

The 3.8-million-square-foot Amazon robotics fulfillment center that will open later this year in Northgate Commerce Park will give the city the third-largest industrial completion in the United States. About 5-million-square-feet of industrial space is expected to open over the course of the year.

Suffolk Amazon facility ranks high on national list

BY JIMMY LAROUE STAFF WRITER

Suffolk will have the third-largest industrial completion in the nation this year when 3.8-million-square-foot Amazon robotics fulfillment center opens soon in Northgate Commerce Park, according to Commercial Search's Industrial Pipeline Report.

The facility is about 76%

of the 5 million square feet of industrial space expected to open in the city in 2022.

"In order to support this substantial facility in Suffolk, a tremendous amount of visioning and planning has taken place over the years by City Council members, Economic Development Authority members and city staff," said Deputy City Manager Kevin Hughes in a statement. "I can't say that we

anticipated a 90-foot tall and 3,800,000-square-foot facility being built during our years of planning and preparation, but it is rewarding to know that the efforts by many allowed us to be able (to) accommodate it."

Amazon's \$230 robotics fulfillment center, which will employ about 1,000 people, will be the second-largest building in Virginia after the Pentagon, and the largest industrial building in the state.

Nationally, up to 592.5 million square feet of industrial space is currently under construction, according to Commercial Search.

The report also ranked the 20 U.S. industrial markets with the most industrial space currently under construction as it looked at what areas of the country

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Amazon: Suffolk on short list for another large facility

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are seeing the most development. Dallas, Phoenix and Indianapolis topped that list.

Giga Texas, owned by Tesla and operating out of Austin, Texas, is expected to have the largest industrial completion of 2022 with 4.28 million square feet of industrial space, followed by a 3.8-million-square-foot Amazon distribution center in Detroit.

The Tesla opening is scheduled for Thursday and is expected to have 15,000 people on hand, according to the report.

Seven of the top 10 industrial projects scheduled to come online in the U.S. this year are Amazon-related.

Only one other distribution center in the top 10 is not owned by Amazon — Walmart's 2.77-million-square-foot facility in Ridgeville, South Carolina. In 2021, the 10 largest industrial comple-

tions were all warehouses owned or leased by Amazon.

But Suffolk is likely not done with large fulfillment centers.

City Council on Wednesday is expected to take up a resolution request an economdevelopment access program allocation from Commonwealth Transportation Board for a 1.5-million-square-foot distribution center, known currently as Project Coastal, from an unnamed Fortune 50 retailer, to be located off of Enterprise Drive along U.S. Route 58 in the Virginia Port The Logistics Park. Fortune 50 represents the 50 largest companies in the U.S.

The project would "provide for new private capital investment in land, building and distribution equipment which will provide substantial employ-

ment," according to the draft resolution before council.

According to documents in council's agenda package, the city has been shortlisted as the potential location for a new import warehousing distribution operation in the Virginia Port Logistics Center.

But because the site lacks proper road access, the company would need help in building the road to provide for the proposed distribution center, and the program is designed to provide the financial help to attract new businesses.

It could provide up to \$850,000 for the project, and it requires a city match of up to \$150,000 for estimated eligible project costs over \$700,000 and up to \$1 million.

Target already has a 1.8-million-square-foot distribution center in the city off of Manning Bridge Road and Route 58 in the

Westport Commerce Park. It opened in 2003.

Massimo Zanetti Beverage USA recently opened its 355,933-squarefoot distribution center in the Virginia Port Logistics Park, which will also be the site of GXO, a division of XPO Logistics that is leasing a 348,500-squarebuilding. foot 307,200-square-foot building will also be leased there by a new-tomarket tenant, and anoth-278,600-square-foot building will be leased by an expanding tenant.

Other sites are seeing development, including the Portside Logistics Center in North Suffolk, the Coastal Logistics Center off the Route 58 Bypass and Carolina Road, the Westport Commerce Park off Route 58 and Manning Bridge Road and the Virginia Distribution Center off Benton Road.

Chesapeake Amazon facility opens

BY JIMMY LAROUE STAFF WRITER

They were both announced at the same time by then-Gov. Ralph Northam on the eve of the COVID-19 pandemic more than two years ago — an Amazon robotics fulfillment center in Suffolk's Northgate Commerce Park and another, smaller crossdock fulfillment center about two miles away, but in Chesapeake.

But it is the Chesapeake fulfillment center, in the shadow of Suffolk's, that opened first, with Amazon announcing Thursday that the 640,000-square-foot processing center launched last

week.

Suffolk's facility, meanwhile, which has appeared on the verge of opening for several months, is expected to do so sometime in September, two-and-a-half years after officials made the announcement, according to company spokeswoman Emily Hawkins, though she did not provide an exact date. Chesapeake's facility, according to the company in its announcement, will create 1,000 full- and part-time jobs.

"As Chairman of the Appropriations Committee, my job is to get the most out of every dollar of revenue to

Amazon: Suffolk facility plans September opening

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help our district," said Republican Del. Barry Knight, who represents parts of Chesapeake and Virginia Beach in the 81st District, in a statement. "Having a worldclass distribution facility and its 1,000 employees locate in our area goes a long way towards meeting the budgetary needs our communities. South Hampton Roads is glad to see Amazon's continued investment in the South Hampton Roads region for businesses, their employees and their families "

The 3.8 million-squarefoot, \$230 million robotics fulfillment center in Northgate Commerce Park is expected to about 1.000 employ people full-time. The ground footprint 822,833 square feet and the building stands at 95 feet, which is four-anda-half stories tall. It's tall enough that Suffolk Fire Chief Mike Barakev noted at Wednesday's City Council meeting that the city needed to order a new ladder truck to reach the top of the building if necessary, and it expects to receive it in November.

Its Amazon facility will be the largest industrial building in Virginia and the second-largest building in the state next to the Pentagon.

"Amazon has quickly become one of Hampton Roads' largest and most engaged employers," said President and Chief Executive Officer of Hampton Roads Alliance Doug Smith. "The opening of this facility in Chesapeake represents vet another milestone in their tremendous growth in the region, aided by the impressive collaboration between our partners in the City of Chesapeake. Virginia Economic Development Partnership, and the Port of Virginia. We are confident that this is only the beginning of Amazon's relationship with the Hampton Roads community."

Suffolk's fulfillment center will work alongside robotics and other technologies to pick, pack and ship smaller-sized customer orders to people in Hampton Roads.

As a precursor to the opening of Suffolk's Amazon robotics fulfillment center, the company in late January opened a 60,000-square-foot delivery station, called AMXL Delivery Station, another part of Northgate Commerce Park, at 103 Industrial Drive. That site handles large-size items such as televisions. couches and kayaks for last-mile deliveries within an hour's radius of the facility. It employs about 60 people in full- and part-time jobs.

Chesapeake's inbound cross-dock fulfillment is the first of its kind in Virginia. Its facility will receive and consolidate goods from vendors and then send them to surrounding Amazon fulfillment centers.

"Amazon is excited to continue its growth and investment in Virginia with a new, state-ofthe-art operations facility in Chesapeake," said Melissa Nick, Amazon's vice president of global customer fulfillment. "The commonwealth and its incredible workforce have been vital to our ability to serve our incredible customers and provide great selection and super-fast Prime shipping speeds across the region."

Across the state. Amazon has more than 30,000 full- and part-time employees and opened its first Virginia fulfillment center in Sterling in 2006, and has more than 20 operations facilities across the state. According to Amazon, it has invested more than \$34 billion in the state through its local fulfillment center and cloud infrastructure. research facilities and compensation to thousands of employees, with its investments contributing another \$27 billion to the state's economy. Its average starting wage for hourly employees is more than \$18 per hour in the U.S.

The company, using methodology developed by the U.S. Bureau of Economic Analysis, estimates its investments have created an additional 96,000 indirect jobs.

"So many of my constituents depend on timely delivery of goods from Amazon, so I am very happy that Amazon's footprint is expanding here in Hampton Roads," said Republican state Sen. John Cosgrove, who represents parts of Chesapeake, Suffolk, Franklin, Portsmouth, Isle of Wight County and Southampton County in the 14th District.

When the two fulfillment centers were 2020, announced in Ardine Williams, Amazon vice president of workforce development, cited the access of the two sites to the Port of Virginia, along with a good infrastructure and strong workforce, good education system and collaboration among localities, as reasons to locate the facilities in the two cities, within two miles of one another.

City Amazon facility opens

BY JIMMY LAROUE STAFF WRITER

Prime time has arrived.

The new Suffolk Amazon robotics fulfillment center has officially opened for business.

While the announcement came

with much fanfare and a visit from then-Gov. Ralph Northam, an Amazon official announced the opening of the 3.8 millionsquare-foot, \$230 million facility in Northgate Commerce Park came quietly, with the fanfare expected sometime later this year. The ground footprint of the building is 822,833 square feet, and it stands at 95 feet tall, which is four-and-a-half stories.

"The fulfillment center successfully launched earlier this month," company spokeswoman Emily Hawkins said, two-and-

a-half years after officials made the announcement. It is expected to employ about 1,000 people in full-time positions.

This comes on the heels of Amazon's nearby 640,000 square-foot cross-dock ful-fillment center, the first of its

month about two miles away in Chesapeake — that location will, according to the company, create 1,000 full- and part-time jobs.

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Amazon: Ceremony later this year

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delays in getting the facility operational, having been previously scheduled to open earlier this year.

"It's really challenging to hit a deadline in construction these days." Deputy City Manager Kevin Hughes said in an interview earlier this year. "That facility is just much different, and so, the equipment needs to operate that facility probably delayed a lot of it"

He likened the new Suffolk Amazon facility to a different company.

"The way that I like to think of that facility is you just take all the Walmarts in Hampton Roads, and stack 'em," Hughes said. "That's what that is"