

ANNUAL REPORT

2019-2020

Cardinal Commerce Center

**HANOVER COUNTY
DEPARTMENT OF ECONOMIC DEVELOPMENT**



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Historic Hanover Courthouse

DIRECTOR'S MESSAGE



E. Linwood Thomas IV
Director

Dear Community Stakeholders,

During the last three years, Hanover County has experienced some of the strongest economic growth on record. In fiscal year 2020, more than 1,950 net new jobs were created across all industry sectors, and new capital investment exceeded \$60 million along with new business announcements totaling more than \$230 million. The County maintained an average unemployment rate of 3% consistently during most of the fiscal year, but saw a spike of over 8% in May during the ongoing COVID-19 pandemic. Fortunately, Hanover's diverse industry base has insulated the County to some degree helping to keep unemployment rates well below the State and national averages.

A major component of our economic development strategy is to provide the necessary tools and resources for new and existing industries to grow and expand. This past year, there were 87 new announcements and expansion projects which is an increase of more than 35% from what we realized in the previous year.

Wegmans Food Markets, Inc., announced a \$175 million investment in a middle-office and distribution center that will create over 700 jobs and will pay on average 20% above the county's median wage. Wegmans, which is ranked #3 by FORTUNE Magazine of the "100 Best Companies to Work For" in 2020, has brought significant attention and interest to Hanover County by site selection consultants throughout the United States. Other new announcements and expansions this past year included: State Central Forensics Lab, Specialty Coating & Laminating, Cardinal Commerce Center, General RV, Hanover Foils, Holladay Properties Winding Brook Development, Kings Dominion's Coconut Shores, Wine & Beer Supply, Pleasants Hardware and Chicken Salad Chick, just to name a few.

Our existing industries continue to be the backbone of our local tax base, and one strong indicator of a locality's success is the performance of its current businesses. Through our business retention and expansion programs including Business First, we have been able to assist over 880 companies since its inception five years ago. Unexpectedly, and just like the rest of the Country, we were faced with the onset of the COVID-19 pandemic in 2020. Our department quickly moved to implement critical measures to support the local small business community along with many resources to help our existing industries weather the storm. This year we were able to support over 350 of our existing businesses through our outreach efforts, business walks and regional personal protective equipment (PPE) initiative. New initiatives are currently being developed as we transition to a new fiscal year to provide the necessary support needed by our business community.

Last year, the Hanover County Department of Economic Development rolled out a speculative building program to encourage new development, and this initiative has resulted in nearly one million square feet of space coming out of the ground this fiscal year. We have also continued to focus our efforts on property development, marketing through drone videos, and new studies to advance our strategic economic development sites through the Virginia Business Sites Readiness Program which makes sites more attractive for major corporate investment. As we continue to market to international businesses, we have made ongoing updates to our website including a new language feature that allows companies, brokers and consultants from all over the world to easily translate information about Hanover County.

As we move into 2021, Hanover County will continue working hand-in-hand with our regional and State partners to concentrate our efforts on providing valuable resources to our local small businesses and those who have been hardest hit during the pandemic. Our department will also begin focusing on updating our strategic economic development plan for the next five years. Hanover County continues to be well-positioned moving forward with a very stable business climate, low tax rates, strategic location and expedited permitting processes which will help continue to drive interest from corporate decision makers both nationally and internationally. I would like to personally thank our local Hanover businesses, citizens, board of supervisors and community leaders for your strong support of economic development.

Sincerely,

E. Linwood Thomas IV

Wegmans

Conceptual Rendering
Hanover County, VA

Approved by the Hanover County Board of Supervisors and the Governor of Virginia in conjunction with the Virginia Economic Development Partnership on 12/11/2019.

Hanover County Board of Supervisors approved amended proffers on 5/6/2020.

Project pending final permitting approval by the Virginia Department of Environmental Quality.



#3 FORTUNE MAGAZINE 100 BEST COMPANIES TO WORK

\$175 MILLION

700 JOBS

ABOUT HANOVER

Hanover County continues to make national waves as a preferred location for business operations; and fiscal year 2020 proved to be another record year for business investment.

The County’s strong growth in a number of sectors, including food and beverage, advanced manufacturing, and warehousing/logistics, has brought tremendous job opportunities to the residents of the community. And this growth comes not only from new businesses moving into the community, but equally as important, it comes from businesses already calling Hanover home. This continues to demonstrate that Hanover County is a great place to live, work and conduct business.

Many reasons businesses continue to express interest in Hanover County include:

1

MARKET PROXIMITY

Access to I-95, I-64 and other major highways places Hanover within a day’s drive of nearly half of the population of the United States, and is especially close to major Northeast markets.

2

COST TO DO BUSINESS

Hanover County has some of the lowest tax rates in the Greater Richmond Region as companies weigh their return on investment and cost to do business.

3

STRONG, WELL-RUN GOVERNMENT

Hanover County is one of the smallest U.S. counties by population to have a AAA bond rating from all three bond ratings agencies. Fiscal stability is paramount to the County. Additionally, businesses reap the benefits of a low, stable tax structure and minimal business regulation.

4

QUALITY OF LIFE

Citizens in Hanover have an unparalleled quality of life with outdoor amenities, a strong healthcare system, and one of the top public school districts in the State. And if big city amenities are in order, Richmond is just a short drive away.

YEAR IN REVIEW



COVENANT WOODS MANOR EAST

\$34 million expansion completed



WEGMANS

\$175 million investment & 700 new jobs announced



INDEVCO NORTH AMERICA

\$15 million expansion & 40 new jobs announced



FORWARD RVA

PPE distribution to businesses

JUL '19

VA DEPARTMENT OF FORENSIC SCIENCES

New 283,000 s.f. lab & central office announced



AUG '19

GREEN TOP

3rd Annual Outdoor Expo



OCT '19

DEC '19

FEB '20

VIRGINIA ABC

New headquarters & warehouse groundbreaking



MAR '20

APR '20

COVID-19 RESPONSE

Launch of COVID-19 resource webpage & restaurant app



MAY '20



NORTHLAKE COMMERCE CENTER

PRODUCT

DEVELOPMENT

152,000 square feet

Completed in Fall 2019. Fully leased.
Tenants: Wine & Beer Supply, UPS, Fidelitone

As key industrial and commercial sites are developed and taken down in Hanover, it is imperative the County continues working closely with landowners and developers to increase product and assets in order to attract capital investment to the tax base.

Hanover County Economic Development continues to focus on developing and promoting commercial product in an effort to increase business investment in the County. Building on the Virginia Business Sites Readiness Program (VBSRP) implemented by the Commonwealth of Virginia in 2016, emphasis is placed on key sites in our Suburban Service Area (SSA) that can easily be developed for industrial and commercial uses.

In FY19, Hanover County Economic Development (HCED) submitted 11 sites totaling over 1,300 acres that were tiered via the VBSRP program from levels 1-5, with 5 being the most site-ready. In order to increase the number of higher-tiered sites, HCED worked with numerous property owners to advance and improve the competitiveness of their properties. These efforts included wetland delineations, traffic impact analyses, engineered schematics and geotechnical studies. This is a critical step to understanding the maximum developable size a project can support on a specific site.

Hanover County also worked to update marketing collateral to

promote key sites and buildings. Continuing with a program established several years ago, HCED worked with many property owners to update drone videos of their sites to reflect new and ongoing construction. The office also worked to develop a new drone video for the Old Ridge Road site, one of the best heavy manufacturing sites available within the County. In speaking with a number of site selection consultants throughout the world, all of whom work to locate large projects into a community, there is consensus that aerial videography of a site makes it stand out from the competition.

At the fiscal year end, the vacancy rate for all sectors had held steady from the record lows of FY19 with

industrial at 0.8%, office at 6.9%, flex at 5.2%, and retail at 2.8%. These rates, specifically retail and office, will likely increase in FY21 due to impacts of COVID-19. Conversely, it is anticipated that heavy demand in warehousing needs will further reduce industrial and flex rates.

In order to address the historically low vacancy rates for industrial and flex space, Hanover County continues to promote a speculative development initiative with the goal of alleviating some financial risk while increasing the critical need for tangible space. Because of this initiative, almost two million square feet of flex space has been approved, completed, or is under construction as of the end of FY20.

Three major flex building projects were approved and/or under construction in FY20:



CARDINAL COMMERCE CENTER

260,000 square feet

The first building of this three building project will consist of 260,000 square feet of space with an anticipated completion date in late CY20. Two additional buildings of 420,000 ± square feet and 267,000 ± square feet are planned in the future, bringing a combined 947,000 square feet of flex space to the Hanover market.

DELIVERY: Q4 2020



NORTHLAKE 95

238,000 square feet

This single building will bring a total of 238,000 square feet to the market in late CY20. Features include 32' ceiling height, 47 dock doors (9-foot by 10-foot), 2 drive-ins and 255 parking spaces. Approximately 40% of the building was pre-leased prior to commencement of construction.

DELIVERY: Q4 2020



WINDING BROOK INDUSTRIAL PARK

100,000 square feet

Construction of the first flex building with 100,000 square feet of space and 32 foot ceilings is slated to commence in late CY20. Future plans include the potential for up to three more buildings providing an additional 620,000 square feet of flex or manufacturing space on the property. At full build-out, the park will have a combined total of 720,000 square feet of space.

UNDER CONSTRUCTION



INDEVCO NORTH AMERICA

BUSINESS EXPANSIONS

Existing businesses form the backbone of a local community’s economy. Fiscal year 2020 provided another strong year of expansion announcements and projects from a variety of businesses who call Hanover County home.

INDEVCO North America commits \$15 million investment in its Hanover County, VA manufacturing complex upon approval of water line extension.

On March 18, 2020, the Hanover County Board of Supervisors approved the extension of a county water line to INDEVCO North America headquarters and the Specialty Coating & Laminating, LLC manufacturing facility at 10351 Verdon Road in Doswell, Virginia.

“I am pleased to announce the expansion of Specialty Coating & Laminating, LLC (SC&L), a member company of INDEVCO North America, Inc. We take great pride in supporting our existing industries and this waterline extension, approved by the Board of Supervisors, will help facilitate \$15 million in new capital investment and 40 new jobs over four years. I want to personally thank SC&L

for their long-term commitment to Hanover County,” said Aubrey M. 'Bucky' Stanley, Chairman of the Board of Supervisors and representative for the Beaverdam Magisterial District.

INDEVCO North America is investing nearly \$3 million in building construction and renovation and over \$12 million in machinery and tools. The company will contribute \$50,000 towards the water line extension, while Hanover County Public Utilities will take the lead on constructing the improvements east of US-1 on Route 684. INDEVCO North America will additionally invest in connecting to the water line and installing piping throughout

its manufacturing campus. This infrastructure investment will also supply access to water along several other properties currently being marketed for economic development.

Pierre Khattar, CEO of INDEVCO North America, explains, “The Doswell complex has never had access to potable water, which is critical for our facility. Replacing our lined pond and water retention tanks with a proper water line will allow us to expand our footprint with additional buildings to manufacture sustainable packaging and energy-efficient building envelope systems, while creating new jobs for the local community.”



“Good, reliable infrastructure is critical for commercial and industrial development. This new water line will allow an existing manufacturer to make significant investment in our community in both real estate and jobs.”

- Brandon Turner, Deputy Director, Hanover County Economic Development



COVENANT WOODS
Manor East

The symbol of Covenant Woods’ commitment to lifelong care is Manor East, a healthcare wing that has undergone a large-scale, \$34 million, 3-phase expansion in 2018 and 2019. The expansion allows residents to enter assisted living, memory support and nursing care directly, and to come to the community for short-term Medicare stays. The updated center now offers 39 traditional assisted living suites, 21 memory support residences and 62 private skilled nursing care rooms.

GRAND OPENING 8-22-2019



WINE & BEER SUPPLY
Headquarters & Warehouse

Wine & Beer Supply, which offers cans, bottles, packaging, warehouse space and other wares for breweries and wineries, moved its headquarters into the new Northlake Commerce Center. The four-year-old company occupies 54,000 square feet of the 152,000-square-foot industrial building at 12015 N. Lakeridge Parkway. In the winter of 2019, Wine & Beer Supply closed on a \$2 million funding round, and also acquired two unnamed, Virginia-based mobile filtration companies as well as a mobile bottling line from Sonoma, California.

WAREHOUSE EXPANSION FALL 2019



CHEMTREAT, INC.
Applied Technology Laboratory

Construction of ChemTreat's new 25,000 square foot applied technology laboratory in Ashland, Virginia was completed in the spring of 2020. The lab provides advanced capabilities to support ChemTreat’s global base of industrial water treatment customers with industry-leading water analysis. It also features state-of-the-art research and development facilities to enable ChemTreat to develop new technologies and solutions for its customers in both the industrial water treatment and oil and gas sectors.

CONSTRUCTION COMPLETED 2020



WEGMANS

BUSINESS INVESTMENT

New capital investment and job creation made by a wide range of industries continue to bolster confidence in Hanover's business climate and community.

Wegmans Food Markets, Inc., a grocery retailer with stores throughout the Northeast and Mid-Atlantic regions, will invest \$175 million to establish a full-service, regional distribution operation in Hanover County. Virginia successfully competed with North Carolina for the project, which will create 700 new jobs.

Located along Sliding Hill and Ashcake Roads in Ashland, Virginia, the new campus will allow the company to expand its distribution network on the East Coast and accommodate its growing retail footprint. This announcement followed a domestic marketing mission in 2019 where Governor Ralph Northam met with Wegmans real estate and development officials at the company's New York headquarters.

"It's a significant win when a business decides to create 700 full-time, well-paid jobs, and we are proud that a company of Wegmans' stature has chosen to establish its major new operation in Hanover County," said Governor Northam. "Virginia

is a world-class transportation and logistics hub, and the location of this campus will greatly enhance Wegmans' fast-growing East Coast distribution network. I was grateful for the opportunity to meet with Wegmans officials to discuss ways we can strengthen our partnership, and I look forward to the company's continued success in the Commonwealth."

Founded and headquartered in Rochester, New York, Wegmans Food Markets, Inc. is a 101-store supermarket chain with stores in New York, Pennsylvania, New Jersey, Virginia, Maryland, Massachusetts, and North Carolina. The family company is recognized as an industry leader and innovator, and

celebrated its 100th anniversary in 2016. Wegmans has been named one of the '100 Best Companies to Work For' by FORTUNE magazine for 22 consecutive years, ranking third in 2019.

The Virginia Economic Development Partnership (VEDP) worked with Hanover County and the Greater Richmond Partnership (GRP) to secure the project for Virginia. Governor Northam approved a \$2.35 million grant from the Commonwealth Opportunity Fund that will be matched by the County along with \$1.5 million in local transportation and utility infrastructure improvements for the Sliding Hill corridor.



WEGMANS PROJECT CONTRIBUTES TO VIRGINIA'S 2020 AREA DEVELOPMENT MAGAZINE GOLD SHOVEL AWARD

Virginia is one of five states in the country to receive the 2020 award.



GENERAL RV

General RV Center, located in Hanover's Northlake Business Park fronting I-95, hosted an open house on January 7, 2020 of its new 70,000 square foot sales, service and retail store facility. Opened in December 2019, this location features 500 RVs for sale, 40 service bays, and a large retail store with a wide selection of RV parts and camping accessories. The facility's sales territory serves a 250-mile radius from its Ashland location in the Northlake Business Park and employs approximately 150 workers.

GRAND OPENING 12-2019



PLEASANTS HARDWARE

Pleasants Hardware opened its first new store since the chain was sold to a Virginia Beach-based retailer nearly four years ago. The company opened its eighth area location in early January, 2020 in the Hanover Commons Shopping Center. The 10,000 square foot store had previously operated as a Rite Aid pharmacy. This store helped to fill a retail gap in the Atlee area of Mechanicsville. A grand opening took place March 7, 2020.

GRAND OPENING 3-7-2020



GREEN TOP SHOOTING RANGE

Green Top, which is the largest independent outdoor retailer in the Mid-Atlantic, announced plans in October 2019 to purchase, rebrand, and assume operations of Winding Brook Indoor Shooting Range. On November 6, Green Top Shooting Range opened its doors to the public. The range offers 24 indoor, climate-controlled, 25-yard lanes across three shooting bays, a high efficiency air filtration system, ballistic glass shooting stalls, fully automated touch-screen target retrieval systems, 2,000 square feet of retail space and a stout training program.

GRAND OPENING 11-6-2019

OTHER BUSINESS INVESTMENTS

87

NEW BUSINESSES,
EXPANSIONS &
ANNOUNCEMENTS



AIRSTREAM OF VIRGINIA

On July 20, 2019, Airstream of Virginia hosted a ribbon cutting and grand opening event showcasing its impressive inventory of luxurious touring coaches and travel trailers. As a premier Virginia Airstream dealer, the dealership has a huge selection of new and used vehicles, as well as offering service and parts.



MARINE TRAVELIFT

In August 2019, Marine Travelift, which manufactures mobile boat lifts and trailers, opened a new facility in Ashland, Virginia. The company, employing factory-trained technicians, offers boat-handling equipment support for customers from New Jersey to South Carolina.



LITTLE BEAN COFFEE COMPANY

In October 2019, Little Bean Coffee Company opened its first brick-and-mortar location in a 2,000-square-foot space at 7032 Mechanicsville Turnpike. The business started in November 2018 as a permanent coffee cart in the lobby at Memorial Regional Medical Center.



VIRGINIA ALCOHOLIC BEVERAGE CONTROL AUTHORITY Headquarters and Distribution Warehouse

Virginia ABC broke ground on February 4, 2020 at its new 40-acre location near the intersection of Pole Green Road and I-295. This new facility, with 315,000 square feet of warehouse and 95,000 square feet of office space, will employ nearly 500 workers, and will provide distribution of spirits throughout the State of Virginia.



VIRGINIA DEPARTMENT OF FORENSIC SCIENCE Central Laboratory & Office of the Chief Medical Examiner (OCME)

Announced in July 2019, a new 283,000 square foot facility will be built on 25 acres located off of Times Dispatch Boulevard at the I-295 and Rte. 301 interchange. This facility will allow the OCME to continue to be a model medical examiner system in the United States by providing space for the latest technology and additional needed personnel. Construction is slated to begin in 2021 with a completion date in 2024.



BUCKINGHAM BRANCH RAILROAD TRANSLOAD FACILITY

In 2018, the Commonwealth Transportation Board awarded a \$450,000 grant to support Buckingham Branch Railroad’s Doswell Transload Facility expansion project adding 22 railcar spots to its facility in Hanover County. The Doswell Transload Facility is conveniently located near Highway Route 1. As the fastest growing sector of the rail freight industry, transload freight service combines long distance rail delivery with the first or last few miles by truck to or from a customer’s industrial facility. This project was completed in spring of 2020.

1,954

NEW JOBS
CREATED

\$61.4 MILLION

COMMERCIAL CONSTRUCTION PERMITS

\$3.1 BILLION

TOTAL TAXABLE COMMERCIAL VALUE

OTHER NEW BUSINESSES

ORTHO
ON CALL

CHICKEN SALAD
CHICK

Pepicelli's
PIZZA SUBS WINGS

Chick-fil-z

DOLLAR
GENERAL

Aspen
Dental



MEMORIAL REGIONAL MEDICAL CENTER

MEMORIAL REGIONAL MEDICAL CENTER SUBMITS APPLICATION TO ADD 44 BEDS

Bon Secours Memorial Regional Medical Center filed a Certificate of Public Need (COPN) application in January 2020 to expand its licensed 225 acute care bed capacity by 44 additional acute care beds, including 11 intensive care beds and 33 medical/surgical beds.

The project involves new construction consisting of a two-story vertical expansion located above emergency services and intensive care services. The hospital will also renovate selected existing areas of its facility to accommodate the connectivity and flow of patients, staff and support services.

The expansion directly addresses the fast growing demand for health care services from residents of the hospital’s service area, and will provide patients with increased access to the hospital’s innovative resources, outstanding clinical staff and exceptional patient care.

BUSINESS ANNOUNCEMENTS

TWO HANOVER-BASED COMPANIES NAMED TO 2019 INC. 5000 LIST

Connected Solutions Group (CSG), located in Mechanicsville, Virginia, made its debut on Inc. Magazine's annual list of the 5,000 fastest-growing private companies in the nation in 2019. CSG landed at #8 nationally, which is the highest mark for a local company in the list's history. CSG provides cellphones, tablets and other cellular hardware to businesses that need them for commercial use.

Allied Instructional Services (AIS), located in Ashland, Virginia, made its third consecutive appearance on the list. AIS provides schools and government agencies with the professional staff and programs needed for supporting the growth, development, and life skills of individuals with special needs.



DOMINION ENERGY INNOVATION CENTER

The Dominion Energy Innovation Center (DEIC) is a nonprofit created in 2009 in partnership with Activation Capital, and is also funded by Dominion Energy, Hanover County and the Town of Ashland. The Center, located in a renovated fire station in the heart of downtown Ashland, aims to help startups and early-stage technology companies with mentoring, resources, professional development, networking and workspace.



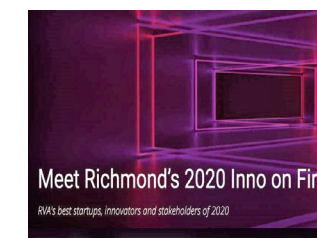
NEW LEADERSHIP

In April 2019, DEIC came under the new direction of Adam Sledd with Ian Ragland managing programming and marketing efforts. Only a few months later, DEIC rolled out an aggressive schedule of new programming at its 10-year anniversary open house event on September 12, 2019. Adam brings over 15 years of investment and program management experience. Ian is a Randolph-Macon College graduate with a master's degree from VCU's da Vinci School for Innovation.



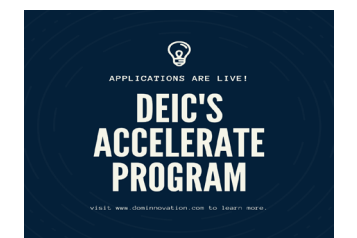
PROGRAMMING

Among the varied offerings, DEIC has hosted SCORE mentors, business consultants, digital marketing and branding experts, legal and patenting experts, financial advisors and more. The popular Open Coffee Club, held every Tuesday, provides a networking forum for businesses and frequently feature business experts as special guests. After the pandemic struck, DEIC did not miss a beat by converting the popular Coffee Club into a virtual meeting room.



INNO ON FIRE

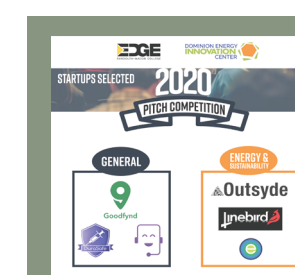
In June 2020, DEIC was recognized by RichmondINNO as a '2020 Inno on Fire' for its exceptional track record as a community builder. Each year, RichmondINNO recognizes the best startups, innovators and stakeholders in the region who have achieved substantial new funding, product launches and advancements with solving problems. RichmondINNO, started in 2018, provides a portal to and for the region's burgeoning startup and tech communities.



ACCELERATOR PROGRAM

As the crown jewel of DEIC's fiscal year 2020, the Center announced its new 10-week accelerator program in partnership with Dominion Energy to provide educational programming and mentoring to seven startup companies whose missions support Virginia's clean tech initiative. All seven of the Virginia-based startups are working on products or services related to energy and sustainability.

GOGO Band, a tenant company at DEIC, also received a '2020 Inno on Fire' designation for its innovation in the tech and software category. GOGO Band has spent several years researching and testing a wearable device that can predict a bedwetting occurrence before it happens. Its product launched last summer, and the company is graduating into its own space and warehouse located in Hanover County.



In February 2020, DEIC in partnership with Randolph-Macon College's EDGE program, hosted the 3rd Annual Pitch Competition for emerging technology and sustainability-focused startups. Cash awards were given in three categories: general high growth; energy and sustainability; and student. The winners of the event were Goodfynd, Linebird, and R-MC student Liam Hogan. Nine startups — three in each category — made five-minute business pitches during the competition before a panel of five judges. Approximately 70 people attended the event.



DOMINION ENERGY BATTERY STORAGE PROGRAM

Dominion Energy Virginia announced four battery storage pilot projects to help pave the way for additional energy storage technology needed to support the company's increase in renewables and to improve grid reliability. A 2-megawatt battery at a substation in Ashland will explore how batteries can improve reliability and save money on equipment replacement.

REPUBLIC NATIONAL DISTRIBUTING COMPANY EXPANDS MARKET

The joint venture partnership between Republic National Distributing Company (RNDC) and Young's Market Company expands its customer-base to 33 markets. RNDC is the second largest distributor of premium wine and spirits in the United States.

BLUE TRIANGLE ACCEPTED INTO VEDP'S VALET PROGRAM

Blue Triangle, located in Mechanicsville, Virginia, was accepted into the Virginia Economic Development Partnership's (VEDP) two-year Virginia Leaders in Export Trade (VALET) program. The VALET program assists companies in the Commonwealth that are committed to international exporting as a growth strategy. Blue Triangle provides digital teams from small to large-scale companies and organizations with a connected view of their marketing, web performance, and third-party tag analytics while constantly monitoring website code for security vulnerabilities. To date, eight Hanover companies have participated in the VALET program.

RICHMOND HOMEARAMA 2020 AT HANOVER'S HICKORY HILL GOES VIRTUAL

Virtual tours of six beautiful homes located in Hanover's 500-acre Hickory Hill community were available during this year's Homearama. Held annually, Homearama allows builders to showcase the latest in home building and design trends.



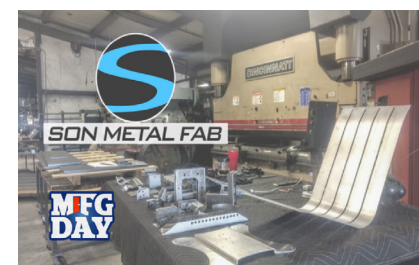
ANTON PAAR APPRENTICESHIPS

Through a partnership with John Tyler Community College, Anton Paar USA established a three-year apprenticeship program. Participating students will be trained to help advance the fields of engineering for instrumented manufacturing technologies.



INDEVCO INTERNSHIPS

INDEVCO North America has collaborated with Randolph-Macon College to provide internship opportunities and facility tours for students to learn about global manufacturing and product sustainability.



SON METAL FAB - MFG DAY

For the eighth consecutive year, the company opened its doors to the public on October 3, 2019 to host Manufacturing Day (MFG Day). MFG Day is an annual North American event promoting the manufacturing industry and related careers.

BUSINESS ENGAGEMENT

The Department of Economic Development's outreach programs continue to succeed in understanding and addressing the needs of existing businesses by developing close relationships with the business community.

OUTREACH

The Hanover County Department of Economic Development (HCED) takes great pride in reaching out to the existing businesses that call this community home. Through direct contact with businesses, HCED is able to identify issues or concerns which may be present, and work with the business to find solutions to barriers that inhibit growth. Visits also allow HCED to identify businesses that may be looking to expand, and provide connections to local, State and Federal resources to assist with a variety of topics such as constructing a new building, hiring employees, or seeking international markets in which to export.

Even through the pandemic, the Department's business outreach programs have continued. Prior to the onset of the health crisis, a Business Walk was conducted in the Air Park on November 14, 2019 with staff and volunteers connecting with 31 companies during the walk. Overall for the fiscal year, 131 businesses were interviewed. As COVID-19 related restrictions took hold that would not allow HCED staff to enter businesses in person, the department continued its outreach utilizing videoconferencing platforms and phone interviews.

131
BUSINESS
INTERVIEWS

383
BUSINESS
ASSISTS

ASSISTANCE

Each year, Hanover County Economic Development assists hundreds of County businesses and entrepreneurs with a myriad of requests such as providing connections to workforce solutions, registering a business to operate in the County, or providing data to drive decisions. With the onslaught of COVID-19 this year, HCED provided even more assistance to our existing businesses by connecting them with resources and programs to ease their burdens. In FY20, HCED provided assistance to 383 businesses in the community, which is a record number for the department.

Existing businesses are the heart and soul of a locality's economy. Hanover County Economic Development works hard to listen to the needs and desires of our local businesses, and strives to provide solutions where possible.



Business Appreciation 2020

BUSINESS APPRECIATION

Originally scheduled to occur on May 7, 2020, the planning of Hanover County's annual Business Appreciation Event was in full swing when mandates due to COVID-19 forced widespread closures of businesses and cancellations of events. As 2020 marks the 300th anniversary of Hanover County's founding, the theme this year was set to highlight historic and tourism/hospitality related businesses while also recognizing the significant

impact these two sectors have on the County's overall economy. To virtually celebrate the occasion, a series of eight blog posts featuring the county's tourism assets were published throughout the month of May as well as the introduction of the "See and Do in Hanover County" app. Several additional businesses were to be recognized as "Legacy Business", and the Marc S. Weiss Award was to be presented to an outstanding business in the community. Should the virus start to wane and social restrictions are lifted, these festivities will resume and the tricentennial will be celebrated at this event in May 2021.

WORKFORCE OPPORTUNITIES

For a second year in a row, Hanover County Economic Development partnered with Hanover County Public Schools, the Capital Region Workforce Partnership, and other local workforce partners to host the InspireYouth@Work Summer Opportunities Fair. Scheduled to be held on Saturday, March 28, 2020, the fair's intention was to connect local youth (ages 14-24) to opportunities such as summer internships, volunteer initiatives, part-time and full-time jobs. Over 30 local and regional companies had committed to participating in the event, representing a wide array of businesses from food service to healthcare to manufacturing. Unfortunately, due to the pandemic and requirements to cease large gatherings, the event had to be cancelled just days before it was to be held. The organizing committee hopes to host the fair again in March 2021.

BUSINESS EDUCATION

Hanover County Economic Development partnered with the Dominion Energy Innovation Center to host a Google My Business workshop on October 23, 2019. Attended by representatives of 15 businesses, this was an outstanding opportunity to provide education on how businesses can maximize marketing initiatives using the power of Google. Staff also took part in hosting an episode of the Coalition Series, focusing on economic trends and programs related to the recession.

PROMOTION OF OUR SERVICES

As a small way to say "thank you" to businesses who welcome HCED to visit their facilities, the office provides a small gift bag with promotional materials such as note pads, pens, and mugs. These items are also handed out to prospects, consultants and partner organizations. In addition to being a way to show gratitude, these materials also provide contact information to ensure businesses and partners always know how to reach the department of economic development for assistance.



COVID-19 RESPONSE

The global coronavirus outbreak made its way to Hanover County in March 2020. The subsequent shutdown of most of the economy to contain the spread of the virus created significant impact on the business community, with sectors such as food service, retail, hospitality, and personal grooming taking some of the hardest hits.

Within the first week of the pandemic, the Hanover County Department of Economic Development moved quickly to create an easily accessible “one stop shop” for important COVID-19 related information including state and federal resources to help support our small businesses. Understanding our local restaurateurs were some the hardest hit, the department created an application to let the public know who was open for carry out, pickup and delivery. We worked in conjunction with the local Hanover County Chamber of Commerce and Chamber RVA to distribute PPE kits to over 150 businesses. Upon transitioning into a new fiscal year, the County worked to roll out a CARES Act Small Business Resiliency Grant Program for those industries hardest hit by the pandemic along with an application to connect those who are looking for work with those businesses that are hiring.

Despite the health and economic upheavals, businesses, community groups and local governments throughout the Richmond Region rallied to find creative and innovative solutions to weather the storm. Local government and business support leaders met virtually multiple times per week to share information and coordinate strategies to help mitigate the economic damage. Local governments worked to amend zoning rules to allow business flexibility, and economic development offices worked to create grant programs to mitigate economic fallout from closures. Local businesses proved to be exceptionally innovative during this time, making changes such as dining protocols and layout of their facilities to accommodate health requirements. Some businesses even went as far as changing business models seemingly overnight to manufacture and supply much needed personal protective equipment (PPE). Despite the challenges COVID-19 has produced, great inspiration can be taken from the collaboration, innovation and support the community has provided, along with the unwavering desire to get through these challenging times and return to normal as soon as possible.



OWENS & MINOR

Owens & Minor, a major producer and distributor of PPE, implemented a myriad of measures early on to ensure team safety while expediting manufacturing and distribution to meet unprecedented demands. As a member of the White House COVID-19 Supply Chain Stabilization Task Force working with FEMA and U.S. Department of Health & Human Services, Owens & Minor worked to provide healthcare customers with the critical product needed to fight this global crisis.



INDEVCO NORTH AMERICA

INDEVCO North America repurposed its production assets used to manufacture house wrap to produce isolation gown rollstock at its Specialty Coating and Laminating facility in Doswell, VA. Together, the two manufacturing plants were well positioned with raw materials and equipment to facilitate a manufacturing shift to produce isolation gown material.



BALLENGER MOTOR SPORTS

At the onset of the pandemic, Ballenger Motorsports, located in Mechanicsville, VA, utilized its 3-D printing ability to produce face shields to help meet the critical demand for personal protective equipment. Due to Ballenger’s business model of working with a global supply chain, the company took steps early during the pandemic to acquire and distribute supplies of PPE.



ORBIT LOGISTICS

Orbit Logistics, headquartered in Hanover County, VA, joined forces with other supply chain partners to create the Virginia Supply Chain Initiative (VSCI) in order to provide a centralized supply chain resource for business and local government responding to the COVID-19 pandemic. The VSCI is composed of companies in Virginia that are leaders in their respective disciplines within the supply chain industry. These companies have come together to provide critical end-to-end distribution resources within the communities.



COVID-19 RESOURCE PAGE

The Hanover County Department of Economic Development moved quickly during the first days of the virus and economic shutdown to create a COVID-19 resources webpage. Updated frequently, this became a landing pad for health information related to the virus, as well as local, state, and national grants and resources made available to assist the business community.



HANOVER RESTAURANT APP

Realizing the severe impact the economic shutdown was having on restaurants, Hanover County Economic Development was one of the first departments in the State to create an app for smartphones which listed all local restaurants open for takeout and/or delivery during the shutdown. HCED reached out directly to 95 businesses to identify their operations, contact information, and other data required for inclusion on the app.



COALITION SERIES

HCED partnered with the Hanover Chamber of Commerce, Town of Ashland, and other regional partners to host eight webinars during late spring. Entitled the “Coalition Series”, HCED focused on providing data and statistics to give the business community an idea of the economic impact of COVID-19 and the corresponding economic shutdown. Other partners covered topics such as business assistance, marketing strategies, and other topics related to businesses.



SMALL BUSINESS RESILIENCY GRANT

As the fiscal year came to a close, HCED began coordinating with various departments to craft guidelines to establish a business assistance grant for County businesses with the goal of helping offset some of the costs incurred due to the pandemic and subsequent shutdown. Using CARES Act funding, this grant rolled out in early FY2021 as the Hanover County Small Business Resiliency Grant.

FORWARD RVA

Numerous local governments, organizations, and resources worked together to assemble personal protective equipment (PPE) kits to distribute to businesses throughout the Richmond metro region. All metro localities coordinated PPE kit distribution events on May 27 and 28, 2020. Businesses could report to one of nearly ten locations on those days to pick up a kit which included hand sanitizer, gloves, masks, and resources for business assistance. In partnership with Henrico County, Virginia Center Commons served as the pickup location for Hanover County. Over the two days, a total of 115 kits were distributed to Hanover-based businesses. With extra kits left over following the event, Hanover County partnered with the Hanover County Chamber of Commerce to host another pickup event at the Economic Development office on June 11, 2020 resulting in an additional 54 kits distributed to businesses. Participating businesses were exceptionally grateful for the assistance to acquire much needed PPE to reopen their establishments.



+40%

35,071
WEBSITE VISITS



+286%

7,136
SOCIAL MEDIA REFERRALS



+17%

3,169
SOCIAL MEDIA CONNECTIONS



+124%

548
LINKEDIN CONNECTIONS



+23%

852
FACEBOOK FOLLOWERS

MARKETING & PROSPECT DEVELOPMENT

Economic Development continues to grow and enhance marketing outreach initiatives to not only attract business to the community, but also provide success stories and share resources to those businesses already calling Hanover County home.



Old Ridge Road Site

One of the drone videos created this year was for the Old Ridge Road site, one of Hanover's premiere M-3 sites. This video has been shared with numerous state, national, and international contacts to showcase the property for heavy industrial uses.

Like many businesses and industries across the United States forced to pivot in FY20, the department of economic development also had to shift our marketing efforts and focus. To effectively highlight Hanover County's assets and competitive advantages to site consultants, brokers and developers both nationally and internationally, we quickly transitioned utilizing our virtual platforms and social media outlets to remain relevant. Prior to the pandemic, we had already started to shift our focus to provide a more robust online presence utilizing drone videos, updated business testimonials, a website that could be translated into numerous international languages as well as easier access to our strategic sites and demographics. These advanced efforts helped our department be more prepared to operate in the "new normal" as we continue to navigate an ever fluid pandemic.

Through these efforts, we have found new and creative ways to position the County for economic development success. National and international travel was almost non-existent last year, but many of those meetings that used to be face-to-face with prospects and our friends across the site selection community have now become virtual. Overall, we were still able to meet with over 75 brokers, developers and site consultants in FY20. In many ways, these meetings were equally as beneficial and extremely cost effective.

Today, ninety percent of all site selection searches start online and to generate these leads and meetings we must have a very competitive online marketing presence. Through the extrapolation of data, we can see just how effective our efforts are as we drive traffic to our website and social media platforms. Last year alone, we saw our social media referrals increase by 286% and website traffic was up over 40% from the previous year. We also

saw an uptick of 23% to our Facebook followers and 124% on LinkedIn respectively. This was not by happenstance, but a coordinated marketing approach to highlight featured content across all of our online platforms. Our efforts to translate our website to international prospects is also paying dividends as we had prospects from over 97 different countries access our economic development website and our unique international user visits was up over 30% from the previous year.

As we move into FY21, our department will continue to work closely with our state and regional partners at the Greater Richmond Partnership, Virginia Economic Development Partnership, Richmond Region Tourism and the Chamber RVA along with the local Hanover Chamber of Commerce to effectively market the County.

4,186
BUSINESS TESTIMONIAL
VIDEO VIEWS

1,207
PROPERTY DRONE
VIDEO VIEWS

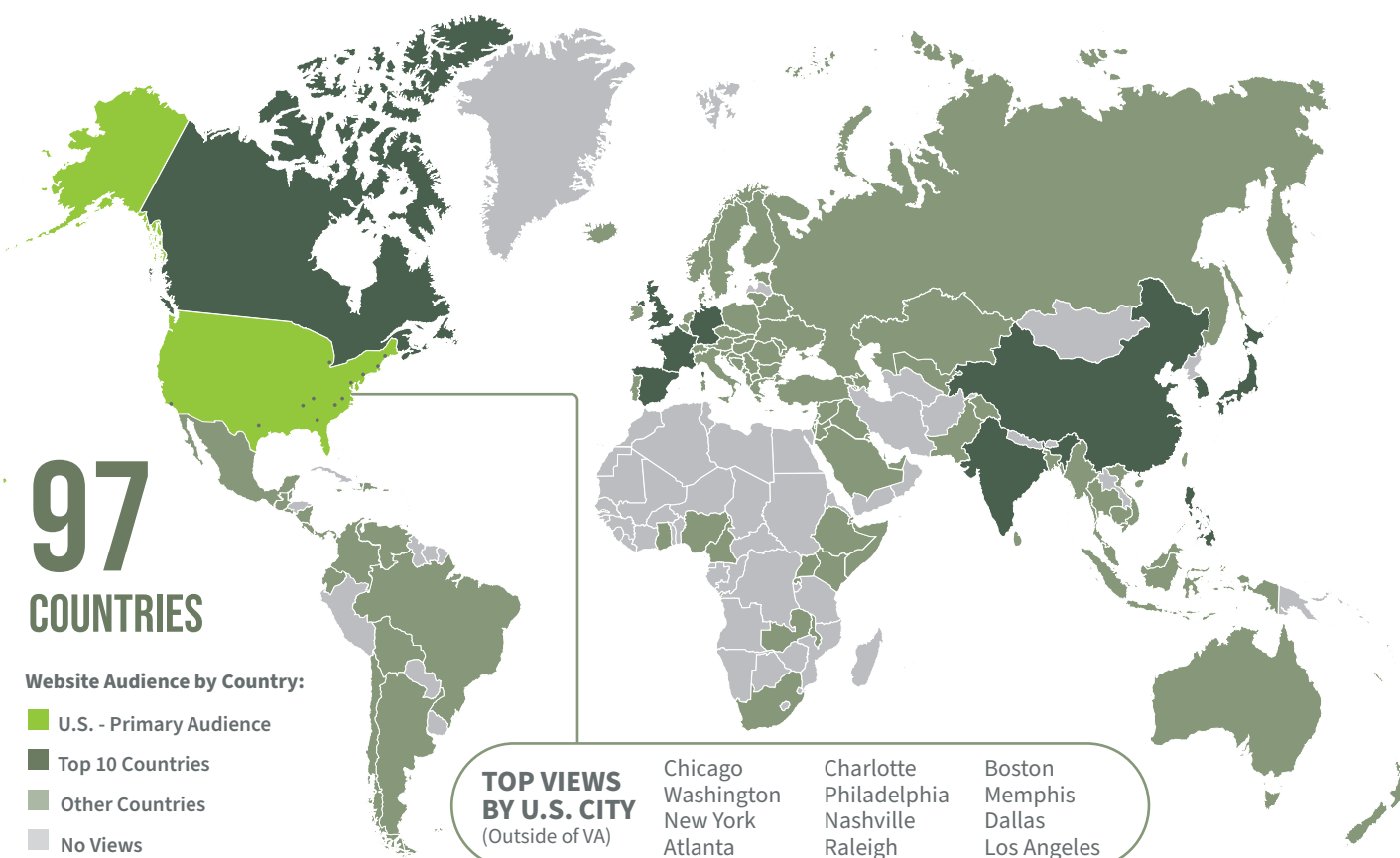
SITE SELECTORS 2019 Fall Forum

In September 2019, Brandon Turner of Hanover County Economic Development attended the Site Selector's Fall Forum in Dallas, Texas. One of the premier gatherings of site selection consultants in the nation, this event brought more than 30 consultants together to interact with communities throughout the United States. In addition to the conference, Brandon worked with Lara Fritts with the Greater Richmond Partnership and Jane Ferrara with the City of Richmond to visit over a dozen site selection consultants in the Dallas area, as well as nearly ten companies with future expansion plans.



Google Translate

Google Translate enables users to translate website content into nine different languages other than English. During FY20, users from 97 countries (including the U.S.) visited our website.



AGRICULTURE & TOURISM

\$1,016,867
HOTEL TAX REVENUE (FY20)

Source: Richmond Region Tourism

\$256,755,670
VISITOR EXPENDITURES (CY19)

Source: Virginia Tourism Corporation

According to the Virginia Tourism Corporation, more than \$256 million was spent by visitors in Hanover in calendar year 2019, a slight 0.8% decrease from the prior year. Employment from tourism activities remained unchanged. Local tax receipts from lodging have shown positive increases each year in the past decade with an average annual gain of approximately 8%. Following this trend, Hanover was set to potentially record \$1.3 million in hotel tax revenue in FY20. However, the trend was halted by the onset of the pandemic in the last quarter resulting in a 16% decrease in accrued tax revenue from the previous fiscal year.

KEENBELL FARM

Charles Edwin "CJ" Isbell Jr. of Keenbell Farm has been named the 2020 Virginia Farmer of the Year and advances into consideration of the Swisher Sweets/Sunbelt Expo Southeastern Farmer of the Year Award. Keenbell Farm was recognized as a Hanover Legacy Business in 2019 with more than fifty years of continued operations in the county. The farm maintains 340 owned and leased acres; and specializes in grass-fed beef, pasture-raised pork, free range poultry, turkeys, eggs, and specialty non-GMO grains.



OAKDALE RVA

Adding to the county's inventory of agritourism assets, Oakdale RVA is a premier event facility located on 100 acres of farmland adjacent to Hanover Vegetable Farm featuring a unique barn venue surrounded by sweeping views of the countryside. This new facility, opened in 2019, can accommodate all types of events up to 200 guests.

CORONAVIRUS FOOD ASSISTANCE PROGRAM (CFAP)

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) field office in Hanover County assisted over 50 Hanover producers with receiving aid from CFAP's first round. This program provides direct relief to producers who faced price declines and additional marketing costs due to COVID-19. Over 160 commodities are eligible for CFAP, including certain non-specialty crops, livestock, dairy, wool, specialty crops, eggs, aquaculture, and nursery crops and cut flowers.



Following the favorable response to the pro-bono restaurant app created at the onset of the pandemic by Hanover-business Rick Whittington Consulting, our department created a companion app to showcase the county's tourism-related assets. During business appreciation month in May, the app was promoted along with a series of eight blog posts featuring these venues while also celebrating the County's 300th anniversary.

(Note: In FY21, this app and the restaurant app have been combined into the Here In Hanover, VA app.)



Tru Hotel, completed in early summer of 2020, is a five-story, 91-room hotel located in the northwest quadrant of State Route 54 and Interstate 95.

Avid Hotel, located on U.S. Route 1 just south of Sliding Hill Road, is a four-story 90-room hotel nearing completion and is slated to open in December 2020.



GREEN TOP OUTDOOR EXPO

The 3rd Annual Green Top Expo was held October 5-6, 2019. This free event hosts more than 180 of the biggest manufacturers from the outdoor industry's most loved brands and features special guests, free live music and family fun. For the third consecutive year, Green Top was awarded a matching grant through the Virginia Tourism Corporation's Marketing Leverage Program.



BASS PRO OPEN AWARDS

On July 27, 2019, the top 12 pro-anglers and top 12 co-anglers received awards at the final weigh-in of the Bassmaster Eastern Open at Bass Pro Shops in Ashland, Virginia. Canova Peterson of the Hanover County Board of Supervisors made welcoming remarks at the ceremony. Staff from Richmond Region Tourism and Economic Development also attended.



POLE GREEN CROSS COUNTRY COURSE

The National Junior Collegiate Athletic Association 2021 Cross Country Championship will be held November 13, 2021 at Pole Green Park. Richmond Region Tourism (RRT) collaborated with Hanover County Parks and Recreation to successfully land the event for the region. To enhance RRT's sports tourism marketing efforts, the Hanover County Department of Economic Development procured a short video to showcase the race course at Pole Green Park.

KINGS DOMINION

In August 2019, Kings Dominion announced renovation plans for the Coconut Shores section of the 20-acre Soak City water park to include Lighthouse Landing, Sand Dune Lagoon, and a new dining experience. Set to open for the 2020 season, the grand opening has been delayed due to temporary closure of the park following COVID-19 restrictions.



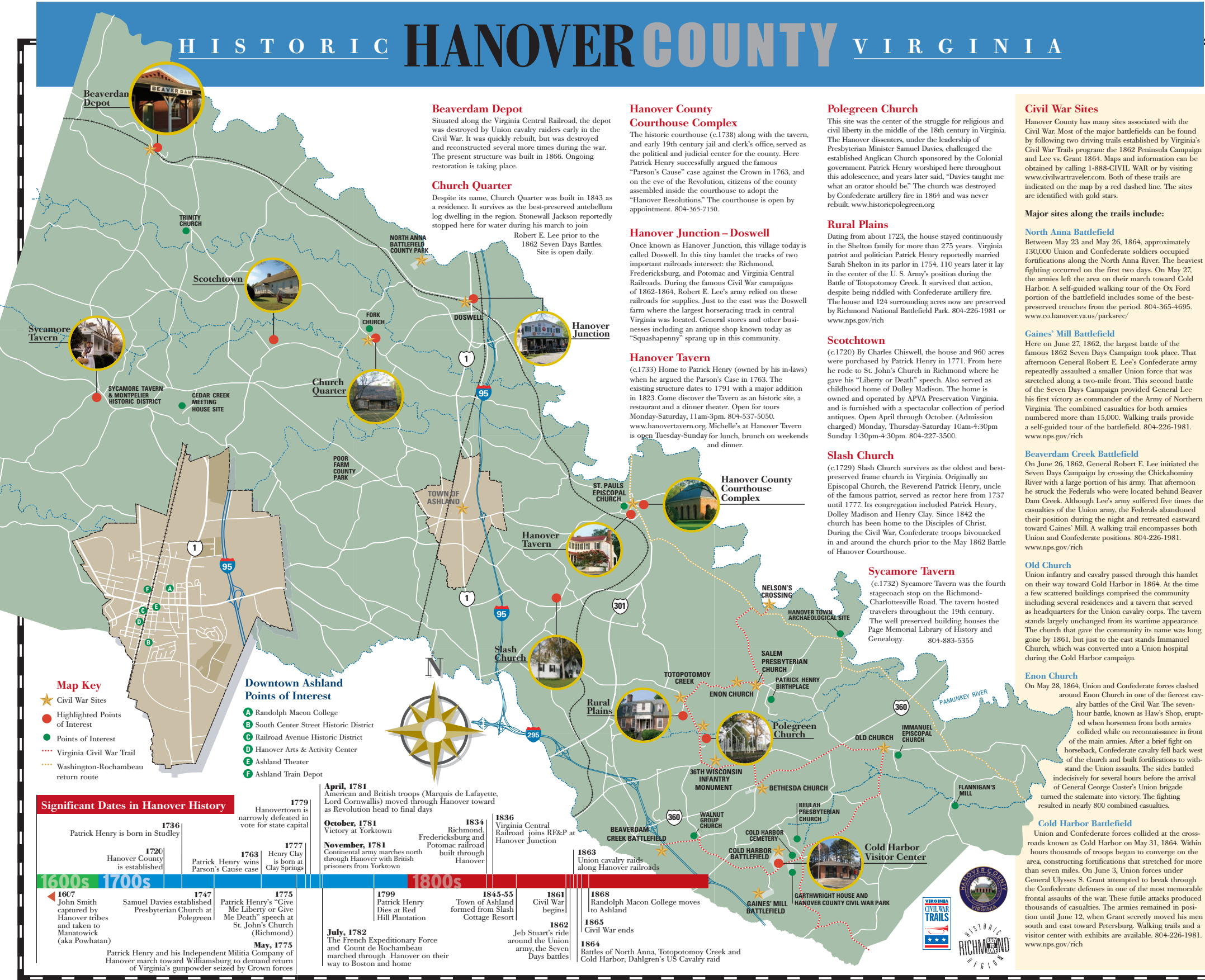
HANOVER COUNTY CELEBRATES 300 YEARS



HISTORIC HANOVER COURTHOUSE

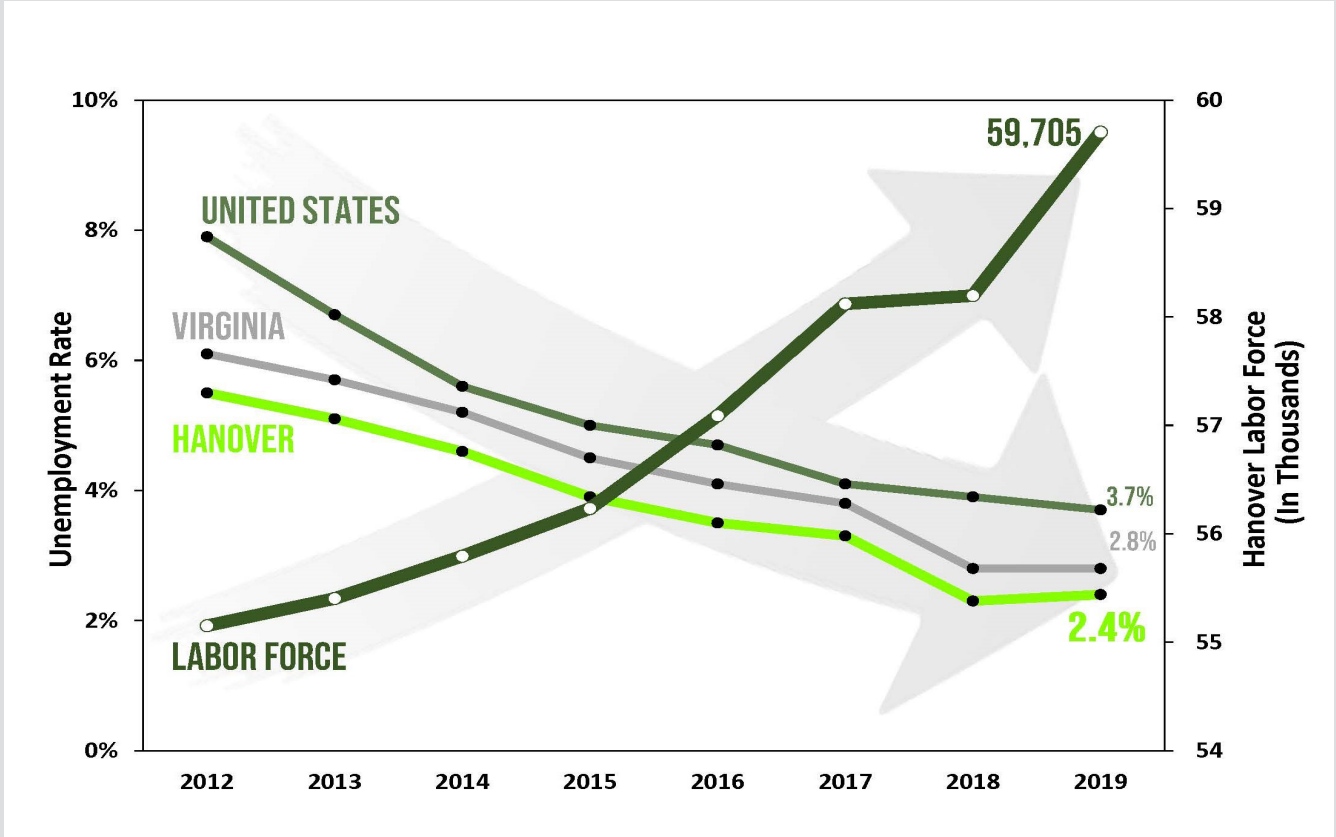
The Historic Hanover Courthouse is the third-longest continuous-use courthouse in the United States, after only the King William County Courthouse (1725) in neighboring King William County, and the Old Salem County Courthouse (1735) in New Jersey. The Courthouse was still being used to try overflow cases into the 21st century, until recent additions to the county's courthouse complex. Now the Courthouse's "continuous use" status is maintained by an annual official ceremonial court function. Couples are still occasionally married in the Courthouse by a magistrate, and it is periodically open for tours and reenactment performances. What was perhaps the Historic Hanover Courthouse's most significant event took place in 1763. Patrick Henry (1736-1799), at the time a Hanover attorney, argued a case known as the Parsons' Cause at the Hanover Courthouse on November 5, 1763. The County's Courthouse Green, with the Courthouse, Old Stone Jail, Clerk's Office and Hanover Tavern across the road, is one of very few such complexes in the nation to have retained its historical integrity and perspective.

Credit: Hanover County Historical Society



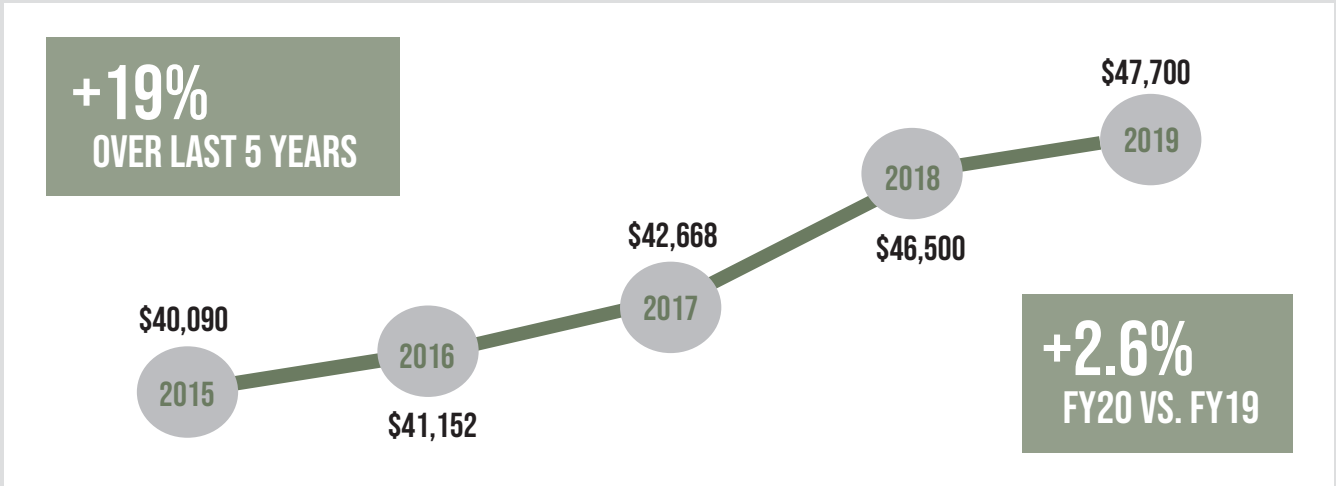
FACTS & FIGURES

UNEMPLOYMENT & LABOR FORCE



Source: VEC/QCEW, Q4-CY. VEC data subject to adjustment.

AVERAGE ANNUAL WAGES

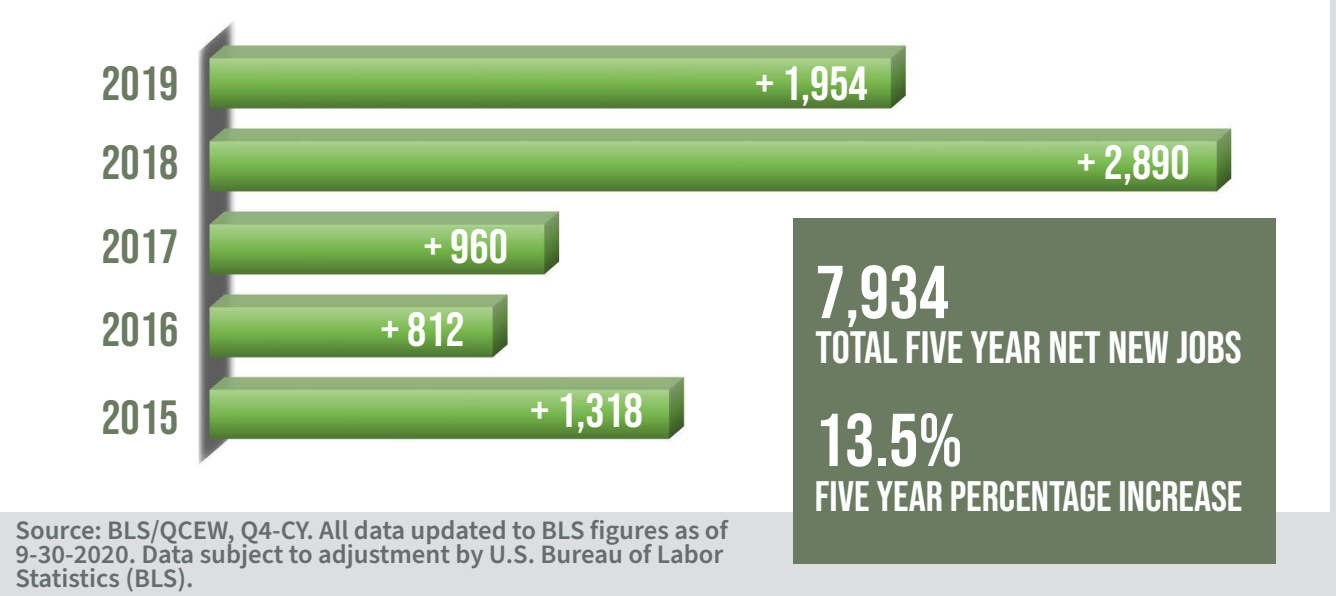


Source: Jobs EQ, CY.

MAJOR PRIVATE SECTOR EMPLOYERS (100+ EMPLOYEES)

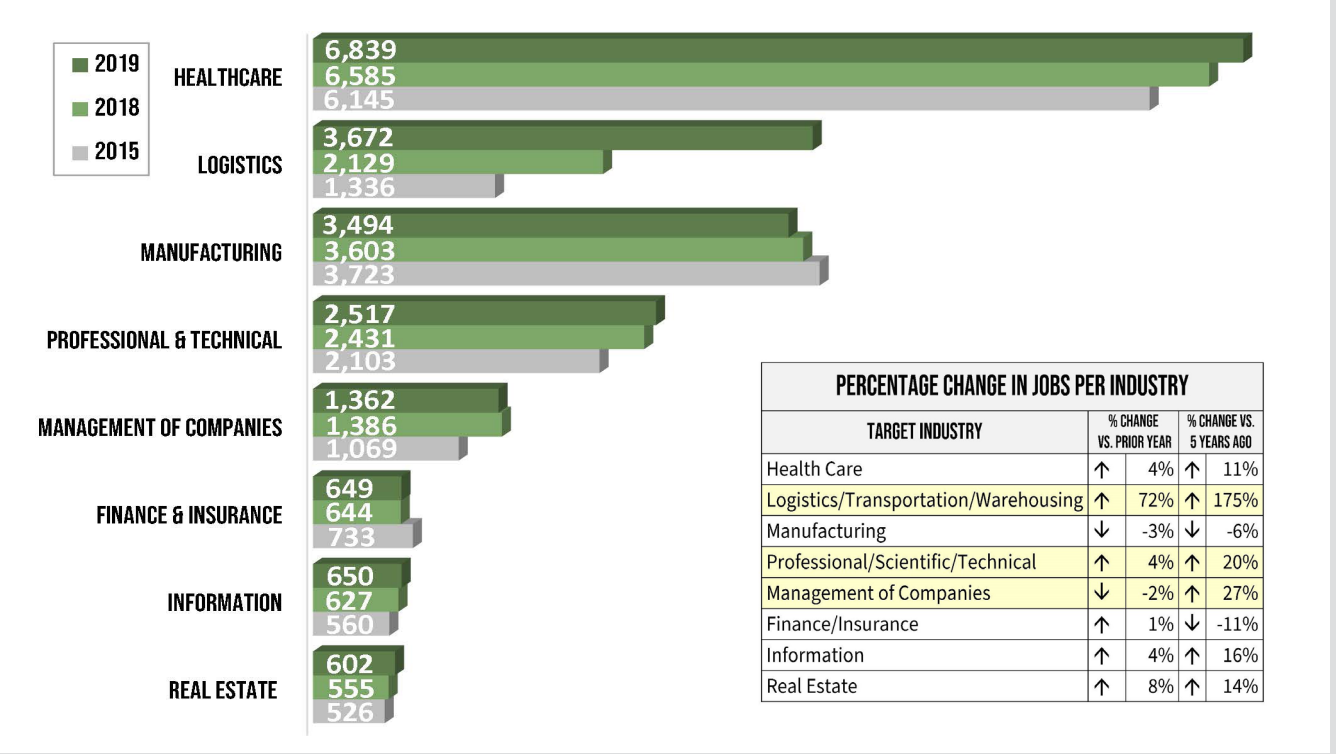
- Bon Secours Memorial Regional Medical Center
- Amazon Fulfillment Center
- Wal Mart
- Owens & Minor Medical Inc.
- Tyson Farms
- Super Rite Foods Operations Co.
- Kings Dominion
- Kroger
- Woodfin Oil Company
- Vitamin Shoppe Distribution Center
- Owen & Minor Distribution Inc.
- FedEX Ground
- The Home Depot
- Covenant Woods
- Carter Machinery Company

NET NEW JOBS IN ALL INDUSTRIES



Source: BLS/QCEW, Q4-CY. All data updated to BLS figures as of 9-30-2020. Data subject to adjustment by U.S. Bureau of Labor Statistics (BLS).

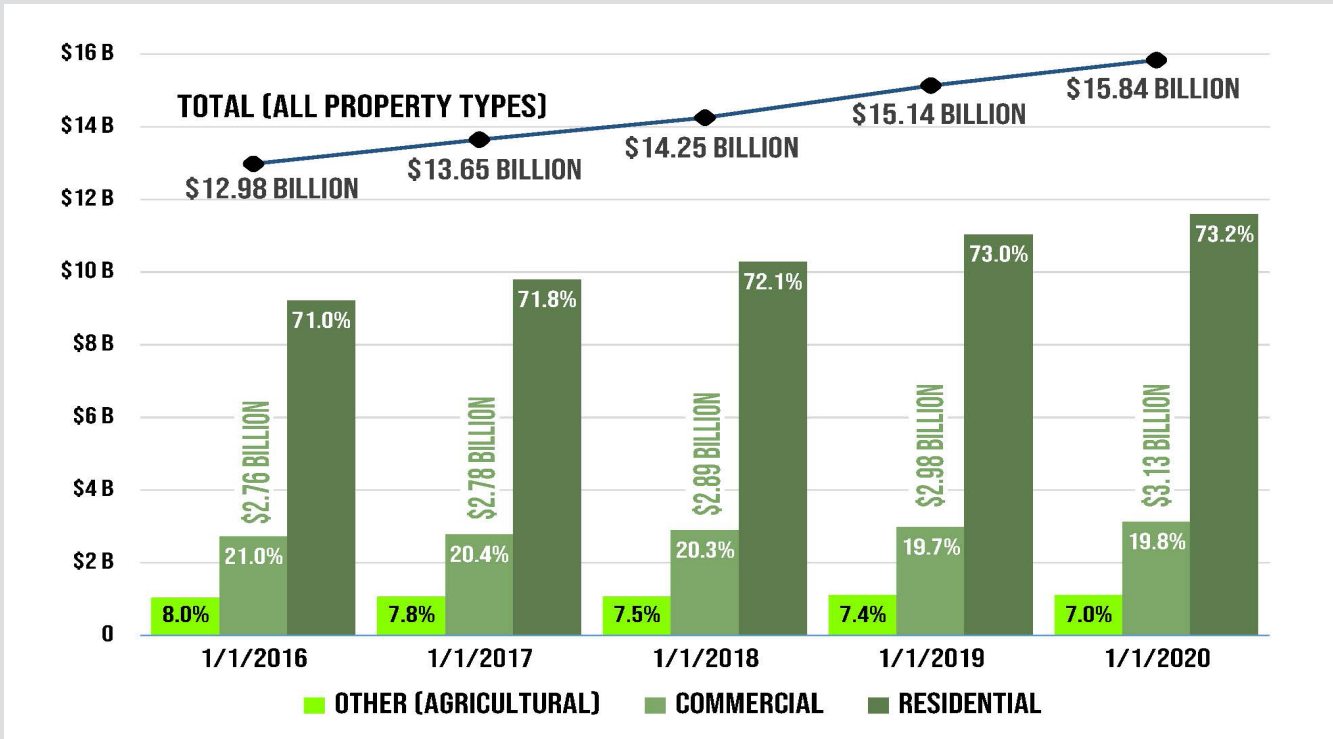
NET CHANGE IN NUMBER OF JOBS PER TARGET INDUSTRY



PERCENTAGE CHANGE IN JOBS PER INDUSTRY			
TARGET INDUSTRY	% CHANGE VS. PRIOR YEAR	% CHANGE VS. 5 YEARS AGO	
Health Care	↑ 4%	↑ 11%	
Logistics/Transportation/Warehousing	↑ 72%	↑ 175%	
Manufacturing	↓ -3%	↓ -6%	
Professional/Scientific/Technical	↑ 4%	↑ 20%	
Management of Companies	↓ -2%	↑ 27%	
Finance/Insurance	↑ 1%	↓ -11%	
Information	↑ 4%	↑ 16%	
Real Estate	↑ 8%	↑ 14%	

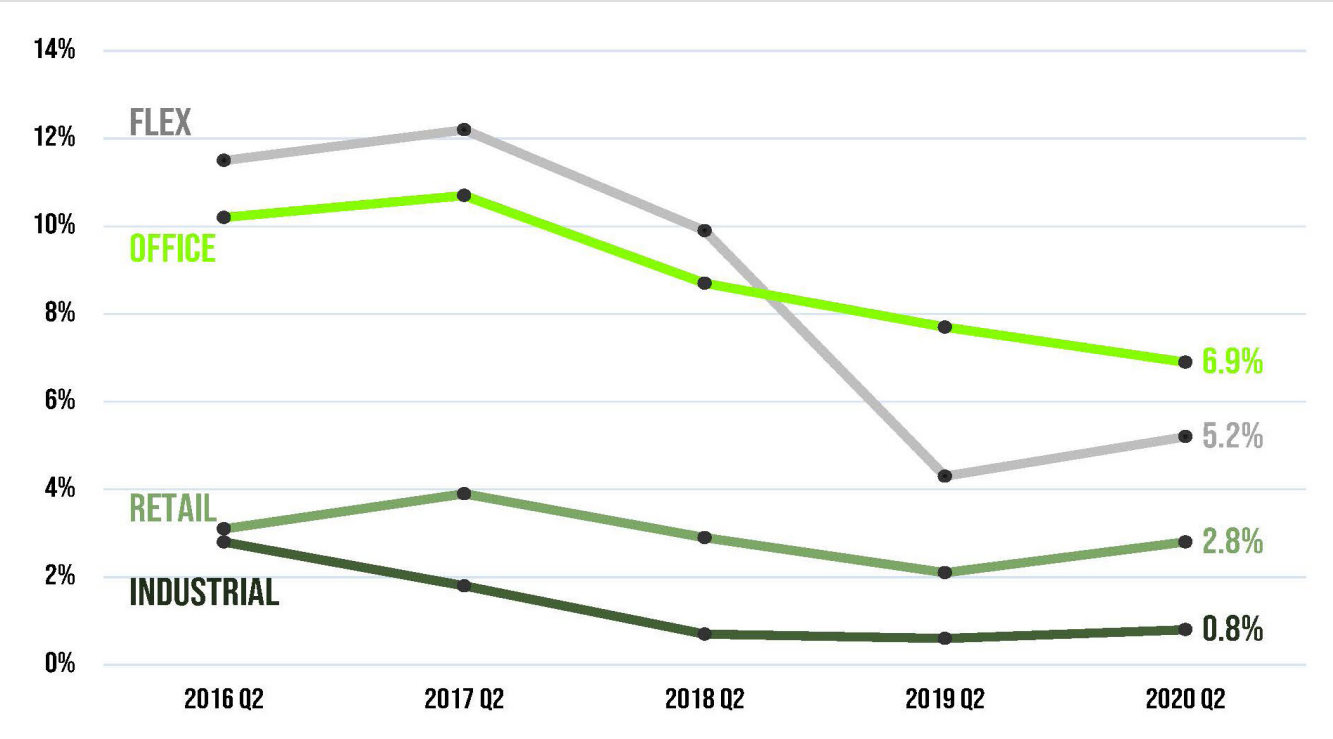
Source: BLS/QCEW, Q4-CY. BLS data subject to adjustment.

PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE BY PROPERTY TYPE



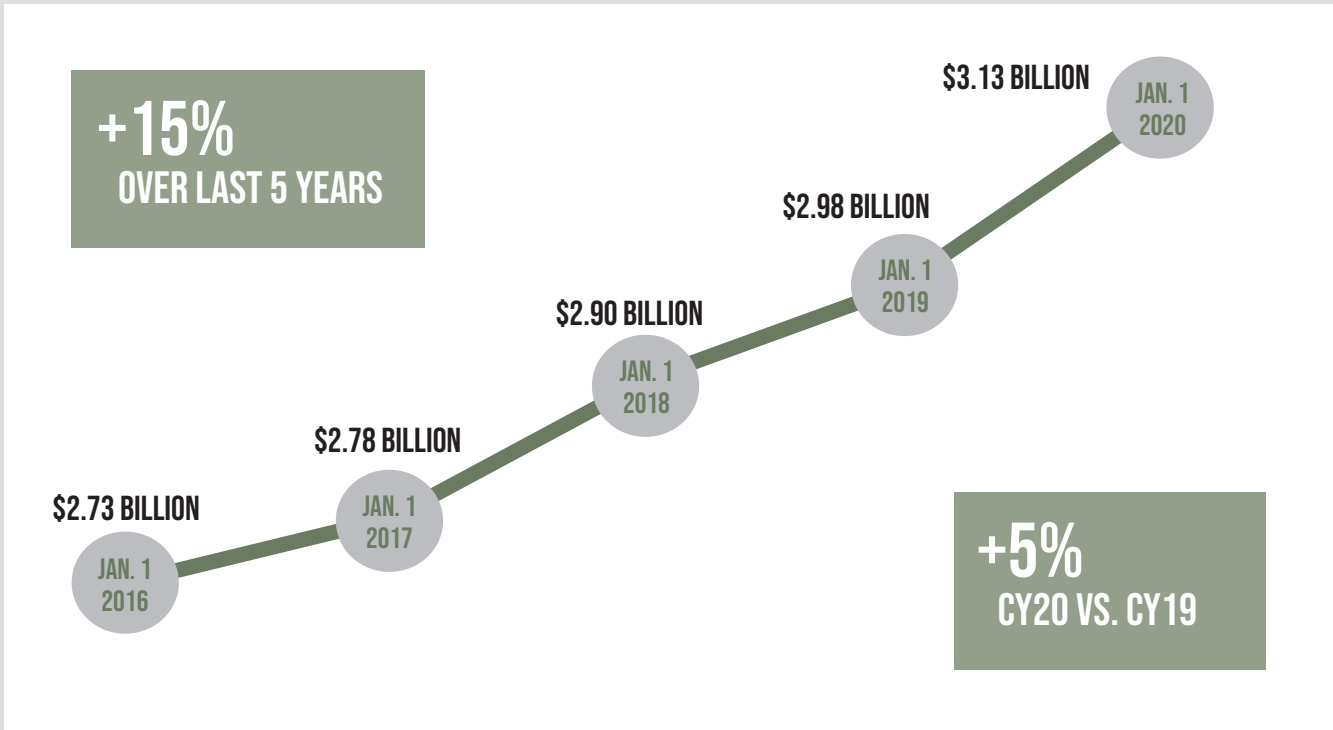
Source: Hanover County Assessor's Office. Data based on previous CY as of January 1.

VACANCY RATES BY PROPERTY CLASS



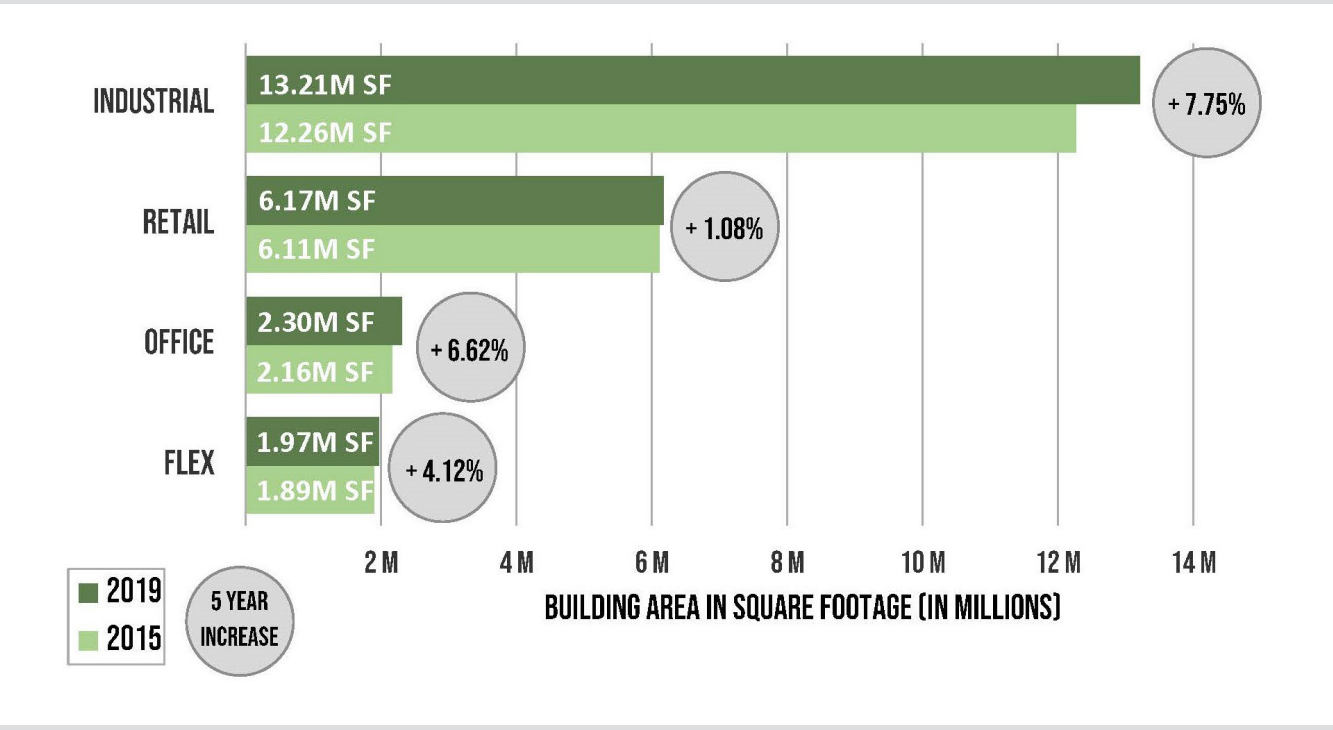
Source: CoStar, Q2-CY.

TOTAL TAXABLE ASSESSED VALUE OF COMMERCIAL PROPERTY



Source: Hanover County Assessor's Office. Data based on previous CY as of January 1.

RENTABLE COMMERCIAL BUILDING AREA (SF)



Source: CoStar, Q4-CY.

HANOVER COUNTY DEPARTMENT OF ECONOMIC DEVELOPMENT



INNOVATE. PROSPER. GROW.



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