

40 acres and a model

By David Larter - Published: September 19, 2012

A plan to radically change Innsbrook will likely get underway next year.

Paul Kreckman, vice president of Highwoods Properties, said Tuesday that his company is still working with Henrico County to gain approval for the first phase of a plan that will redevelop the suburban office park into a mixed use, urban-style development.

“We’re going through the process with the zoning case and probably will be through the end of the year,” Kreckman said, speaking at a breakfast put on by Greater Richmond Association of Commercial Real Estate at the Country Club of Virginia. “Then we hope to start building next year at some point.”



Highwoods, one of the biggest property owners in the office park, is the lead developer on a plan to add residential and commercial properties and redo and add roads in Innsbrook.

Highwood’s plan calls for 188 acres of development over 20 years at an estimated cost of \$2.4 billion. The change would also allow Highwoods to develop 415,000 square feet of retail, 1,000 hotel rooms and 6,000 apartment and condo units, along with 3.5 million square feet of office space.

Kreckman pointed to Virginia Beach Town Center as one development that has influenced what Highwoods has in mind.

He said the first phase would include three buildings on a 40-acre plot.

“We’re taking 40 acres, and we’re going to try and prove the case,” he said. “We want to identify what’s right and what’s wrong with the model. We’re not wedded to anything that doesn’t work.”

Highwoods started planning the urban Innsbrook project when the office market bottomed out in 2009.

“It was the worst office environment we’ve ever had,” he said. “It was at that time we started the planning process in coordination with the county about what Innsbrook would be when it grew up.”

Kreckman said Highwoods is still waiting on the economy to pick up before it’s able to move ahead with the plan full-force.

“I’m not sure when and how, but I believe it’s coming back, and our goal is to put ourselves in front of it,” he said. “We want to have what we think is the right kind of product for the market when the economy does come back.”

Also speaking at the breakfast was Sidney Gunst, one of the original developers of Innsbrook. Gunst said transforming Innsbrook into a more urban setting is a challenge because the subsidies from the county today are not the same as when he developed the property initially.

“We’re going to have deal with the real cost of infrastructure,” Gunst said. “There are no free roads any more.”

Gunst has credited publicly subsidized roads with helping Innsbrook get off the ground when he developed the park in the 1980s. At that time, West Broad Street was a two-lane road.

Kreckman said he thinks it will take 50 years for Innsbrook’s 800 acres to be fully developed..