
4 th Quarter 2003:	4.2% increase	#8 ranking
1 st Quarter 2004:	4.1% increase	#20 ranking

The national job growth rate for 1st quarter 2004 was only 0.8 per cent (source: US Bureau of Labor Statistics County Employment and Wages reports).

"Chesapeake's sustained record of strong economic growth is something to be proud of," said Chesapeake Mayor Dalton S. Edge. "Creating new investment and jobs requires a strong commitment by the entire City, and region. Successful economic development is

the direct result of dedicated efforts and hard work in creating a City that does things the right way. Chesapeake has been fortunate this year to be recognized by the U.S. government for its economic development success, and also by Money Magazine for being one of the best cities to live in America.”

New non-retail capital investment in Chesapeake totaled more than \$85 million in 2004, highlighted by the new \$30 million natural gas peak shaving facility constructed by AGL/Pivotal Propane at a site on the Southern Branch of the Elizabeth River. The largest job creation was announced by ABNB Federal Credit Union, which will employ up to 200 workers at its new headquarters and operations center in Chesapeake’s Greenbrier Business Park.

The City of Chesapeake’s Economic Development Department highlights for 2004 included a wide diversity of projects. Speculative private construction of three logistics centers totaling 550,000 square feet commenced or was announced. Plans for approximately 800 new hotel rooms were announced for several new properties throughout the City. Several new retail centers were announced, as well, including Dominion Commons, Chesapeake Town Center, Edmonds Corner, Mount Pleasant Crossing, Vakos Development, and the Hanbury Shopping Center.

Chesapeake’s first Tax Increment Financing (TIF) district was established for the Greenbrier Business District. It is expected provide over \$51 million in public improvements to the region’s largest business district. Planning for a comprehensive redevelopment of the South Norfolk Poindexter Street Corridor was completed, featuring a large mixed use waterfront development, and significant repositioning of that community as a business center. Implementation began with the establishment of the City’s first Community Development Corporation, a non-profit 501(c)3 organization which will help secure grant funding for many of the redevelopment projects.

Off-site improvements for the City’s newest business park, Oakbrooke Business and Technology Center, were completed this past December, and construction of initial on-site

infrastructure will begin this month. The first two tenants for the park have already been announced: Tidewater Community College will construct a new Automotive Technology and Workforce Development Center, and MetroCom Corporation will expand from its current location in Greenbrier Commerce Park.

A partnership was created with Tidewater Community College to move forward on expansion plans for the TCC Chesapeake Campus on Cedar Road. This expansion will triple student capacity at the campus from 7,600 to almost 24,000.

The Economic Development Department also successfully initiated the City's first project completed under the Virginia Public-Private Education Facilities and Infrastructure Act (PPEA). Under this enabling state legislation, which permits public entities to create public-private partnerships for the design, acquisition, construction or operation of facilities for public use, the City partnered with Ellis-Gibson Development in the construction of a new Community Services Board (CSB) building. This new 30,000 square foot facility consolidates CSB programs from around the City into a single, modern building.

Since 1993, the Chesapeake Economic Development Department has recorded the creation of more than 27,000 new jobs and the investment of over \$1.8 billion by more than 800 new and expanding companies.

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