Job & Salary Survey

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Marching Forward

Fort Lee’s expansion already making waves in Tri-Cities

By Bill Farrar
Illustration by Arnel Reynon

To say that growth can be stressful in the context of Fort Lee’s current expansion is an understatement of the obvious.

Yet it is difficult to comprehend the massive scope and pending impact of the U.S. Army’s rapid build-out of its training and logistical center in the Tri-Cities area.

In a span of just five years, the daily base population will more than double — from an estimated 16,273 to 32,666. The increase itself is on a par with the total headcount of some of Virginia’s smaller cities and counties.
The major difference is that some of those communities have had more than 200 years to adapt to their infrastructure, government, school system, and social services needs. Fort Lee’s growth will be completed in the virtual blink of an eye, which has local, regional, and state planners and economists both eager and concerned.

The upside of the expansion is its already significant economic impact on the region; construction in 2006 alone poured $32 million into the area economy, and that number is expected to continue to grow exponentially until the expansion is completed in 2011.

“You can get overwhelmed with all the data,” says Dennis Morris, executive director of the Crater Regional Planning District Commission, which has led the regional effort to respond to the expansion. “What helps me in these cases, I look at it as though a large corporation was coming into town and hiring 3,000 people and what would that mean.”

The downside to this type of growth is the near-immediate demand for regional services and on roads and other infrastructure, all of which require time to plan and money to implement. Those responsible for managing growth in the Tri-Cities area now are challenged just to grasp the extent of what the base explosion will mean, let alone put the support systems in place to handle it.

“It is hard to get your mind around it,” says Timothy Kestner, an economist with the Virginia Employment Commission who prepared an economic analysis of Fort Lee for the Crater commission. “In terms of the employment impact and what it means for the economy, certainly it is positive and it is going to impact a lot of service businesses in the area.

An aerial view of the new ordnance school, which will house all weaponry training.

The negative side is those people are going to need services from the local and state government in terms of school, in terms of police protection and other services, he adds. “There will be a larger demand on local government in general that will need to be addressed.”

Properly planned at the local level, the impact will be a boon to the region — primarily in Prince George County and the cities of Colonial Heights, Hopewell, and Petersburg, but also bleeding over to locales beyond. However, accommodating such an influx of new residents and their needs could “absolutely” be traumatic to the area, Kestner says.

Mobilizing Growth

To try to understand the regional transformation that Fort Lee’s expansion is likely to prompt, it is necessary to understand the base and the expansion project itself.

Camp Lee was established in 1917 following the United States’ declaration of war against Germany. It served as a mobilization camp and later became a training facility. Following World War I, the state assumed control of the site and turned much of it into a game preserve. A second Camp Lee was built in 1940, and by the end of World War II it became the center for Quartermaster training.

In the early 1990s, the base was targeted by the U.S. Base Realignment Closure and Realignment Commission (BRAC) for closure. By 2005, though, BRAC performed a complete about-face, and the Army ordered an expansion of Fort Lee instead. Personnel and support functions — ranging from training and logistics to tank repair and materials distribution — from other military installations in Virginia, Texas, and Maryland will be consolidated at Fort Lee.

By 2011, construction of more than 7 million square feet of new office space to create a Sustainment Center of Excellence and an Army Logistics University, as well as erection of new barracks and housing to accommodate servicemen and their families, will be completed, according to Albert Cruz, a civilian planner with the BRAC Construction Office.

“This is going to be the central point of logistics for the Army,” Cruz says.

Even sub-segments of the base expan-
sion mimic mini-cities. A new ordnance school (a center for weaponry education) will be built on a site north of Route 36. It will include massive training facilities, six barracks buildings, offices, a gymnasium and recreation center, a chapel, medical and dental facilities, a culinary school and a dining facility that will be able to serve 1,500 people at a time.

All told, the number of permanent military men and women housed at the base will increase from 3,292 to 5,496 by 2011, according to September 2007 estimates. The number of military family members will rise from 4,954 to 10,092; the average daily military trainee load will jump from 4,954 to 10,092; contractor support will grow from 1,201 to 1,407; and civilian permanent residents are expected to increase from 3,395 to 4,492.

In planning the expansion, “we need to think not only about the number of soldiers, but their family members, civilians and others,” Cruz says.

Spreading the Wealth

The most immediate economic impact clearly relates to the construction project itself, according to officials.

Using grant funding from the U.S. Department of Defense that targets economically distressed areas, the Crater Planning District Commission, which supports the cities of Colonial Heights, Emporia, Hopewell, and Petersburg and the counties of Chesterfield, Dinwiddie, Greensville, Prince George, Surry and Essex, has established the Crater Procurement Technical Center to encourage local companies to capitalize on the flurry of activity.

“We identified that BRAC construction was a very good opportunity for our businesses,” says Joanne Tomkins, director of procurement assistance for the center. “Right now there is a real hunger to get construction contracts, to get a piece of Fort Lee.”

The center conducted a BRAC informational session in December 2006 that was attended by representatives of more than 400 companies, most of which are too small to contract directly with the federal government but may qualify to work as subcontractors. Several subsequent sessions have been held to help business owners understand such matters as bonding, responding to solicitations, and how to establish partnerships and joint ventures that might position them for future work.

“We’re trying to help them get smarter about how to get in the queue to make bids,” says Morris.

To date, Tomkins’ database includes more than 600 businesses from the Richmond metro area and extending to Tidewater and Northern Virginia, and it continues to grow. “There is a lot of word of mouth,” she says.

Major opportunities also exist for service industries – such as dry cleaners and retailers – to benefit from the increase in population, Morris says.

By the Numbers

A Dec. 3 meeting brought together community leaders, residents and business owners at Petersburg’s Union Train Station, all eager to learn how the expansion will impact them. The Crater Planning District Commission presented its Fort Lee Growth Management Plan, which provided updated estimates as well as recommendations to accommodate the surge.

In terms of new residents, Chesterfield County is expected to see the highest percentage of growth, with 809 of the 1,792 estimated new households by 2013. Prince George County should see 317; Petersburg, 217; Hopewell, 150; Colonial Heights, 166; and Dinwiddie County, 133.

The report predicts that most military, civilians and contractors will be able
to afford homes between $200,000 and $300,000, with about 85 percent of civilians and contractors and 25 percent to 30 percent of military families purchasing new homes.

Of the 2,500 estimated new students by the 2011/2012 school year, the report predicts that Prince George County schools will absorb a possible 1,500, which includes those of families living at Fort Lee. Chesterfield County will see the second largest increase, at 555 new students.

Dr. Winston Odom, superintendent of Hopewell City Schools, said he has set up a system by which about 35 staff and community volunteers monitor key data as closely and frequently as possible in order to be able to plan for the influx.

Before the Dec. 3 meeting, he referred to the situation as "one of the most frustrating things I have had to deal with" and said trying to get his arms around the data was "like nailing Jell-O to a tree and watching it slide off." After hearing the consultant's report, he says it's now more like syrup than Jell-O and that the picture is becoming a little bit clearer. He still plans on relying on his committee, which will be gathering research as well.

Further, he says, even if administrators can accurately anticipate the number of new students, state funding – which makes up the majority of each school system's budget – is based on existing school enrollment, not projections. That means that while they may know how many more classrooms or instructors are needed, the system won't have funding to pay for them until the students are enrolled.

"The last thing we want to do is bring in trailers," he says.

According to a study released by the VEC in September, while major troop increases do not begin until 2008, the preparation for their arrival began in earnest in 2007 as construction increased from $32 million in 2006 to $220.3 million (nearly 600 percent). This year could be a banner year as construction will more than double from 2007 to $507.7 million. Prior to the BRAC-ordered expansion, Fort Lee operations in 2006 generated a total of approximately $53 million in state and local taxes. In the years 2007 through 2013, total taxes could approach $580 million, with $200 million of that amount in local revenue.

Crater's report predicts area employment should peak in 2010 at roughly 12,000, largely based on construction demands, which should employ about 5,600. Other fast growing occupations will be in the health-care, education, retail and service industries. The Growth Management Plan recommends hosting job fairs and networking events and recruiting school teachers from incoming Fort Lee spouses.

In the area of transportation, Morris says his office, working in concert with the localities and the Virginia Department of Transportation, has identified a list of improvements that are needed right away to handle the increase in traffic directly surrounding the base. Cost of the 18 projects totals nearly $20 million, but only about half of that funding yet has been identified, and that doesn't account for greater, long-term needs that are currently being modeled by VDOT, according to Morris.

The immediate projects range from several signal modifications estimated at $10,000 each to major roadway realignments and intersection improvements with price tags upward of $3 million each.

"These are the projects that need to be done just to manage the traffic flow going into the [base] gates," Morris says.

Other areas, such as how to handle impacts on health care, remain major question marks since Fort Lee does not have a hospital on the base, he adds.

**Different World**

Some who live and work in the Tri-Cities area fear that in all of the enthusiasm over the economic boon, the tremendous anticipated growth with plow over its quaintness and charm.

"I do have a tremendous fear that they are going to lose that small-town feel," says Michelle Groux, a Realtor with Best Realtor who is currently showing newly constructed homes in the Matoaca area to military and civilians being reassigned to Fort Lee. "I'm real concerned about it. I don't know how the schools are going to accommodate it and you've got a whole lot of two-lane country roads" that could be overwhelmed with traffic.

While planners remain optimistic, they agree that the expansion will transform the area in many ways that will not be known for years to come.

"This will be a benchmark starting point for us as we move forward," Morris says. "It is going to take a good decade or more for all of this to shape our regional economy."

Kestner, the economist, agrees, though noting that short-term effects will be visible as well. "It is going to be very noticeable that things have changed over the next two years." Beyond that, the region "is going to be strikingly different."

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**Estimated Household Increases by Area**

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<th>Area</th>
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<tbody>
<tr>
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<td>Dinwiddie County</td>
<td>133</td>
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