

Greater Richmond, Virginia

Information Tech

1,219 INFORMATION TECHNOLOGY FIRMS IN VIRGINIA

\$2.2b INVESTED BY TECHNOLOGY FIRMS SINCE 2008

1,369 COMPUTER AND IT DEGREES AWARDED ANNUALLY

21,380 WORKERS IN COMPUTER OCCUPATIONS IN THE REGION

KEY COMPANIES



imagination at work



WHY RICHMOND?

Low Cost, High Volume

Moderate wages, a low tax burden, competitive real estate, and low electricity rates make the Richmond area affordable. A talented labor pool, a stable, business-friendly government, and a central location with unparalleled infrastructure make Richmond a superior value.

Safe Environment

Greater Richmond's moderate climate and central East Coast location results in very low risk for most naturally occurring disasters. The region has a low incidence of hurricane damage, tornadoes, floods, earthquakes, damaging hail, and disruptive winter storms. Richmond is located 50 miles outside of the Washington, D.C. nuclear blast zone.

Tax Exemptions and Exceptions

Virginia offers a tax exemption from the Retail Sales and Use tax for computer equipment bought or leased by June 30, 2035 for use in data centers. Additionally, localities in Greater Richmond have special reduced property tax rates for computer equipment.



On par with U.S. wage average and 20% lower than the Washington, D.C. metro



Virginia has the U.S.'s 2nd highest concentration of tech workers per capita



Dominion Energy powers more than 6 million sq.ft. of data centers in Virginia



30% of all recent data centers chose Virginia with 42% of all new capacity being constructed



Named one of the Top Cities for Creatives by Thrillist, 2016



Several international fiber cables pass through the region including MAREA



Richmond's connected to Northern Virginia's SummitIG's dark fiber

LOW ELECTRIC RATES, RELIABLE SOURCE

Electric service in the Richmond area is provided by Dominion Energy. Dominion understands the needs of data center customers and is ready to partner with businesses to provide consistent, high-quality power.

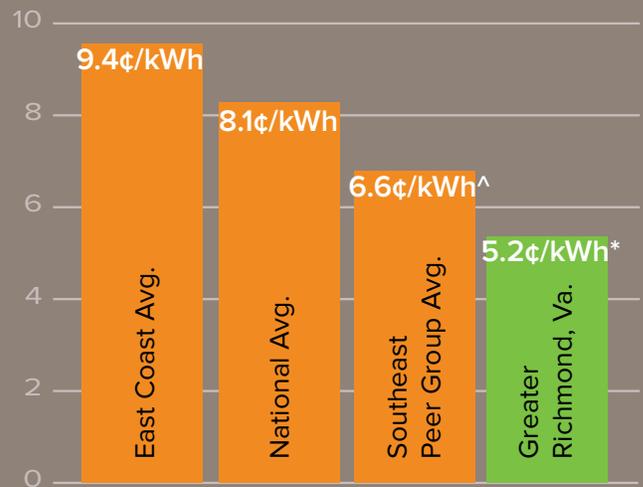
- Rates for industrial customers are more than 30 percent below the national average, at 5.7 cents/kWh.
- Dominion offers consistent, highly reliable service. The 2016 reliability rate is 99.98 percent.
- High-voltage delivery system is designed to accommodate large blocks of load quickly and efficiently.
- Half of the United States' internet traffic runs through data centers powered by Dominion.

Pre-selected Dominion certified sites are located throughout the region, identified as ideal data center locations by Dominion Energy.

* Dominion bill: Rates effective Jan. 1, 2017. Includes interim fuel factor reduction and four generation rider adjustments. ^Southeast peers include: Ala., Fla., Ga., Ken., Miss. and N.C. Source: Edison Electric Institute, Typical Bills and Average Rates Report: Winter 2017.

Large General Service Rate Comparison

Typical cust. using 1,000kW demand and 650,000kWh/mo. usage



GROWING BUSINESS

Facebook is building a \$750 million data center to be powered exclusively by 100% renewable energy in Henrico. The social media giant's eighth data center will include three buildings totaling 1.5 million square feet.

With an already impressive concentration of data storage in the Richmond area, **Capital One Financial Corporation** made the decision to reinvest in the region with the 2012 announcement of a new \$150 million data center to accommodate growth and recent acquisitions.

QTS purchased a former semiconductor manufacturing plant in 2010 and converted it into a colocation data center. Features include:

- One of the largest data center campuses in the world at 1.3 million sq.ft.
- Two on-site Dominion Energy substations provide over 100 Megawatts of power each fed into the facility by two diverse paths
- Meets Department of Defense anti-terrorism standards, with multiple levels of physical security including ballistically reinforced buildings, biometric verification systems and thermal, infrared imaging and night vision cameras

INDUSTRY INCENTIVES

Below is a sampling of available incentives for information technology businesses. Contact the Greater Richmond Partnership for further information.

Tax Exemption for Computer Equipment	Tax exemption from the Retail Sales and Use tax for eligible computer equipment for use in data centers
Virginia Economic Development Incentive Grant	Assists and encourages companies to invest and to provide new employment opportunities
Virginia Jobs Investment Program	Supports the creation of new jobs and investment and helps businesses train new and existing workers
Commonwealth's Development Opportunity Fund	A "deal closing" fund to be employed at the Governor's discretion to secure a company location or expansion in Virginia
100% Capital Gains Tax Exclusion for Investors and Founders	Provides a 100% capital gains tax exclusion for founders of and investors in high technology start-up companies
Henrico County Data Center Tax Reduction	The county recently decreased the property tax rate on computer and related equipment for data centers to \$0.40 per \$100 from \$3.50 per \$100, an 89% cut

