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Contact:
Debbie George
757-514-4106
757-374-1770

Bond Rating Tours Wrap Up in Suffolk

SUFFOLK, Va. (September 10, 2008) – Representatives from the bond rating agencies of Standard & Poor's, Fitch Ratings and Moody's Investors were in Suffolk last week for tours of the City. The purpose of the visits was for the City's Economic Development and Finance personnel to highlight the City's successful efforts in attracting new business and industry investment, retention and expansion of existing business and industry and the expansion and diversification of the tax base.

The tours took place on Thursday and Friday. Progress wasn't just talked about during the tours, it was experienced as the rating representatives boarded an Amadas bus for the tour. Amadas is one of many Suffolk success stories that was shared with the visitors. In 2004, Amadas Coach, whose sister company is the family owned and operated Amadas Industries, purchased a Suffolk Shell building in Suffolk Industrial Park for \$2.5 million, creating 12 jobs. It is now recognized as the industry leader in motor coach conversion for the entertainment industry, specialty commercial vehicles, luxury motor homes, and custom coaches to serve the executive travel market. In 2008, Amadas received site approval a 50,000 sq ft expansion of the Suffolk facility in Suffolk Industrial Park.

Visitors also toured Virginia Modeling, Analysis and Simulation Center (VMASC) whose headquarters opened in Suffolk in November of 2007. VMASC is a multi-disciplinary modeling, simulation and visualization collaborative research center managed through the Office of Research at Old Dominion University. The \$12.2 million dollar, two story, 60,000 sq ft facility office facility has a conference room which features a 26 foot x 6 foot screen capable of linking with more than 64 video inputs (eight simultaneously) for everything from PowerPoint briefings to virtual environments and remote video viewing. The modeling and simulation center also includes space for secure research projects; facilities for several small-business incubators; a Gigabit Ethernet network; connectivity via the National LambdaRail, and office space for more than 40 researchers. The facility also includes room to expand as the industry grows.

Representatives got to experience the growth in Suffolk's restaurant industry, when they enjoyed a working lunch at the beautiful River Stone Chop House. The Chop House is the second Suffolk restaurant offering by Vintage Tavern owners, Brian and Teresa

Mullins and partners Sam and Cindy McCann, who collectively make up M&M Hospitality Group.

Suffolk's booming hotel industry was highlighted as the group visited the Suffolk Hilton Garden Inn and Suffolk Conference Center. The 150-room full-service hotel and attached 14,000 sq. ft. city conference facility opened in 2005 and is an integral part of the Downtown Suffolk Initiatives Plan developed as a component of the City's 2018 Comprehensive Plan. The development includes a 6 acre public park, boardwalk, and 30 slip marina along the Nansemond River. The new local developers are in the process of beginning a million dollar upgrade project to the property, including new 32-inch flat-panel TVs, ergonomic chairs, and new bedding for each room.

City staff shared the news of two recently opened hotels in Suffolk, as well as two hotels that are currently under construction with three additional hotels that have submitted site plans for review. The recent and projected additions would bring the number of hotel rooms available in the City to 1,348.

Other projects and areas highlighted on the tour included: the recent downtown renovation projects, the new Health and Human Services Building, Virginia Commerce Center, new downtown housing options, Suffolk Seaboard Coastline trail, workforce housing projects, Planters Peanuts, Virginia Regional Commerce Park, East Suffolk Recreational Center, the new Police Administrative building, Unilever/Lipton Tea, Suffolk Executive Airport, Suffolk Industrial Park, Waverton Commerce Park, the recent Habitat for Humanity Blitz and many more.

David Rose of Davenport & Company, the City's financial advisors, advised the visit was a very welcomed opportunity to highlight the "Promises Made, Promises Kept" by the City with regards to progress made since the City's last financial review in October of 2007. Rose advised since last October, Suffolk's structural imbalance was eliminated, diminished liquidity continues to be addressed, capital improvement funding remains on track, internal service fund deficits were addressed and the City's tax rate was reduced 3 cents. Rose advised that although the formalized ratings aren't expected until the end of the year or early 2009, based on the information given during the tour the City of Suffolk can "expect" an increased rating over the course of the next 12-18 months. An increase rating can mean savings of hundreds of thousands of dollars for Suffolk taxpayers. "Bond rating agencies are invited to visit countless cities every year. The opportunity afforded to Suffolk should be viewed as a huge plus," advised Rose.

City Manager Selena Cuffee-Glenn was very happy that the bond rating agencies made the trip from New York to Suffolk. "Their presence here made it possible for us to share vast amounts of information, show them the great progress made in Suffolk, all while saving money that would have been expended had city officials had to travel to New York".

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