



2023-2024 COMMUNITY PROFILE

# CHOOSE VIRGINIA BEACH





## TABLE OF CONTENTS

---

Discover Virginia Beach .....	2
The Metropolitan Area .....	3
Demographics & Workforce Data .....	4
Education & Workforce Development .....	6
Workforce Development Resources .....	7
Business Environment .....	8
Business Resources & Assistance .....	12
Incentives .....	13
Transportation Infrastructure .....	14
The Port of Virginia .....	15
Industry Snapshot .....	16
Offshore Wind Energy .....	17
Bio & Life Sciences .....	18
Advanced Manufacturing .....	19
Maritime & Logistics .....	20
Military & Defense .....	21
Cybersecurity & Information Technology .....	22
Office & Retail .....	23
International Profile .....	24
Local Success Stories .....	25
Quality of Life .....	26
About Us .....	28



virginia beach

[YESVIRGINIABEACH.COM](http://YESVIRGINIABEACH.COM)



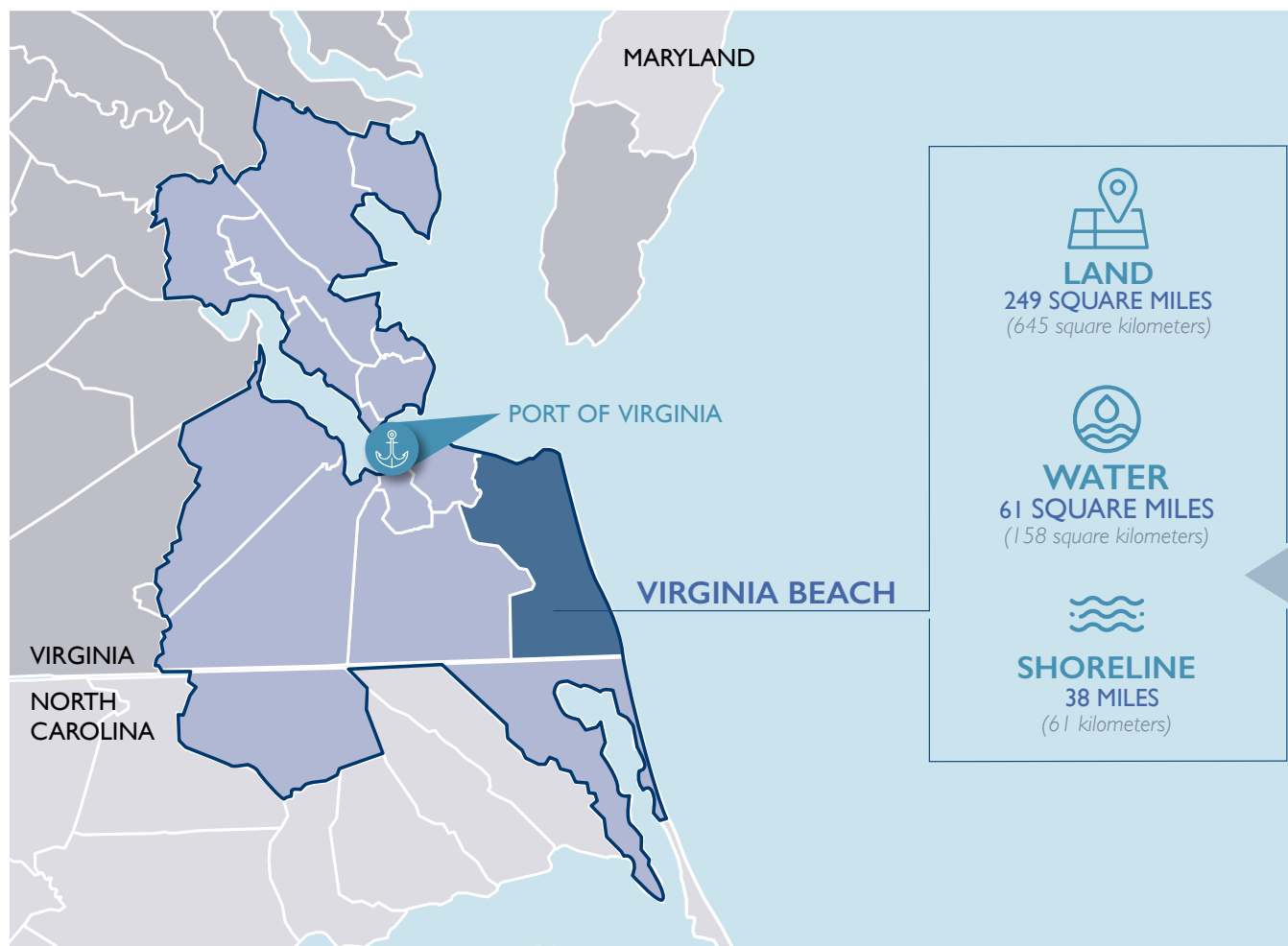
# DISCOVER VIRGINIA BEACH

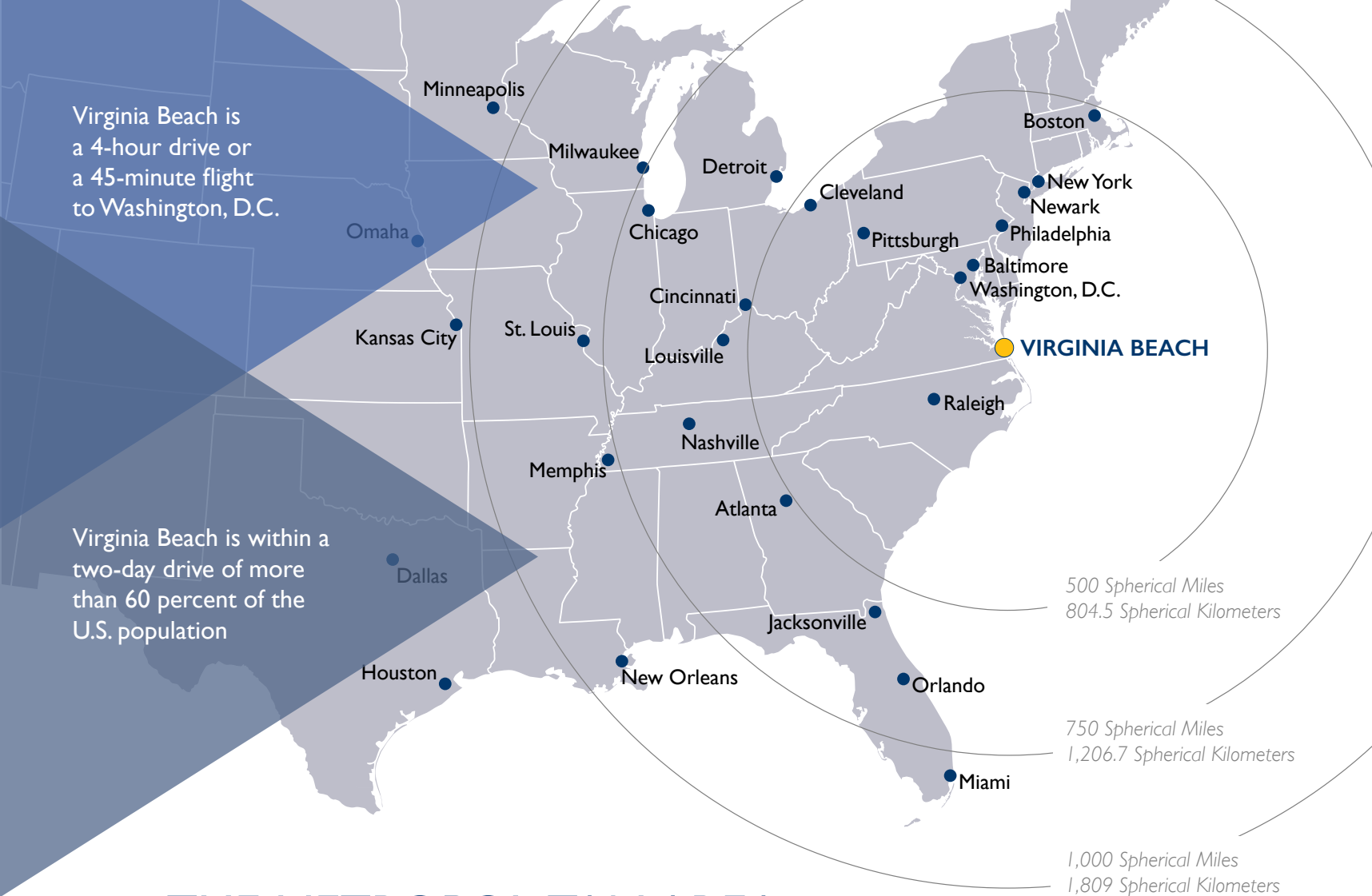
Where the Chesapeake Bay meets the Atlantic Ocean, the vibrant coastal City of Virginia Beach offers the winning combination of business and pleasure. The City boasts a skilled workforce, a fair tax structure, a low cost of doing business, a quality education system, and a diverse economy. Its strategic location in the heart of the U.S. East Coast is another asset that allows convenient access to domestic and international markets through an extensive multi-modal transportation network.

In addition to being a great place to do business, it's also a wonderful place to live. Virginia Beach was recently named THE most desirable city in the U.S. and aligns with Americans' top moving priorities which include a low cost of living, safe neighborhoods, and affordable home prices<sup>1</sup>.

<sup>1</sup>Clever Real Estate's Home Bay, September 2022

## VIRGINIA BEACH – NORFOLK MSA





## THE METROPOLITAN AREA

The greater Virginia Beach area is the 38th largest metropolitan area in the United States<sup>2</sup>. The region encompasses 16 cities and counties across southeastern Virginia and northeastern North Carolina with a population of 1.73 million people and a workforce of nearly 835,000. The Virginia Beach metropolitan area is centrally located on the Eastern Seaboard, providing businesses access to more than half of the total U.S. population within a 750-mile (1,200 km) radius.

*The U.S. Census Bureau defines the Virginia Beach region as the Virginia Beach—Norfolk—Newport News Metropolitan Statistical Area (MSA) for data collection and reporting purposes. However, the region has been known throughout the years as Tidewater, Hampton Roads, Coastal Virginia, or more recently the “757” to refer to the region’s area code.*

<sup>2</sup> U.S. Census Bureau, MSA rank by population, July 2021

“

*“Virginia Beach may not have the fame of other beach towns, such as Miami or San Diego, but with 38 miles of coastline, fascinating museums, and plenty of fresh food, it has many of the same great things to do for a fraction of the cost.”*

*— Clever Real Estate’s Home Boy, 2022*

# DEMOGRAPHICS & WORKFORCE DATA

The City of Virginia Beach has a population of more than 457,000 people, making it the largest city in the metropolitan area. Virginia Beach employers, however, must look at regional numbers when considering the size of the available talent pool. With an average commute time of approximately 24 minutes, it is not uncommon for businesses located in Virginia Beach to recruit personnel in neighboring cities and counties. As a result, the civilian workforce is composed not only of 228,000 people residing in Virginia Beach, but also draws from an additional 823,000 residing across Coastal Virginia.

## POPULATION

Virginia Beach is the most populous city in the Commonwealth of Virginia and the 42nd largest in the United States. Its population has slowly increased at the rate of 3.4 percent over the last decade, after leveling off from rapid growth in the 1980s. To this day, Virginia Beach remains the largest city in the metropolitan area by more than 200,000 residents.

Source: U.S. Census Bureau 2021 ACS

	Virginia Beach	Virginia Beach MSA
POPULATION	457,658	1,806,423
HOUSEHOLDS	190,981	268,160
MEDIAN AGE	37.1	37.1

## CIVILIAN WORKFORCE

Consistent with its larger population, Virginia Beach also has the largest labor force in the metropolitan area—more than double that of the second largest city in the region—and a high labor force participation rate (over 65 percent). The City has also realized consistent employment growth between 2009 and 2019 growing by 4.9 percent and outperforming the rest of the metropolitan area (1.8 percent).

Source: VEC, August 2022 (latest)

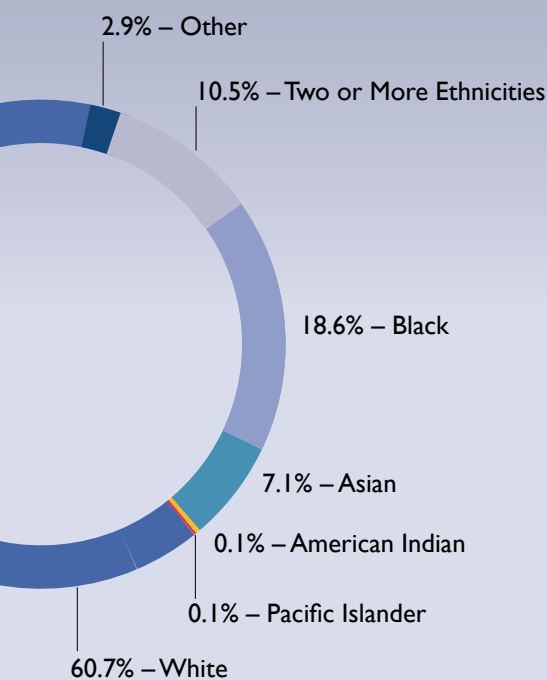
	Virginia Beach	Virginia Beach MSA
CIVILIAN WORKFORCE	227,948	823,033
EMPLOYED	221,113	793,584
UNEMPLOYED	6,835	29,449
UNEMPLOYMENT RATE	3.00%	3.30%

## AGE BREAKDOWN

The median age of 36.4 suggests a slightly younger population than the national average (38.5 years old). Experienced working-age adults (35-64 years old) represent 37.7 percent of the population, which is in line with the national rate (38.2 percent). When combined with early career workers 18-24, who represent 8.9 percent of the population, the data reveals that more than half of Virginia Beach residents are prime working-age adults.

Source: U.S. Census Bureau 2021 ACS

	Number	Percent
LESS THAN 18	100,781	22.0%
18-24	40,379	8.8%
25-34	72,137	15.8%
35-44	64,374	14.1%
45-54	53,148	11.6%
55-64	57,721	12.6%
65+	69,132	15.1%



Source: U.S. Census Bureau 2021 ACS

## RACE & ETHNICITY

Virginia Beach is considered much more diverse than other U.S. cities of comparable size<sup>3</sup> such as Nashville, Tampa, Boston, and Pittsburgh. Diversity brings many advantages to area businesses. Employees with diverse backgrounds contribute different ideas and perspectives, which creates more disruptive and innovative environments. A McKinsey study found that more ethnically and culturally diverse businesses are as much as 36 percent more profitable than the least diverse companies<sup>4</sup>.

<sup>3</sup> BestNeighborhood.org – U.S. Census Bureau, proprietary data mapping and analysis, University of Virginia.

<sup>4</sup> Diversity Wins: How Inclusion Matters, McKinsey & Company, May 2020

## HOUSEHOLD INCOME DISTRIBUTION

Virginia Beach enjoys a high median household income (\$81k) that is well above regional (\$72k) and national (\$69k) levels. This can be attributed in large part to the education level of its residents. Virginia Beach boasts the region's most highly educated population with almost 40 percent of residents over 25 holding a bachelor's degree or more.

Source: U.S. Census Bureau 2021 ACS

	Virginia Beach	Virginia Beach MSA	USA
MEDIAN HOUSEHOLD	\$81,634	\$72,686	\$69,717
AVERAGE HOUSEHOLD	\$104,990	\$94,887	\$97,962
UNDER \$25,000	11.84%	14.70%	17.40%
\$25K - \$49,999	16.00%	18.90%	19.10%
\$50K - \$74,999	18.10%	17.90%	16.80%
\$75K - \$99,999	14.60%	13.30%	12.80%
\$100K - \$149,999	20.60%	18.80%	16.30%
OVER \$150,000	19.00%	16.40%	17.70%

## COST OF LIVING INDEX

The cost of living in the Virginia Beach metropolitan area is below the national average and lower than many other regions with similar size. An affordable cost of living is a great benefit to businesses who seek to attract and retain skilled employees. These employees can expect to stretch their earnings further than they would be able to in other parts of the country with a higher cost of living. Employers also benefit from a lower cost of living because it allows them to offer competitive wages and therefore keep their labor costs lower than what they would be if they were located in a different area.

Source: The Council for Community and Economic Research Cost of Living Index, 2023 Annual Average Data

Composite Index per Metro Area	National Average = 100
Virginia Beach, VA	95.9
Charleston, SC	97.9
Austin, TX	101.0
Las Vegas, NV	101.0
Atlanta, GA	101.6
Baltimore, MD	108.3
Denver, CO	110.5
Miami, FL	120.6
Long Beach, CA	150.7

# EDUCATION & WORKFORCE DEVELOPMENT

A well-educated and skilled populace is vital for a thriving workforce and community. Virginia Beach residents and employers alike benefit from an excellent public and private education system, as well as from a variety of local and state workforce development programs.

## QUALITY ACADEMIC INSTITUTIONS

The City of Virginia Beach is recognized across the region and beyond as having one of the best school systems in the metropolitan area, where young minds are shaped and students prepare to become a vibrant part of the community.

Virginia Beach		Virginia Beach Metropolitan Area	
Student Enrollment in Public Schools (K-12)	63,675	Graduating High School Students (Annually)	18,000+
On-Time Graduation Rate (Class of 2020)	94.2%	Graduating College Students (Annually)	15,000+

Source: Virginia Beach City Public Schools, Student Characteristics (2021), NCES

In addition to the continuous supply of educated and skilled workers that emerge from local academic institutions every year, it is estimated that 14,000 active duty personnel in the Virginia Beach area leave the U.S. military service each year to pursue a different path. These men and women, who acquired exceptional skills and developed a strong work ethic during their military careers, join the local talent pool, offering qualities that appeal to employers in the civilian world.



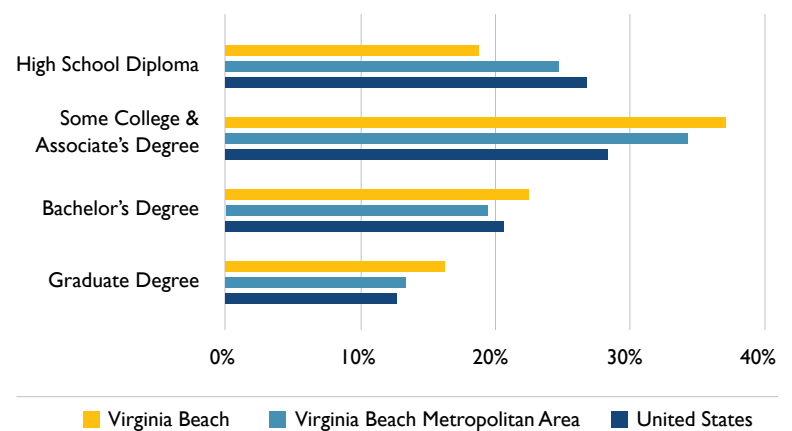
### DID YOU KNOW?

Virginia Beach City Public Schools (VBCPS) is a fully-accredited school division that consistently outperforms school divisions across the state and nation on key academic indicators? VBCPS is also the largest school division in the metropolitan area with 86 schools.

## EDUCATIONAL ATTAINMENT

Virginia Beach has a highly-educated workforce. Over 50 percent of the City's residents have a post-secondary degree compared with only 41 percent at the national level.

Population (25+) by Share of Educational Attainment



Source: American Community Survey, 2019 1-year sample; TIP Strategies, Inc.



# WORKFORCE DEVELOPMENT RESOURCES

With many educational and workforce training opportunities available, Virginia Beach is able to provide a comprehensive network to help ensure that its residents are educated and ready to enter the workforce of today and tomorrow.

Some of the workforce services and programs available to Virginia Beach businesses include:



## VIRGINIA EMPLOYMENT COMMISSION

Offers career assistance for job seekers, employment services for veterans, employer services for businesses of all sizes, and unemployment benefits.



## VIRGINIA JOBS INVESTMENT PROGRAM

Encourages the expansion of existing Virginia businesses and the start-up of new ones in Virginia by providing assistance to find and develop a skilled workforce.



## HAMPTON ROADS WORKFORCE COUNCIL

Provides workforce development solutions to businesses needing qualified workers, and job seekers in search of job openings and training opportunities.



## SCHOOL-TO-INDUSTRY PARTNERSHIPS

Helps employers develop apprenticeship programs that supply a highly skilled workforce by combining on-the-job training and in-classroom instruction.



## CAREER & TECHNICAL EDUCATION PROGRAM

Offered by the Virginia Beach Public Schools system and focuses on workforce readiness with particular emphasis on STEM education.



## EARLY CHILDHOOD EDUCATION INITIATIVE

Ensures school readiness and reading proficiency of young children 0-8 so they succeed in school—a critical investment in building the workforce of tomorrow.



*Tidewater Community College's Apprenticeship Institute collaborates with Virginia Beach employers to develop registered apprenticeship programs that are designed to supply a highly skilled workforce. Pictured here is IMS Gear, a manufacturer of automotive parts located in Virginia Beach. IMS Gear has been collaborating with TCC since 2014 when they started to offer advanced training to a group of assembly line machinists seeking career advancement.*



## BUSINESS ENVIRONMENT

Virginia Beach offers a stable, business-friendly environment to support a variety of industries and companies as they thrive and grow. The City's strong economy is bolstered by the low cost of doing business based on low tax rates, moderate energy costs, and competitively priced commercial real estate. The tax rate in Virginia Beach is the lowest among the five nearest cities in the area and Virginia's sales tax rates are lower than in most other states. The City of Virginia Beach also offers a variety of incentives and programs to new or expanding businesses that qualify.

“

### VIRGINIA RANKED 3RD

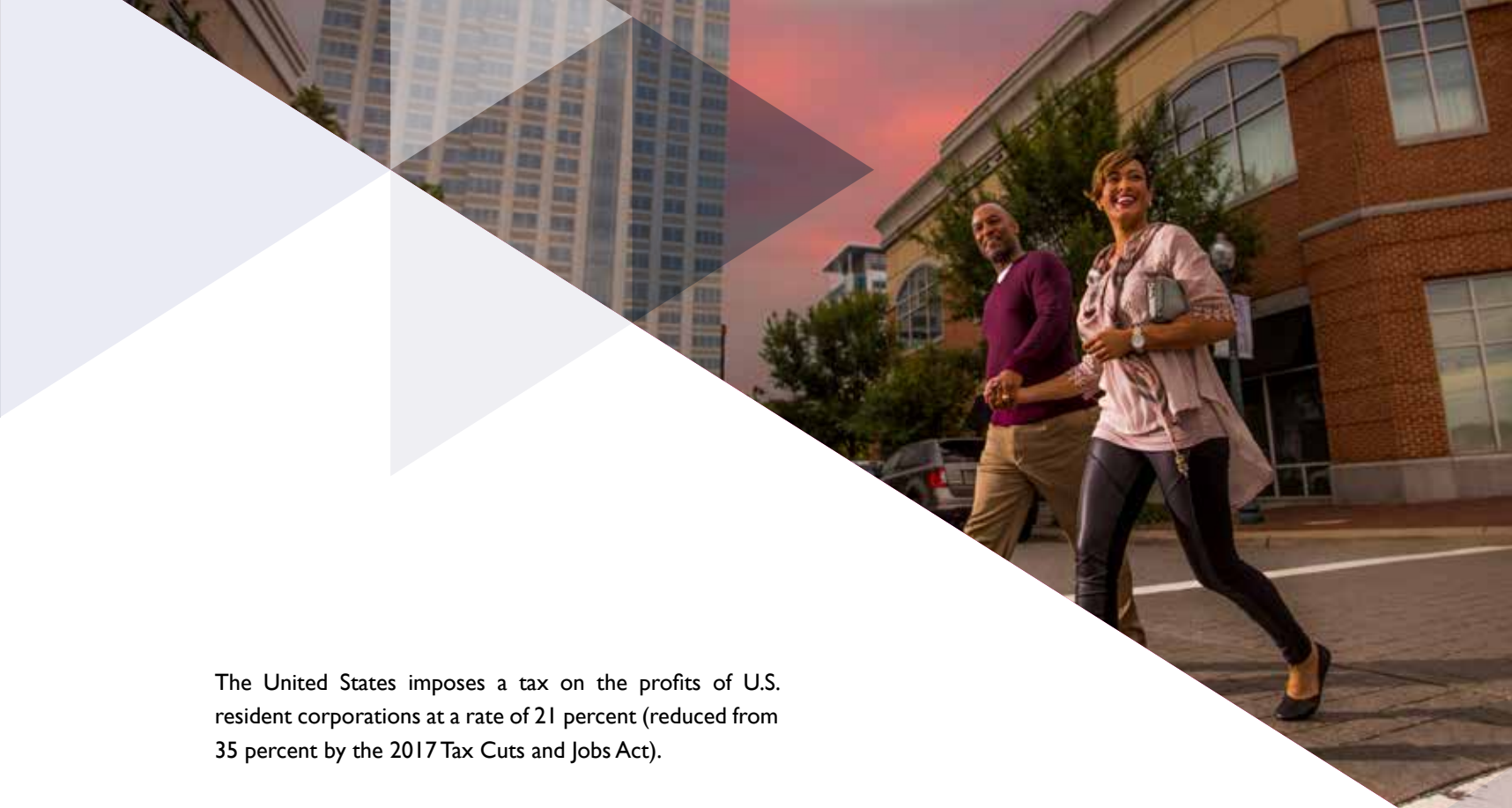
*In CNBC's "America's Top States for Business 2022"*

#### State of Virginia Tax Rates

	Virginia Tax Rates	National Average
Corporate Income Tax	6%	6.75%
State and Local Sales/Use Tax	6%	6%

Source: Virginia Economic Development Partnership, National Average (2022)

The corporate income tax rate in Virginia is 6 percent which has not been raised since 1972. Virginia's unemployment insurance rates and workers' compensation costs are among the lowest in the nation.



The United States imposes a tax on the profits of U.S. resident corporations at a rate of 21 percent (reduced from 35 percent by the 2017 Tax Cuts and Jobs Act).

### Virginia Beach Tax Rates

Category	Tax Rate
Real Estate	\$0.99 per \$100 assessed value
Energy Efficient Tax Rate	\$0.84 per \$100 assessed value
Personal Property	\$4.00 per \$100 assessed value
Business Property	\$4.00 per \$100 assessed value 40% of the original cost (tangible property) or 33% of the original cost for manufacturers
Machinery and Tools	\$0.00
Data Center Business Property	\$0.40 per \$100 assessed value depreciation schedule: 40% of the original cost for year 1-3; 30% for year four; 15% for year five and beyond
Business License	<ul style="list-style-type: none"><li>• Retailer: \$0.20</li><li>• Contracting: \$0.16</li><li>• Professional: \$0.58</li><li>• Service: \$0.36</li><li>• Wholesalers: \$0.12 per \$100 of gross purchases</li></ul>

Source: City of Virginia Beach 2022

**VIRGINIA BEACH**  
*was the first city in  
Virginia to eliminate the  
machinery and tools tax*

#### Business Licenses Incentive Program:

- For new qualifying businesses that meet the code qualification and have gross receipts of over \$100,000.
- The first two years with the business license will cost only \$50.00 each year.
- Business license costs vary based on the industry.
- Some manufacturing and nonprofit organizations may qualify for a tax exemption; however, they still need to register with the City Commissioner of Revenue.

Virginia Beach is the largest city in Virginia with a population of almost 500,000. The region enjoys a cost of living below the national average and competitive wages across all industry sectors. The City continues to grow in desirability as an affordable place to live when compared to cities in other metropolitan areas in the mid-Atlantic and northeastern United States. The diverse and skilled workforce that lives in Virginia Beach is also well educated with 38 percent of the population age 25+ having earned a bachelor's or graduate college degree.

### Average Annual Wage Comparison

Occupation Title	Virginia Beach	United States
Occupation Title	Virginia Beach	United States
Architecture & Engineering	\$87,160	\$91,740
Arts, Design, Entertainment, Sports & Media	\$55,470	\$66,100
Business & Financial Operations	\$80,950	\$82,610
Computer & Mathematical	\$94,360	\$99,860
Construction & Extraction	\$49,290	\$55,900
Healthcare Practitioners	\$89,510	\$91,100
Healthcare Support	\$43,250	\$33,330
Installation, Maintenance & Repair	\$50,740	\$53,380
Life, Physical & Social Sciences	\$78,320	\$80,730
Office & Administrative Support	\$39,950	\$43,430
Production	\$45,660	\$43,070
Sales & Related Services	\$39,430	\$46,080
Transportation & Material Moving	\$40,480	\$41,340
All Occupations	\$53,920	\$58,260

Source: VEC, 2021

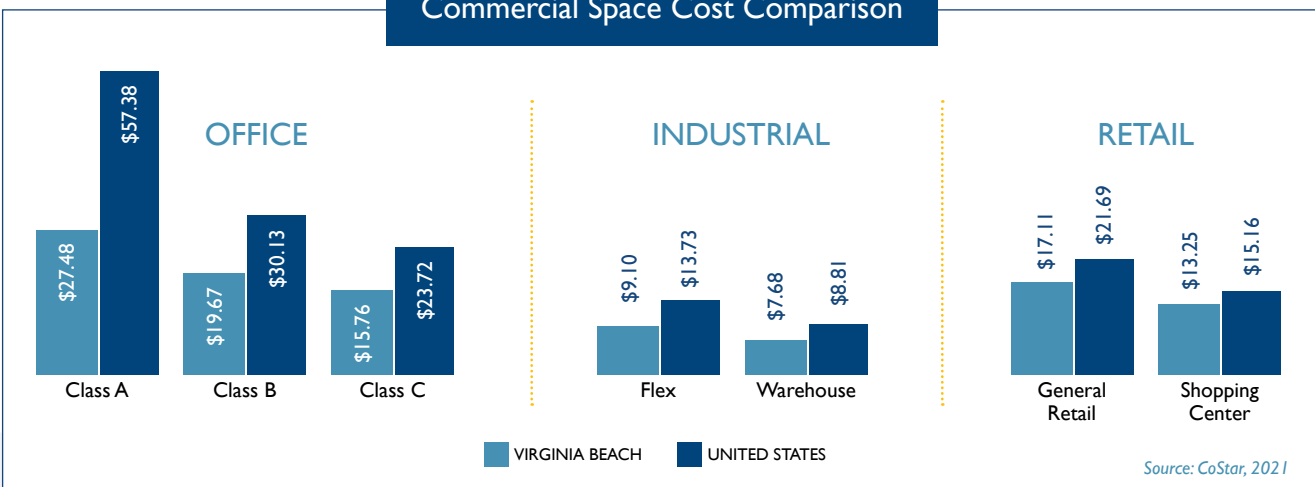


**7%**  
BELOW  
NATIONAL  
AVERAGE

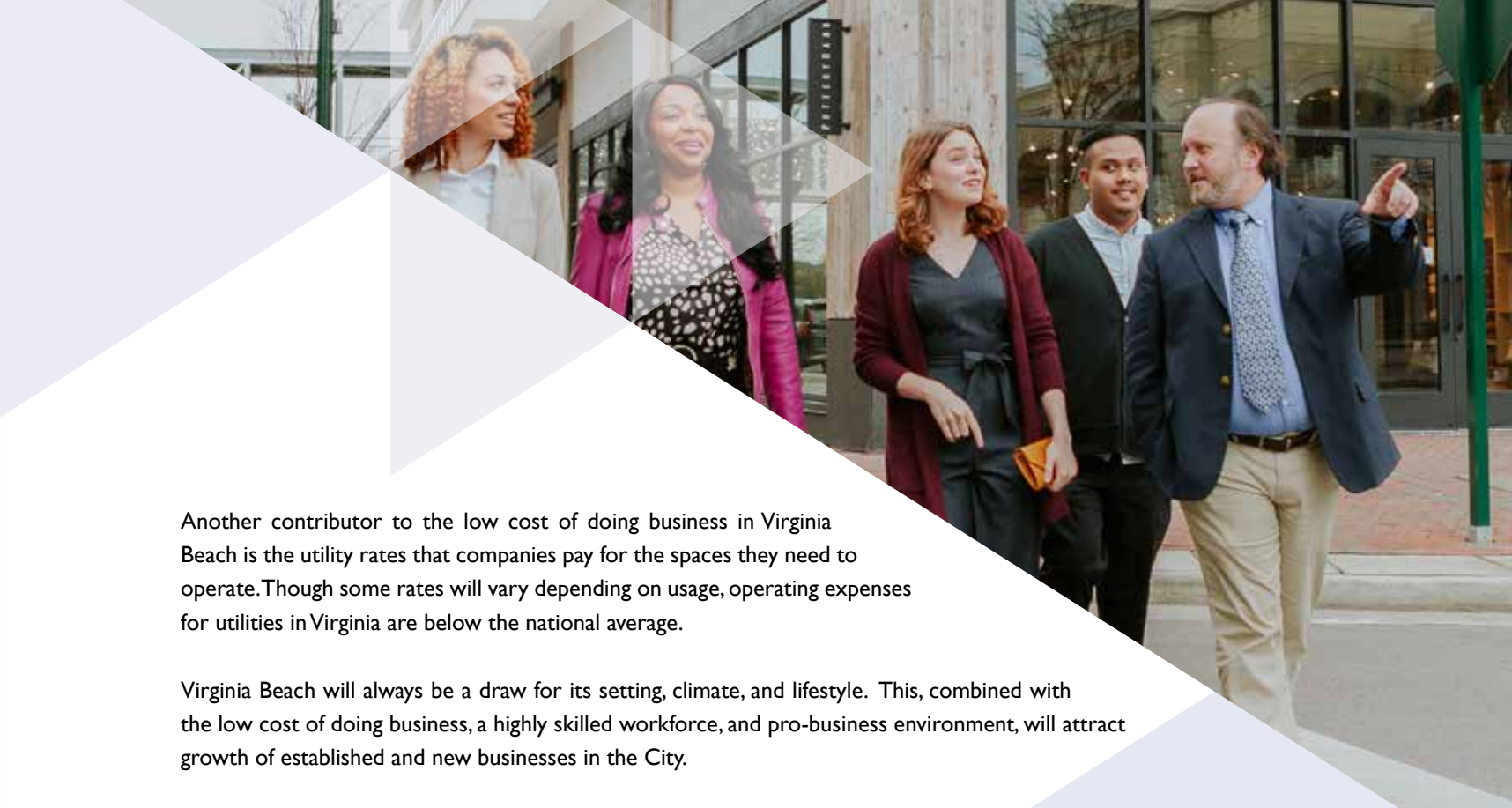
is the mean annual wage rate across all occupations in Virginia Beach

As part of its pro-business position, Virginia Beach provides competitive commercial rates for office, industrial, and retail spaces. The cost of real estate inventory in the City runs as much as 50 percent below market rates when compared to rates across the United States. The Virginia Beach Department of Economic Development has also created several incubator programs to more directly support small businesses with their space needs in the City.

### Commercial Space Cost Comparison







Another contributor to the low cost of doing business in Virginia Beach is the utility rates that companies pay for the spaces they need to operate. Though some rates will vary depending on usage, operating expenses for utilities in Virginia are below the national average.

Virginia Beach will always be a draw for its setting, climate, and lifestyle. This, combined with the low cost of doing business, a highly skilled workforce, and pro-business environment, will attract growth of established and new businesses in the City.

### Utility Rates

	VA	MD	MA	NJ
Commercial Electric Rate	7.79	10.26	16.99	12.69
Industrial Electric Rate	6.49	8.46	15.18	10.7
Commercial Natural Gas Rate	9.33	11.97	12.05	10.14
Industrial Natural Gas Rate	5.16	9.1	10.13	9.42

Source: U.S. Energy Information Administration, 2021.  
Electric rate is average retail price (cents per kilowatt hour)  
Natural Gas price is in dollars per thousand cubic feet

*The cost of utility rates in Virginia can be as much as 50% below nearby states.*





# BUSINESS RESOURCES & ASSISTANCE

The Virginia Beach Department of Economic Development is diversifying its efforts to grow the City's economy by focusing not only on recruiting large companies, but also supporting small business growth and providing entrepreneurial support to those who need it.

The Department's three new business support centers are focused on helping companies that are not ready to commit to establishing a large presence in Virginia Beach and have also proven to be a great asset to entrepreneurs who are in the early stages of starting their business.

## ▶ The HIVE

The HIVE is a small business resource center designed to support an innovative and entrepreneurial ecosystem in Virginia Beach. It was created to support businesses in the early stages of development and new-to-market companies by giving them access to a variety of resources, including training and mentoring programs with a number of partner agencies.

## ▶ VaBeach BIO

VaBeach BIO is a biotech accelerator that aims to support entrepreneurs and startup companies in the biotechnology and life sciences sector. The facility includes 5,700 square feet of office space, conference rooms, and wet/dry labs with BSL-2 capability. A variety of memberships are available based on individual needs, including a virtual option for out-of-market companies.

## ▶ International Incubator

The Virginia Beach International Incubator is geared towards international companies that need space to get their operations off the ground and grow their sales volume before establishing their own office or manufacturing facility in the City. The Incubator is strategically located in the Central Business District, offering Class A office space and a shared conference room.

## Additional resources available for free to small businesses located in Virginia Beach include:

- ▶ 1 Million Cups Entrepreneurial Engagement Campaign
- ▶ Hampton Roads Workforce Council
- ▶ Operation Hope
- ▶ Service Corps of Retired Executives (SCORE)
- ▶ Small Business Development Center of Hampton Roads
- ▶ SWaM Business Office
- ▶ Virginia Beach Public Library
- ▶ Virginia Department of Business Assistance
- ▶ Virginia Department of Minority Business Enterprise
- ▶ Virginia Department of Small Business and Supplier Diversity (SBSD)
- ▶ Virginia Employment Commission
- ▶ Virginia Procurement Technical Assistance Center



# INCENTIVES

## City of Virginia Beach Incentives

The City of Virginia Beach and the Commonwealth of Virginia offer incentives to help businesses create new jobs or invest a significant amount of money in capital. Potentially available incentives include, but are not limited to, the following:

- ECONOMIC DEVELOPMENT INVESTMENT PROGRAM (EDIP)**  
A locally funded discretionary incentive program, administered by the Virginia Beach Development Authority (VBDA) since 1994, is available to assist qualifying companies with their growth needs in Virginia Beach.
- APZ-I INITIATIVES**  
The City of Virginia Beach offers incentives for businesses that conform to APZ-I (Accident Potential Zone) uses to move into the area surrounding Naval Air Station (NAS) Oceana. These incentives include conditional-use permit waivers.
- BUSINESS LICENSE FEE INCENTIVE**  
Businesses new to the City of Virginia Beach have their business license fee capped at a maximum of \$50 for each of their first two years of operation in the City of Virginia Beach.
- INDUSTRIAL REVENUE BONDS**  
The VBDA issues tax-exempt industrial revenue bonds to provide financial assistance for businesses to acquire and construct industrial and commercial facilities.

## Commonwealth of Virginia Incentives

The Commonwealth of Virginia offers a variety of incentive programs for new and expanding companies, including direct grants, tax credits, and workforce development programs. Key state incentives include:

- Commonwealth's Opportunity Fund**  
Earmarked for major investments in Virginia, these grants can be used for training, construction or site acquisition.

- Virginia Jobs Investment Program**  
VJIP helps offset recruiting and training costs incurred by companies that are either creating new jobs or implementing technological upgrades.
- Corporate Income Tax Credits**  
Virginia offers a variety of tax credits that can be used to offset a company's corporate tax liability, including the Major Facility Job Tax Credit for companies creating more than 50 new jobs.
- Tax Exemptions for Manufacturers**  
Manufacturers' purchases used directly in production are exempt from sales and use tax.

## The Port of Virginia Incentives

The Virginia Port Authority offers tax incentives for businesses that import or export through The Port of Virginia. These incentives include:

- Barge and Rail Usage Tax Credit**  
Tax credit for usage of barge or rail to move cargo rather than by truck or other motor vehicle on Virginia's highways.
- Port Volume Increase Tax Credit**  
Tax credit for taxpayers engaged in the manufacturing of goods or the distribution of manufactured goods that use public or private port facilities located in Virginia and increase cargo volume through the facility by 5 percent in a single calendar year over their base year cargo volume. Credit is \$50 per TEU in excess of base cargo.
- International Trade Facility Tax Credit**  
Tax credit for creating new jobs or capital investment in an international trade facility as a result of moving 10 percent more cargo through a Virginia Port Authority-operated cargo facility than in the preceding taxable year.
- Economic & Infrastructure Development Grant Program (POV Grant)**  
A grant of up to \$500,000 per Qualified Company that is designed to assist businesses in locating a new operation or expand an existing operation within the Commonwealth of Virginia. Available from Jan. 1, 2014 until June 30, 2025.

# TRANSPORTATION INFRASTRUCTURE

The City of Virginia Beach is strategically located in the mid-Atlantic area where both global and U.S. markets are readily accessible through a superior multi-modal transportation network. This network includes an extensive railway system, two international airports, four shipping terminals, the East Coast's largest ice-free deep-water port, and an efficient and well-maintained highway system. Virginia Beach also offers a world-class telecommunications system for reliable and accessible global communications.

## RAIL

The Virginia Beach Metropolitan Statistical Area (MSA) is serviced by the two largest rail companies operating in the east and midwest of the United States: Norfolk Southern Railway and CSX. These companies operate approximately 43,200 miles of track and offer efficient connections for access to the rest of the country and beyond.

### NORFOLK SOUTHERN

Norfolk Southern operates more than 21,200 miles of track, including 263 short line railroads in 22 states. Operations are focused in the southeast and midwestern U.S., as well as Ontario, Canada. Of particular importance to many port users is the availability of Norfolk Southern's Heartland Corridor connecting the Virginia Beach MSA with the Chicago area.

### CSX

CSX offers a variety of rail, container-shipping, intermodal, trucking, barge, and contract logistics management services. With over 22,000 miles of track, CSX operates 240 short line railroads in 23 states, including the District of Columbia and two Canadian provinces. With operations along their I-95 Corridor, CSX ensures that the greater Virginia Beach area remains well connected.



## AIR

Norfolk International Airport (ORF) is a modern facility serving the greater Virginia Beach area and northeast North Carolina with over 130 daily nonstop flights to 16 major airports. There are two air cargo terminals with 88,000 square feet of space, handling air cargo services for companies such as FedEx, Mountain Air, and United Parcel Services. The Newport News/Williamsburg airport also serves the region. Both airports are located within a 30-minute commute of most business and residential areas in the region, providing air service for approximately four million passengers annually.

## ROADS

The City of Virginia Beach is connected to national markets by several interstate and state highway systems, making the region a hub for distribution and truck transportation services. Products move in and out of Virginia Beach efficiently and can be in the hands of more than 80 million consumers—nearly half of the U.S. population—within a day's drive.

The City is connected to Virginia's Eastern Shore region via the Chesapeake Bay Bridge-Tunnel, which is 23 miles long and is the longest bridge-tunnel complex in the world. The bridge cuts the driving distance to the northeast corridor by 90 miles.





# THE PORT OF VIRGINIA

The Port of Virginia boasts the deepest, obstruction-free shipping channels on the East Coast and currently stands as the third largest container port on the East Coast. The Port does more than service ships hauling cargo: it drives investment, job creation, revenue growth, and connects Virginia to the world.



## FIRST-IN, LAST-OUT PORT OF CALL

with direct service to  
45+ countries and indirect  
service to 200+ countries.



## 6 TERMINALS (4 IN VIRGINIA BEACH MSA)

19,885 linear feet of channels and  
berths, 30 miles of on-dock rail, and  
26 Suez-class, ship-to-shore cranes.



## 55-FOOT CHANNELS AND BERTHS BY 2024

will make it the deepest port on  
the East Coast when the expansion/  
dredging project is completed.



## 2.5 HOURS TO OPEN SEA

with open shipping channels  
and navigational flexibility which  
eliminate maritime congestion.

Nearly 30 international shipping lines offer direct, dedicated service to and from Virginia, with connections to 200+ countries around the world. The Port is the largest intermodal rail port on the East Coast, with to/from service to 19 inland destinations. As the second largest port on the East Coast in tonnage and the third largest in container volume, The Port of Virginia has the ability to handle any type of cargo and can process over 4 million containers on an annual basis.



## DID YOU KNOW?

The Port of Virginia was ranked the **highest performing port** in North America, according to The Container Port Performance Index 2021.

Source: The World Bank, Transport Global Practice, The Container Port Performance Index (2021)

## In 2021, THE PORT OF VIRGINIA moved cargo via:



**33%**  
RAIL



**63%**  
TRUCK



**4%**  
BARGE

# INDUSTRY SNAPSHOT

The business community in Virginia Beach is composed of a highly diverse collection of industries, including national and international corporate headquarters, high-powered and technologically-advanced manufacturers, billion-dollar defense contractors, and locally-owned small businesses. Every company, big or small, makes a unique contribution to the City's dynamic, growing economy.

In addition to tourism, industry sectors that are pivotal to the growth of the local economy include these key business clusters:

- ▶ **Advanced Manufacturing:**  
Virginia Beach is one of America's "Manufacturing Boomtowns."
- ▶ **Bio & Life Sciences:**  
A vibrant hub for both established and emergent companies in this sector.
- ▶ **Defense:**  
Seven of the world's top-10 defense-related firms have a major presence in Virginia Beach.
- ▶ **Information Technology/Cybersecurity:**  
Virginia Beach has proven to be a strategic location for information and communication technology.
- ▶ **Maritime & Logistics:**  
Surrounding the world's largest natural deep water harbor, the Virginia Beach MSA is a maritime and logistics hub.
- ▶ **Offshore Wind:**  
The City has significant potential for the development of offshore wind resources off its coast.
- ▶ **Office/Retail:**  
Virginia Beach offers a wide range of office and retail space options.
- ▶ **Entrepreneurship:**  
Virginia Beach is where startups get a head start.



## DID YOU KNOW?

Virginia Beach is the largest city in Virginia, and many people are surprised to learn that the resort city is also home to 23,000 acres of farmland that generate more than \$170 million in economic impact annually.

*Source: Virginia Tech, Virginia Beach Agriculture Impact Fact Sheet (2021)*







**\$9.8B**

Invested by Dominion Energy for Coastal Virginia Offshore Wind (CVOW)

**\$8B**

Invested by Avangrid Renewables for Kitty Hawk Offshore with two substations located in Virginia Beach

**\$300M**

Dominion Energy Offshore Wind Pilot (2020) off the coast of Virginia Beach

## OFFSHORE WIND ENERGY

Virginia Beach has the potential to become a significant offshore wind energy hub. Two of the largest offshore wind farms in the United States will soon find a home in federal waters, just a few miles off the City's shoreline, totaling \$18 billion in private capital investment. The first commercial-scale wind farm, by Dominion Energy, is scheduled to begin construction in 2024, while the second one, by Avangrid Renewables, is expected to start construction in 2026.

Infrastructure in Virginia Beach and across the region is already in place to accommodate businesses in the offshore wind supply chain, providing them with ample opportunities to benefit from the rapid growth of this sector.



### ACCESS TO SUPERIOR PORT FACILITIES

The Virginia Beach metropolitan area is home to one of two East Coast ports with zero air draft and horizontal clearance restrictions, making it ideally suited for offshore wind development. Plus, open shipping channels and navigational flexibility eliminate maritime congestion as a concern.



### ABUNDANT WATERFRONT LAND AND INFRASTRUCTURE

Virginia's ports offer existing dock capacity and ample on-water marshaling areas. The Virginia coastline is geographically rich with waterfront properties and development or redevelopment opportunities.



### UNRESTRICTED AIR DRAFT WATERWAYS

Virginia port facilities have direct access to sea with no overhead obstacles to impede the shipping of large and upright infrastructure and components.

# BIO & LIFE SCIENCES

Virginia Beach serves as a vibrant hub for both established and emergent companies in the bio and life sciences sector. The City's strategic location on the U.S. East Coast, talent pipeline, bio networks and industry associations, capital access, incentive programs, and commitment to innovation are what makes Virginia Beach a natural fit for this industry.

**Competitive advantages bio companies can expect to find in Virginia Beach include:**

- ▶ **LOWER COST OF DOING BUSINESS**  
Doing business in Virginia Beach is cost effective when compared to other bio and life sciences clusters in the country: labor costs, utility rates, and taxes are generally lower.
- ▶ **HIGHER ED & RESEARCH FACILITIES**  
The area's higher education system and research facilities produce highly qualified candidates with skills specific to the bio and life sciences sector.
- ▶ **FAVORABLE REGULATORY ENVIRONMENT**  
International firms entering the U.S. market will be pleasantly surprised to find fewer regulations, which are made even easier to navigate thanks to our team of experts.



## COMPANY SPOTLIGHT LOCAL SUCCESS

**LifeNet Health**, headquartered in Virginia Beach since 1982, is a global leader in regenerative medicine and the world's largest provider of allograft bio-implants and organs for transplantation. In 2017, the company announced a multi-million dollar investment in facility improvements to accommodate its growing operations. The company employs more than 750 people in the greater Virginia Beach area.

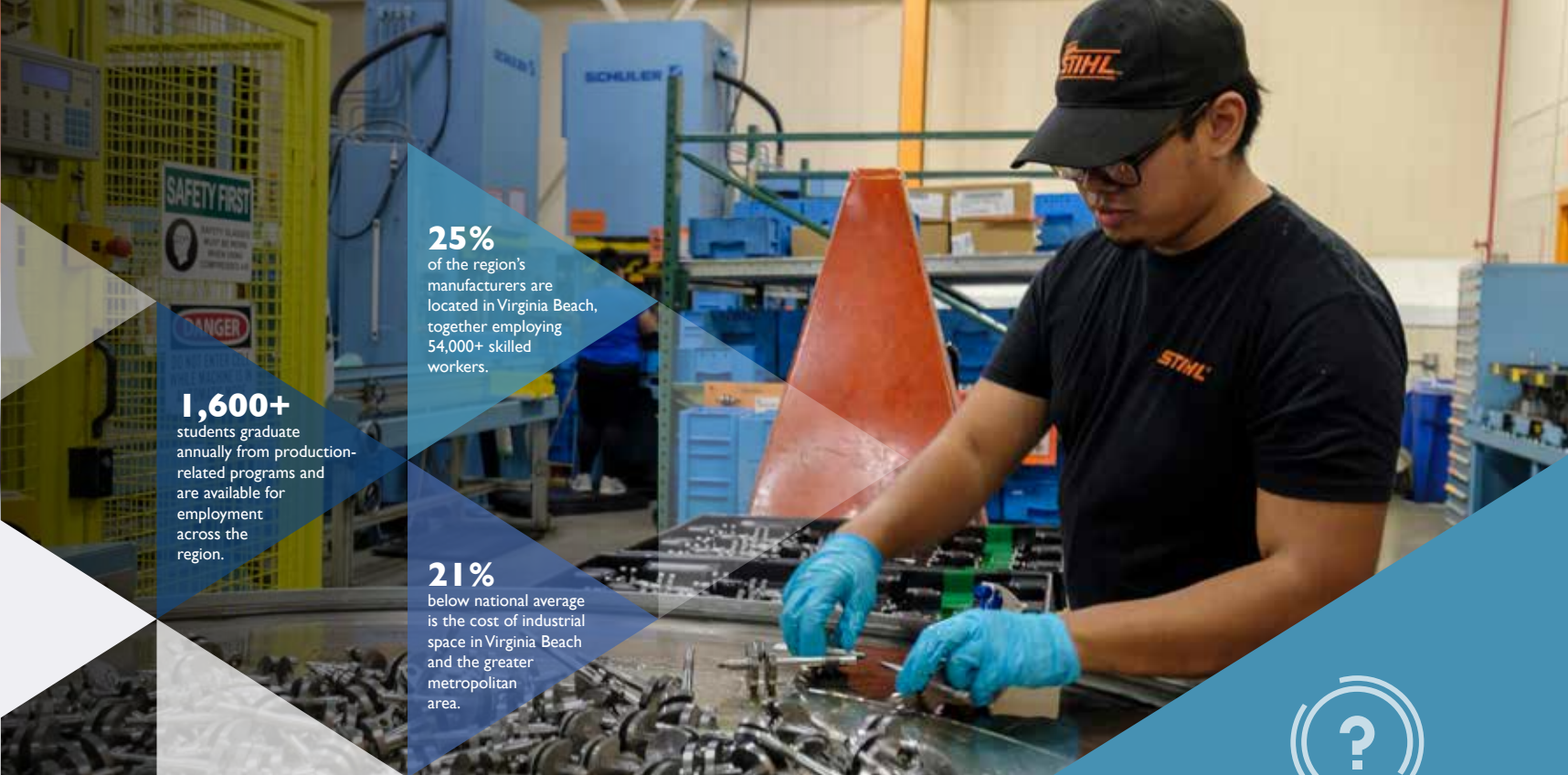


## DID YOU KNOW?

The City of Virginia Beach opened its very own **bio accelerator** in the summer of 2021 which features wet/dry lab space with BSL-2 capability along with office space and conference rooms. Its business development programming includes mentoring and networking opportunities, as well as an introduction to capital and incentive programs.







**1,600+**

students graduate annually from production-related programs and are available for employment across the region.

**25%**

of the region's manufacturers are located in Virginia Beach, together employing 54,000+ skilled workers.

**21%**

below national average is the cost of industrial space in Virginia Beach and the greater metropolitan area.



## DID YOU KNOW?

Companies located in Virginia Beach are within the Foreign Trade Zone 20 (FTZ 20) service area and can benefit from special procedures that reduce, eliminate, or delay duties. In addition to the Foreign Trade Zone designation, The Port of Virginia also provides incentive programs for its users including tax credits and grants.

**VISIT [PORTOFVIRGINIA.COM](https://portofvirginia.com) TO LEARN MORE.**

## ADVANCED MANUFACTURING

Given its central location on the East Coast of the United States and its access to an extensive multi-modal transportation network, Virginia Beach offers a logistical advantage to manufacturers looking to transport their goods both domestically and internationally.

By far the biggest appeal to manufacturers located in Virginia Beach is the proximity to the best performing port in North America<sup>5</sup>—The Port of Virginia—which provides direct access to 90 foreign ports via 30 shipping lines with quick and efficient rail service to a number of destinations throughout the United States.

<sup>5</sup> The World Bank, Transport Global Practice, The Container Port Performance Index (2021)



Since establishing its North American headquarters in Virginia Beach in 1974, STIHL has consistently expanded its local manufacturing operation in the City. What started as a 20,000-square-foot manufacturing facility has grown into a 150-acre campus with two million square feet of combined industrial and office space with over 2,500 employees across the region.

# MARITIME & LOGISTICS

Virginia Beach is the location of choice for businesses in the distribution and logistics sector. Given its close proximity to The Port of Virginia, the deepest harbor on the East Coast, the City has naturally gained a heavy concentration of businesses involved in freight transportation arrangement, marine cargo handling, logistics consulting services, port and harbor operations, coastal and deep-sea freight transportation, supply chain management, and warehousing and storage.

The Hampton Roads region offers competitive wages, a lower cost of living, and the real benefits of a high quality of life.

## Average Annual Salaries

POSITION	VIRGINIA BEACH MSA	UNITED STATES
Marine Engineers and Naval Architects	\$82,104	\$97,820
Captains, Mates, and Pilots of Water Vessels	\$90,170	\$98,330
Laborers and Freight, Stock and Materials Movers	\$32,480	\$34,950

Source: U.S. Bureau of Labor Statistics, MSA, USA May 2021 (Latest Data)

*The Port of Virginia is a powerful economic engine for the region that brings a number of maritime-related businesses to Virginia Beach.*



### #3 LARGEST PORT

on the East Coast with 3.7M containers (TEUs) processed in 2022



### LARGEST INTERMODAL RAIL

port on the East Coast with two Class I railroads operating on-dock



### 2 INTERNATIONAL AIRPORTS

serving over 3.8 million passengers every year



### EXTENSIVE INTERSTATE

and highway network connects the region to 47% of U.S. consumers within a day's drive



## DID YOU KNOW?

Old Dominion University is the only university in the United States that offers a "Maritime and Supply Chain Management" undergraduate major and one of only two universities to offer a "Maritime" undergraduate major. Upon graduating, many students are employed locally by industry giants such as Maersk and ZIM to develop solutions to challenges in our regional maritime, industrial, and logistics ecosystem.

*The Hampton Roads Region offers competitive wages, a lower cost of living, and the real benefits of a high quality of life.*

## \$23B IN ANNUAL COMPENSATION

is paid by The Port of Virginia to nearly 400,000 employees

## \$2.8B IN ANNUAL MERCHANDISE

is processed through Foreign Trade Zone #20

## \$450M DREDGING PROJECT

will create the deepest and widest shipping channels on the East Coast by 2024





## MILITARY & DEFENSE

The greater Virginia Beach area is home to the largest active-duty military population in the United States, as well as nine major military installations representing all branches of the U.S. Armed Forces. In addition, the only permanent NATO headquarters outside of Europe is located in the greater Virginia Beach area, as are the world's largest naval base and other major military commands including the U.S. Navy's headquarters for computer network command and control.

Private industry support for the area's defense operation plays a major role in the regional economy, creating thousands of jobs and leading significant innovations in new technologies for both military and private sector applications. Two major federal research and development facilities (NASA Langley Research Center and Thomas Jefferson National Accelerator Facility) are responsible for developing new technologies in the fields of materials, sensors, aviation safety, and nuclear science.

### MAJOR DEFENSE COMPANIES IN VIRGINIA BEACH

Source: Virginia Beach Department of Economic Development (2021)

COMPANY	# OF EMPLOYEES
SAIC	534
LOCKHEED MARTIN CORPORATION	510
ADS TACTICAL INC.	420
Q.E.D. SYSTEMS, INC.	412
VALKYRIE ENTERPRISES, LLC	293
ALLIED TECHNOLOGY GROUP INC.	200
GLOBAL TECHNICAL SYSTEMS (GTS)	200
NORTHROP GRUMMAN	200



113,000+  
MILITARY PERSONNEL

and 15 military installations across  
the Virginia Beach MSA



14,000+  
NEWLY TRANSITIONED  
MILITARY PERSONNEL

enter the civilian workforce each year



NO. 1  
WORLDWIDE

Naval Station Norfolk is  
the world's largest naval base



# CYBERSECURITY & INFORMATION TECHNOLOGY

Virginia Beach is rapidly emerging as a leader in the cybersecurity, information technology, and advanced digital communications industries. Thanks to its advantageous business climate, a robust 21st century fiber broadband infrastructure, a reliable power supply, and a highly skilled workforce, Virginia Beach is a natural choice for the IT and cybersecurity industry.

## Key Positions - Average Annual Salaries

POSITIONS	EMPLOYED*	VIRGINIA BEACH MSA	UNITED STATES
Computer and Information Systems Managers	1,330	\$147,160	\$162,930
Computer and Information Research Scientists	430	\$135,220	\$130,890
Computer Systems Analysts	2,760	\$96,790	\$102,210
Computer Programmers	280	\$89,560	\$96,650

Source: U.S. Bureau of Labor Statistics, MSA, USA May 2021 (Latest Data) \* Number of Employed.

## A Ready Talent Pool

Virginia Beach has a number of higher education facilities that provide a wide variety of degree and certificate programs to support the area's rapidly expanding private-sector IT core.

Additionally, the greater Virginia Beach area is home to one of the largest active-duty military populations in the United States, which is a real asset for the cybersecurity industry. Every year, many highly-trained service members who leave the military choose to remain in the region, which strengthens the labor force and talent pool.

## Continuous Innovation

Virginia Beach is primed for the digital future with three of the fastest, highest-capacity transatlantic submarine cables in the world today landing in Virginia Beach. Coupled with its 21st century broadband infrastructure, Virginia Beach can deliver what it takes to fuel a digital economy.

Virginia Beach is also well-positioned to support the growth of the emergent unmanned vehicle systems industry.



## COMPANY SPOTLIGHT LOCAL INNOVATION

**DroneUp**, headquartered in Virginia Beach, is recognized as an innovator and leader in drone flight services. DroneUp inspires the future of drone services, providing intelligent access to airspace, automation innovation, streamlined process management, operational efficiency, and a commitment to safety. In 2022, DroneUp was named to Fast Company's list of "Next Big Things in Tech." Visit [droneup.com](https://droneup.com) for more information.



## OFFICE & RETAIL

Virginia Beach is an extremely attractive location for retailers with locals contributing more than \$6.4 billion in retail sales per year.

Source: City of Virginia Beach, 2022

The City offers a multitude of shopping experiences with its 11 retail districts. Highlighted amongst these is the ever-expanding Town Center which features nearly one million square feet of mixed-use retail space, mostly occupied by higher-end retailers. A low corporate income tax rate, affordable office space, and a well-educated workforce make Virginia Beach particularly attractive to companies looking for a headquarters or major office location.



### DID YOU KNOW?

The region is home to three Fortune 500 companies: **Dollar Tree** (rank: 137), **Norfolk Southern** (rank: 332), and **Huntington Ingalls** (rank: 370).

Source: Fortune 500 List, Fortune (2022)

A variety of real estate options are available to support headquarters and corporate back-office operations, either in urban office towers, mid-rise buildings, or traditional suburban-style office parks. Additionally, the Virginia Beach MSA has one of the most robust telecommunication infrastructure systems in the U.S. to support all facets of corporate operations.

### Key Positions - Average Annual Salaries

POSITIONS	EMPLOYED*	VIRGINIA BEACH MSA	UNITED STATES
Personal Financial Advisors	720	\$121,310	\$119,960
Architects	440	\$85,760	\$82,880
Accountants and Auditors	6,190	\$75,240	\$83,980
Financial Specialists	1,060	\$78,920	\$87,350
Human Resources Analysts	4,080	\$68,280	\$70,720
Sales Representative, Services	3,590	\$68,660	\$74,770

Source: U.S. Bureau of Labor Statistics, MSA, USA May 2021 (Latest Data) \*Number of Employed.



### COMPANY SPOTLIGHT

## ARMADA HOFFLER PROPERTIES, INC.

Armada Hoffer Properties is a vertically-integrated, self-managed real estate investment trust with nearly four decades of experience developing, building, acquiring, and managing high-quality office, retail, and multifamily properties located primarily in the mid-Atlantic and southeastern United States.

Visit [armadahoffler.com](https://armadahoffler.com) for more information.



# INTERNATIONAL PROFILE

Virginia Beach's central location on the East Coast of the United States, and proximity to two international airports and the fast-growing Port of Virginia, establish the City as a hub of international commerce. Many international companies choose to locate and grow in Virginia Beach because they enjoy a low-tax, business-friendly environment that encourages business expansion.



The large volume of global trade that takes place in the Virginia Beach area allows businesses to have access to some of the best international business law and immigration attorneys in the United States. Moreover, many banks in the area are also experienced in conducting international financial transactions.



*Global trade is big business in Virginia Beach, with over 50 international-based firms having their U.S. or North American headquarters in the City.*

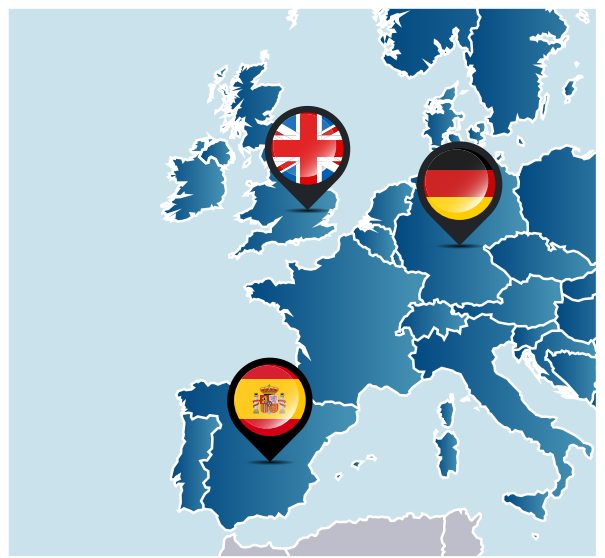


## SCAN ME!

For a complete list of international companies in Virginia Beach.

## EUROPEAN REPRESENTATION

The Virginia Beach Department of Economic Development travels around the world to meet with business leaders at their facilities or at industry-specific tradeshows and conferences. Our team is also well represented abroad with economic development consultants located throughout Europe.



# LOCAL SUCCESS STORIES

## STIHL, INC.

In 1974, STIHL established its North American headquarters in the City of Virginia Beach. The global leader in handheld outdoor power equipment has since expanded its local manufacturing operation on numerous occasions and has continued to create new employment opportunities for the citizens of Virginia Beach.

What initially started as a 20,000-square-foot manufacturing facility for the German manufacturer has grown into a 150-acre campus with two million square feet of combined industrial and office space in the City.



*"For nearly 50 years, the City of Virginia Beach has created an ideal environment for STIHL to continue to grow our business and offer meaningful careers to over 2,500 current employees in Hampton Roads."*

— Terry Horan, President

### Newest Expansion Project Announced in November 2022:

CAPITAL  
INVESTMENT

**\$49M**

SQUARE  
FEET

**26K**

NEW  
JOBS

**15**

RETAINED  
JOBS

**2,500**

## SANJO NORTH AMERICA

Sanjo Corte Fino, a Spanish metal-stamping company based in Barcelona, announced that it selected Virginia Beach for the site of its North American manufacturing headquarters in 2016.

Sanjo, a family-owned business founded in 1967, initially invested \$17.5 million in real estate and equipment in the City of Virginia Beach. Six years after breaking ground on their 24,000-square-foot facility, Sanjo now prepares for an additional investment of \$3.2 million to expand its manufacturing operation in Virginia Beach, creating 40 new jobs as a result.



*"Sanjo is excited to expand and deepen our roots in Virginia Beach. With the expansion, our team is growing SANJO's North American portfolio and looking forward to many more years of success."*

— Santiago Cruz, President

### Newest Expansion Project Announced in July 2022:

CAPITAL  
INVESTMENT

**\$3.2M**

SQUARE  
FEET

**23,000**

NEW  
JOBS

**40**

RETAINED  
JOBS

**10**



# QUALITY OF LIFE

THIS is what life is like in Virginia Beach—simply incredible! It's easy to see why Virginia Beach is touted as one of the best places to live in America.

There is always something fun to do in Virginia Beach! It's one of the reasons Virginia Beach has been called a great place to live, work, and enjoy.



*38 miles of beautiful beaches for all to enjoy.*



## Endless waterways and the great outdoors!

With 4,500-plus acres of community parks including First Landing State Park, thousands of visitors flock here each year. There are also numerous outdoor sports and recreational options, and a variety of sporting venues such as public golf courses, softball fields, tennis courts, and many recreation centers.







## DID YOU KNOW?

Virginia Beach was recently named **THE most desirable city in the U.S.** and aligns with Americans' top moving priorities which include a low cost of living, safe neighborhoods, and affordable home prices.

Source: Clever Real Estate's Home Bay, September 2022

## VIBRANT SCENE

There's something for everyone!

From the flourishing local culinary scene, to the variety of arts and entertainment, to family-friendly attractions, to that special energy and vibe that is Virginia Beach—it's why locals choose to call it home and millions of visitors come here...Every year.



## IT'S WHY WE SAY

*Virginia Beach is so much more than just a beach!*



**38 MILES**  
OF BEACHES



**79 MILES**  
OF SCENIC WATERWAYS



**200 MILES**  
OF BIKEWAYS AND TRAILS

# ABOUT US

The Virginia Beach Department of Economic Development drives economic vitality and inclusive prosperity in the City by fostering the attraction and creation of new investment, innovation, and jobs.

## Specific objectives of the department include:

- Recruit national and international business to Virginia Beach
- Assist local businesses with expansion efforts
- Attract developers to identify site opportunities
- Develop and support workforce training programs
- Help new businesses get established
- Recruit and assist minority business development
- Work with Naval Air Station Oceana to support compatible business locations

## STRATEGIC PARTNERS

The Virginia Beach Department of Economic Development provides resources and a responsive approach to help new and existing businesses thrive in our community. Below are regional and state partners we collaborate with to bring businesses even more tools and resources to help them succeed in Virginia Beach.

### VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP

[www.vedp.org](http://www.vedp.org)

### HAMPTON ROADS ALLIANCE

[www.hamptonroadsalliance.com](http://www.hamptonroadsalliance.com)

### THE PORT OF VIRGINIA

[www.portofvirginia.com](http://www.portofvirginia.com)

### HAMPTON ROADS WORKFORCE COUNCIL

[www.theworkforcecouncil.org](http://www.theworkforcecouncil.org)

### HAMPTON ROADS CHAMBER OF COMMERCE

[www.hrchamber.com](http://www.hrchamber.com)

“

*“We help create a vibrant economy by attracting new companies to Virginia Beach, helping existing companies grow, and assisting entrepreneurs with their nascent ideas.”*

## CITY COUNCIL

**Robert M. “Bobby” Dyer**  
Mayor

**Rocky Holcomb**  
Councilmember, District 1

**Barbara Henley**  
Councilmember, District 2

**Michael Berlucchi**  
Councilmember, District 3,  
VBDA Liaison

**Dr. Amelia Ross-Hammond**  
Councilmember, District 4

**Rosemary Wilson**  
Vice Mayor, District 5, VBDA Liaison

**Worth Remick**  
Councilmember, District 6

**Dr. Sabrina D. Wooten**  
Councilmember, District 7

**Chris Taylor**  
Councilmember, District 8

**Joash Schulman**  
Councilmember, District 9

**Jennifer Rouse**  
Councilmember, District 10

## VBDA MEMBERS

**Lisa Murphy**  
Chair

**Joseph Strange**  
Vice Chair

**David Bernd**  
Secretary

**Dr. William Brown**  
Commissioner

**William Brunke**  
Treasurer

**Nneka Chiazor**  
Commissioner

**W. Taylor Franklin**  
Assistant Secretary

**Penny Morgan**  
Commissioner

**Ronnie L. Parker**  
Commissioner

**Michael J. Standing**  
Commissioner

**Guenter H. Weissenseel**  
Commissioner

## CITY EXECUTIVES

**Patrick Duhaney**  
City Manager

**Mark Stiles**  
City Attorney

**Amanda Barnes, MMC**  
City Clerk

**Taylor Adams**  
Deputy City Manager,  
Director of Economic  
Development



### SCAN ME!

For a complete list of our  
Economic Development staff.



virginia beach







**virginia beach**

FOR MORE INFORMATION

*Call* 757.385.6464

*Email* [ecdev@vbgov.com](mailto:ecdev@vbgov.com)

*Visit* [www.YesVirginiaBeach.com](http://www.YesVirginiaBeach.com)

