

As Appeared On:



July 12, 2011

---

# Innsbrook One Step Closer to Being Redeveloped as Urban Mixed Use Center

By Al Harris - Published: July 12, 2011

One of Innsbrook's largest property owners has taken a major step toward transforming the suburban office park into a more urban environment. Highwoods Properties has submitted a zoning application that would allow the firm to develop new office towers, apartment buildings, retail shops and streets on the 188 continuous acres it owns in Innsbrook, which accounts for about a third of the park.

Paul Kreckman, vice president of Highwoods' Richmond office, said that Innsbrook needs to change in order to survive.

"If you are standing still, you tend not to stand still any longer but start to go downhill," Kreckman said. "There are examples of office parks around Richmond that have been bypassed and began to decline.

"Innsbrook is too good for that."

Highwoods is seeking permission from Henrico County to rezone their Innsbrook property under the newly created urban mixed-use designation, which allows for pedestrian-orientated development and combining multiple uses under one roof. In September, the county included the Innsbrook area as a candidate for such development in its land use plan.

Currently, the zoning for most of Innsbrook allows only for office with the exception of banks, daycare centers and light industrial facilities.

The new zoning would also allow for taller buildings, up to 16 stories in the center section of Innsbrook. The added density would enable Highwoods, which owns 1.9 million square feet in the park, to eventually develop an additional 3.5 million square feet of office space, compared with the 450,000 square feet it could build out under the current zoning, Kreckman said.

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.

The first phase of new development could come as soon as next spring, Kreckman said.

"We are hoping to get through the zoning phase by late fall, and then we could go through our first plan of development over the winter months and be ready to start construction in the spring," Kreckman said.

The company's existing 25 office buildings within the proposed area would be mostly unchanged, Kreckman said. Building would take place on undeveloped land as well as on parking lots. New parking facilities will be built.

As the developments unfold, Kreckman said, Highwoods would be creating a new street grid, which the firm plans to develop one block at a time.

Kreckman said they are looking to start with a small office tower with ground level retail, but they will need to secure a major tenant first.

“I don’t see us being back in a speculative market. The next project you see will be specifically tied to a build-to-suit for a major user,” Kreckman said. “We are talking to some very strong prospects who are interested in coming into this kind of product.”

The prospects they are currently talking to would support a building of up to 12 stories, but the plans could be scaled up or down depending on the demand, Kreckman said.

As to whether the other property owners in Innsbrook will follow suit, Kreckman expects they will be paying close attention to Highwood’s plans.

“What we are doing is creating the template, and others will watch us go through the process and see how successful we are,” Kreckman said.