



August 26, 2025

Dear Mayor Dyer, Vice Mayor Wilson, and Members of City Council:

As the City updates its Comprehensive Plan, it is critically important to identify land to support the expansion of our tax base. Without available developable land, we will lose our ability to attract new businesses and to allow our existing businesses to grow and prosper. Current and developing economic conditions, as well as regional assets like the Port and our ship building industry contribute to the need for more and more industrial real estate, which is in short supply in Virginia Beach both for large projects and small projects. In fact, recent market reports indicate that the vacancy rate in Virginia Beach is 0.7% to 2%. With a growing demand for industrial land and a short supply, we run the risk of losing existing businesses and will have no ability to attract new businesses, if we do not act now.

Innovation Park, which currently sits in the Princess Anne Special Economic Growth Area has been a success story. Since 2022 it has allowed for the phased expansion of multiple businesses, including two local businesses, which have grown exponentially resulting in over 850 new and projected jobs, 500 retained jobs and over \$173 million dollars in new and projected private capital investment. Had land not been available in Innovation Park, these businesses would have had to look outside the City to expand. With the success of those businesses and others there is little land left in Innovation Park for development. In fact, during our Business Expansion and Retention Roundtable last December, many existing businesses expressed a need for additional land to expand and grow their businesses.

Given the success of Innovation Park, we strongly urge you to plan for the extension of Hudome Way to the southwest, ultimately connecting it with Landstown Road which would permit the expansion of Innovation Park into roughly 93 acres of contiguous land, currently owned by the City. While this expansion of Innovation Park would be sufficient for the short-term, a long-term plan for further expansion should include the further expansion of Innovation Park into the 600+ acres further south known as the Brown Farm. An expansion of this magnitude will also help the City vie for state funds available for infrastructure.

In short, our City's ability to attract and retain growing businesses will be hamstrung if we do not identify areas which could support light and advanced manufacturing businesses. Given the location and success of Innovation Park, we strongly urge you to plan for the expansion of Innovation Park into the 93 acres adjacent to it to the southwest with the extension of Hudome Way to Landstown Road to provide a secondary means of ingress and egress into Innovation Park, and further into the 600+

acres comprising the Brown Farm further south as depicted on the Innovation Park Conceptual Master Plan attached hereto.

Sincerely,

Lisa M. Murphy
Chair
The City of Virginia Beach Development Authority

CC: The City of Virginia Beach Planning Commission