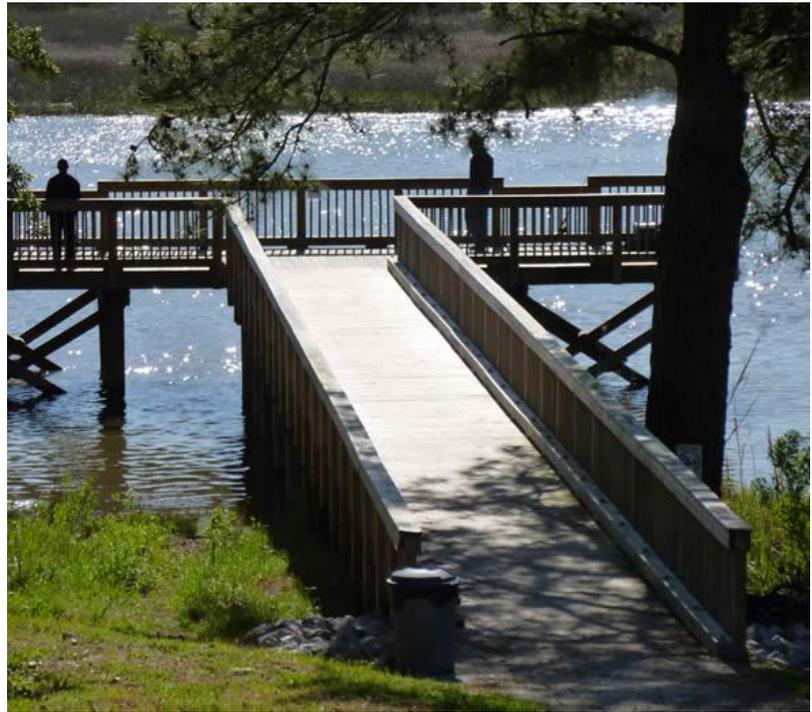


ISLE of WIGHT

COUNTY IN VIRGINIA

Economic Development 2011 Annual Report



IDA Chairman's Message

Dear Friends,

It has been my pleasure to serve on the Board of the Isle of Wight County Industrial Development Authority (IDA) for more than 20 years. The IDA is composed of seven members that are appointed by the Board of Supervisors to serve three-year terms. Our members are bankers, accountants, private businessmen and women as well as members of the government.

Historically, the IDA has been a support organization for the County's Department of Economic Development. Our goals are similar in that we want to promote economic and industrial growth in our community. In the past we issued industrial revenue bonds to industries locating or expanding in Isle of Wight. Today, we own large tracts of industrial land, which are available for development. This change in roles is driven by our geographic location to the Ports of Virginia. The growth of the ports and our intermodal park have gone hand in hand.

Despite the harsh economic times, 2011 was a very successful year. The largest accomplishment this year in our County and the region is Green Mountain Coffee Roasters' (GMCR) purchase of an existing spec building in Shirley T. Holland Intermodal Park. GMCR will import coffee from South America, roast it and distribute it through its patented K Cups and Brewing machines. Green Mountain has pledged to spend \$180 million dollars and hire as many as 800 new employees with an average annual salary of nearly \$40,000. GMCR selected Isle of Wight County because it had a properly zoned facility immediately available with all utilities and infrastructure in place. And it certainly helped that the Port of Virginia is just down the road in Portsmouth.

International Paper (IP), which closed in 2010 resulting in the loss of more than 1,000 jobs, is making a comeback with a renovation of its existing facility. IP announced in May that it was converting part of its property to a Fluff Paper Plant, which is a type of paper used in absorbent products such as baby diapers. This partial use of the site will result in an \$83 million investment with the creation of 213 new jobs.

In addition, Isle of Wight County was designated by the Commonwealth of Virginia as an Enterprise Zone. The areas that will be designated include Shirley T. Holland Intermodal Park, Phases II and III, as well as the Camptown Area including the International Paper Campus. This designation will allow Isle of Wight to be more competitive in soliciting new businesses to those areas by providing state and local grants for new businesses making investments in real estate and creating new jobs.

The IDA has been active in purchasing property adjacent to the intermodal park. The Authority completed the purchase of a 15-acre parcel near the Green Mountain Coffee building this year, and we also have an option to purchase another 50 acres in 2012.

Last but not least, the IDA awarded Corridor Improvement Grants to three county businesses for signage improvements in the Route 17 corridor.

The IDA looks forward to continuing to support the County to promote industrial and business growth as well as promoting employment opportunities for County citizens.

Sincerely,

Ronald H. Pack
Chairman, Isle of Wight County Industrial Development Authority

ECONOMIC DEVELOPMENT MISSION STATEMENT

The mission of the Economic Development Department is to facilitate the attraction, retention and expansion of new business investment in Isle of Wight County and provide quality employment opportunities for County citizens. The Department seeks to diversify the County's economic base by attracting new industry sectors. The Department provides staff assistance to the Industrial Development Authority, Economic Development Committee and the PACE (Purchase of Agricultural & Conservation Easements) Committee in addition to providing funding to the HREDA (Hampton Roads Economic Development Alliance). The Department is also tasked with assisting the local farming and agricultural community. Furthermore, the Department of Economic Development is committed to the development and enhancement of a business friendly environment where businesses can grow and prosper.

Goals and Objectives

- Identify real estate opportunities for industrial and commercial development and investment.
- Develop and execute a targeted marketing effort designed to attract new business investment.
- Help the business community benefit from public and private assistance services, program and policies.
- Develop and enhance relationships with key economic development allies including the Hampton Roads Economic Development Alliance (HREDA) and the Virginia Economic Development Partnership (VEDP).
- Promote the County as a desirable business location.
- Establish and oversee an existing industry program to identify key business retention issues.
- Provide support to small and minority business entrepreneurs.
- Assist the farming community to achieve greater profitability.
- Develop initiatives to increase business development opportunities in the County's rural communities.
- Develop and facilitate programs for the conservation of rural land.

INDUSTRIAL DEVELOPMENT AUTHORITY MISSION STATEMENT

The Industrial Development Authority was created in 1968 to promote industrial growth in the County. The Authority may authorize the issuance of tax-exempt industrial bonds to industries locating or expanding their operations in the County. The Authority acts as a support organization for the County's Department of Economic Development. Contributions made to the Authority are used to promote industrial development and the existence of business and industry to provide an adequate tax base for government services and to promote employment opportunities for County citizens.

Isle of Wight County Department of Economic Development
P.O. Box 80, Isle of Wight, Virginia 23397
(757) 356-1962 (Main)
web site: www.insidetheisle.com * e-mail: iwced@iwus.net

ECONOMIC DEVELOPMENT STAFF

Lisa T. Perry
Director

Rachel M. Chieppa
*Rural Economic
Development Manager*

Kristine R. Sutphin
Project Manager

Amy M. Ring
*Business Development
Manager*

Gloria B. Spratley
Executive Assistant

INDUSTRIAL DEVELOPMENT AUTHORITY MEMBERS

Ronald H. Pack
Chairman

Carroll Keen, Jr.
Vice-Chairman

Len Alphin
Diana Beale
James Ford
Tim Hillegass
Richard J. "Dick"
Holland, Jr.

2011 ISLE OF WIGHT COUNTY BOARD OF SUPERVISORS

Thomas J. Wright, III
Chairman
(Windsor District)

Stan D. Clark
Vice-Chairman
(Newport District)

Kenneth M. Bunch
(Carrsville District)

Alan E. Casteen
(Smithfield District)

JoAnn Hall
(Hardy District)

COUNTY ADMINISTRATION

W. Douglas Caskey
County Administrator

Business Development

TARGET INDUSTRIES

- Advanced Manufacturing
- Renewable Energy
- Plastics
- Wholesale Packaging
- Distribution & Logistics
- Agribusiness (nursery, equine & food processing industries)

PRIVATE SECTOR MAJOR EMPLOYERS (100+ Employees)

- Smithfield Packing Co.
- Food Lion
- Riverside Regional Medical Center
- Packers Sanitation Svc.
- Cost Plus World Market
- Smithfield Foods*
- CR England, Inc.
- Farm Fresh
- Alphastaff Inc.

*Fortune 500 Company
Source: Virginia Employment Commission, 4th Quarter 2011

LABOR FORCE 2011

Civilian Labor Force:
19,318

Unemployment Rate:
6.5%

Quarterly Census of Employment and Wages All Industries
(Averages — 4th Qtr. 2011)

Number of Businesses:
741

Number of Employees:
9,724

Weekly Wage:
\$717

Source: Virginia Employment Commission

2011 BY THE NUMBERS

2011 was a record year for economic activity in Isle of Wight County. Two major project announcements resulted in **\$263 million in capital investment** and will create **1,013 jobs**.

The Green Mountain Coffee Roasters announcement was the 3rd largest project announcement in the Commonwealth of Virginia, the largest in Hampton Roads in 10 years, and the largest single project announcement on record for Isle of Wight County.

Additionally, Economic Development staff worked 14 prospect leads, six of which came from site selection consultants. The JDA Spec Building and Shirley T. Holland Intermodal Park were each recommended six times. Staff also hosted three unique site visits at the Intermodal Park.

ECONOMIC DEVELOPMENT 101—Why We Do What We Do

About 25 years ago, Isle of Wight County formed an Economic Development Committee. Many of the committee members attended an Economic Development 101 class. The basics of what was learned in those three days are as important now as they were then:

1. We needed to purchase and properly zone large tracts of land.
2. We needed to build infrastructure to and within this land.
3. We needed to provide for appropriate utilities to and within the site.
4. And, if possible, construct a shell building to be available for any new prospects.

At the same time that the bricks and mortar were being prepared and completed, it was equally important to develop a community of leaders that believed in the process of economic growth. With all things in place, these community leaders had to go out into the world and sell the community, the region and the state. The basic premise we started with 25 years ago is still true today....*We have planned our success, and we have followed our plan.*

- Ronald H. Pack, Chairman, Industrial Development Authority

2011 MARKETING MISSIONS AND TRADE SHOWS

Economic Development staff participated in marketing missions and trade shows with our regional and state economic development partners the Hampton Roads Economic Development Alliance (HREDA) and the Virginia Economic Development Partnership (VEDP). These activities allow the department to connect with business prospects, site selection consultants and developers from all over the world, which translates into potential business development in Isle of Wight County. Additionally, staff actively participates in Virginia Economic Developers Association (VEDA) meetings, which provide educational and networking opportunities for economic development practitioners.

- Retail Industry Leaders Association (Orlando, FL)
- Transpacific Maritime Conference (Long Beach, CA)
- Southern Growth Policy Board Chairman's Conference (Roanoke, VA)
- VEDA Fall Conference (Virginia Beach, VA)
- VEDA Annual Meeting (Williamsburg, VA)

County's Industrial Development Authority Acquires Additional Land

In May 2011, the Industrial Development Authority (IDA) acquired the 15-acre Eanes property to expand Phase II of the Shirley T. Holland Intermodal Park and also executed an option to purchase another 50-acre parcel in Phase II. The IDA currently owns 220 acres in Phase II of the park, which are marketed at \$35,000 per acre. Additionally, the IDA owns 903 acres in Phase III, which is in the process of being rezoned for future industrial use.

Green Mountain Coffee Roasters to bring 800 Jobs to Isle of Wight County



On October 28, 2011, Governor Bob McDonnell announced that Vermont-based **Green Mountain Coffee Roasters, Inc. (GMCR)**, a leader in specialty coffee and coffeemakers, will establish a production and distribution facility in Isle of Wight County, just outside of the Town of Windsor. The company will invest \$180 million over the initial five years of operations.

GMCR has agreed to purchase the Johnson Development Building, a 330,000 square-foot spec building on a 64-acre parcel of land in Phase II of Shirley T. Holland Intermodal Park,

where it expects to house coffee roasting, grinding, flavoring, and packaging of its single-serve portion packs for its Keurig® Single-Cup Brewing System. Within five years, it is estimated the new facility will have as many as 800 employees.

Governor McDonnell said, “An investment of this proportion is transformational for Isle of Wight County. The region continues to rebound after experiencing devastating job losses, and this project will put 800 Virginians back to work. The Commonwealth’s growing food and beverage industry cluster was attractive to GMCR, and I am confident that our newest corporate partner will enhance Virginia’s standing in this sector.”

“A project of this magnitude is a tremendous win for Virginia and Isle of Wight County,” said Jim Cheng, Virginia Secretary of Commerce and Trade. I am thrilled that this impressive, socially and environmentally responsible company will produce a leading consumer product from the Commonwealth.”

“The Commonwealth of Virginia’s appealing business incentives and the workforce potential of Isle of Wight County’s robust local communities were critical factors in our new site selection,” said Jon Wettstein, Vice President, Supply Chain Operations of GMCR’s Specialty Coffee business unit. “We are extremely thankful for the support and cooperation we have received from local, county and state officials to make this new site a reality, and look forward to ongoing collaboration among those constituents as we finalize the project details.”

The Virginia Economic Development Partnership worked with Isle of Wight County to secure the project for Virginia. The Hampton Roads Economic Development Alliance was instrumental in the project. Governor McDonnell approved a \$4 million grant from the Governor’s Opportunity Fund to assist Isle of Wight County with the project. GMCR may be eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development. In addition, through its Virginia Jobs Investment Program, the Virginia Department of Business Assistance will provide funding and services to support the Company’s recruitment and training activities.

“This announcement is confirmation to the citizens of Isle of Wight that our investments in real estate and infrastructure for the Shirley T. Holland Intermodal Park are beginning to pay off as we welcome significant advanced manufacturing projects to our community,” said then Isle of Wight County Chairman Thomas J. Wright, III. “The rewards will be realized for generations to come.”

International Paper to invest \$83 million to repurpose closed mill



On May 17, 2011, Governor Bob McDonnell announced that International Paper will invest \$83 million to repurpose a portion of its closed mill in Isle of Wight County as a fluff pulp mill capable of annually producing up to 270,000 metric tons of high quality fluff pulp for the global market. The project will create 213 new jobs. This is the first time in the company’s history that it has repurposed a closed mill.

“Isle of Wight County and the surrounding region have the available, trained workforce that is ready to fill these 213 new positions,” said Jim Cheng, Virginia Secretary of Commerce and Trade. “The mill’s current assets, transportation options and proximity to the Port of Virginia for product export all were factors that contributed to the company’s decision to re-invest in the repurposing of the property. In addition, the availability of U.S. Southern Pine in the area is ideal for the production of high-quality fluff pulp.”

International Paper is evaluating proposals from at least two other companies for additional reuse of the facility.

Business Attraction

Welcome New Businesses

In 2011, 95 net new businesses opened in Isle of Wight County. Additionally, the Town of Windsor welcomed 18 net new businesses, and the Town of Smithfield welcomed 53 net new businesses. Many of these businesses are small and/or home-based. The Isle of Wight-Smithfield-Windsor Chamber of Commerce hosted ribbon cuttings for several new businesses: 7-Eleven (under new ownership), Anne of Smithfield, KJ's Diner, Frilly Lilly, and Tractor Supply.

Smithfield Foods Pet Food Plant and Innovation Center

In March 2011, Smithfield Foods announced two new projects at its facilities in the Town of Smithfield. The company will process pet proteins for Premium Pet Health LLC, which is owned by John Morrell and Co., a subsidiary of Smithfield Foods. Premium Pet Health is a leading protein by-product process that supplies many of the leading pet food processors in the U.S. This new operation is located in the former Smithfield Packing plant and will employ 25 to 30 people.



Smithfield Innovation Center
Photo courtesy of Dave Chance Photography.

Smithfield Packing's 37,000 square foot Innovation Center opened in October 2011. The facility includes areas for product development and small-batch sample manufacturing. The front of the house contains two state-of-the-art foodservice kitchens, conference areas, training room, dedicated cutting room and customer presentation areas. The USDA-inspected pilot plant can replicate production of any of Smithfield's processing plants.

Smithfield Foods is a \$12 billion global food company and the world's largest pork processor and hog producer. In the United States, the company is also the leader in numerous packaged meats categories with popular brands including Farmland,[®] Smithfield,[®] Eckrich,[®] Armour,[®] and John Morrell.[®]

Bridges – New Bar & Restaurant in Carrollton Tempts Palates



Tommy and Patty Pruitt of Carrollton have been in the restaurant business for 30+ years, and they saw the potential at the former South of the James building at the foot of the James River Bridge. Following an 18-month renovation, what was a vacant convenience store has been transformed into the family-owned and operated Bridges bar and restaurant. Bridges quietly opened its doors on September 14th and has been getting rave reviews. The classy

but casual restaurant serves American fare including steak, seafood and pasta. The venue also offers live music, a dance floor and billiards.



Tractor Supply Opens in Smithfield

Tractor Supply Company (TSC) officially opened its new Smithfield store on Saturday, October 22, 2011. TSC is the leading retail farm and ranch store brand in America.

Founded in 1938 as a mail order tractor parts business, TSC owns and operates more than 1,043 stores in 44 states supplying daily farm and ranch maintenance supplies to a targeted customer base. The store's products include: clothing, equine and pet supplies, tractor/trailer parts and accessories, lawn and garden supplies, sprinkler/irrigation parts, power tools, fencing, welding and pump supplies, riding mowers and more. At TSC, customers find everything they need to maintain their farms, ranches, homes and animals.

New and Expanding Businesses in Southern Isle of Wight

The southern part of the County saw an increase in activity following the announcement of the International Paper Fluff Plant project. **RepairTech**, an industrial contractor with 35 employees, purchased the 31,560 SF former Carautar building at 1601 Carrsville Hwy. and will expand its operations and create 15 new jobs. RepairTech previously leased space across the highway from its new location.

Air Mechanix, an HVAC contractor, purchased 1550 Carrsville Hwy. and relocated from a neighboring county. Air Mechanix has 5 employees and has invested about \$60,000 to improve the building.

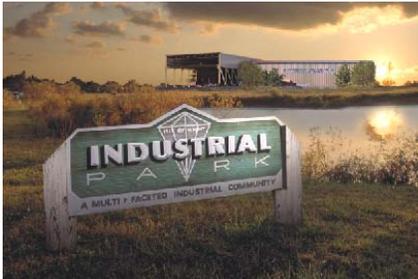
Drake's Food Service Inc. is a locally owned sausage manufacturer in Walters, Virginia that just opened in December of 2011. Drake's products are made of lean pork trimmings not mechanically processed pork. Drake's uses natural casings and are most known for Drake's Smoked Sausage and Dan Doodles, since they are the true country sausage taste. Drake's employs 7 people and plans to hire more, and its sausage is listed on Virginia's Finest Directory.

2011 Business Retention Highlights

Through its business retention efforts, Economic Development staff communicated with over 200 businesses in 2011. Staff interacts with existing businesses via face-to-face visits, phone calls, emails, electronic newsletters, educational and networking events, the department website and Twitter. Below are some of the programs and services we offer to County businesses:

- Business Outreach and Advocacy
- Expansion & Relocation Assistance
- Business Resources, Networking and Education
- Small Business Marketing Opportunities and Incentive Programs

Isle of Wight Industrial Park — a Business Retention Case Study



In the summer of 2011, Economic Development staff began a very targeted business retention effort with tenants in Isle of Wight Industrial Park. Staff met with seven out of 10 businesses and identified needs and concerns shared by many of the businesses. As a result of our visits, one business that was considering relocating outside of the County decided to stay. Additionally, staff coordinated with the Virginia Department of Business Assistance to have a representative come and meet with the businesses one-on-one to discuss SWaM certification since all of the businesses are either small or woman-owned. Five businesses applied for the certification, which opens up more opportunities to do business with the Commonwealth of Virginia.

Smithfield Packing Celebrates 75th Anniversary

David M. Hare, Mayor of the Town of Smithfield, presented a proclamation to Timothy Schellpeper, President and COO of The Smithfield Packing Company acknowledging the company's 75th anniversary during a Business Appreciation Luncheon held in May. The company was incorporated on September 5, 1936. Founded by Joseph W. Luter and his son, Joseph W. Luter, Jr., the company's primary lines of business include fresh pork, smoked meats, bacon, cooked hams and hot dogs for retail, foodservice, and deli channels. The company exports products to approximately 30 countries. In addition to the Smithfield brand, its Gwaltney, Esskay, and Cumberland Gap products are among the leaders in their respective markets. Smithfield Specialty Foods Group is home of the Genuine Smithfield Ham, The Peanut Shop of Williamsburg and other gourmet offerings. Today, the Smithfield Packing facility in the Town of Smithfield employs approximately 2,500 people.

Bon Vivant named 2011 Entrepreneur of the Year



Mike Adams, owner of Bon Vivant Market in Smithfield, was named 2011 Entrepreneur of the Year by the Isle of Wight County Department of Economic Development. "It's great to be awarded for something you love doing," said Adams. Bon Vivant opened in February 1995 and specializes in wine and craft beer while emphasizing foods that accompany these products. Adams had over 20 years' experience in food sales, but no experience in wine and craft beer. "The best way to learn a business is to surround yourself with people who know more than you and listen...to every word. This is what I did." The shop offers monthly events such as Wine Guild Nights and a Beer Lover's Club because "Good Friends, Good Wine & Beer, Good Times, all start at Bon Vivant!"

Sesroh Tack Shoppe Named 2011 Small Business of the Year

Congratulations to Vince and Carol Jordan, owners of Sesroh Tack Shoppe in Smithfield for being named 2011 Small Business of the Year by the Isle of Wight-Smithfield-Windsor Chamber of Commerce. Sesroh Tack Shoppe opened in 2006 and carries a full line of Purina Feeds (for all animals including pigs, dogs, goats, chickens), premium hay from Pennsylvania, Dry Nest bedding along with saddles, all horse tack, supplements, fly products and a HUGE horse themed gift shop. Sesroh is the one stop shop for all your horse needs!



Isle Be Green Plastic Bag Recycling Campaign

Program Background

Isle of Wight County's agricultural community has been greatly impacted by plastic bag litter. The plastic becomes entangled in crops, mainly cotton, and contaminates it. This "trash" cannot be eliminated through the ginning process causing the grade, or quality, of the cotton to be reduced. The County is also aware that a calf died after ingesting a plastic bag, which was littered onto a farmer's pasture. Plastic bag litter also has negative impacts on the health of the Chesapeake Bay, economic activity, and the aesthetic appeal of local communities throughout Hampton Roads.



Isle of Wight County, along with the Virginia Retail Federation, formed the Virginia Plastic Bag Coalition to examine the issues related to plastic bags. Members of this coalition include the Retail Alliance, the Hampton Roads Planning District Commission, HR Clean, the Virginia Department of Environmental Quality, local governments, plastic bag recyclers, plastic bag manufacturers, and many others. After much research and analysis, the Coalition recognized that consumer behavior must change if there is to be a decrease in the amount of plastic bag litter in Isle of Wight County.

The County was awarded a grant from the Virginia Department of Environmental Quality (DEQ) in the amount of \$28,000 to implement a pilot plastic bag recycling project within the County. This pilot project is the first of its kind in the Commonwealth and has served as a model for other localities. The Department of Economic Development raised sponsorships and in kind support for the Program in excess of \$40,000.

The pilot project offered recycling bins at Smithfield Shopping Center, three (3) of the County's most heavily traveled convenience centers, county office buildings, local businesses who wished to partner, and five (5) elementary schools. In addition, the Isle Be Green Program was advertised and promoted at various events including the County Fair, Healthy Kids Day in the Park, various community events, as well as multiple bag exchange/giveaway days at Farm Fresh.

A website, www.islebegreen.com, was created by Ringer/rg pro bono for this project. In addition, a Twitter account was established and a Facebook page is in the process of being created.

The pilot project was award winning, and has served as a reference for other localities interested in providing plastic bag recycling options.

2011 Isle Be Green Events

Community Events—In Spring 2011, Isle Be Green participated in several community events (Go Green Event with Phi Chi Omega and Healthy Kids Day in the Park), giving away recycle bins, reusable bags and water conservation items to promote the recycling program.

Animal Artz Project— Isle Be Green partnered with the Virginia Museum of Fine Arts and a local artist from Virginia Beach to assist the County's elementary schools with a recycled art project. Students created their school mascots, which were on display at the Isle of Wight County Fair. Additionally, Isle Be Green collected bottle caps to help Windsor Elementary School create a map of Virginia completely out of bottled caps.

Moving Forward...

The Department of Economic Development, in partnership with the General Services Department, has agreed to jointly move forward with promoting all recycling programs under the umbrella of Isle Be Green. The County will broaden the program to encourage residents to look at Isle Be Green as the one-stop place for information about recycling. There will be a strategic plan for moving forward. Some of the efforts will be: evaluating the layout of county convenience centers for user friendliness; improved/increased signage at those centers; developing educational and promotional materials for residents; creating more recycling opportunities with businesses, residents, and schools; creating recycling projects with schools; participation in community events advertising Isle Be Green; hosting bag exchange days; hosting litter cleanup days; and many more initiatives. For more information about the Program, visit www.islebegreen.com.



2011 Farm Family of the Year: Danny & Romaine Byrum of Batten Bay Farm

Danny and Romaine Byrum of Batten Bay Farm were named 2011 Farm Family of the Year by the Isle of Wight-Smithfield-Windsor Chamber of Commerce and the Isle of Wight Department of Economic Development. The award was presented during the Virginia Business Appreciation Week Luncheon held in May.

Batten Bay Farm is an all natural produce and cut flower farm owned and operated by the Byrums. Located in Carrollton, Virginia, about 5 miles south of the James River Bridge, Batten Bay Farm is committed to all natural and sustainable agricultural methods for growing their crops. Their customers know that they can count on Danny's and Romaine's products to be fresh, safe, and healthy because they utilize, almost exclusively, compost for fertilizer. Customers can feel confident knowing the Byrums use no chemical herbicides or pesticides.

PACE Program Update

Adopted in May of 2005, the Purchase of Agricultural and Forestal Conservation Easements (PACE) Program is a voluntary program that allows landowners to enter into agreements to sell the development potential of qualifying property to the County while maintaining the right to farm and forest the land. This retains these two industries' critical masses, in particular, farm and forestry parcels that are economically viable operations. By participating in the PACE Program a landowner has the opportunity to sell a conservation easement to the County, a public agency, to be held in trust for perpetuity.



Isle of Wight County was awarded \$12,500 for FY 2011 in matching funding by the Virginia Department of Agriculture and Consumer Services (VDACS) for PACE. This is the fourth round of funding for this program. With previous years' grant funds of over \$1 million, the County was able to acquire the first conservation easements on almost 700 acres of farm and forestland in February of 2010.

Rain Barrel Workshops Held



The Town of Smithfield, Isle of Wight County and the Tidewater Master Gardeners held two rain barrel workshops to teach residents about water conservation. Participants made their own rain barrel. The workshops were held at the Isle of Wight Ruritan Building and Nike Park and drew 31 participants.

PACE COMMITTEE MEMBERS

Tom Alphin
Commonwealth Gin

Bryan Babb
Babb Farms Inc.

Pete Carr
Farmers Bank

Dee Dee Darden
*Darden's Country Store
and Farm*

Jimmy Oliver
Oliver Farms LLC

EX-OFFICIO AND NON-VOTING MEMBERS

Bryan Alexander
*VA Department of
Forestry*

Scott Bachman
*VA Department of
Forestry*

Rachel M. Chieppa
*Committee Secretary
Rural Economic
Development Manager
PACE Program
Administrator*

Neil Clark
TAREC

Tara Outland-Williams
*District Manager
Peanut SWCD*

Janet Spencer
*Extension Agent
VA Cooperative
Extension*

Community Development & Planning

The County added two new valuable tools to its community development toolbox in 2011. The County adopted its first two **Urban Development Areas (UDAs)** as well as a new **Virginia Enterprise Zone**. These designations serve to encourage future capital investment and employment growth by providing incentives for development in specially designated areas of the County.

The County designated its first two Urban Development Areas (UDAs) in the Camptown Development Service District (DSDs) in August 2011. Camptown was a natural choice for this new designation due to the strong community support for future commercial and residential development as well as planned public water and sewer extensions, adequate road capacity, access to the Route 58 Bypass, the presence of two major rail lines, and its close proximity to the rest of the Hampton Roads region. UDAs allow for mixed use development at densities higher than the County's standard zoning districts.

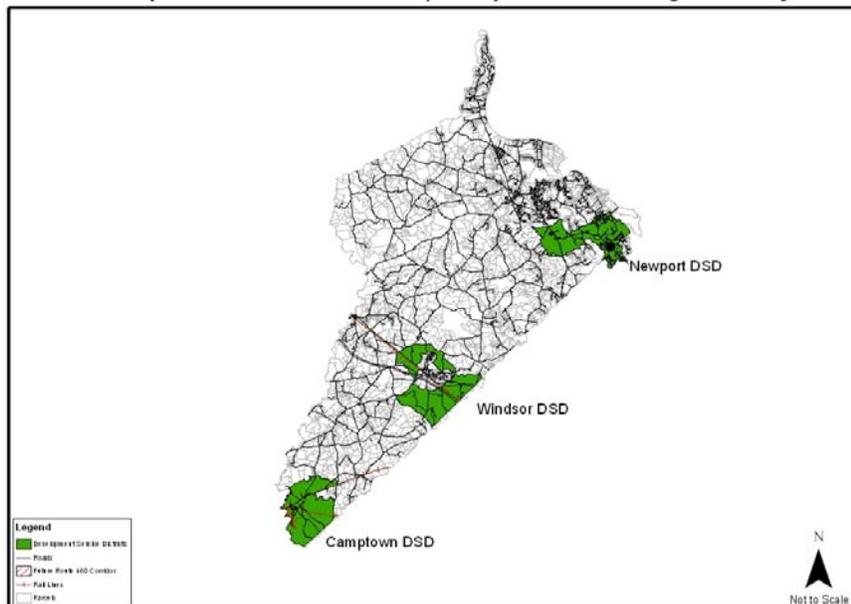
The County applied to join the Franklin-Southampton Enterprise Zone in 2011 with support from our state representatives, Senator L. Louise Lucas and Delegates William K. Barlow and Roslyn C. Tyler. The State approved three separate Enterprise Subzones in November 2011. Two of the Subzones are located near the Town of Windsor and the third Subzone is located adjacent to the City of Franklin in the Camptown DSD. The Enterprise Zone designation allows for new and expanding businesses to qualify for State and local job and real estate grants as well as expedited development review and fee waivers from the County. These incentives are offered if a business meets a minimum capital investment and job creation level.

The time and cost savings for businesses locating in these designated areas should help to spur investment and create jobs which will support the economic vitality for the entire County. In addition, these designated areas encourage future growth in ways that are compatible with the County's long-range plans.

Strategic Growth Areas

The County's three strategically located DSDs are Newport, Windsor and Camptown. The DSD locations correspond with the location of the County's major transportation corridors, existing population centers and existing or planned public sewer and water service areas. The DSD map shows the location of each.

Development Service Districts (DSDs) for Isle of Wight County



Smithfield Beautification Project



In January 2011, construction began on a portion of South Church Street in the Town of Smithfield to improve the pavement, road conditions and aesthetics through the Downtown historic district. Norm the Pig, the construction mascot, popped up all over town to help folks find their way through and around the construction so they could still visit their favorite shops and restaurants along Church and Main Streets.

The project was expected to take about 18 months.

Smithfield Center Celebrates 10th Anniversary

The Smithfield Center, one of the premier conference event centers in Hampton Roads, celebrated its 10th anniversary in 2011 by getting a face-lift that included new paint, chairs, flooring, lighting and artwork. The renovations are making the Center's biggest customers—brides—very happy.



The Center offers 8,000 square feet of event space including an outdoor deck overlooking the Pagan River taking full advantage of its gorgeous waterfront location. Groups large & small will find everything needed including a multi-purpose space, a flexible floor plan & the latest in audio/visual equipment, all in a naturally beautiful riverfront setting that brings an added dimension to any gathering.

Local Company Donated Items to County and Public Schools



In 2011, Safco Products Company donated 40 benches to the County for use in various park facilities, including Heritage Park, home of the Isle of Wight County Fairgrounds. Safco also donated significant amounts of furniture and equipment to the public school system. Safco, a division of Liberty Diversified Industries, operates a 302,000 square foot distribution facility at Shirley T. Holland Intermodal Park and has grown to be a leading provider of organization and comfort enhancing products for the workplace.

"Welcome to Isle of Wight" - County Launches New Community Video

In 2011, Isle of Wight County released a video to promote the entire county and its assets. The video is a marketing tool utilized by Economic Development, Tourism, Parks & Recreation and Administration within the County for our own stakeholders and externally to potential businesses, visitors, customers and residents! The video is available for viewing on the Economic Development website—www.insidetheisle.com and the County website—www.co.isle-of-wight.va.us/.



DEMOGRAPHICS

Population:
35,457 (2011)

Households:
13,718

Median Household Income:
\$62,298 (2010)

Median Age:
43.8

Education:
High School Graduate 29.3%
Some College 22.8%
Associate's Degree 9.8%
Bachelor's degree 16.4%
Graduate/Professional Degree 9.0%

2011 Retail Sales:
\$204,651,647
(up 6% from 2010)

Existing Single Family Home Median Sale Price:
\$245,000

Building Permits 2011

Residential Permits:
94 issued

Value:
\$23,330,899

Sources: Weldon Cooper Center, 2010 Census, U.S. Census Bureau 08-10 ACS, Virginia Employment Commission; VA Dept. of Taxation; Residential Databank