FREDERICKSBURG REGIONAL ALLIANCE

ANNUAL REPORT 2000-2010

A Decade of Progress: Moving the Region Forward

Fredericksburg Regional Alliance
AN EMERGING EMPLOYMENT CENTER

City of Fredericksburg
Caroline County
King George County
Spotsylvania County
Stafford County

Letter to Investors

October 25, 2010

DEAR INVESTOR,

I would like to begin by thanking all of our public and private sector investors, members of our Board of Directors, and supporters for your continued strong support of regional economic development. While currently in the midst of a year-long fundraising campaign, we are extremely pleased to report that we have 100% participation from each locality in the region and have the support of many well-known private sector businesses and business leaders.

I am pleased to report that the Alliance is beginning its twelfth year as a regional economic development partnership. Over the past years, the Alliance has been fortunate enough to be a part of many substantial projects that have tremendously benefitted the Fredericksburg regional economy and quality of life. Obviously, the last several years have produced many challenges for companies and consumers alike. The local economy, while performing better than many other areas of the country, is still experiencing some economic and financial strains that will continue in the immediate future to slow the rate of economic growth. However, I am confident that the strong vitality and diversity of our regional economy will carry us out of the worst recession since the 1930's.

Already, we have been fortunate throughout the current economic times. Government contracting, tourism and healthcare sectors have remained strong locally with Health Corporation of America (HCA) opening the Spotsylvania Regional Medical Center and Mary Washington Healthcare's continued growth and expansion with the opening of a Level II Trauma Center. Additionally, the area is still improving with continuing developments at Quantico Corporate Center, the University of Mary Washington's Eagle Village, Spotsylvania Courthouse Village and the arrival of the Virginia State Fair in Caroline County. Over the past year, the Alliance has worked to help develop programs that are designed to benefit and improve workforce development, which helps the very backbone of our economy… existing business and industries.

The Alliance continues to recognize the evolving state of the economy and is actively taking advantage of several marketing opportunities such as meeting with top global site consultants and partnering with the Virginia Economic Development Partnership (VEDP). The Alliance also recognizes the substantial reliance of companies, commercial real estate brokers, and site consultants on regional economic development websites to better position a community for consideration of future projects. Knowing that this is a tremendous opportunity to get in front of these decision makers, the Alliance has increased its focus on actively marketing the region via the internet, specifically with its quarterly newsletter, Economic Pulse. This digital publication highlights the Fredericksburg Region as part of the fourth largest market in the U.S. and boasts a well education labor force that includes one of the highest concentration of Ph.D.'s in America, which is specifically related to the presence of three large military bases. The Economic Pulse is sent to over 1,100 brokers, site consultants and local businesses every quarter.

Again, we appreciate all of the businesses and community leaders, and the localities, who continue to support the Alliance in its effort to increase the dynamics of the regional economy. As we look to the future, our region is well positioned to prosper based on a strong infrastructure, great location, and strong fundamentals of the business community.

Sincerely,

Joseph A. Greene, Chairman

2009–2010 LEADERSHIP: A PUBLIC/PRIVATE PARTNERSHIP

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Investors

A-Long Realty Advisors
Anderson & Strudwick
Appian Realty Advisors
BB&T
Birchwood Power Partners, L.P.
Carter Bank & Trust
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City of Fredericksburg
County of Caroline
Cox Business Services
CVS Distribution
Design Craft Homes
Dickinson Equipment, Inc.
Directive 63
Dominion Virginia Power
ECS Mid-Atlantic, LLC
English Construction Company, Inc.
Fredericksburg Area Association of Realtors
Freeman Beverage Company, Inc.
G.L.M.G.
GEICO
Germanna Community College
GWRC
Health Corporation of America
Hilldrup Moving & Storage
Jabberwocky Books & Albertine Prop.
Johnson Realty Advisors
King George County
King George EDA
Luck Stone
Medicorp
Mid-Atlantic Foam
MITCO Land Development Co.
Muvico
Old Dominion Electric Cooperative
P.C. Goodloe & Son, Inc.
PBGH, LLP
PermaTreat Inc. - Corporate Office
Peoples Community Bank
PNC Bank
Pohanka Nissan Cadillac
Quarles Petroleum, Inc.
Rappahannock Electric Cooperative
Robert B. Payne, Inc.
Rosner Motors
Sands, Anderson, Marks & Miller
Silver Companies
Spangler Erkert & Associates
Splitsville
Spotsylvania County
Spotsylvania County EDA
Stafford County
Stafford County EDA
Stellar One
Thalhimer/Cushman & Wakefield
The Garrett Company
The Roseman Company
The Wardman Companies, Inc.
Tommy Mitchell Real Estate
Ultimate Pontica, Buick, GMC, Isuzu
Union Bank & Trust
Universal Stone & Supplies
University of Mary Washington
VA Commerce Bank
Vanderpool, Frostick & Nishanian, P.C.
Verizon
Virginia Credit Union
Virginia Partners Bank
Virginia Community Bank
W.J. Vakos & Company
W.M. Jordan Company

THANK YOU

The Alliance would like to thank all of our public and private sector investors, without whose participation none of our activities would be possible. We are pleased to announce that the Alliance achieved a 98% collection rate on all pledges in fiscal year 2010. Thank you for your continued support.

MEDIA COVERAGE: FRA IN THE NEWS

PRINT ADVERTISING & MEDIA COVERAGE			
Virginia Business Magazine	May 1, 2004	Business Recruitment	11-page editorial & Ad
The Free Lance-Star	May 2004 & 2005	Business Appreciation Ad	Four 1/4-page ads
Caroline Progress	May 2004 & 2005	Business Appreciation Ad	Two 1/4-page ads
King George Journal	May 2004 & 2005	Business Appreciation Ad	Two 1/4-page ads
Stafford County Sun	May 2004 & 2005	Business Appreciation Ad	Two 1-page ads
Washington Business Journal	December 1, 2004	Recruitment	4-page editorial & Ad
Selling Power	April 1, 2005	Recruitment	1-page ad
Expansion Solution Magazine	April 1, 2005	Recruitment	4-page editorial & Ad
VA Business Magazine	September 1, 2005	Workforce Development	Two page Article & Ad
The Washington Post	March 1, 2006	Feature Story	Front Page Story
USA Today	March 1, 2006	Feature Story	Front Page Story
The Free Lance-Star	March 1, 2006	Business Recruitment	1/4-Page Ad
The Free Lance-Star	May 1, 2006	Business Appreciation Ad	Two 1/4-page Ads
Caroline Progress	May 1, 2006	Business Appreciation Ad	1/4-page Ad
King George Journal	May 1, 2006	Business Appreciation Ad	1/4-page Ad
Washington Business Journal	May and June 2006	Business Recruitment	Two ½-page Ads
The Free Lance-Star	June 1, 2006	Existing Industry	Two 1/4-page Ads
Washington Business Journal	September 1, 2006	Feature Story	3 Page Article & Ad
The Free Lance-Star	November 1, 2006	Feature Story	2 Page Article
VA Business Magazine	March 1, 2007	Feature Story	5 Page Article & Ad
VA Business Magazine	March 1, 2007	Business Recruitment	1-Page Ad
Washington Business Journal	April 1, 2007	Business Recruitment	2 Page Ad Center Spread
The Free Lance-Star	May 1, 2007	Business Appreciation Ad	Two 1/4-page Ads
Caroline Progress	May 1, 2007	Business Appreciation Ad	1/4-page Ad
King George Journal	May 1, 2007	Business Appreciation Ad	1/4-page Ad
Stafford Sun	May 1, 2007	Business Appreciation Ad	1/4-page Ad
Virginia High Speed Rail	May 1, 2007	Business Recruitment	1/4-Page Ad
On Site Magazine	June 1, 2007	Feature Story	3 Page Article
Global Expansion Magazine	April 15, 2008	Business Recruitment	1 Page Ad
The Free Lance-Star	May 1, 2008	Business Appreciation Ad	1/2 Page Ad
Stafford Sun	May 1, 2008	Business Appreciation Ad	1/4-Page Ad
Caroline Progress	May 1, 2008	Business Appreciation Ad	1/4-Page Ad
King George Journal	May 1, 2008	Business Appreciation Ad	1/4-Page Ad
Global Expansion Magazine	October 1, 2008	Business Recruitment	1 Page Ad
WBJ On-Site Magazine	February 20, 2009	Feature Story	1 Page Ad
WBJ On-Site Magazine	May 15, 2009	Business Recruitment	1 Page Ad
WBJ On-Site Magazine	August 15, 2009	Business Recruitment	1 Page Ad
WBJ On-Site Magazine	November 14, 2009	Business Recruitment	1 Page Ad
Virginia Business Magazine	March 1, 2010	Feature Story	1 Page Ad
WBJ On-Site Magazine	April 1, 2010	Business Recruitment	1 Page Ad

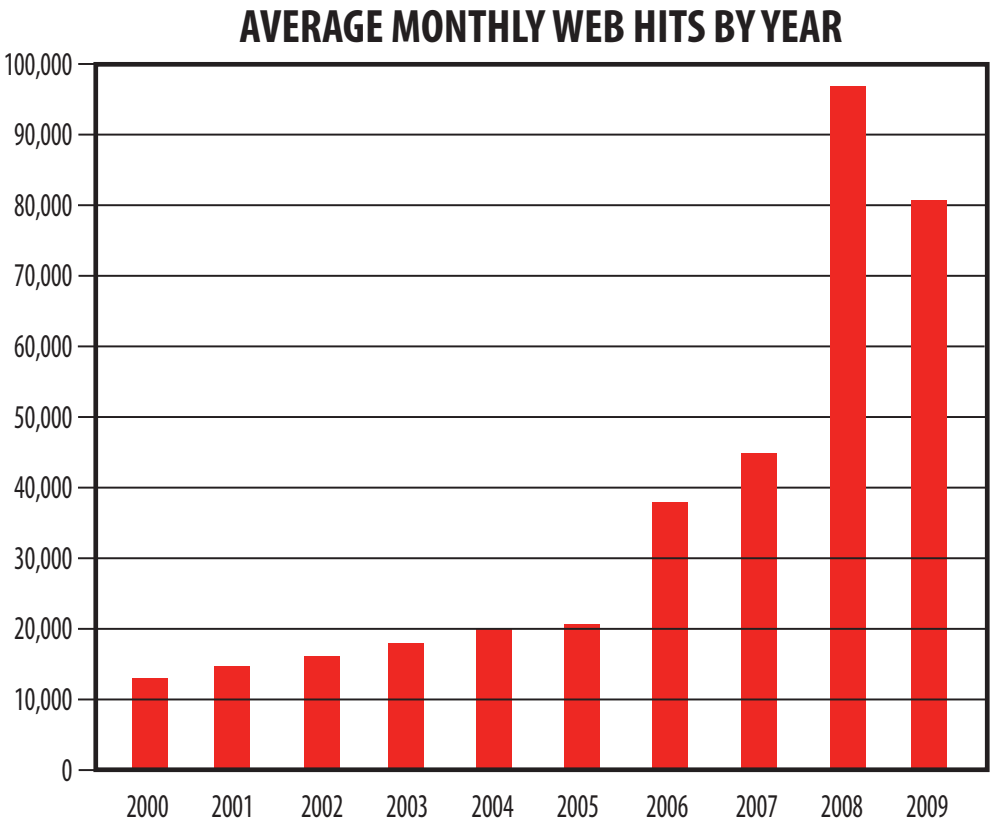
GLOBAL MARKETING

Partnership Reduces Marketing Costs and Increases Name Recognition

Alliance Attracts Companies to the Region

Advertising to promote the region as a great place to locate is very expensive. The Alliance is providing regional ads that will increase the region's name recognition while encouraging companies to look at each locality in the region. This approach adds value to the existing economic development program being run by the economic development team in each jurisdiction.

The Alliance distributes marketing materials that feature and promote each locality to companies that inquire about the region. Since corporate decision makers seldom make a decision regarding where to locate in a region until after they look at a wide range of property and options, the Alliance is able to play a role in promotion and marketing, and at the same time, realize a savings in advertising costs to the taxpayer.



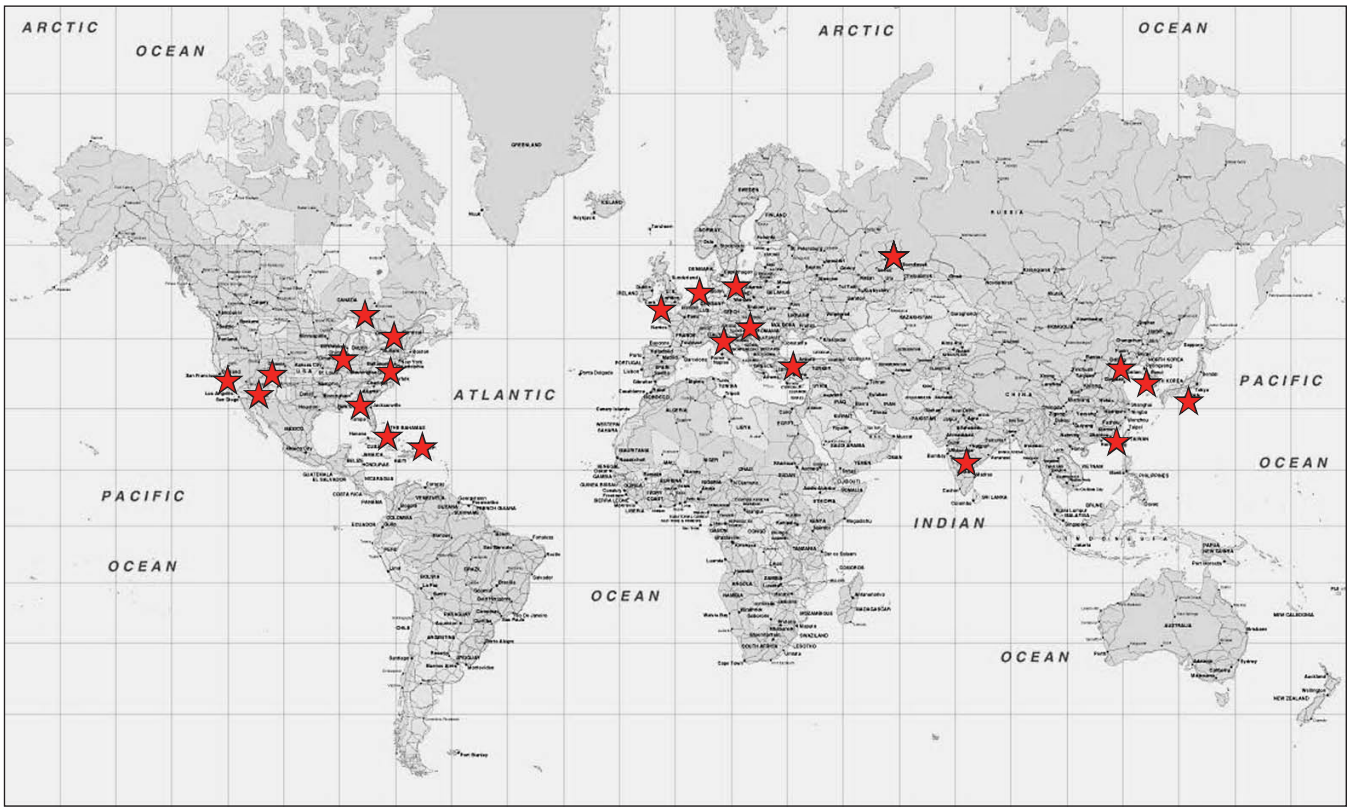
The Fredericksburg Regional Alliance

A public-private partnership, the Fredericksburg Regional Alliance was originally formed as the marketing arm of the Fredericksburg Region, charged with promoting the region. Today the mission includes:

- the recruitment of new industry to the region
- the development of existing industry,
- the training, education and expansion of the region's workforce,
- infrastructure development, and
- the coordination of regional economic cooperation initiatives.

The Alliance's original responsibility is still one of its primary objectives: marketing the Fredericksburg Region to the outside world. To meet that objective, the Alliance serves as a single source for comprehensive demographic and economic information on the region, while also providing a wide range of site selection services, such as community tours, site inspections and confidential project-specific proposals. In its marketing efforts, the Alliance makes it clear that one of the region's strengths is the diversity of its localities, and the commitment to resource sharing that makes the unique strengths of each locality available to businesses throughout the entire region.

GLOBAL MARKETING



China

In an effort to maintain and increase the region's relations with China, the Fredericksburg Regional Alliance participated in welcoming high ranking Chinese government officials to the region in the formation of the Jiangsu International Chamber of Commerce. Alliance President Gene Bailey was appointed to the Chamber's Board of Directors to provide key insight and counsel for future Chinese investment into the Fredericksburg Region. Both Chinese and American attendees learned about the economic opportunities available in both countries and vital contacts and relationships were established. As a result of the Alliance's continued dialogue with Chinese government and business leaders, several Chinese investors are interested in doing business in the region and are actively pursuing viable options.

Economic Partnership with Germanna

In cooperation with Germanna Community College, Alliance Staff has traveled to India to explore economic development opportunities benefitting Germanna, the regional labor force, and corporate marketing opportunities. Numerous meetings have been held in India with college Presidents, Presidents of global companies and regional Chambers of Commerce. The Alliance is continuing to pursue these opportunities and will also continue to partner heavily with Germanna.

Partnership with the State

The Virginia Economic Development Partnership encourages local and regional economic development organizations to participate with the state in trade shows and marketing missions. Trade shows involve networking with individual executives at corporate booths located in large convention centers, while marketing missions are pre-set corporate appointments each day for a five day period. The appointments are scheduled based on corporate intelligence obtained by the state.

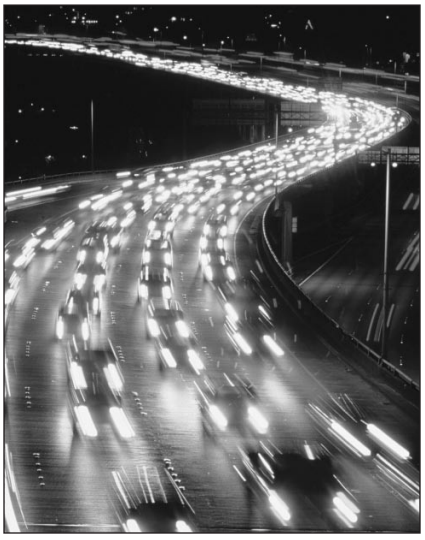
Attendance at these events significantly increases the Fredericksburg Region's visibility and draws on the research capabilities of the Virginia Economic Development Partnership to better target our marketing efforts. The region also benefits significantly from sponsoring and attending luncheons and receptions organized and sponsored by the Commonwealth of Virginia. Leads obtained from attendance at both trade shows and marketing missions from companies likely to expand or relocate are shared with all economic development participants that attend and support the Virginia Economic Development Partnership at these events. These leads are then contacted by the Alliance on behalf of each locality.

TRANSPORTATION – IMPROVES COMPETITIVE ADVANTAGE

2006 Commuter Labor Study

The Fredericksburg Regional Alliance engaged Dr. Stephen Fuller and The Center for Regional Analysis at George Mason University to perform an update to the 2003 Commuter Study. The 2006 study compared the new findings with the 2003 version in an effort to better understand the commuting segment of the regional workforce. The results of the study have been extremely useful for both existing and potential new firms as they strive to

meet their labor needs. The Alliance would like to thank our locality partners as well as the Fredericksburg Regional Council and the George Washington Regional Commission for their strong support of both the 2003 and the 2006 studies. The Alliance also appreciates funding support from the Economic Development Authorities in the City of Fredericksburg, Stafford, and Spotsylvania Counties for this project.



Virginians for High Speed Rail Luncheon

The Fredericksburg Regional Alliance has continued its strong relationship with Virginians for High Speed Rail and the future of high speed rail service between Charlotte, North Carolina and Union Station with a scheduled stop in Fredericksburg. Many in-depth discussions on the economic and cost advantages that high speed rail would create for the Fredericksburg Region have been held in the last 12 months. It has been recognized that the Fredericksburg Region is in a prime position to take advantage of this future economic development. Gene Bailey has served as a board member of VHSR for the past 8 years.

Corporate Executives Now Landing at Stafford Regional Airport

The Stafford Regional Airport is having a positive effect on economic development throughout the region. The airport is streamlining business travel for corporate and industrial clients looking at the region.

A DECADE OF TARGET MARKETING

Washington Business Journal Regional Helicopter Tour

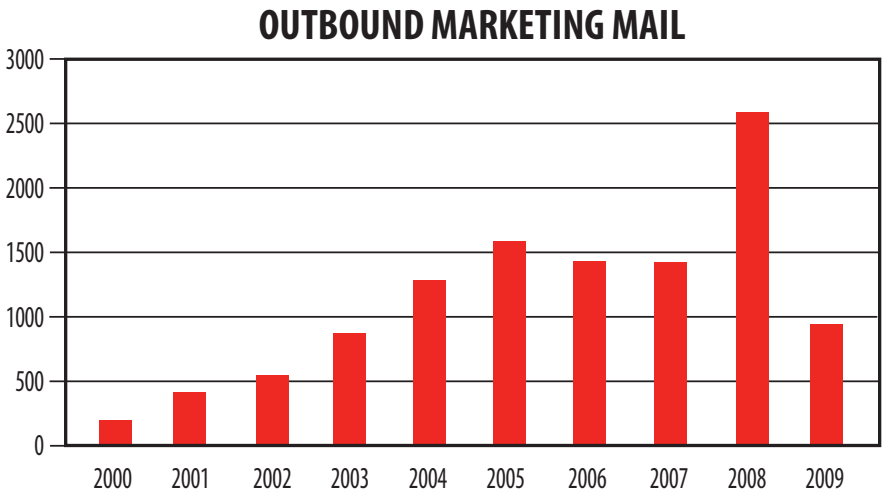
The Alliance, in partnership with the local economic development offices, sponsored a 2-hour helicopter tour of the entire Fredericksburg Region. The Managing Editor and chief reporter covering Northern Virginia attended the event. Various on-going commercial projects and regional assets were viewed and Alliance staff and local officials were on hand to talk in detail about the region's economic growth and potential going forward. The Alliance maintains close relations with WBJ executives in an effort to yield increased news coverage focusing on the Fredericksburg Region throughout the Greater Washington Metropolitan market.

The strategy is beginning to pay off. The *Washington Business Journal* in September 2006 ran a front-page cover story on Dulles-based M.C. Dean, a government contractor whose work includes developing and managing government satellite communication systems, and their $15 million expansion into Caroline County. At full build-out the firm will employ 140 under 360,000 square feet of manufacturing space with salaries ranging from

$40,000 to over $100,000. The article goes on to discuss several trends driving economic growth over the next several years, including the potential impact of BRAC, the addition of more office space in the region, and the draw of cheaper land and labor costs for companies looking to expand or relocate.

Commercial Real Estate Broker Initiative

The Alliance, realizing that over 80% of the projects originate from a broker, implemented an aggressive strategy to increase name recognition within the broker community. To accomplish this objective, broker luncheons have been held in targeted markets including Northern Virginia, Maryland, and Richmond. An economic briefing regarding the Fredericksburg Region was given to attendees, as well as an overview of the services and information provided by the Fredericksburg Regional Alliance, including the increasingly popular Alliance website www.fra-yes.org.



FRA Postcard Targets New Business

In 2004, the Alliance began sending out the first segment in a new marking effort tied to expanding the Alliances's name recognition and increasing awareness of the services available throught the Alliances's website. The first segment included the creation of a postcard that was sent to all commercial real estate brokers in the Richmond, Northern Virgiinia, Washington, D.C. and Baltimore areas. The postcard highlights some of the new services available online and reminds the brokers to consider the Alliance a free resource for them and their clients. Additional marketing pieces are planned to be released throughout the year.

A DECADE OF TARGET MARKETING

CoStar Group Expands Coverage for DC and Richmond Metro Areas to Fredericksburg Region

The Fredericksburg Regional Alliance over the last several years has met periodically with CoStar executives to discuss the Fredericksburg Region's commercial real estate market and its growing interest within the commercial real estate community. On October 9, 2006 the database was activated and the region's inventory of over 2,254 commercial properties, representing over 38,151,464 million square feet, was made available to CoStar subscribers in both the Washington, D.C. and Richmond metro markets. CoStar Group, Inc. (NASDAQ: CSGP), founded in 1987, is the number one provider of information services to commercial real estate professionals in the United States and the United Kingdom. CoStar's suite of services offers customers access via the Internet to the most comprehensive database of commercial real estate information in 66 U.S. markets and the United Kingdom. Headquartered in Bethesda, Maryland, the company has over 1,000 employees throughout the U.S. and the U.K., including the largest professional research organization in the industry.

FRA e-Newsletter – Economic Pulse

In continuing efforts to actively market and promote the Fredericksburg Region, the Alliance has created an online e-newsletter that highlights the current economic climate as well as provide up to date news regarding the Alliance's marketing and business recruitment strategies. The Alliance has contracted the services of OnLetterhead, a leader in mass e-mailing capabilities, to effectively implement and utilize an effective online marketing program.

The Alliance currently has a very strong e-mail distribution list that includes local businesses, Northern VA and Richmond commercial real estate brokers, potential new businesses in the Alliance's targeted industries and various other industry leaders. The e-newsletter will be sent out every quarter and will include dynamic links to the Alliance's website. The first edition was sent to interested parties sometime in 2009.

Targeting Expiring Leases in Northern Virginia

Staff is continuing efforts to target and identify companies located in the Northern VA/D.C. Metro area whose leases expire within the next 18-36 months. This list of companies will continue to change, as time progresses and market conditions influence corporate decision making and marketing strategies. Targeted industries in this search include business services, computer and data processing, government contractors and manufacturing. Alliance staff sends out an initial marketing letter along with a copy of the regional Economic Profile. Follow-up phone calls and postcards are continuing to be pursued to increase interest in the Fredericksburg Region.

Ad Campaign Attracts Local Jobs for Commuters

The Fredericksburg Region has one of the most abundant, highly skilled labor forces on the east coast, serving as a strong labor pool for many Northern Virginia companies. Taking note of that fact, the Alliance continues to sponsor ad campaigns in *The Washington Business Journal, Site Selection* magazine, *Virginia Business* magazine and other highly recognized publications.

Networking Events to Market the Region

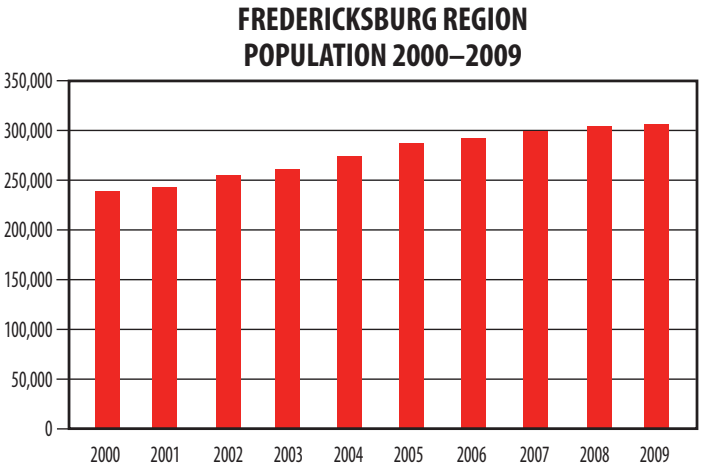
DATE	MEETING/EVENT
August 22, 2006	VEDP Briefing
September 19, 2006	Washington DC Broker Briefing
September 25, 2006	IEDC Global Summit
October 9, 2006	Texas Marketing Mission
November 12, 2006	Florida Marketing Mission (IEDC)
January 10, 2007	Grubb and Ellis Annual Real Estate Conference
January 25, 2007	Maryland Marketing Mission (IEDC)
March 15, 2007	IEDC Federal Forum Conference
March 21, 2007	VEDP Project Manager Visit
April 26, 2007	Hungarian Technology Council
April 26, 2007	NVTC Annual Spring Gala
April 29, 2007	CoreNet Global Real Estate Annual Conference
May 7, 2007	Navy Opportunity Forum
May 8, 2007	GVA Advantis Broker Briefing
May 15, 2007	VHSR Annual Meeting
May 24, 2007	Executive Pulse Existing Industry Briefing
June 21, 2007	Virginia Manufacturer's Association
June 26, 2007	Thalhimer Broker Briefing
July 15, 2007	China Delegation Visit
July 20, 2007	American Canoe Association Annual Meeting
July 30, 2007	Meeting with Nancy Pierce, Regional VP, GEICO
August 7, 2007	Meeting with Regional Director of GSA in Philadelphia, PA
August 22, 2007	Jeff Anderson, Executive Director of VEDP in Alliance office
September 5, 2007	Meeting in Atlanta to discuss changes in Economic Development Strategy
September 15, 2007	IEDC Conference in Phoenix, AZ
September 19, 2007	Hosted Luncheon with VA Chamber of Commerce on Capitol Hill
September 25, 2007	Marketing Mission to Shanghai, Changzhou, and Hong Kong, China
October 11, 2007	Reception and Dinner with Regional EDA Members
October 22, 2007	SEUS-Japan Global Conference*
October 25, 2007	Fortune 500 Corporate Visit (8am - 5pm)
November 12, 2007	Dinner with Education Foundation at Germanna
November 26, 2007	Orlando Marketing Trip with VEDP
December 11, 2007	Breakfast with VA Chamber of Commerce in Richmond
December 12, 2007	British Embassy Reception
April 16, 2008	Meeting with executives at Luck Stone Corporate HQ
April 23, 2008	Virginia Country Club event honoring Hugh Cosner
April 25, 2008	Dinner honoring Senator John Warner in Northern VA
May 2, 2008	Dinner with Chinese Delegation hosted by Linda Worrell and the Silver Companies
May 9, 2008	Regional Economic Development meeting with Keith Boswell from VEDP - Focus on improving regional competitiveness
May 12, 2008	Regional Economic Development report to the City of Fredericksburg EDA
May 28, 2008	Luncheon with former Gov. Mark Warner in Tyson's Corner
May 29, 2008	Luncheon with former Gov. Mark Warner at Bonefish Grill in Central Park
June 9, 2008	Reception at Belmont focused on Stafford's Economic Development progress and recognition
June 17, 2008	Reception in San Jose, CA hosted by Gov. Tim Kaine and sponsored by the Silver Companies, Dominion VA Power and VEDP
July 8, 2008	Meeting with Judy McClenny – VEDP Representation for Fredericksburg Region
July 9, 2008	Ground Breaking for The Free Lance–Star
August 12, 2008	Dedication of Data Center at G.E.I.C.O. with Chairman Tony Nicely
August 15, 2008	Meeting with Wachovia Executives
September 23, 2008	Meeting with Fredericksburg Area Builders Association
October 3, 2008	VEDP Tour of Caroline County Properties
October 19, 2008	International Economic Development Council Annual Meeting in Atlanta, GA
November 3, 2008	Staff Served as Visiting Lecturer at UMW - Economics of Community Development
November 5, 2008	Military Affairs Council Reception - Jepson Center
November 10, 2008	Report to Fredericksburg Economic Development Authority
November 18, 2008	Germanna Annual Fundraising Dinner
November 20, 2008	FredTech Council Annual Meeting Title Sponsor
December 17, 2008	Report on State of Regional Chamber
December 18, 2008	Meeting with Matt Erskin, Executive Director, Greater Washington Initiative
January 6, 2009	Spotsylvania Regional Medical Center Site Preparation Ceremony
January 13, 2009	Co-Sponsor at 2009 Old Dominion Legislative Reception, Omni Hotel, Richmond, VA

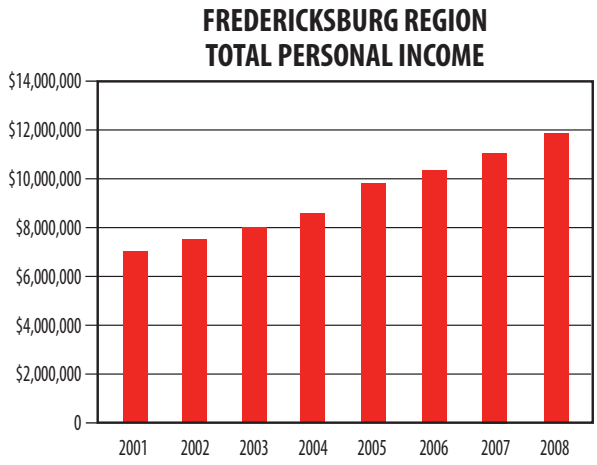
Tourism is a major industry in the Region.

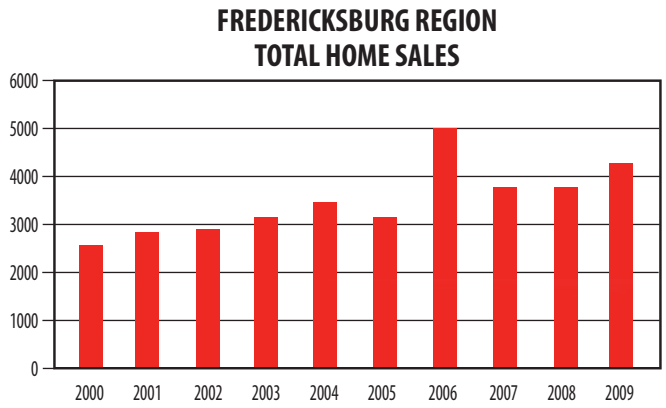
Networking Events to Market the Region

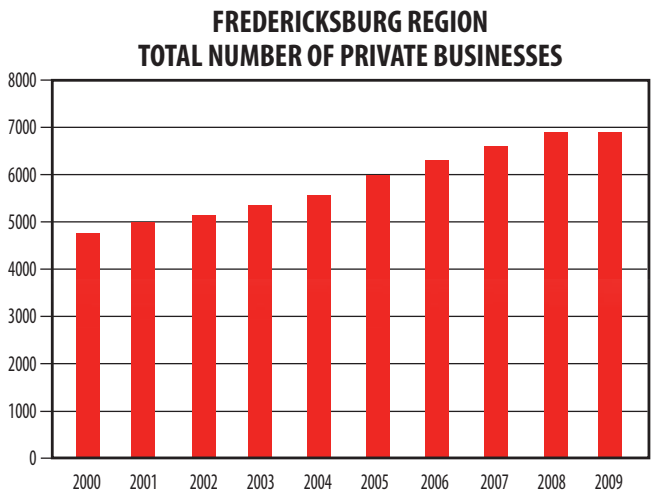
DATE	MEETING/EVENT
February 20, 2009	Eagle Village Ground Breaking Ceremony & Reception
February 21, 2009	Medicorp Grand Opening and black tie reception, Stafford Hospital Center
March 4, 2009	Military Affairs Council with Admiral Gary Roughead, USN, Chief of Naval OperationsCenter
March 16, 2009	IEDC Conference, Alexandria, VA
April 2, 2009	VEDA Statewide meeting of Economic Professionals, Glen Allen, VA
May 12, 2009	PNC Regional Economic Forecast
July 12, 2009	Semicon West Advanced Computer Technology Tradeshow – San Francisco, CA
July 29, 2009	Governor's Luncheon – Germanna Community College
August 7, 2009	Meeting with Naval Surface Warfare Center – Indian Head, MD
September 10, 2009	Naval Surface Warfare Center Ribbon Cutting
September 11, 2009	Marketing Mission to Raleigh/Durham, NC Research Park
September 16, 2009	VEDA Conference – Roanoke, VA
September 23, 2009	Capital Hill Luncheon, Senate Russell Building – Washington, DC
September 26, 2009	Marketing Mission to China
October 13, 2009	Regional Lunch with VEDP at Bull & Bear Club
October 27, 2009	Breakfast with BB&T Regional Executives
October 29, 2009	Lunch with Regional Marketing Exec. For Vulcan Materials
October 30, 2009	Mid-Atlantic Precast, Inc. Ribbon Cutting
November 11, 2009	TV Interview with Comcast
November 12, 2009	Corporate Visit to Region
November 13, 2009	Meeting with Delegation from China
November 19, 2009	Presentation by Luck Stone on Ni Village
November 23, 2009	Breakfast with Ryan Bloom, Investor in NYC
December 3, 2009	State Meeting with VEDP at Innsbrook
December 17, 2009	Meeting with ACA Executives
January 6, 2010	Dinner with Jimmy Yang and 6 Chinese Business Executives
January 14, 2010	Noon Meeting with Robert Powell, *Virginia Business Magazine*
January 19, 2010	Dinner Event with Dominion Virginia Power at Lake Anna
January 27, 2010	Virginia Chamber of Commerce Legislative Reception in Richmond
February 3, 2010	Project Stonewall Site Consultant Meeting
February 15, 2010	Chamber Event with Rob Wittman
February 18, 2010	Reception with Senator Warner
February 19, 2010	Small Business Event with Rob Wittman at UMW Jepson Center
February 25, 2010	Meeting with Peter Blake, Vice Chancellor of Workforce for VCCS
March 15, 2010	Meeting with Rob Wittman in Chamber Conference Room
March 23, 2010	Central VA Surgi-Center Groundbreaking
March 25, 2010	Fredericksburg EDA Event with Lt. Gov. Bill Bolling
April 5, 2010	Meeting in DC with Phillip Bell, National Railroads
April 8, 2010	Radio Talk Show Interview
April 13, 2010	Workforce Reception with Germanna
April 14, 2010	Meeting with Executives from SunTrust
April 23, 2010	Business Advisory Board Meeting at Ferrum College
April 26, 2010	Facility Tour with Splitsville Executives
April 27, 2010	Tour of UMW Eagle Village
April 28, 2010	Meeting with Benoit Reinard, Belgium Embassy with Regional Economic Development Professionals
May 1, 2010	Bush Sub-Cabinet Reunion, Washington D.C.
May 2, 2010	Dinner with Chinese Business Executives
May 12, 2010	Lunch with Allies at VEDP
May 23, 2010	Formal Business Meeting with Chinese Delegation and Senior Represenatives from Chinese Embassy - Wash., D.C.
May 25, 2010	Lunch with Fredericksburg Area Association of Realtors - Speaker
June 1, 2010	Event with Congressman Wittman and Hospitality Council, Regional Brokers and Developers and GSA
June 3, 2010	Dinner with Germanna Community College Honoring John Chichester
June 3, 2010	Business Meeting with Defense Contractors - D-63
June 7, 2010	Ribbon Cutting at Health Corporation of America
June 8, 2010	Navy Opportunity Forum
June 14, 2010	Networking Reception with National and Global Site Consultants
June 17, 2010	Planning Session with City EDA
June 21, 2010	Lunch with Rappaport Executives
June 29, 2010	Annual Meeting of REDCO
July 1, 2010	Grand Opening of Village Towne Center

EXISTING INDUSTRY DEMOGRAPHICS







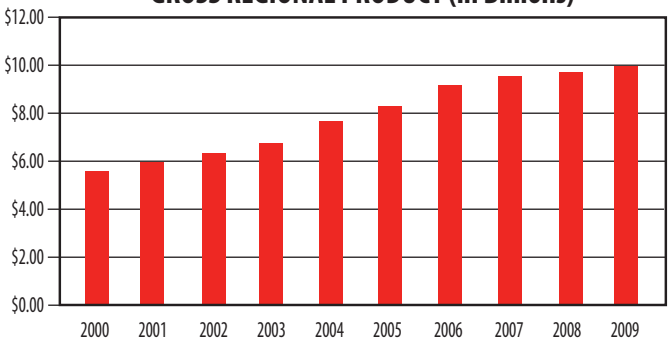


Data provided by US Census and Bureau of Economic Analysis.

Quantico Corporate Center – A project by Silver Companies

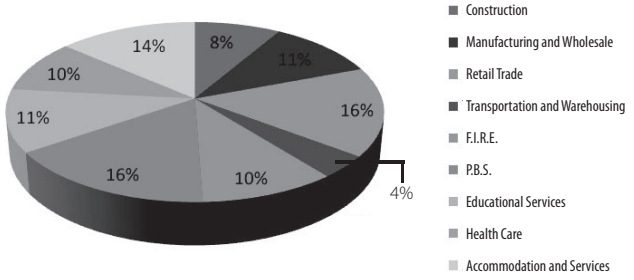
EXISTING INDUSTRY DEMOGRAPHICS

FREDERICKSBURG REGION GROSS REGIONAL PRODUCT (in Billions)

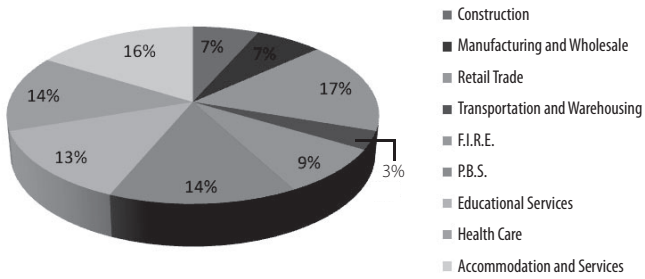


UMW Center for Professional Development and Regional Engagement

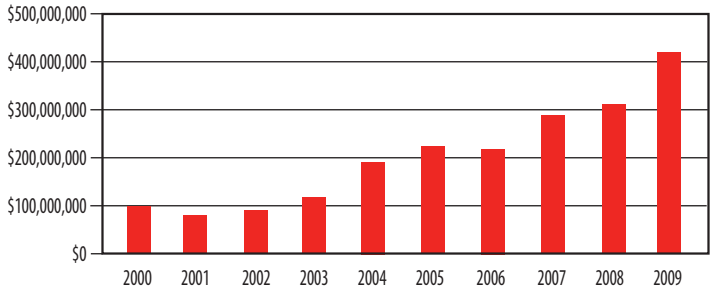
2000 FREDERICKSBURG REGION NON-FARM EMPLOYMENT



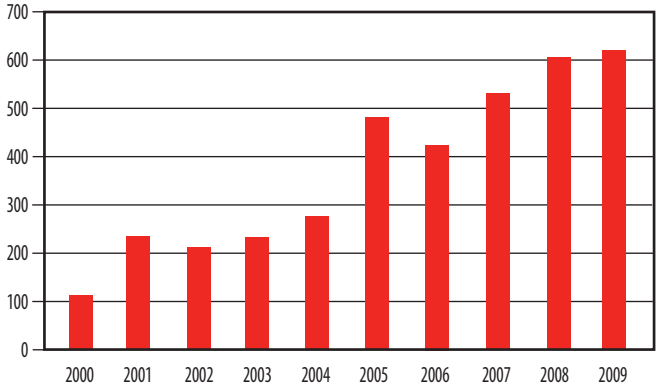
2009 FREDERICKSBURG REGION NON-FARM EMPLOYMENT



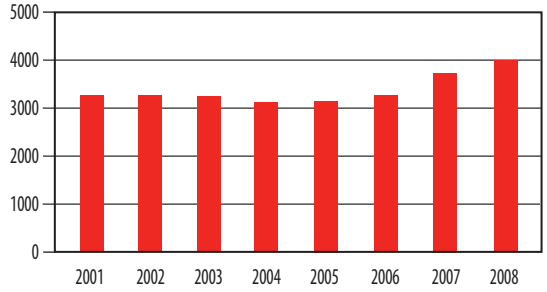
FREDERICKSBURG REGION GOVERNMENT CONTRACT TOTAL DOLLAR AMOUNT



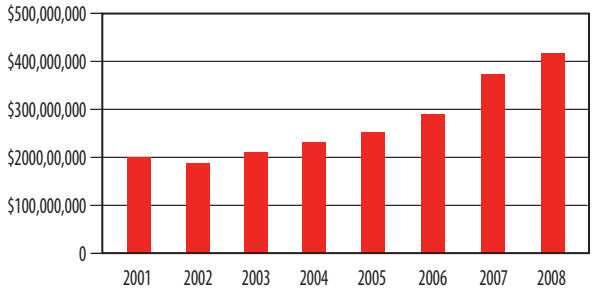
FREDERICKSBURG REGION GOVERNMENT CONTRACTS AWARDED



FREDERICKSBURG REGION MILITARY EMPLOYMENT



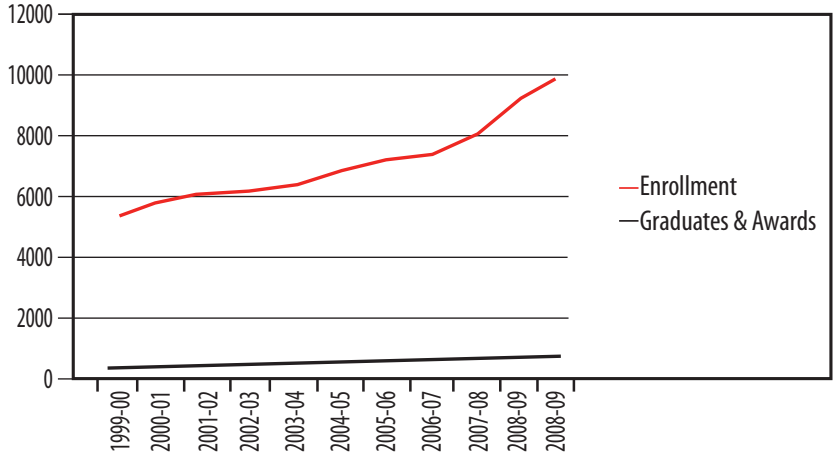
FREDERICKSBURG REGION MILITARY EMPLOYMENT EARNINGS



Data provided by US Census and Bureau of Economic Analysis.

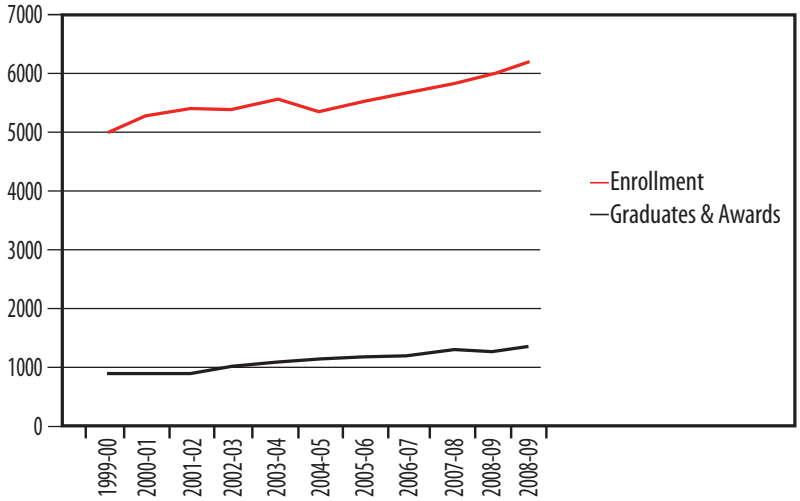
EDUCATING TOMORROW'S LEADERS

GERMANNA COMMUNITY COLLEGE



Germanna Community College – Workforce Technology Center

UNIVERSITY OF MARY WASHINGTON



The University of Mary Washington and Germanna Community College play a major role in educating current and future leaders and the business communities' workforce. Education has emerged as a major component of our competitive infrastructure.

Photo: Scott F. Smith

Eagle Village at the University of Mary Washington

Data provided by the University of Mary Washington and Germanna Community College.

HEALTH CARE–A MAJOR COMPONENT OF THE REGIONAL ECONOMY

Mary Washington Healthcare Stafford Hospital

Virginia welcomed its first new hospital in more than 30 years Friday, February 27, 2009 when officials from Mary Washington Healthcare opened Stafford Hospital Center. On Route 1 in the heart of Stafford County, the $140 million, 100-bed hospital will serve Stafford and residents in southern Prince William County. Mary Washington Healthcare, the parent company of Mary Washington Hospital, announced in summer 2005 its plan to build Stafford Hospital Center, a full-service medical campus that spans more than 23 acres. The project included not only the main facility but also road improvements and a $12.8 million medical office building, set to be completed in the near future. The hospital offers inpatient and outpatient acute care.

Mary Washington Healthcare–Stafford Hospital

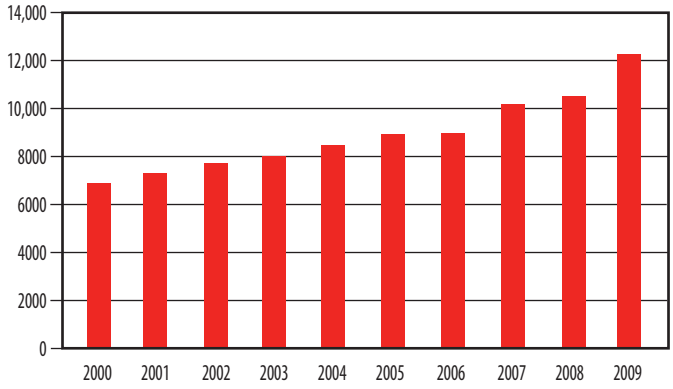
It has a full-service emergency department with 15 rooms, a family birthing center, a physical rehabilitation center, a pharmacy, a surgical wing, an intensive care unit and a helipad. The hospital also offers a variety of services including respiratory therapy and neurological testing.

HCA Spotsylvania Regional Medical Center

Spotsylvania Regional Medical Center, located in Spotsylvania County, opened June 7, 2010 with services dedicated to women's and children's, orthopedic, cardiac, and 24/7 emergency care, among many others. It also offers high-tech imaging, in- and outpatient surgery, and related services. In April, Virginia's Department of Certificate of Public Need (DCOPN) approved SRMC's request to add new technology that will become part of the hospital's comprehensive cancer treatment center. HCA Virginia is one of the state's most comprehensive healthcare network with two dozen locally managed hospitals and outpatient centers in Central, Southwestern, and Northern Virginia. With a workforce of more than 10,000, it is one of the state's largest employers and healthcare providers. Each year HCA Virginia facilities provide approximately $100 million in free charity care to needy patients and pays $100 million in taxes that support vital community services.

HCA Spotsylvania Regional Medical Center

FREDERICKSBURG REGION
TOTAL HEALTHCARE EMPLOYMENT



Data provided by the Virginia Employment Commission.

CAPITAL INVESTMENTS AND JOB CREATION

84 Lumber Company
A & A Environmental Services
Accent Millwork & Supply Co.
Acme Technical Group, Inc
Acritech Corp
Allen, Allen, Allen, and Allen
American Family Fitness Center
American General Financial Services
American Glass Industries
American Stone Inc.
Anasec LLC
AOT Company
Army Corps of Engineers
ARS Service Express
Auto Glass Outlet, Inc.
BAE Systems
Bearing Point, Inc.
Beautiful Homes Supply
Beretta USA Corp.
Bernstein Management
CarMax
Cellofoam North America
Clark's Lumber & Millwork
Class A Office Building
Coastal Healthcare Consulting
Collegiate Funding Services
Colonial Circuits
Colonial Concrete
COLOSAFE
Commerce Center at Renaissance
Commercial Credit Report Co.
Community Home Health
Compliant Networks, Inc.
Computer Sciences Corporation
Concurrent Technologies Corporation
Corpcomm, Inc.
Corvel Corporation
Covenant Financial Group
CTI Consultants
Davenport Company
DBX Imaging, Inc.
Digital Creations
Distributive Software Inc.
Envisioneering
Essex Group Inc.
EVI – EDO Inc.
Express Personnel Service
Favor Networks LLC
FedEx Corp.
Ferguson Enterprises
Fixture Specialists Inc.
Free State Steel, Inc.
GEICO
General Dynamics
General Products
Gerdau Ameristeel
GM Powertrain
Golds Gym
Graphic Design, Inc.
HammerStone
Hampton Inn & Suites
Harris-Teeter
Hawkins Glass Wholesalers
Heritage Mortgage Company
Hilldrup Moving and Storage
Hilles-Carnes Engineering Inc.
Hilton Garden Inn
Indiana Floor, Inc.
InfoReliance Corp.
Intelware Systems, Inc.
Internal Revenue Service
JRM Technologies
Kaeser Compressors Inc.
Kaiser-Permanente
Kalman & Company, Inc.
KCAN
Keil-Patterson Group
L3 Communications
Lansdowne Business Park
LB Technologies
Lee's Park Commercial Site
LHS Molding & Millwork
Lockheed Martin
LVI Environmental Services, Inc.
M.C. Dean
Marketfare Foods
Marriott Extended Stay Hotel
Massapponax Business Center
McCormick Group, Inc.
McKesson
Metropole Products, Inc.
Mid Atlantic Precast, LLC
Mid-Atlantic Foam
Milgard Windows
Mitre Corporation
MKI Systems
Motisi Building
MTC Services Corp. (Exp.)
National Retina Institute LLC
Nelnet
Newtown Business Forms
Nifso Corporation
Northrop Grumman (exp.)
Orion Inc.
OSEC
Paragon Training Center
Pom & Associates Insurance Brokers
Professional Software Engineering
Q8 Intech LLC
QRC Technologies, Inc.
Quarles Petroleum
Raymond James Company
Raytheon
Remuda Ranch
RND Technologies
Roberts Video Services, Inc.
Robinson, Farmer, Cox Associates
Roper Brothers Lumber Co. Inc.
Rowe Concrete
SAIC
SDS International, Inc.
Shockey Precast
Simes Office Building
Sisson's Excavating, Inc.
Smartronix, Inc.
Specialty Clinic Office Park
Splitsville/Muvico
SRA International
Strategic Insight, Ltd.
Strayer University
Student Partner Services
Systems Technology Forum
Tate Incorporated
Tatical Micro, Inc.
The Learning Experience
Top Line Concrete
Trane, Inc.
Trussway Inc.
Ultimate Book Fair
Union Bankshares Corp.
Unitech, Inc.
Universal Aggregate, LLC
US Parachute Association
VA Dept. of Health
Vickers & Nolan Enterprises
Virginia Credit Union
Virginia Medical Imaging
Virginia State Fair
Vitatech Engineering LLC
VSE Corporation
Ward Corporation Building
Web and Associates
West Asset Management
Westpark Center Office Park

Over the past decade, the Fredericksburg Regional Alliance staff has received approximately 9,200 requests for information which resulted in the Alliance assisting in over 500 economic development projects. These projects have been a direct result of the location of the region and Alliance's continued aggressive marketing strategy designed to increase exposure. Requests for assistance have come from several different sources, such as: VEDP, Commercial Real Estate Brokers, Site Consultants and Corporate Executives. The Alliance has been fortunate enough to see 159 of these projects come to fruition, known as "Announcements". These 159 Announcements are responsible for creating approximately 7,800 new jobs in the Fredericksburg Region and investing nearly $713,000,000 in initial capital investment. Salaries for these jobs would add hundreds of millions of additional dollars to the economy, while business taxes paid by the companies will continue to provide a strong year-over-year investment in the region.

Spotsylvania Towne Centre

SELECTED ANNOUNCEMENTS

Gerdau Ameristeel

The 4th largest steel company in North America, has announced that it will invest $5 million and create 50 new jobs in King George County. The company is relocating its manufacturing plant from Baltimore, MD. King George County successfully competed with the District of Columbia, Maryland, and North Carolina for the project. The Alliance in partnership with King George County and the Virginia Economic Development Partnership worked very closely to recruit this company.

Carmax

Since its initial interest in the Fredericksburg region, the Alliance has participated in several discussions with Carmax representatives regarding demographics and sustainability in the area. Specifics focused on income and growth projections as well as the 435,000 people that shop locally and make up the trade area. Two discussions occurred in Richmond and one with representatives of the company in Atlanta. Carmax has invested approximately $15 million in a new building and employs nearly 100 people.

MTC Services Corp.

The California-based defense contractor is consolidating and expanding its presence in the region. The firm has pre-leased 35,000 SF at Quantico Corporate Center currently under construction in Stafford County. The company has an aggressive hiring strategy and plans on adding 200-300 employees within the next 5 years. In addition, the firm is in discussions with the Silver Companies to build an additional 190,000 SF at QCC to meet their continued growth. Average annual salaries at the firm are estimated to range from $80,000 to over $100,000.

Remuda Ranch

Remuda Ranch Programs for Eating Disorders, the nation's leading and largest inpatient treatment center for women and girls suffering from eating disorders, has opened a treatment center in Caroline County. The 60-bed facility spans 30,000 SF and offers inpatient programs for women, adolescents and children. The center employs approximately 120 highly skilled professionals such as psychiatrists, medical doctors, registered dietitians, Masters level therapists, psychologists, mental health technicians, academic teachers, equestrian instructors, administrators, managers and nurses. Capital Investment for the project is estimated to be $8 – 10 Million.

The Free Lance–Star Printing Plant

SELECTED ANNOUNCEMENTS

The American Canoe Association

The American Canoe Association has selected the City of Fredericksburg for the location of its National HQ's. The association will employ 15 –20 employees and will build roughly 10,000 SF of Class A Office. The new headquarters and museum will be located on an acre donated by the Silver Cos. in its planned "ecotourism" area of Celebrate Virginia along the river just west of Interstate 95. Capital investment in unknown at this time but is estimated to be $1-2 Million. The Alliance, with the Fredericksburg City Council, hosted the Association for its Annual Meeting in July, 2007. Alliance staff also worked closely with the Association Board Chairman to select ACA Board members to have leaders in the community lobby Association Board members. Special thanks to Jud Honaker, Bill Micks, Rick Hurley, and Kevin Gullette for their leadership in bringing this deal together. This is the fourth association to locate in the region.

Kalahari Resorts:

This African-themed resort and indoor water park, based out of Ohio, has selected the City of Fredericksburg for the location of its next resort. The project will represent over $200 million in capital investment and will create more than 1,900 jobs. The Alliance was very pleased to assist both the City of Fredericksburg and the Silver Companies land this significant project. At the request of the prospect, Alliance staff prepared a detailed demographic and economic report comparing both the Fredericksburg Region and our main competition, Williamsburg, VA. This customized data provided Kalahari executives vital insight into the competitive advantages the Fredericksburg Region has to offer a company like Kalahari.

The resort will be built next to the Fredericksburg Expo and Conference Center at Celebrate Virginia. With approximately 700 guest rooms, the resort will include 100,000 square feet of conference and event space to complement existing event space at the Fredericksburg Expo and Conference Center. The 125,000 square-foot water park will feature slides and roller coasters, as well as the FlowRider surfing attraction. It also will have entertainment areas, including indoor miniature golf, bowling, go-carts and a game room. At full build-out, the Kalahari Resort should contribute about $122 million a year to the local economy, according to an economic impact assessment, which anticipates it will attract almost 1 million guests per year. Estimates show the city will generate between $5 million and $7 million in new taxes each year from this new tourist attraction.

McKesson

McKesson, a Fortune 50 healthcare company and the largest pharmaceutical distribution company in North American, is currently building a new 300,000 to 350,000 square foot distribution center in Caroline County's Caroline Commerce Center. This facility is expected to generate approximately $3.0 billion to $3.5 billion in corporate income each year and would provide significant tax revenue to the host locality. The project represents nearly $60 million in new capital investment and will provide 190 new jobs with annual payroll exceeding $5 million. The Alliance worked with McKesson and numerous site and labor consultants during several work sessions in the Alliance board room during the company's initial search throughout the region.

October 6, 2010 Groundbreaking of McKesson in Caroline County

SELECTED ANNOUNCEMENTS

MITRE Corporation

This recognized leader in systems engineering, information technology, and operational concepts, with 53 offices throughout the US, has leased 26,150 SF in Stafford County to support its continued growth. The government contractor, who employs over 6,700 scientists, engineers and support specialists companywide, is planning on moving into the newly completed Quantico Corporate Center in June 2008. The firm will have space to house between 120-130 employees at full build out and average annual wages should range from $80,000 - $130,000.

Cellofoam North America

Cellofoam North America, a national leader in building and packaging products and plastic conversion technology, has leased 65,000 square feet of manufacturing/warehouse space in Spotsylvania County. The facility, which has the potential to employ over 130 workers, will host Cellofoam's only fabrication operation in the state of Virginia. The facility will be responsible for the creation of many plastic conversion and rotational molding products as well as the formation of new and innovative products that will continue to keep the company as an industry leader.

Northrop Grumman (expansion)

This global leader in defense and technology has recently expanded its information and services operations into Stafford County's Aquia Towne Center. Northrop Grumman has leased approximately 68,000 square feet of office space to continue its development of systems and solutions that deliver timely, enabling information where it is needed most for its military, intelligence, federal, state and local government, and commercial customers. With over 120,000 existing employees worldwide, the expansion into Stafford County has the potential to employ over 200 jobs with salaries ranging from $35,000-130,000+.

Kaiser-Permanente

Kaiser-Permanente has announced its plans on locating a new facility/medical office building within the Fredericksburg Region to better serve its existing and potential customer base. The firm will partner with Mary Washington Hospital and will complement not compete with the Region's dominant provider of healthcare services. The new company is finalizing plans to occupy 30,000 square feet and will be located in the City. The facility will employ 50-60 workers with wages ranging from $30,000 - $200,000+.

Alliance staff along with members from the City's Office of Economic Development visited with the company and site selection staff to discuss the Region's healthcare market, labor availability, and commercial real estate options. Additional, follow-up activities included facilitation of incentive negotiations and information/engagement with representatives from Germanna's College of Nursing to discuss ongoing and current training programs aimed at developing the Region's supply of qualified nurses and other health-related positions.

W. J. Vakos – Spotsylvania Courthouse Village

General Dynamics

This market leader in business aviation; land and expeditionary combat vehicles and systems, armaments, and munitions; shipbuilding and marine systems; and mission-critical information systems and technologies has recently located operations into Stafford County's Quantico Corporate Center. Occupying 25,400 square feet of office space, this location will be working to complete the systems development and demonstration (SDD) phase of the Expeditionary Fighting Vehicle (EFV) program. The Stafford County operations will add approximately 40-50 jobs to its global workforce with salaries ranging from $45,000-$95,000. General Dynamics, headquartered in Falls Church, Virginia, and traded on Wall Street employs approximately 72,200 people worldwide and had 2005 revenue of $21.2 billion.

THE STRENGTH OF PARTNERSHIP

The Fredericksburg Regional Alliance (FRA) is a public/private economic development marketing partnership created to provide CEOs, presidents, corporate real estate executives, and site selection consultants with a single source for comprehensive demographic, economic, and commercial real estate information on the Fredericksburg, Virginia Region – which includes the City of Fredericksburg and the counties of Caroline, King George, Spotsylvania, and Stafford– while also providing a wide range of services designed to facilitate the creation of jobs and capital investment while diversifying the economy and increasing the tax base.

The Alliance works in cooperation with local economic development offices, the Virginia Employment Commission (VEC), the Virginia Economic Development Partnership (VEDP), the Fredericksburg Regional Chamber of Commerce, the George Washington Regional Commission, the University of Mary Washington and Germanna Community College, public utilities, and other regional groups. FRA offers a comprehensive range of services and information, including: demographic, economic, and commercial real estate data; community tours; site selection services; industry-specific wage, workforce and labor availability information; tax and cost of living comparisons; financing options; and confidential project-specific proposals from Alliance localities.

MISSION STATEMENT

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Fredericksburg
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