

VIRGINIA ADVANTAGES



THE PORT OF
VIRGINIA®

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THE PORT OF VIRGINIA is comprised of three companies: the Virginia Port Authority (VPA), Virginia International Terminals (VIT), and the Hampton Roads Chassis Pool (HRCPII).

The port’s four deep-water marine terminals are located in the Norfolk Harbor, which is only 18 nautical miles from the Atlantic Ocean. There are also inland terminals: one is located along I-95 in Richmond, the state capital, and the other in Front Royal, which is in northwestern Virginia at the intersection of interstates 81 and 66.

The marine terminals are served by channels that are 50 feet deep (15.24 meters) and Virginia has Congressional authorization to dredge to 55 feet (16.76 meters). Virginia’s deep harbor and channels can accommodate the largest containerships and bulk vessels in the Atlantic trade. The Norfolk Harbor is strategically important from military and economic standpoints: it is home to Naval Station Norfolk, the world’s largest navy base, North America’s busiest coal terminals and the nation’s heaviest concentration of shipbuilding and repair services.



The Port of Virginia has been the center and generator of trade and commerce in Virginia for more than 400 years. Today, more than 70 maritime-related companies are located in the Norfolk Harbor. Private industry sectors include ship repair facilities, ship line offices and headquarters, and terminal operators for coal, grain, fertilizer and other bulk products. Support industries range from logistics, vessel pilotage and cargo examination to container fumigation and customs brokerage. Additional indirect industries include banking, engineering, industrial real estate, consulting, marine surveying and cargo insurance.

THE VIRGINIA PORT AUTHORITY

The Virginia Port Authority (VPA) is an agency of the Commonwealth of Virginia. Its operating affiliate, Virginia International Terminals (VIT) is a private, non-stock, and not-for-profit terminal operator. The VPA is the state's leading agency for international transportation and maritime commerce.

The primary mission of the VPA is to generate and grow economic benefits for the Commonwealth of Virginia, and its contiguous states, from global trade and maritime commerce. The VPA plays a major role in supporting the economic vitality that occurs outside of its terminals. A significant portion of economic benefits generated from maritime activity occurs from distribution centers. Recently, the VPA has worked to attract several major distribution centers to the region, many of which are already under development and positioned to employ thousands in the region.

ADVANTAGES:



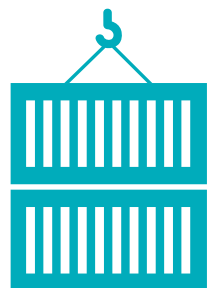
18 nautical miles to open sea and no aerial obstructions



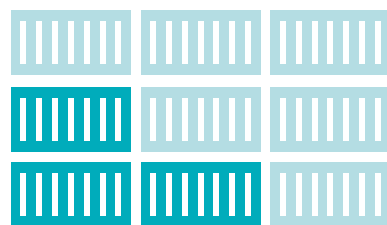
Transit time from Hong Kong
26 Days via Panama Canal
27 Days via Suez Canal



50ft/15.24m channels and berths with **Congressional authorization** for 55ft/16.76m deep channels



2 Class I railroads operating on-dock (NS + CSX) provide **two-day double-stack rail** to and from Midwest markets



34 percent of cargo arrives and departs the port by rail, the largest percentage of any U.S. East Coast port



Virginia has the **third largest state-maintained transportation network**, including Interstate routes I-95, I-81, I-64, I-85, I-77 and I-66

TERMINALS



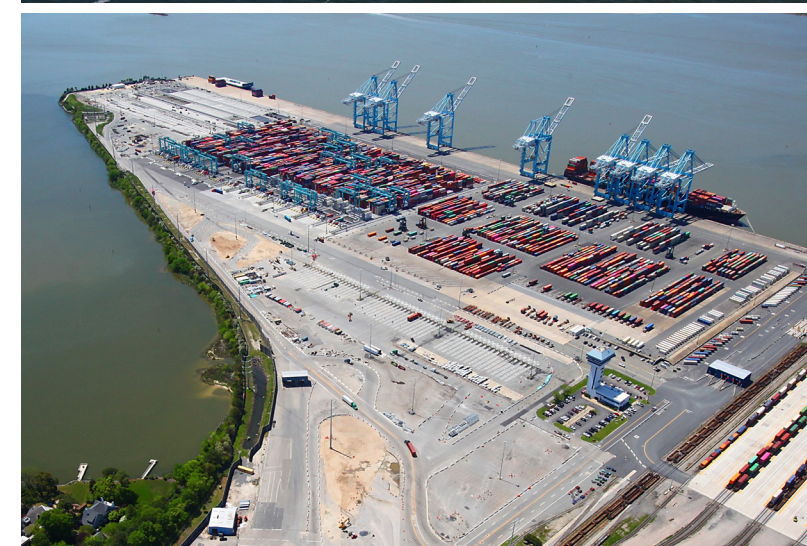
NEWPORT NEWS MARINE TERMINAL

The 165 acre (66.77 hectares) Newport News Marine Terminal (NNMT) features approximately 968,000 square feet (89,930 square meters) of multi-use warehouse area. The facility has 33,900 feet (3,149 square meters) of direct rail access/rail track to the breakbulk rail service provided by CSX. NNMT provides a prime venue for moving breakbulk and roll-on/roll-off (RORO) cargo efficiently through the port. It also accommodates for roadway access via I-64, I-664 and U.S. Route 17.



NORFOLK INTERNATIONAL TERMINALS

At 567 acres (229.46 hectares), Norfolk International Terminals (NIT) is the port's largest terminal. NIT is home to 14 Super-Post-Panamax-class quay cranes. The main channel leading to the terminal is 50 feet (15.24 meters) deep. It has direct rail access to the Norfolk & Portsmouth Beltway as well as Norfolk Southern's Heartland Corridor, allowing second-day double-stack service to Midwest markets.



NIT also has six berths, container storage, and 42 gates for motor carriers. NIT is located adjacent to I-64 and I-564 with additional easy access to U.S. Routes 17 and 58.

PORTSMOUTH MARINE TERMINAL

Sitting on 287 acres (116.15 hectares), Portsmouth Marine Terminal (PMT) offers 3,540 feet (1,079 meters) of wharf, two 43 foot-deep (13.1 meters) berths, and six Super Post-Panamax cranes. PMT is a multi-dimensional facility that specializes in breakbulk and RORO cargo. PMT also offers direct access to both CSX and NS railways with the clearance to handle overdimensional freight. PMT has easy access to I-264 and I-664.



RICHMOND MARINE TERMINAL

Richmond Marine Terminal (RMT) is located on 121 acres (48.97 hectares) along the west bank of the James River, with 80 acres (32.37 hectares) within the secure network. RMT has 300,105 square feet (27,881 square meters) of warehouse space. The facility has a 1,570 feet (479 meters) long wharf and a Liebherr mobile harbor crane handling containers, temperature-controlled containers, breakbulk, bulk and neo-bulk cargo. It also has direct rail services with CSX and local switch service available via Norfolk Southern. The facility is a U.S. Customs-designated port of entry and offers customers a full range of customs functions.



The James River Barge Service, a container on barge service with six-day-a-week capacity, connects RMT with the port's terminals in the Norfolk Harbor. The barge provides a maritime alternative to I-64 by transporting goods on the James River, removing container traffic from local roads and highways.

VIRGINIA INLAND PORT

The Virginia Inland Port (VIP) just west of Washington, D.C. in Front Royal, Virginia, is 220 miles (354 kilometers) inland and effectively brings the benefits of The Port of Virginia closer to U.S. markets. It sits on 161 acres (65.15 hectares) with 17,820 feet (5,432 meters) of rail serviced by Norfolk Southern and has five-day-a-week rail service to the Norfolk Harbor, allowing for direct access to the trade routes of 50 international shipping lines. VIP also has second-day rail transit from Norfolk to Front Royal. Well-known companies such as Home Depot, Kohl's, Rite Aid and Geodis have opened distribution centers around Front Royal to utilize VIP, resulting in jobs and economic investment for the region.



VIRGINIA INTERNATIONAL GATEWAY

The \$320 million capacity expansion project at Virginia International Gateway (VIG) was completed in June 2019. The two-year project greatly expanded the terminal's capability: the footprint of its stack-yard was doubled, giving it the capacity to handle 1.2 million container lifts annually. The larger stack-yard is supported by 26 new rail-mounted gantry cranes; 800 linear feet of new berth; four new Super-Post-Panamax cranes; four new truck gates; and the capacity of the terminal's on-dock rail yard was doubled. The terminal is located along the Elizabeth River in Portsmouth, Virginia, is served by 50-foot-deep commercial shipping channels, offers quick interstate access and is among the Western Hemisphere's most technologically-advanced facilities. Two Class I railroads, Norfolk Southern and CSX, provide daily, double-stack service to multiple markets from VIG. Through a long-term lease agreement with VIG's owner, the Virginia Port Authority manages and operates the marine container terminal.



I. NIT NORTH GATE

The NIT North Gate, a \$42 million investment, was a critical infrastructure project that improves truck throughput. The North Gate provides 26 new dedicated lanes that are supported with state-of-the-art technology. The addition of the North Gate doubles the terminal's total number of truck gates (42). It connects directly to the I-564 Intermodal Connector.



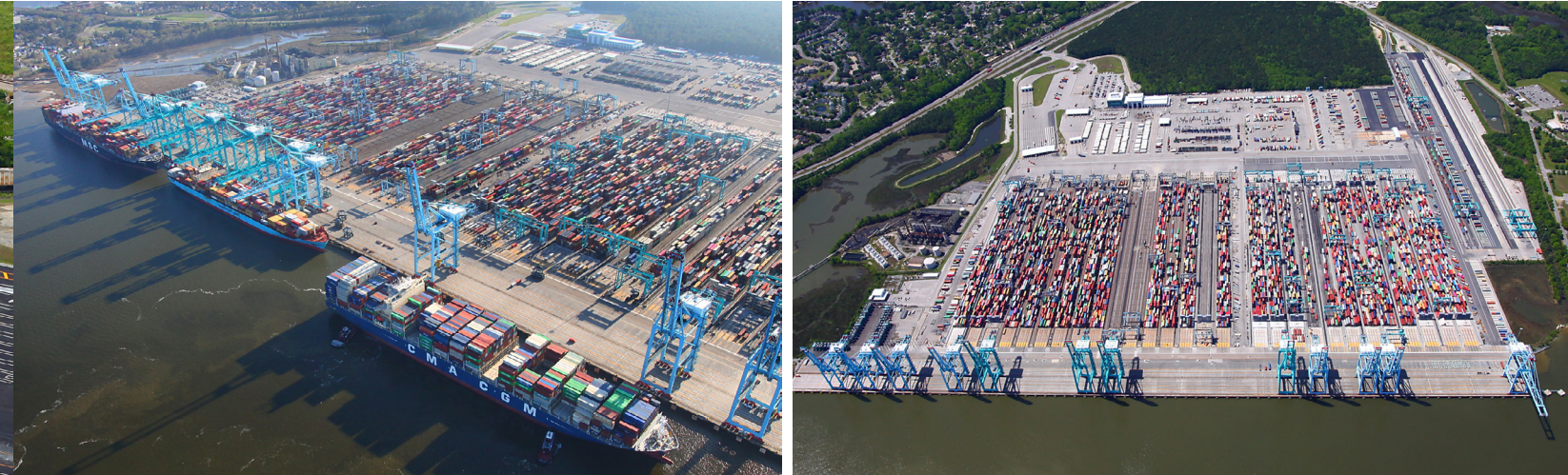
I. NIT SOUTH CONVERSION

The NIT South Conversion is a project that will transform the terminal's south side into a semi-automated terminal. This project will replace straddle carriers with rail-mounted gantry cranes, similar to the equipment at VIG. This \$375 million state investment will increase container capacity to 900,000 containers. The first stacks were completed in 2018 and full build-out by 2020.



III. PHASE II – VIRGINIA INTERNATIONAL GATEWAY

The port has doubled the capacity of VIG. This \$320 million investment increases the annual capacity to 1.2 million containers. The project included four new ship-to-shore (STS) cranes, four new lanes for motor carriers (17 total), 13 new stacks (28 total), as well as new cantilever rail-mounted gantry cranes at the rail operation.



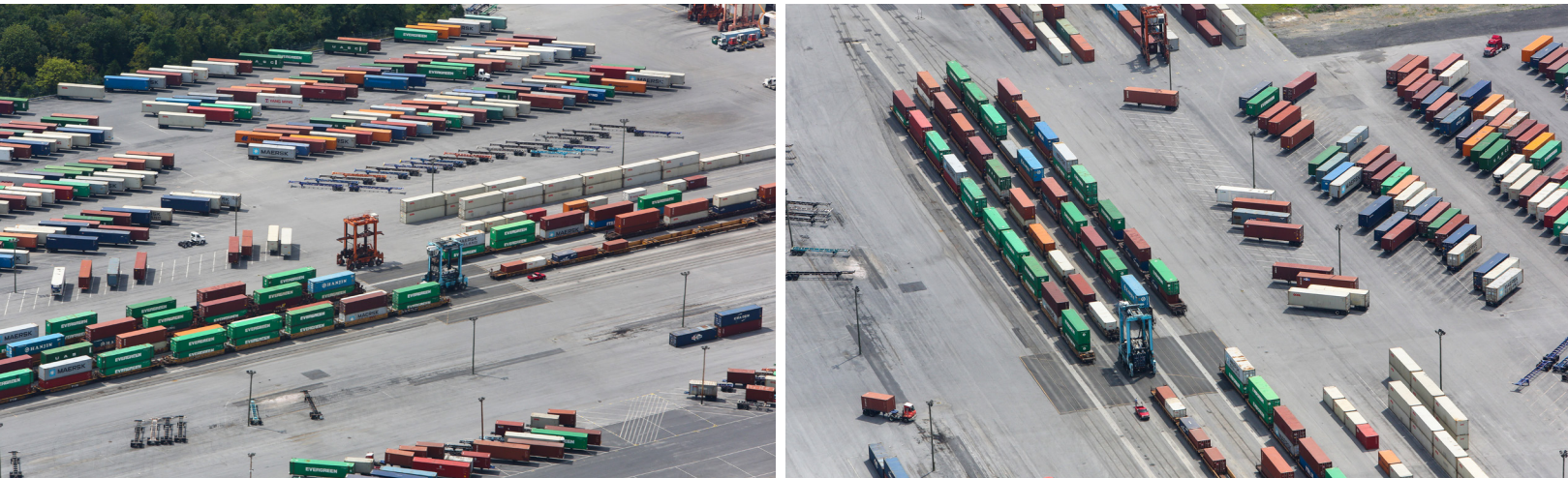
IV. RICHMOND MARINE TERMINAL DROP LOT AND GATE ENHANCEMENTS

Through funding authorized by the Richmond Regional Transportation Planning Organization, the port will construct an off-hours drop lot to better serve our customers and motor carrier partners. In addition, enhancements to several gate functions will also be implemented under this project to ensure sustainable growth as volumes continue to increase at RMT. This \$2.2 million investment is scheduled for completion by the first quarter of 2021.



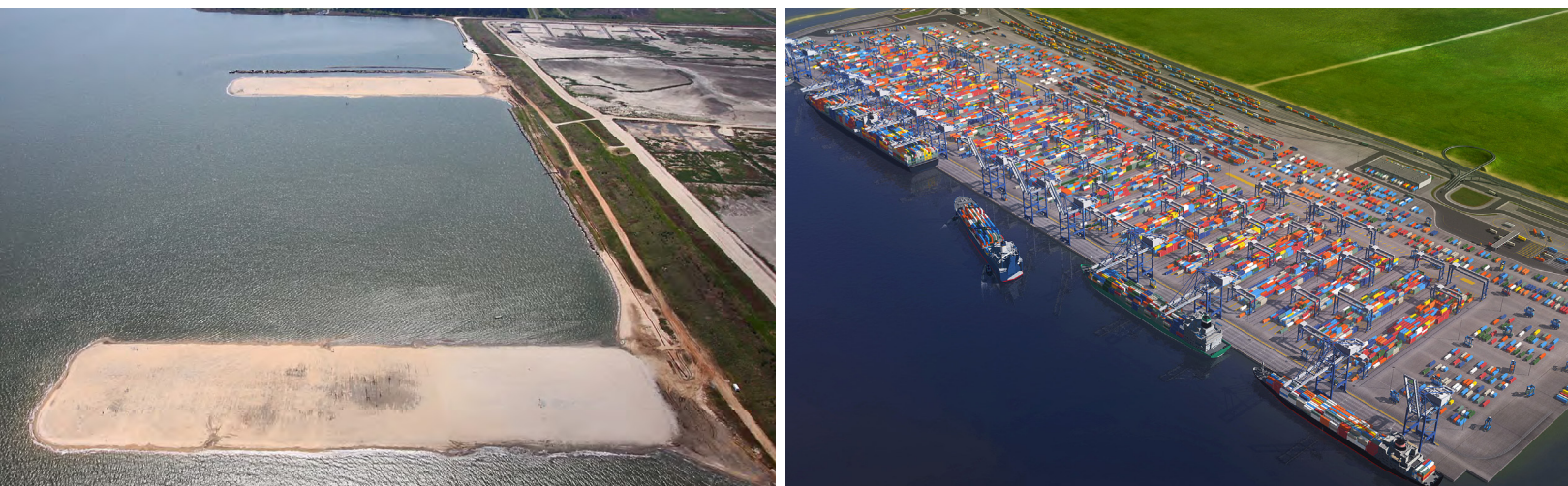
V. VIRGINIA INLAND PORT OPTIMIZATION AND GRADE SEPARATION PROJECT

With the assistance of BUILD grant funding and our partners at DRPT and VDOT, the port is investing \$26 million to upgrade rail operations at VIP from five working tracks to an eight track operation and will construct a grade separation at the region’s most congested at-grade crossing located at Rockland Road. This project, scheduled for completion between 2022 and 2025, will promote sustainable growth and safety in the region and allow the port to continue to serve as a catalyst for commerce for the Commonwealth of Virginia for years to come.



VI. FUTURE CRANEY ISLAND MARINE TERMINAL

Craney Island Marine Terminal will be the fourth state-owned, deep-water marine terminal. When complete, this facility (rendering below, right) will be capable of handling the largest ships sailing the Atlantic Ocean and processing half of its total container volume by rail. This is a long-term project that will be built in phases. The first phase is underway (below, left) and creating a 600 acre (242.81 hectares) footprint.



I. HOW WE MOVED CARGO CY 2018



II. RAIL SERVICE

The Port of Virginia is the highest rail percentage port on the East Coast running 34 percent of its entire business on rail. In CY2018, CSX and NS double-stack rail was critical in the port’s handling of 552,318 rail containers.

Norfolk Southern

The Heartland Corridor provides direct service to Chicago with double-stacked intermodal trains allowing the port to move freight quickly and efficiently to the Midwest market.

NS Double Stack Rail

Chicago, IL | Cleveland, OH
Columbus, OH | Detroit, MI
Front Royal, VA | Greensboro, NC
Heartland Int. Gateway, WV
Kansas City, MO | Louisville, KY
St. Louis, MO | Sharonville, OH
Decatur, IL

CSX

The CSX National Gateway provides greater capacity for product shipments between Mid-Atlantic and Midwest, reduces truck traffic on crowded highways, and helps to create direct and indirect jobs.

CSX Double Stack Rail

Chicago, IL | Cincinnati, OH
Cleveland, OH | Columbus, OH
Detroit, MI | Kansas City, MO
Louisville, KY | St. Louis, MO



III. NIT CENTRAL RAIL YARD

The NIT Central Rail Yard consists of 18,000 feet (5,486 meters) of track, which allows for NIT's on-dock rail capacity to 600,000 lifts annually.

IV. KEY ROADS AND INTERSTATES

The Port of Virginia utilizes a highly-effective interstate system to help transport freight across the state and beyond. These routes and highways are integral to the port considering that 60 percent of cargo is transported by trucks via these roadways.

Integral interstates and routes

- Interstates: 81, 64, 66, 264, 664 and 95
- Routes: 58, 13, 164 and 460

Port-related infrastructure projects outside of terminal gates

- Future Interstate 87 - TBD
- I-564 Intermodal Connector – Complete
- I-64/I-264 Ramp Improvements – 2020
- Elizabeth River Tunnels Project – Complete
- Atlantic Gateway - 2027
- Interstate 64 Widening (Phase 1-2) – Complete
- Interstate 64 Widening (Phase 3) – 2021
- Interstate 64 HRBT Expansion – 2025

V. HIGHWAY DISTANCES TO MAJOR CITIES FROM PORT FACILITIES

| City | Norfolk | | Richmond | | Virginia Inland Port | |
|------------------|---------|------|----------|------|----------------------|------|
| | Miles | Km | Miles | Km | Miles | Km |
| Atlanta, GA | 595 | 958 | 530 | 853 | 592 | 953 |
| Baltimore, MD | 238 | 383 | 154 | 248 | 110 | 177 |
| Chicago, IL | 884 | 1423 | 798 | 1284 | 661 | 1064 |
| Cincinnati, OH | 606 | 975 | 514 | 827 | 449 | 723 |
| Cleveland, OH | 557 | 896 | 463 | 745 | 334 | 538 |
| Columbus, OH | 571 | 919 | 479 | 771 | 345 | 555 |
| Detroit, MI | 720 | 1159 | 634 | 1020 | 497 | 800 |
| Harrisburg, PA | 306 | 492 | 220 | 354 | 132 | 212 |
| Louisville, KY | 655 | 1054 | 563 | 906 | 546 | 879 |
| Memphis, TN | 917 | 1476 | 825 | 1328 | 808 | 1300 |
| New York, NY | 363 | 584 | 340 | 547 | 298 | 480 |
| Raleigh, NC | 185 | 298 | 170 | 274 | 299 | 481 |
| Philadelphia, PA | 276 | 444 | 248 | 399 | 212 | 341 |
| Pittsburgh, PA | 430 | 692 | 337 | 542 | 224 | 360 |
| St. Louis, MO | 914 | 1471 | 822 | 1323 | 805 | 1296 |
| Washington, DC | 195 | 314 | 109 | 175 | 73 | 117 |

Source: Google Maps 2018

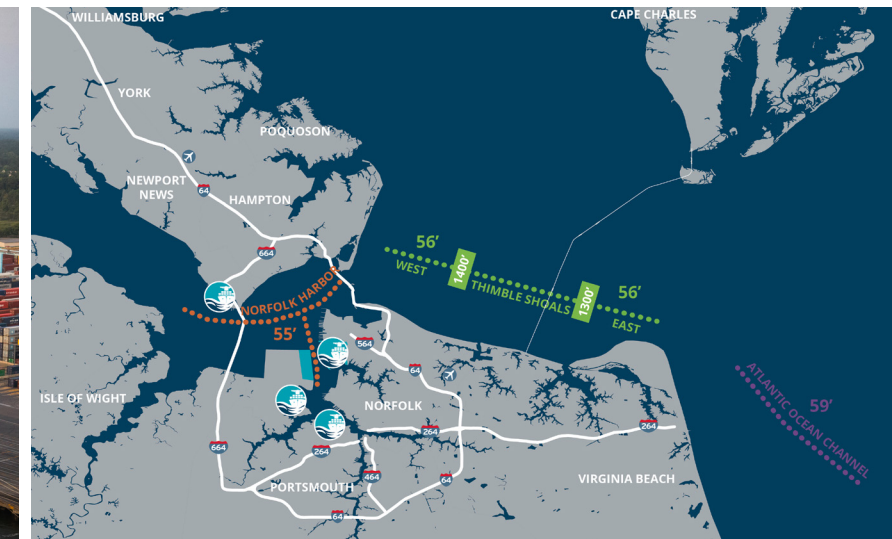
VI. TRUCKING AND BARGE SERVICES

Virginia's allotted (no permit needed) truck weight on non-interstate highways is 84,000 lbs. total weight, which equates to around 50,000 pounds of cargo (North Carolina's weight is 80,000 total lbs.). That limit is around 4,000 pounds more when compared with other major East Coast ports like New York/New Jersey.

The port, through its thrice-weekly Richmond Express barge service, offers round-trip container-on-barge sailings between the Norfolk Harbor and Richmond Marine Terminal. Additionally, the port has weekly barge service, which is provided by Columbia Coastal, that connects Virginia to the ports of Baltimore and Philadelphia. These barge services help reduce emissions and inter-state congestion.

VII. ULTRA LARGE CONTAINER VESSELS (ULCVs)

Larger ships, like the 14,400 TEU CMA CGM THEODORE ROOSEVELT (below), are coming to The Port of Virginia with regularity via a wider Panama Canal. Our modern terminals, increased cargo handling capacity, deep water and strategic East Coast location will help to ensure that cargo flows across Virginia for decades to come. This cargo equates to jobs and economic investment throughout the Commonwealth.



VIII. WIDER. DEEPER. SAFER.

The Port of Virginia is preparing for the next generation of container vessels by taking the current 50 ft. deep channel in the Norfolk Harbor and deepening to 55 ft., and widening the channel to 1,400 ft. This will allow for the new generation of larger, heavier vessels to load to their limits and make way for two-ship traffic. The project received full Congressional authorization in October 2018, and the port is working closely with the U.S. Army Corps of Engineers to accelerate the transition from design to construction. Dredging is scheduled to begin in January 2020.

I. NATIONAL RECOGNITION

Virginia's streamlined business regulations, moderate corporate taxes, and tech-savvy, productive work-force create a business-friendly environment. In 2016, Virginia ranked second in new plants, eleventh for mature firm tax indexes, and thirteenth for top competitive states for new facilities, new expansions, and job creation.

Recognition for Virginia

- #1 ranking in the Atlantic region for workforce development (Site Selection Magazine)
- Best State for Business (Forbes.com 2006-2009)
- Top State for Business (CNBC 2007, 2009, 2011, 2017)
- Top Pro-Business State (Pollina Corporate Real Estate Inc. 2003, 2007, 2009)
- Site Selection Magazine: Top 10 Business Climate States

II. THE VIRGINIA ADVANTAGE WITH EMPLOYMENT

Virginia is a high-tech employment and innovation-driven economy; it ranks ninth on the 2016 Milken State Technology & Science Index.

Virginia added more than 40,000 new jobs during 2016 , boosting total non-agricultural employment to more than 3.95 million. A growing job market has attracted young, highly skilled workers from all over the United States and made two Virginia cities (Virginia Beach and Richmond) part of the Top Five best cities for millennials to move in 2017.

Advanced training and education combined with a vast diversity of skill sets, is helping to make Virginia's workforce an asset and business advantage.

III. VIRGINIA IS A RIGHT-TO-WORK STATE

At 6 percent, Virginia has the ninth lowest unionization rate in the country.

With a labor force of 4.3 million, Virginia ranks 10th in the nation for working ages of 25-54.

Each year, roughly 18,000 military personnel enter the private sector in Virginia, adding a skilled, disciplined supply of potential recruits to the state's labor supply.

More than 550,000 students are enrolled in over 100 in-state institutions of higher education.

15.4 percent of Virginians hold post-graduate degrees, approximately 1.2 million people, which is the fourth highest percentage of advanced degrees in the country.

The Virginia Community College System, through its 23 colleges on 40 campuses around the state, provides occupational and technical training programs, many of which have been designed specifically to meet the needs of nearby industries.

IV. A STABLE AND COMPETITIVE ENVIRONMENT

At 6 percent, Virginia's corporate income tax rate is among the lowest in the nation; the combined state and local sales tax is also 6 percent. Counties and cities are separate taxing entities. Consequently, companies pay taxes to either a county or a city, not to both. In some instances towns do assess local taxes which would be added to county taxes. Virginia's long tradition of fiscal discipline has earned the Commonwealth a coveted AAA bond rating, reaffirmed by Moody's, Fitch, and Standard & Poors in 2017.

Corporate Income Tax

- Has a three-factor apportionment formula of payroll, property and sales (with sales double weighted)
- A single-factor apportionment election based on sales for manufacturing companies
- Tax credits for job creation and investment in economically stressed areas
- No franchise or net worth tax
- Sales and Use Tax-the total tax is 6 percent (5 percent state and 1 percent local)

TAX COMPARISON

| Taxes | Rates | | |
|--------------------------------|----------|---------------|-------------------------|
| | Virginia | U.S. (Median) | South Atlantic (Median) |
| Income Taxes | | | |
| Corporate Income Tax | 6% | 6.5% | 6% |
| Sales and Use Taxes | | | |
| State Tax | 5% | 5.75% | 5.75% |
| State and Local Tax (combined) | 6% | 6.79% | 6.07% |

V. BUSINESS INCENTIVES

The Commonwealth Opportunity Fund is a discretionary incentive available to the Governor to secure a business location or expansion project for Virginia. Grants are awarded to localities on a local matching basis with the expectation that the grant will result in a favorable location decision for the state.

The Virginia Investment Partnership Act consists of the Virginia Investment Partnership (VIP) Grant and the Major Eligible Employer Grant (MEE), which are discretionary performance incentives designed to encourage continued capital investment by Virginia companies, resulting in added capacity, modernization, increased productivity, or the creation, development and utilization of advanced technology.

The Virginia Incentives website highlights and explains the 17 different economic development programs available in Virginia.

The Virginia Economic Development Incentive Grant (VEDDIG) is a discretionary performance incentive, designed to encourage companies to invest and create new employment opportunities by locating significant headquarters, administrative or service sector operations in Virginia.

The Virginia Jobs Investment Program (VJIP) is an incentive program offering customized recruiting and training assistance to companies that are creating new jobs or experiencing technological change. The program is designed to reduce human resource development cost by providing direct funding to qualifying new and expanding companies.

Corporate Income Tax Credits

- Major Business Facility Job Tax Credit
- Recycling Equipment Tax Credit
- Worker Retraining Tax Credit
- Virginia Port Tax Credit Programs
- Research and Development Tax Credit Programs
- Green Job Creation Tax Credit

Property Tax Exemptions

- Virginia does not tax intangible property, a manufacturers' inventory, furniture, fixtures or corporate aircraft.

Economic Development Access Program

- Administered by the Virginia Department of Transportation, this program assists localities in providing adequate road access to new and expanding manufacturing and processing companies, research and development facilities, distribution centers, regional service centers, corporate headquarters, government installations, and other basic employers.

Rail Industrial Access Program

- Provides funds to build railroad tracks to new or substantially expanded industrial and commercial projects.

Transportation Partnership Opportunity Fund (TPOF)

- (TPOF) is a discretionary grant available for transportation-related issues related to unique economic development projects.

Virginia Small Business Financing Authority (VSBFA)

- (VSBFA) offers programs to provide businesses with access to capital needed for growth and expansion.

Foreign Trade Zones

- Virginia has six foreign trade zones designed to encourage businesses to participate in international trade by effectively eliminating or reducing customs duties. Also, numerous subzones are provided and additional ones can be designated to enhance the trade capabilities of specific companies. More information on the Hampton Roads specific FTZ #20 is on page 17.

Enterprise Zones

- Virginia's Enterprise Zone program provides state and local incentives to businesses that invest and create jobs throughout the state.

Technology Zones

- Virginia authorizes its communities to establish technology zones to encourage growth in targeted industries. There are currently 39 established Technology Zones across the state.

Defense Zones

- Virginia authorizes its communities to establish local defense production zones to benefit businesses engaged in the design, development, or production of materials, components, or equipment required to meet the needs of national defense. Companies deemed ancillary to or in support of those categories would also apply.

VI. AVAILABLE PROPERTIES AND SITES

There are many industrial buildings/land space with speculative sites available for companies bringing their business to Virginia.

There are many industrial buildings and sites available across the state, for companies bringing their business to Virginia. For a complete list of sites and buildings go to "yesvirginia.org" and select the "Site Selection" tool under the "Tools and Resources" tab.

The program also has a grant available to be used towards further development of the sites, applications are due at "virginiallies.org/businessreadysites" by February 5th of each year.

The Virginia Business Ready Sites Program (VBRSP) is a website that promotes available development sites to enhance the Commonwealth of Virginia's competitive environment Page 21 under extra paragraph after "For Breakbulk Cargo".

I. DISTRIBUTION CENTERS

Currently, 88 third-party logistics warehouses available in the coastal Virginia area.

Sizes range from 36,000 square feet (3,345 square meters) to 1.2 million square feet (111,484 square meters).

Housed on our website is [a list](#) of all 3PL warehouses available for use near port terminals.

II. FOREIGN TRADE ZONE #20

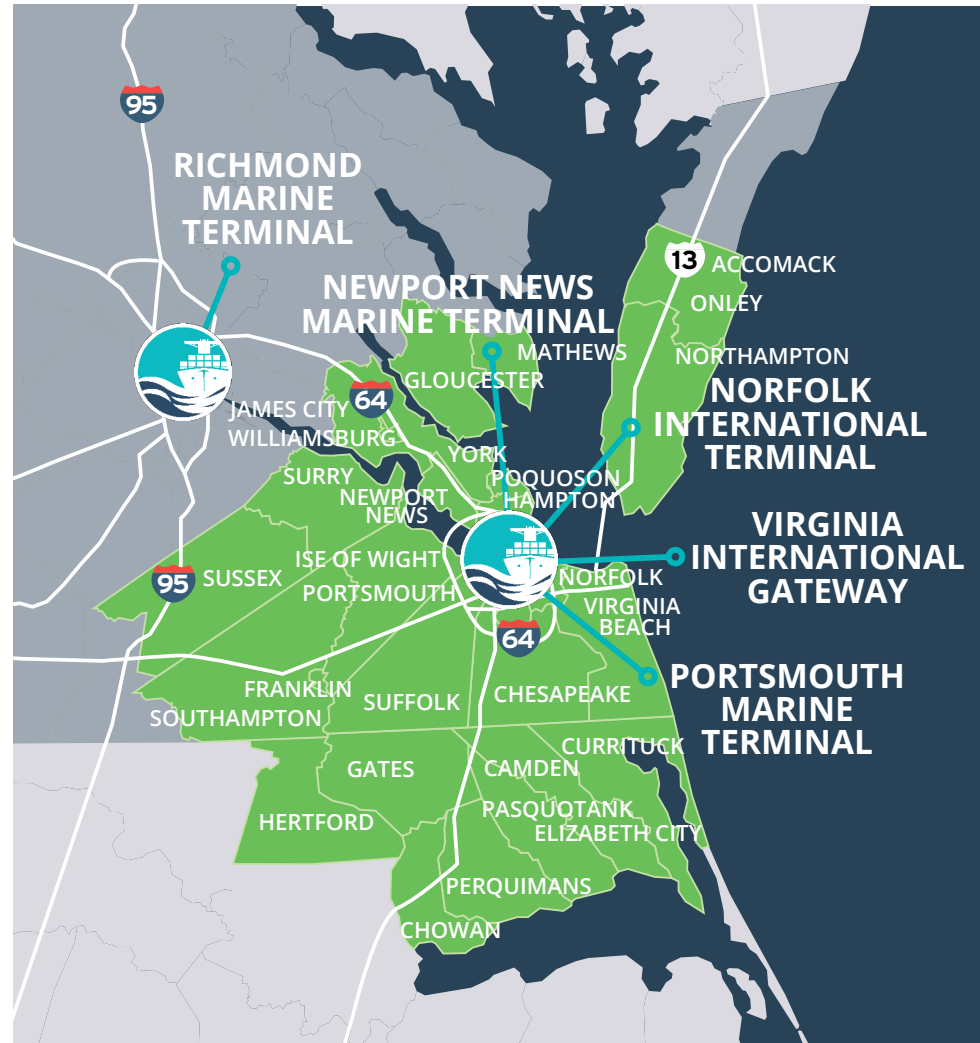
With two airports, four marine terminals, and easy interstate access, FTZ #20 is the most used of all Foreign Trade Zones in Virginia.

Advantages Include:

- Duty deferral on imported merchandise until the goods are removed from the FTZ.
- Lower duty rates on goods produced in the zone when the finished product has a lower duty rate than the imported components and parts.
- Users benefit if they file multiple U.S. Customs and Border Protection entries each week.
- FTZs allow the user to file this paper work once a week at a rate no higher than \$495.
- No time constraints on how long merchandise can remain in the FTZ.
- Customs and Border Protection requirements and federal criminal sanctions are deterrents against theft. Cargo that is imported into FTZs have fewer incidents of loss and may result in lower insurance cost.

Localities in FTZ #20

- To receive the benefits of FTZ #20, companies must locate or be located within 60 minutes, or 90 miles (145 kilometers), from the Customs Port of Entry in Norfolk, VA.



III. PORT OF VIRGINIA ECONOMIC AND INFRASTRUCTURE DEVELOPMENT GRANT

A business entity that meets all four criteria listed below is eligible for a one-time cash grant from the Port of Virginia Economic & Infrastructure Development Grant (POV Grant) per the 62.1-132.3:2 Code of Virginia and is subject to appropriation.

Requirements

- Locates or expands a facility within the Commonwealth of Virginia.
- Creates at least 25 new, permanent full-time positions for qualified full-time employees at a facility within the Commonwealth from commencement of the project through the first full year of operation or during the year when the expansion occurs.
- Is involved in maritime commerce of exports or imports of manufactured goods through The Port of Virginia.
- Is engaged in one or more of the following: the distribution, freight forwarding, freight handling, goods imported through The Port of Virginia; ship building and ship repair; dredging; marine construction; or offshore energy exploration and extraction.
- The maximum amount of grant allowable per qualified company is \$500,000. To receive the grant, a qualifying company must apply to the Virginia Port Authority no later than March 31 in the year immediately following the first full year of operation or expansion within the Commonwealth of Virginia. The qualifying company must also agree to maintain the jobs at the facility within the Commonwealth for each of the three years following the receipt of the grant by entering into a Memorandum of Understanding with the Virginia Port Authority. In the event that the company fails to maintain the job number during any of those three years, it will be required to pay all or a portion of the grant back to the Virginia Port Authority.

Grant amount formulas

- 25 – 49 new jobs: \$1,000 per job
- 50 – 74 new jobs: \$1,500 per job
- 75 – 99 new jobs: \$2,000 per job
- 100+ new jobs: \$3,000 per job



\$4.95 million available in Virginia port tax credits each year

IV. PORT OF VIRGINIA TAX CREDITS

Port Volume Increase Tax Credit

- Tax credit for taxpayers engaged in the manufacturing of goods or the distribution of manufactured goods, agricultural entities, or mineral and gas entities that use public or private port facilities located in Virginia and increase cargo volume through the facility by 5 percent in a single calendar year over their base year cargo volume.
- Credit is \$50 per TEU or one unit of roll-on/roll-off cargo in excess of the base year cargo; tonnage conversion rate is 16 tons = 1 TEU
- Major Facility: credit is \$50 per TEU or unit of roll-on/roll-off cargo during the major facility's first calendar year.

Barge and Rail Usage Tax Credit

- Tax credit for usage of barge or rail to move cargo rather than by truck or other motor vehicle on Virginia's highways.
- Credit is \$25 per TEU, 16 tons of non-containerized cargo, or one unit of roll-on/roll-off cargo in excess of the number of containers shipped by barge or rail by the taxpayer during the immediately preceding taxable year.

International Trade Facility Tax Credit

- Tax credit for either creating new jobs or capital investment in an international trade facility as a result of moving 5 percent more cargo through a public or private port facility in Virginia than in the preceding taxable year.
- Credit is either (i) \$3,500 per qualified full-time employee that results from increased qualified trade activities by the taxpayer or (ii) an amount equal to 2 percent of qualified capital investment expenses made by the taxpayer to facilitate increased qualified trade activities.

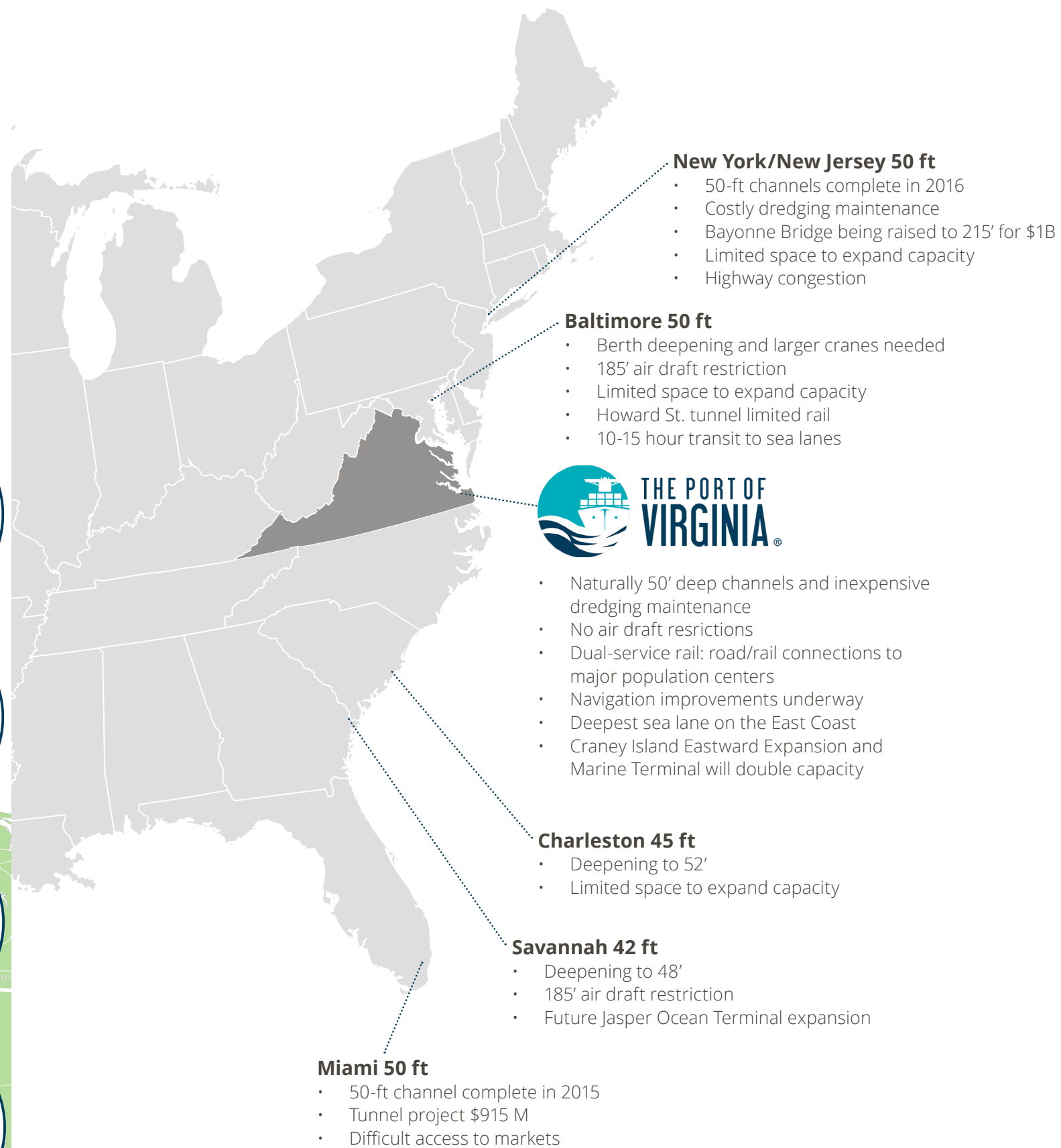
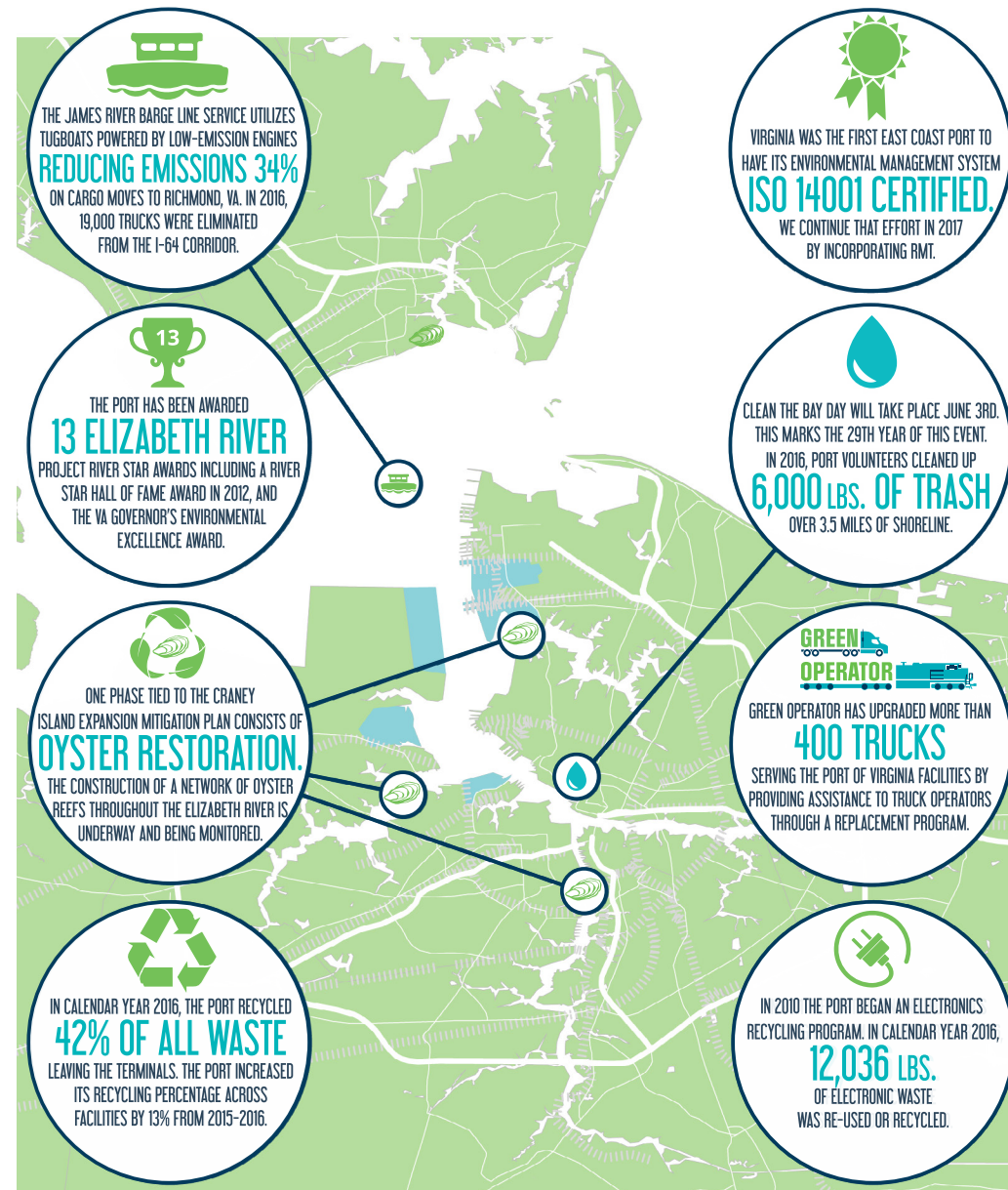
V. ENVIRONMENTAL SUSTAINABILITY

In 2017, The Richmond Marine Terminal officially achieved its ISO 14001 certification bringing all Port of Virginia terminals under the standard.

Replaced aging diesel powered equipment with 86 new hybrid machines.

In 2017 The Port of Virginia received its 15th Elizabeth River Project Riverstar Award, the Hampton Roads Sanitation Department Platinum Award, and the American Association of Port Authorities Award in the Mitigation Category.

Industry leading Environmental Management System (EMS) making The Port of Virginia the first U.S. East Coast port to operate under ISO14001 standards.



DIRECT WEEKLY IMPORT/EXPORT SERVICES

The Port of Virginia has weekly import/export services that connect to every continent in the world.

| Asian Services | Northern European Services | Caribbean/Central American Services | South American Services | Indian Subcontinent/Middle Eastern Services | Mediterranean Services | African Services |
|------------------|----------------------------|-------------------------------------|-------------------------|---------------------------------------------|------------------------|-------------------------------|
| 24 to China | 7 to Belgium | 1 to Guatemala | 12 to Brazil | 4 to India | 11 to Italy | 3 to Republic of South Africa |
| 1 to Indonesia | 4 to France | 1 to Honduras | 2 to Argentina | 2 to Pakistan | 10 to Spain | |
| 2 to Japan | 7 to Germany | 2 to Panama | 2 to Uruguay | | 7 to Turkey | |
| 2 to Malaysia | 2 to Netherlands | | | | 1 to Egypt | |
| 1 to Russia | 1 to Portugal | | | | 2 to Israel | |
| 4 to Singapore | 6 to United Kingdom | | | | 1 to France | |
| 3 to South Korea | | | | | 1 to Greece | |
| 4 to Taiwan | | | | | 1 to Malta | |
| 1 to Thailand | | | | | 1 to Morocco | |
| 5 to Vietnam | | | | | | |

Current at date of publication. For latest information check portofvirginia.com

FOR BREAKBULK CARGO

| | |
|------------------------|--------------------|
| North Europe | Weekly Service |
| North America (Canada) | Monthly Service |
| Asia | 2 Services Monthly |

Additionally, there is a service every 10 days through Wallenius Wilhelmsen that goes to Asia, Northern Europe and the Caribbean/Central America.

We have 2 first-in services and 7 last-out services, as well as one that calls our port as their first and last stop.

Our Loop 5 service, which calls our port every Monday, utilizes the 13,000 TEU Costco Development as one of the vessels within its arsenal.

| Rank | Top Export Countries |
|------|----------------------|
| 1 | China |
| 2 | Belgium |
| 3 | Netherlands |
| 4 | Germany |
| 5 | Indonesia |
| 6 | India |
| 7 | Japan |
| 8 | Vietnam |
| 9 | Brazil |
| 10 | Thailand |

| Rank | Top Import Countries |
|------|----------------------|
| 1 | China |
| 2 | Germany |
| 3 | India |
| 4 | Vietnam |
| 5 | Italy |
| 6 | Brazil |
| 7 | Netherlands |
| 8 | Indonesia |
| 9 | Spain |
| 10 | Belgium |

* Sources: 2016 PIERS data, The Port of Virginia data

| Rank | Top Export Commodities |
|------|-----------------------------------|
| 1 | Paper and Paperboard, incl. Waste |
| 2 | Logs and Lumber |
| 3 | Wood Pulp |
| 4 | General Cargo |
| 5 | Soybeans and Soybean Products |
| 6 | Grocery Products |
| 7 | Pet and Animal Feed |
| 8 | Auto Parts |
| 9 | Plastic Products |
| 10 | Medical Equipment and Supplies |

| Rank | Top Import Commodities |
|------|-----------------------------------|
| 1 | Furniture |
| 2 | General Cargo |
| 3 | Auto Parts |
| 4 | Plastic Products |
| 5 | Toys |
| 6 | Metalware |
| 7 | Paper and Paperboard, incl. Waste |
| 8 | Fabrics, incl. Raw Cotton |
| 9 | Auto and Truck Tire and Tubes |
| 10 | Hardware |

KEURIG GREEN MOUNTAIN

A leader in specialty coffee and coffee makers, Keurig Green Mountain, Inc. is known for its award-winning coffee and top-of-the-line Keurig brewing technology. Keurig supports local and global communities by offsetting 100 percent of its direct greenhouse gas emissions, investing in sustainably-grown coffee, and donating at least 5 percent of its pretax profits to social and environmental projects. In 2011, Virginia announced the establishment of Keurig's 329,000 square foot (30,565 square meters) production and distribution facility in Isle of Wight County for coffee roasting, grinding, flavoring, and packaging of its single-serve portion packs for the Keurig Single-Cup Brewing System. To date, the facility has created over 500 new jobs and over \$140 million in investment and continues to grow and thrive with the support of The Port of Virginia.



RUBBERMAID

A manufacturer of innovative, solution based products for commercial and institutional markets worldwide, Rubbermaid Commercial Products has been pioneering technologies and system solutions in the categories of food services, sanitary maintenance, waste handling, material transport, away-from-home washroom, and safety products. Headquartered in Winchester, Rubbermaid has been integral to the continued flourishing commerce in the state of Virginia through the port. In 2011, an investment of \$67.25 million was announced to expand operations in the City of Winchester and establish a distribution operation in Frederick County adding 71 new jobs and retrofitting an existing 454,000 square foot (42,178 square meters) facility into a state-of-the-art logistics center.



QVC

"Quality, Value, and Convenience", QVC is an American cable, satellite and broadcast television network that specializes in televised home shopping. They offer curated and consistently changing collection name brands and unique products that can be accessed seamlessly on any platform at any time. QVC has a large presence in Virginia with a call center located in Chesapeake and a distribution center located in Suffolk. QVC works closely with the port and through this relationship they expanded to Rocky Mount, N.C. with a \$1 million square feet (92,903 square meters) distribution center in 2012. The center was a \$71 million investment which created 200 jobs.



STIHL®

STIHL is a German-based manufacturing company that produces handheld power equipment including chainsaws, trimmers, and blowers. It has been a long standing giant in the world of power tools manufacturing and adhere to quality assurance standards denoted by its ISO 9001 (Quality Management System) and ISO 14001 (Environmental Management System) registrations. Its headquarters for U.S. operations is located in Virginia Beach where they employ over 2,100 people nationwide and over 1,900 people in Virginia Beach alone. The facility sits on 150 acres (60.70 hectares) acres and over one million square feet (92,903 square meters) under the roof. Within this facility, STIHL manufactures over 260 variations of handheld outdoor power equipment for sale in the U.S. STIHL utilizes Foreign Trade Zone #20 at its facility where they export equipment to more than 90 countries worldwide. STIHL continues to work closely with the port as it distributes its product and create new economic opportunities for Virginia.





THE PORT OF
VIRGINIA®

600 World Trade Center, Norfolk, VA 23510 757-683-8000 800-446-8098

PORTOFVIRGINIA.COM