

From: [Patrick Duhaney](#)
To: [Amanda Jarratt](#); [Barbara Henley](#)
Subject: Re: Innovation Park
Date: Wednesday, May 14, 2025 8:48:25 PM
Attachments: [image001.png](#)

Councilmember Henley:

We will also include a hard copy of the below in your Council package on Friday.

Patrick

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From: Amanda Jarratt
Sent: Wednesday, May 14, 2025 5:25:50 PM
To: Barbara Henley
Cc: Patrick Duhaney
Subject: Innovation Park

Good evening Councilmember Henley. Please see the information requested related to Innovation Park below.

Innovation Park is a public business park located within the Princess Anne Commons *Special Economic Growth Area* (SEGA) 4 of the current Comprehensive Plan. Princess Anne Commons is designated as a SEGA in recognition of its economic development opportunities based on the existing medical, research, entertainment, recreation, and athletic facilities in the area and the suitability of such uses within the *Interfacility Traffic Area* (ITA). Below is a timeline of the Park's establishment and development:

- 2014 - Mayor Sessoms established the 'Virginia Beach Biomedical and Health Sciences Task Force' to explore the creation of a biomedical and healthcare hub in Princess Anne Commons. After conducting a market study, the Task Force examined the benefits of diversifying the City's economy with biomedical and healthcare industry growth. The Task Force determined that creating a Biomedical Park in Princess Anne Commons would be an effective method for promoting those industries.
- April 2016 - 150-acre conveyance to VBDA to promote the expansion of the biomedical and healthcare business in the City.
- December 2016 - Conditional Rezoning from AG-1 & AG-2 to I-1 with

Design Guidelines and Proffers Adopted.

- May 2017 – VA Beach Bio Infrastructure Phase I CIP (9-030) adopted by City Council for \$3,349,000 to design and construct the first phase of Infrastructure to support the Park.
- December 2017 – City Council adopted the Interfacility Traffic Area (ITA) Plan with the following vision outline for the business park:
 - Regional trail network to be incorporated throughout the park
 - Wooded area adjacent to Princess Anne Road to be preserved
 - Development to be consistent with the 2016 Princess Anne Commons Design and Development Guidelines
 - Park to incorporate stormwater best practices and incorporate low-impact development principles
- May 2018 - VA Beach Bio Infrastructure Phase I CIP (9-030) increase to \$3,709,000 adopted by City Council
- 2019 to 2020 – The first phase of Park Infrastructure construction was completed, consisting of a two-lane access road, Hudome Way, utilities, and a stormwater maintenance facility.
- July 2020 – 14.4 acres sold to YCH LLC for three medical office buildings for \$ 1.86 M. The development was never constructed per the purchase agreement, and the property was recaptured by VBDA in 2023.
- October 2020 – Growth and Opportunity VA State Site Readiness Grant received from the Commonwealth of Virginia for \$866,900 to help fund sanitary park infrastructure expansion and achieve site readiness certification from the Virginia Economic Development Partnership.
- May 2021 – VA Beach Innovation Park Infrastructure II CIP (#100576) is adopted by City Council for \$6,000,000, the second phase of infrastructure to extend Hudome Way and to conduct long-range planning for the entire park.
- May 2023—The City Council adopted an increased cost of \$18,659,000 for the VA Beach Innovation Park Infrastructure II CIP (#100576) project, which extends Hudome Way and utilities 1,500 feet, builds a new sanitary pump station, multi-use path, traffic signal at Hudome Way and Princess Anne Road, and adds three additional

stormwater management facilities.

- June 2023 – Innovation Park Design and Development Guidelines and Proffer Updates adopted by City Council to provide more guidance for contemporary light industrial/advanced manufacturing buildings and add additional protections for the Princess Anne corridor viewshed
- October 2023 – Phase II Infrastructure construction began and is anticipated to be completed by Fall 2025

The Biomedical Industry in Virginia Beach

Economic Development pivoted in 2020 from the “VB Beach Bio Park” to the “Innovation Park” based on several factors:

- The biomedical ecosystem, including the availability of a trained workforce and biomedical-focused higher education institutions in Virginia Beach, was not developed enough to attract the desired biomedical companies.
- Biomedical attraction is ongoing but has shifted to smaller domestic recruitment and retention efforts.
- The pandemic caused a surge in advanced manufacturing markets, expanding the Park’s focus on keeping and growing key businesses in Virginia Beach.

Innovation Park Design Guidelines

VBDA follows the following procedures during the applicant’s site plan review process per section 4.3 of the Design Guidelines ([here on our website](#)):

Approval of plans must be given by the Staff before the commencement of any construction. Approval of any design will be good for one (1) year. After this time, if construction has not started, the developer may be required to resubmit. Variations to the Design Guidelines not encompassed by the proffers of the affected property may be considered upon receiving a written recommendation from the VBDA as to whether the plans submitted should be approved or rejected. Final determination to deviate from the Design Guidelines shall rest solely with the Director of Planning and Community Development.

Innovation Park Current Status

Currently, there are 31.6 acres available to purchase between four parcels within the park. The largest parcel is approximately 17.1 acres, and the

smallest is 3.9 acres. There are two businesses within the Innovation Park:
Acoustical Sheetmetal Company (ASC):

- Manufactures sound-reducing weather-protective enclosures for power equipment
- Dec. 2020 – ASC purchased 19.3 acres for \$1.35M (the land was incentivized as the City's [Commonwealth Opportunity Fund](#) Match) for a \$16.5M manufacturing facility.
- March 2023 – ASC purchased 5.1 acres for \$350k for parking needed to accommodate their second, \$26.4M manufacturing facility
- ASC has created a total of 380 new jobs and invested \$43M to date within the park and generates approximately. \$250K/year in real estate taxes

Architectural Graphics Inc. (AGI):

- Provides branding services and signage solutions to a diverse set of clients
- May 2022 – 40.1 acres sold to AGI for \$4.6M (Incentive Contribution to keep the company in Virginia Beach) for a multiphase, 410,000 SF manufacturing facility and corporate headquarters
- October 2023 – AGI facility and Innovation Park Infrastructure Phase II construction began. AGI is constructing its manufacturing facility and the public infrastructure through a cost participation agreement with the City of Virginia Beach Development Authority. This public Park infrastructure is funded by CIP# 100576, VA Beach Innovation Park Infrastructure II, and a GO VA Hampton Roads Economic Development Site Readiness Grant in 2022 from the Commonwealth of Virginia for \$866,900 in the amount not to exceed \$17,289,284.
- With AGI's development, they are anticipated to create/retain 500 jobs within the City of Virginia Beach.
- AGI's phase one, 210,000 SF facility capital investment estimated at \$41M
- A second 200,000 SF addition is being planned and is estimated at \$28M

Should you need any additional information on this matter please let me know.

Best regards,

Amanda

Amanda C. Jarratt

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