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NEWS RELEASE

FOR IMMEDIATE RELEASE

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Virginia Beach Rolls Out Welcome Mat for Data Centers Key tax reduction and certification approved

The City of Virginia Beach has reduced the tax rate for data center equipment to solidify its business-friendly approach to this growing industry sector. The new tax rate decreases the tax on computers and peripherals used in data centers to \$0.40 per \$100 of assessed value, with a depreciation schedule of 40 percent of original cost. This decrease is one of many new initiatives Virginia Beach is embracing to welcome data centers to the city.

“This tax rate is highly desirable and puts us in a very strong competitive field to attract data centers,” said Virginia Beach Economic Development Director Warren D. Harris. “We want data center operators to know we have the resources in place to support their global customer base.”

These kinds of advantages are integral to the new undersea cables in Virginia Beach, the first in the Mid-Atlantic region. MAREA, the transatlantic cable by Facebook, Microsoft and Telxius, a subsidiary of Telefónica, has arrived and will be live in the first quarter 2018 with the first ultra-high-speed data cable from Bilbao, Spain. BRUSA, also owned by Telxius, will bring the second cable from Fortaleza and Rio, Brazil to Virginia Beach in the third quarter of 2018. Each cable has a designed bandwidth of 160 terabits per second, and they are the fastest cables in the world.

Additionally, Corporate Landing Business Park has been officially certified as a data center site by Dominion Energy. Corporate Landing Business Park is a 325-acre, Class A, mixed-use park with ultra-high-speed commercial and residential network infrastructure in place, available fiber access hubs, a cable landing station and several planned data centers. The location has been approved for streamlined permitting processes offering stable business costs, competitive power rates and flexible business assistance programs. Dominion Energy currently has eight other certified data center sites, and Virginia Beach is the first and only location in Southeastern Virginia. Corporate Landing has been designated as a Technology Zone with additional incentives established by the Virginia General Assembly.

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“Virginia Beach is at the forefront of this major technology because of the proactive approach by City Council to stay competitive and business friendly,” said Ben Davenport, Virginia Beach City Council. “The future of tomorrow’s cities will be determined by their ability to connect to the rest of the world, and this new digital infrastructure provides Virginia Beach the highest possible level of connectivity.”

*The mission of the Virginia Beach Department of Economic Development is to attract and retain national and international businesses to stimulate capital investment and create jobs. Virginia Beach is the most populous city in Virginia with a population of 450,000, and it is the 37th largest in the United States. The Department of Economic Development received re-accreditation through the International Economic Development Council in 2016 and is one of only 50 economic development organizations in the world to have this recognition. **Most recently, Virginia Beach was named America’s #1 best big city to live in by wallethub.com.** For more information, visit www.yesvirginiabeach.com.*

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