

Suffolk, Virginia

A ULI Advisory Services Panel

February 20-25, 2011



Introduction

Alex Rose

Senior Vice President

Continental Development Corporation

El Segundo, California

Special Thanks to the City of Suffolk

- Mayor Linda Johnson
- Selena Cuffee-Glenn, City Manager
- Patrick Roberts, Deputy City Manager
- Harold Faulk, Chairman, Economic Development Authority

Special Thanks to Tidewater Community College

- Dr. Deborah DiCroce, President, Tidewater Community College
- Frank Dunn, Vice President, Tidewater Community College
- Donald Goldberg, Chair, Tidewater Community College Real Estate Foundation

Special Thanks

- Kevin Hughes, Director, Department of Economic Development
- Greg Byrd, Assistant Director, Department of Economic Development
- David Harnage, Executive Director, Tidewater Community College Real Estate Foundation

About ULI-What We Do

The Urban Land Institute (ULI) is a nonprofit research and education organization that focuses on issues of land use and real estate development.

ULI's Mission:

To promote leadership in the responsible use of land to create and sustain thriving communities worldwide



About ULI-Who We Are

With over 30,000 members worldwide, the heart of the ULI experience is an open exchange of ideas, networking opportunities, and the ability to work with the leaders of the land use industry.

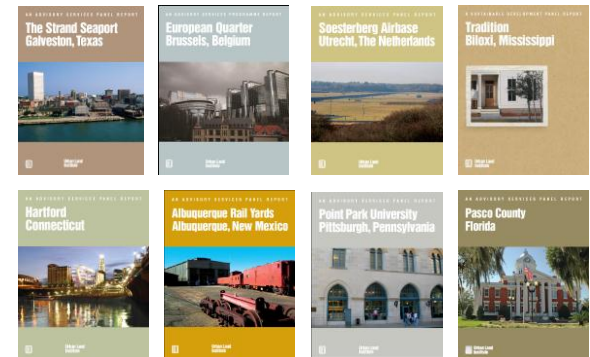
Members include:

- Developers
- Builders
- Engineers
- Attorneys
- Brokers
- Planners
- Market Analysts
- Investors, Bankers and Financiers
- Academics
- Architects and Designers
- Public officials



Advisory Services at ULI

- Over 600 panels since 1947
- 15-20 panels a year
- Panels provide independent, objective, and candid advice to governments, private firms and non-profits
- Panelists are volunteers



Panelists

Panelists

Alex Rose, Chair

Dan Conway, Market

Ross Tilghman, Development

Jerry Franke, Development

Allen Folks, Planning

Peter Hasselman, Planning

Sue Southon, Implementation

Donna Lewis, Implementation

ULI Staff

Tom Eitler

Caroline Dietrich

Ted Thoerig

ULI Hampton Roads

John Peterson

Overview

- 444 acre site
- Opportunities and timing
- Planning and preparation
- Action plans

Confluence Point



Market Analysis

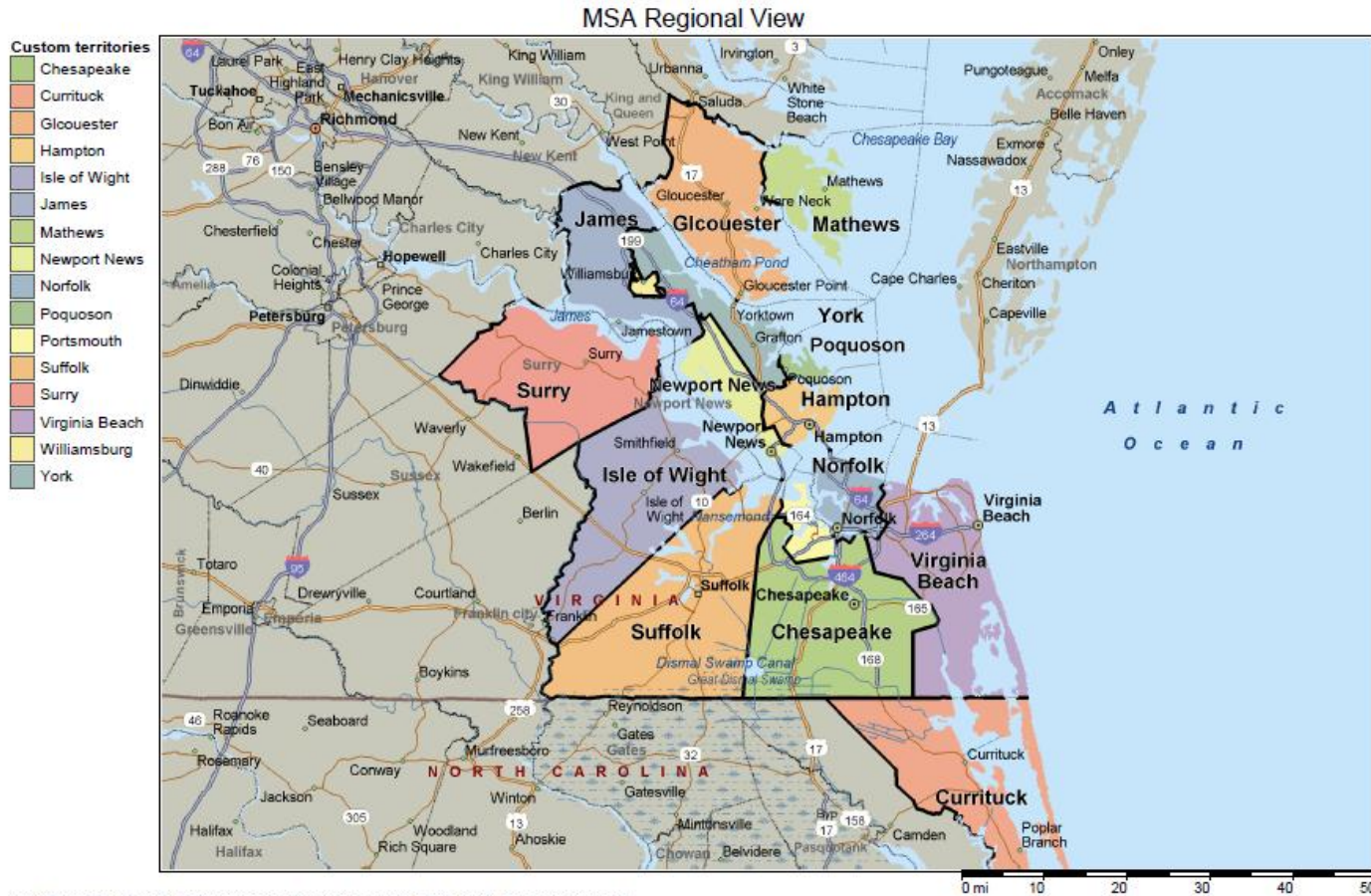
Dan Conway

President

THK Associates, Inc.

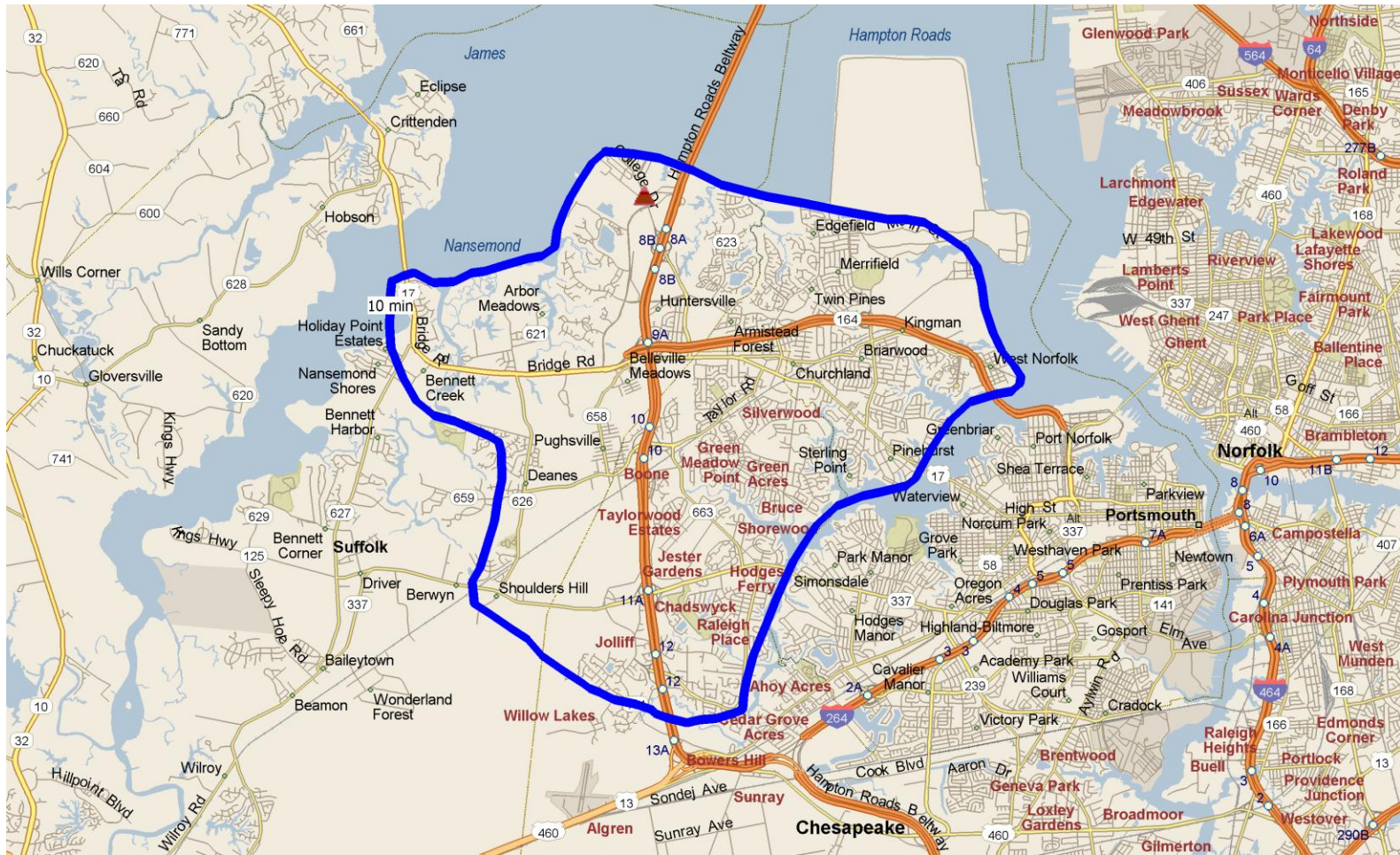
Aurora, Colorado

MSA Regional View



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Primary Trade Area



Market Analysis

Socio-Economic Trends

	Hampton Roads MSA			Suffolk, VA		
	1980	2011	2021	1980	2011	2021
Civilian Employment	656,811	1,031,800	1,136,200			
Population	1,208,955	1,790,859	1,005,900	47,621	89,430	108,700
Households	402,888	667,268	750,000	15,742	32,939	39,030

Market Analysis

Commercial Development Trends

Hampton Roads MSA			
	2011 Inventory	Historical Annual Construction	Projected Construction
Office	45.4 million sq. ft.	808,300 sq. ft.	1,015,500 sq. ft.
Industrial	334.7 million sq. ft.	1,309,500 sq. ft.	1,103,300 sq. ft.
Retail	100.6 million sq. ft.	1,315,100 sq. ft.	1,248,000 sq. ft.
Hotel	39,000 rooms	450 rooms	515 rooms
Suffolk Primary Trade Area			
Office	2,303,800 sq. ft.	80,700 sq. ft.	122,000 sq. ft.
Industrial	8,730,600 sq. ft.	29,300 sq. ft.	110,300 sq. ft.
Retail	5,531,500 sq. ft.	144,700 sq. ft.	180,400 sq. ft.
Hotel	675 rooms	20 rooms	25 rooms

Market Analysis

Historical Residential Development Trends

Hampton Roads MSA			
	30 yr. annual average	10 yr. annual average	3 yr. annual average
Single Family	7,654	5,991	3,656
Multifamily	2,593	1,927	1,597
TOTAL	10,248	7,918	5,253
City of Suffolk			
Single Family	493	719	378
Multifamily	108	145	29
TOTAL	601	864	407

Market Analysis

Projected Residential Demand (10 Year Annual Average)

	MSA	Suffolk Primary Trade Area
Single Family	4,700	360
Townhomes & Condominiums	1,300	90
Rental Apartments	2,350	175
TOTAL	8,350	625

Market Analysis

Land Use Analysis

<u>Land Use</u>	<u>Acreage</u>	<u>Square Footage or Units</u>	<u>Land Use</u>	<u>Acreage</u>	<u>Square Footage or Units</u>
Office, Flex, R&D			Retail		
General Office	42 acres	512,000	Community Retail	25	275,000
Flex/R&D	15 acres	183,000	Highway Oriented	10	100,000
Medical Related	20 acres	244,000	Restaurants & Entertainment	11	125,000
Military/Government	30 acres	366,000	TOTAL Retail	46	500,000
TOTAL Office, Flex, R&D	107 acres	1,305,000			
			Hotels & Lodging	10	350-500 rooms
			TOTAL Commercial	163	2,000,000
			Residential		
			Rental Apartments	44	1,100
			Townhomes & Condos	80	800
			Single Family	32	200
			TOTAL Residential	156	2,100
			TOTAL DEVELOPABLE	319	

Development Strategies

Ross Tilghman

Director

Tilghman Group

Seattle, Washington

Jerry Franke

President

Wispark, LLC

Milwaukee, Wisconsin



Urban Land
Institute

Advisory Services Program

Suffolk, VA Advisory Services Panel

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Vision

Doing the “Right” Thing

- Capitalize on major assets
 - Central, accessible
 - Gateway to Suffolk
 - Witness to history
 - River confluence
- Develop uses compatible with those assets
- Be patient



Vision

Confluence Point

- A different character of development
 - Between suburban and urban
 - Community of mixed uses
 - Low- to mid-rise buildings
 - Entirely walkable
 - Prominent, public open spaces
 - Park-like roads, landscaping



Vision

What's **Not** the Right Thing?

- Industrial
 - Trucks and blank walls
- Warehouse/distribution
 - Too few people, blank walls; trucks
- Big Box
 - Blank walls



Land Use Recommendations

- Holistic view
- Varying advantages within the site
 - EDA Parcel as front door with highway visibility
 - TCC parcels with river views and access
- Buildable area
 - Approx. 319 acres or 72% of the site

Land Use Recommendations

Optimal Future Land Use: EDA Parcel

- Single-User Office Campus
or
- Multi-Tenant Office Complex



Land Use Recommendations

- Armistead Road area capable of developing more quickly than other site areas
- Right type of project could become a “seed” project for the site’s development
 - Offices for technology, modeling/simulation, medical, and defense-related uses
 - Apartments

Land Use Recommendations

Optimal Future Land Use: TCC Parcels

20-25 Year Plan

- Public spaces along waterfront
- Recreation (fishing, boating, walking)
- Mix of housing
- Hotels
- Quality restaurants
- Neighborhood convenience retail
- Education



Development Sequence

Timeframe

- 5 -7 year lead-time
- Accomplish selected improvements now to increase future value

Development Sequence

Action Plan: EDA Parcel

- Prepare property to market as “shovel ready”
- Develop & implement marketing program
- Establish design standards
- Review and, if necessary, revise deed restrictions
- Develop Financial Incentive Program

Development Sequence

Action Plan: TCC Parcels

- Consider selling Parcel C
- Prepare joint Master Plan and detailed Market Feasibility Analysis
- Provide selected infrastructure to support public amenities
- Create public amenities on shoreline
- Continue to use existing roads prior to major development
- Remove, do not reuse existing buildings

Planning and Design

Allen Folks

Principal, Vice President

AECOM

Sacramento, California

Peter Hasselman

Owner

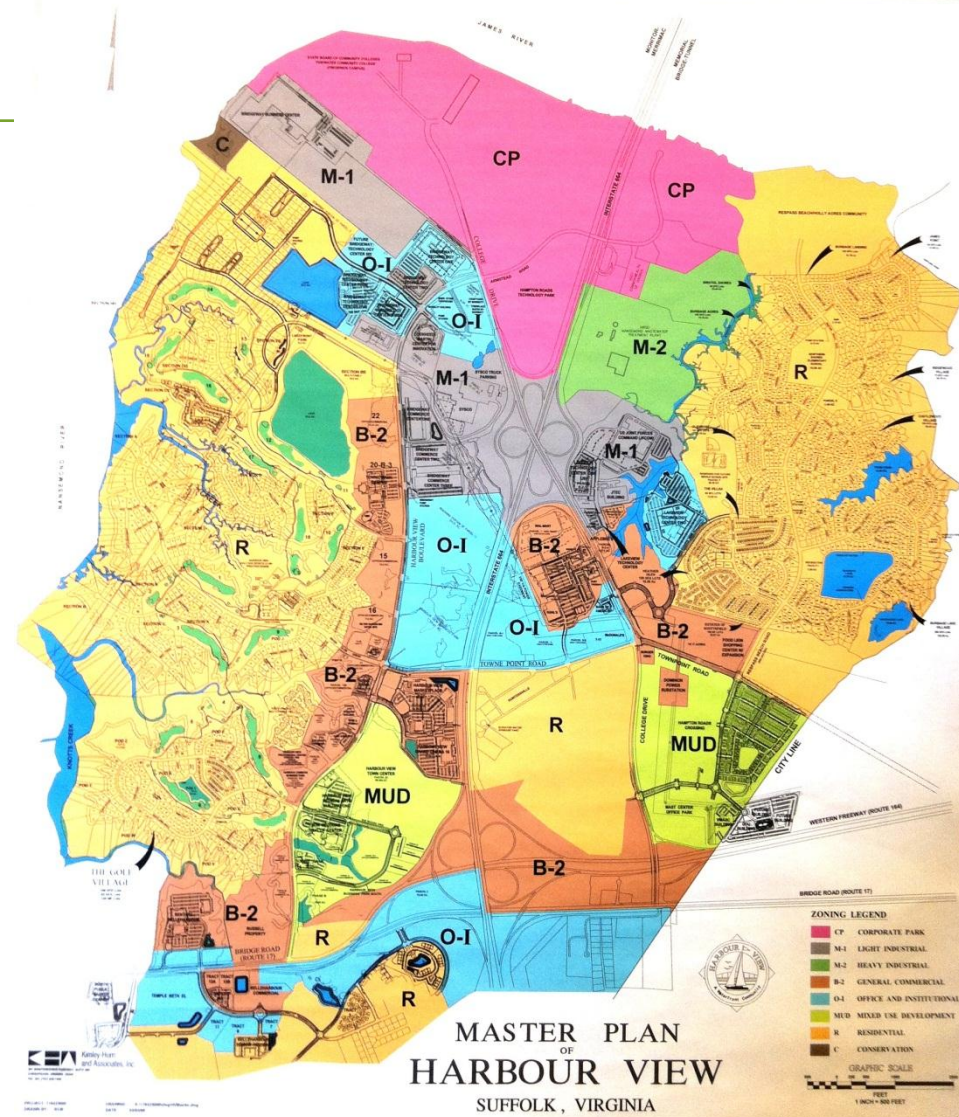
Peter M. Hasselman, FAIA

Orinda, California

What is the vision for northern Suffolk?

Planning and Design

- Rethink comprehensive plan
- Establish urbanism in core
- Define a robust public realm




“Best Property in Hampton Roads”

City of Suffolk Office and Industrial Sites

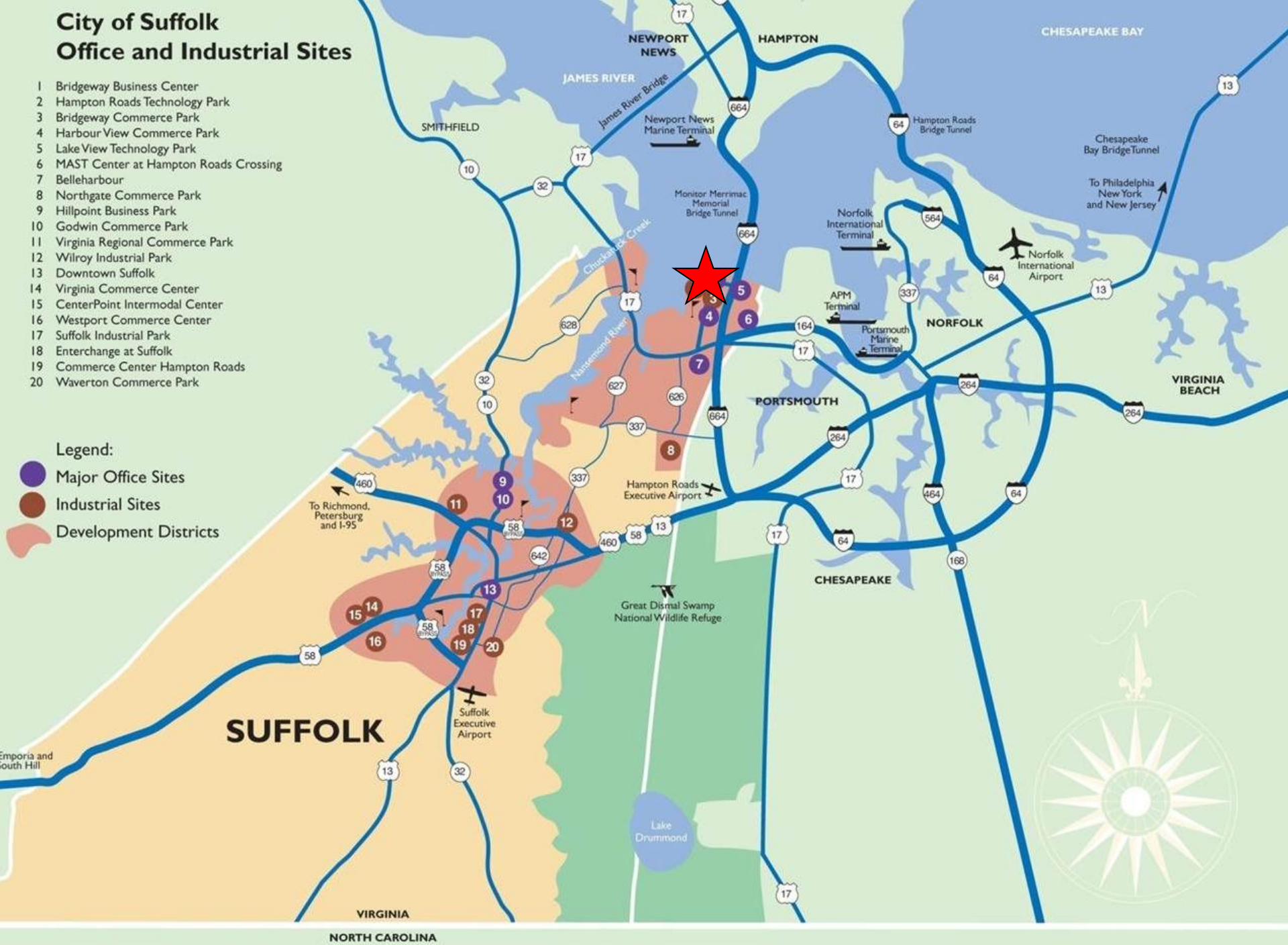
- 1 Bridgeway Business Center
- 2 Hampton Roads Technology Park
- 3 Bridgeway Commerce Park
- 4 Harbour View Commerce Park
- 5 Lake View Technology Park
- 6 MAST Center at Hampton Roads Crossing
- 7 Belleharbour
- 8 Northgate Commerce Park
- 9 Hillpoint Business Park
- 10 Godwin Commerce Park
- 11 Virginia Regional Commerce Park
- 12 Wilroy Industrial Park
- 13 Downtown Suffolk
- 14 Virginia Commerce Center
- 15 CenterPoint Intermodal Center
- 16 Westport Commerce Center
- 17 Suffolk Industrial Park
- 18 Entercange at Suffolk
- 19 Commerce Center Hampton Roads
- 20 Waverton Commerce Park

Legend:

 Major Office Sites

 Industrial Sites

 Development Districts

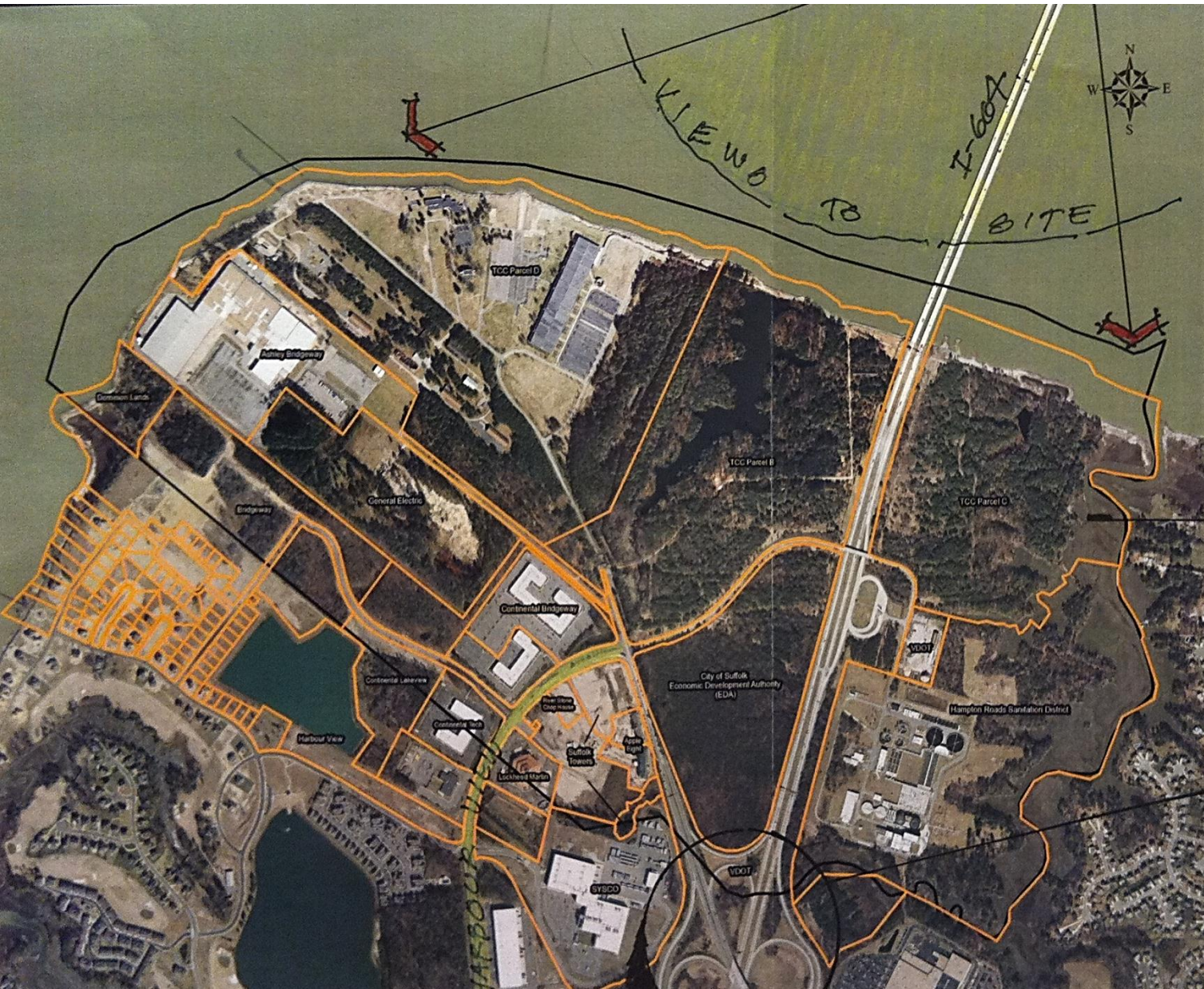


What are the opportunities and constraints of the site?

Site Opportunities

- Interstate access
- Excellent views
- Large contiguous ownership
- Rich history
- Ecological richness

Site Opportunities



CONFLUENCE POINT SITE OPPORTUNITIES

STREETER CREEK WATER RETENTION

Legend

- Parcel Ownership
- FNOD Boundary

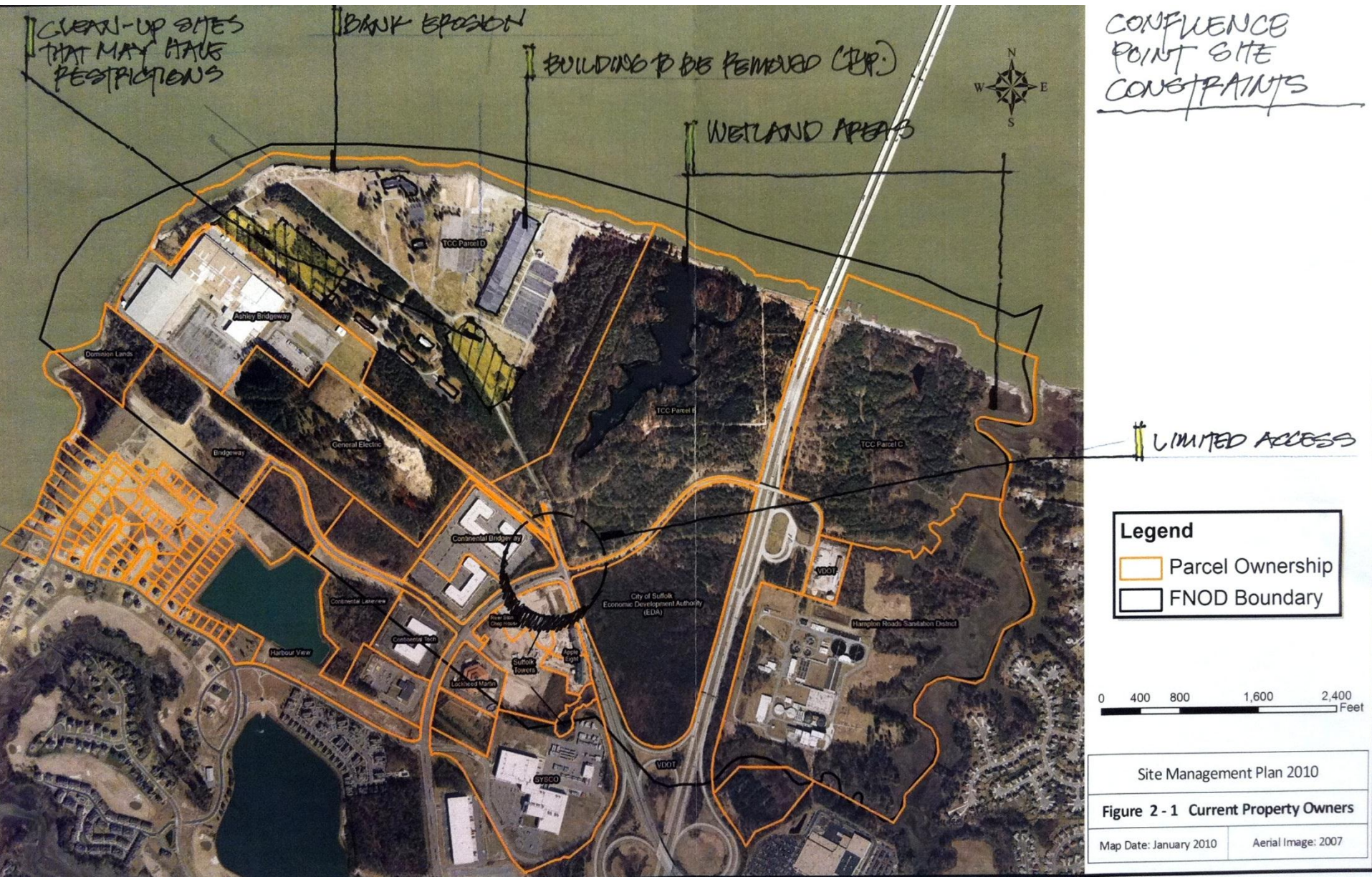
COLLEGE DRIVE INTERCHANGE

0 400 800 1,600 2,400 Feet

Site Constraints

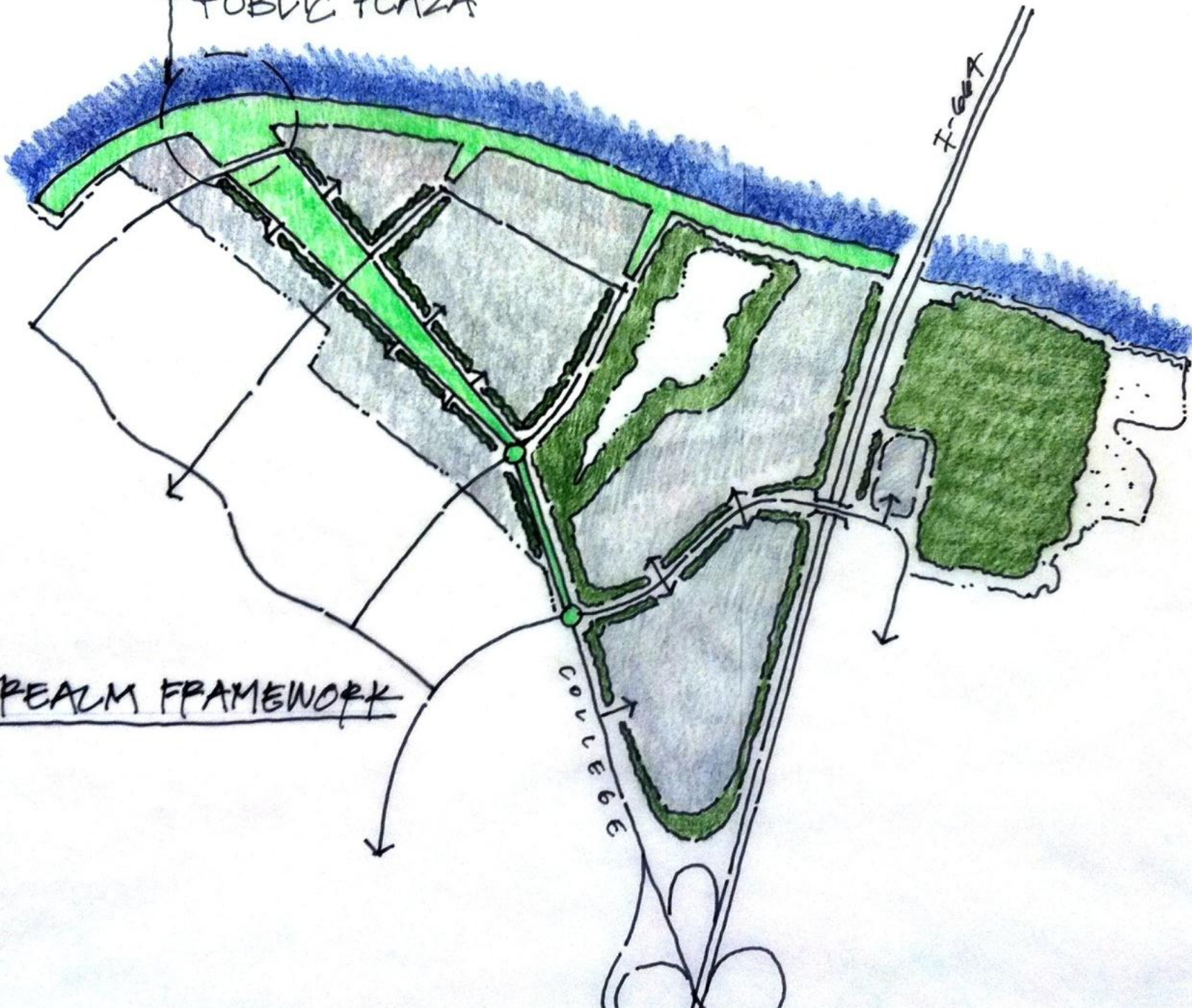
- Active Superfund site
- Shoreline erosion
- Wetlands
- Limited potential for east parcel
- Potential archaeological findings
- Large existing buildings

Site Constraints



Create the public framework

+ PUBLIC PLAZA



PUBLIC REALM FRAMEWORK

COVE

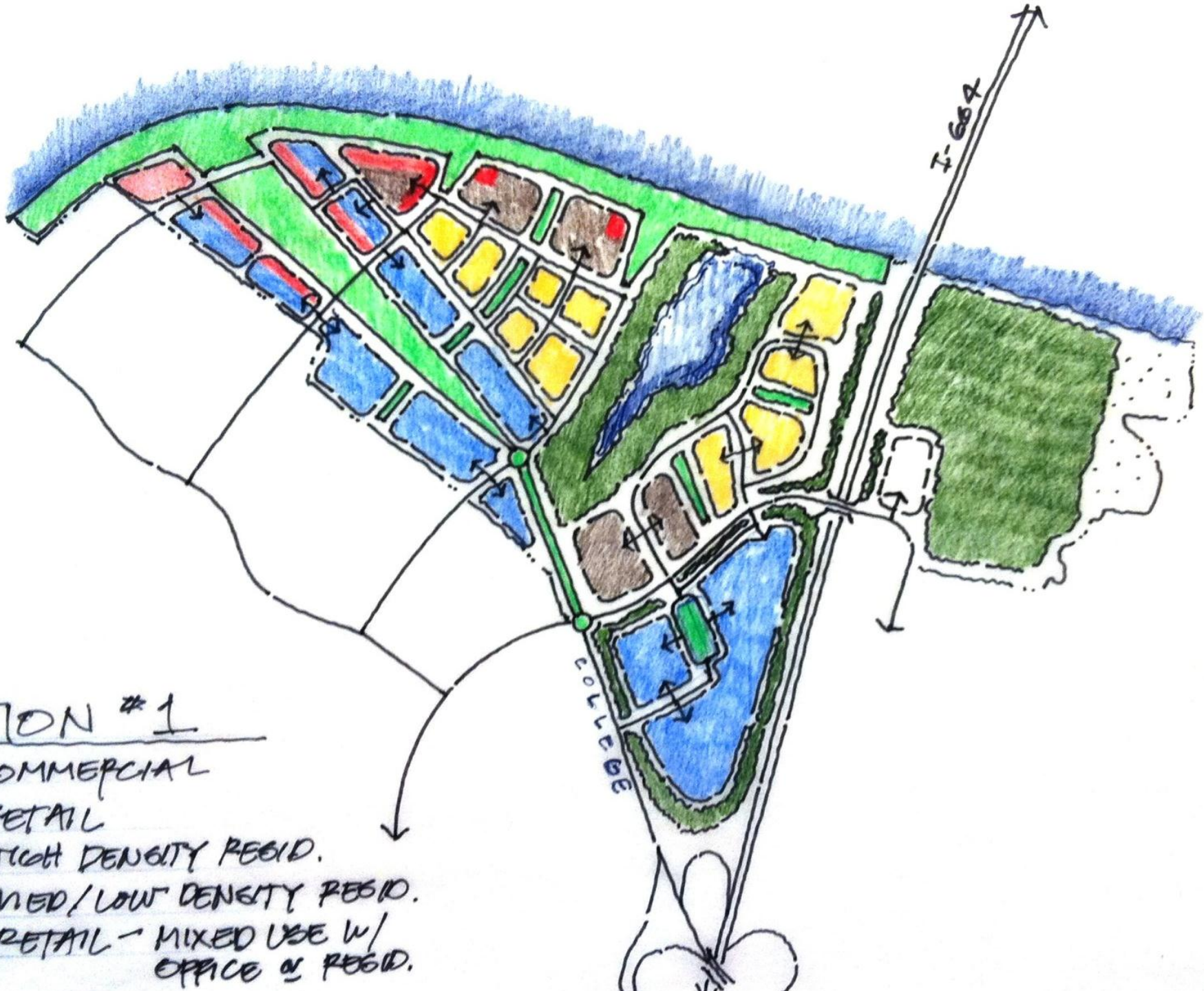
F-607

Allow for Alternative Land Use Visions






- Buildout will occur over many years
- A flexibility of uses
- Public framework remains the focal point
- High visibility from interstate
- Establish options to “plug in” land uses

Allow for Alternative Land Use Visions

Option 1: Commercial uses define the community spine

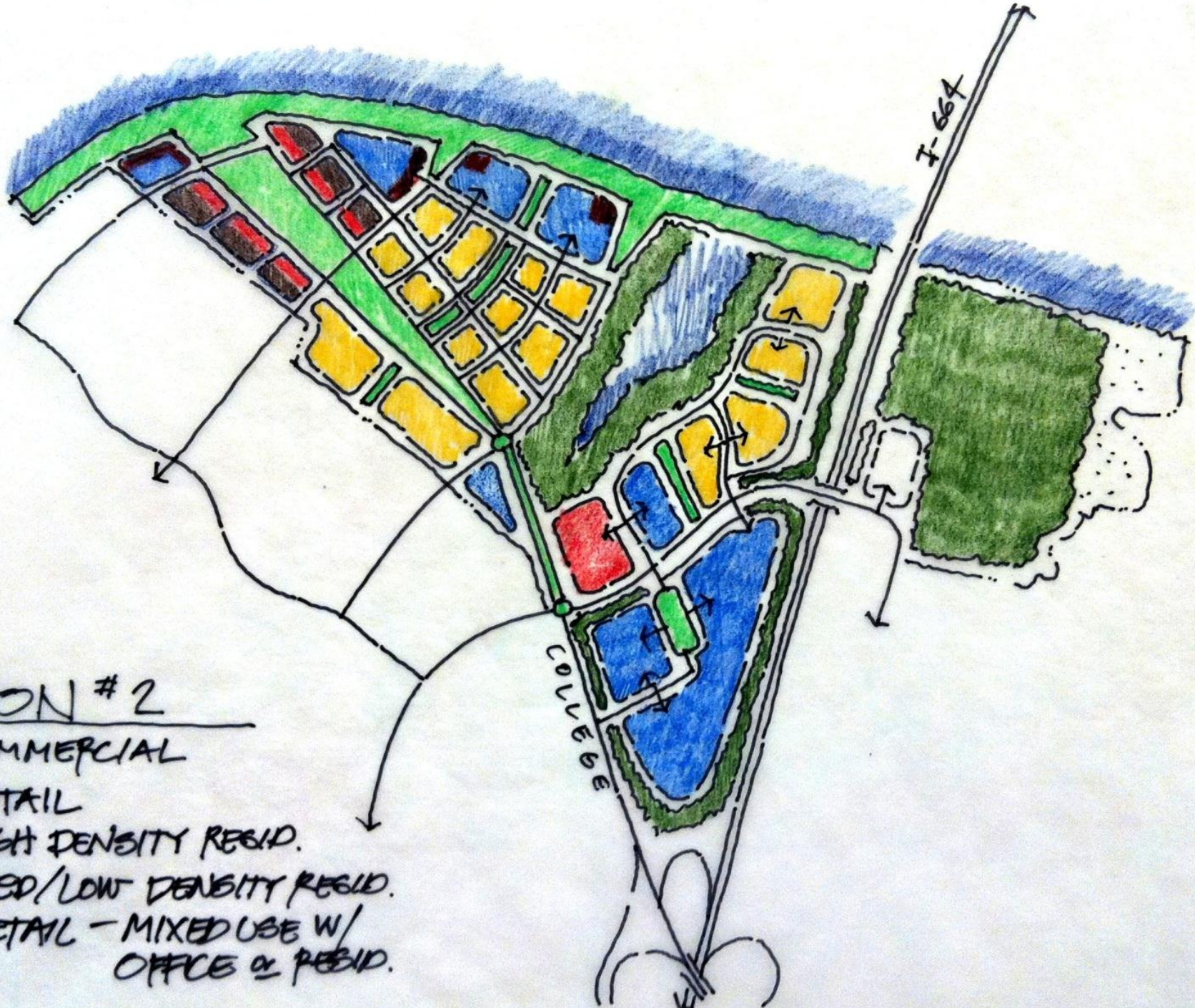


OPTION #1






-  COMMERCIAL
-  RETAIL
-  HIGH DENSITY RESID.
-  MED/LOW DENSITY RESID.
-  RETAIL - MIXED USE W/
OFFICE or RESID.

Allow for Alternative Land Use Visions

Option 2: Residential uses define the community spine



OPTION # 2






-  COMMERCIAL
-  RETAIL
-  HIGH DENSITY RESID.
-  MED/LOW DENSITY RESID.
-  RETAIL - MIXED USE W/
OFFICE or RESID.

Allow for Alternative Land Use Visions

Option 3: Commercial and residential uses define the
community spine

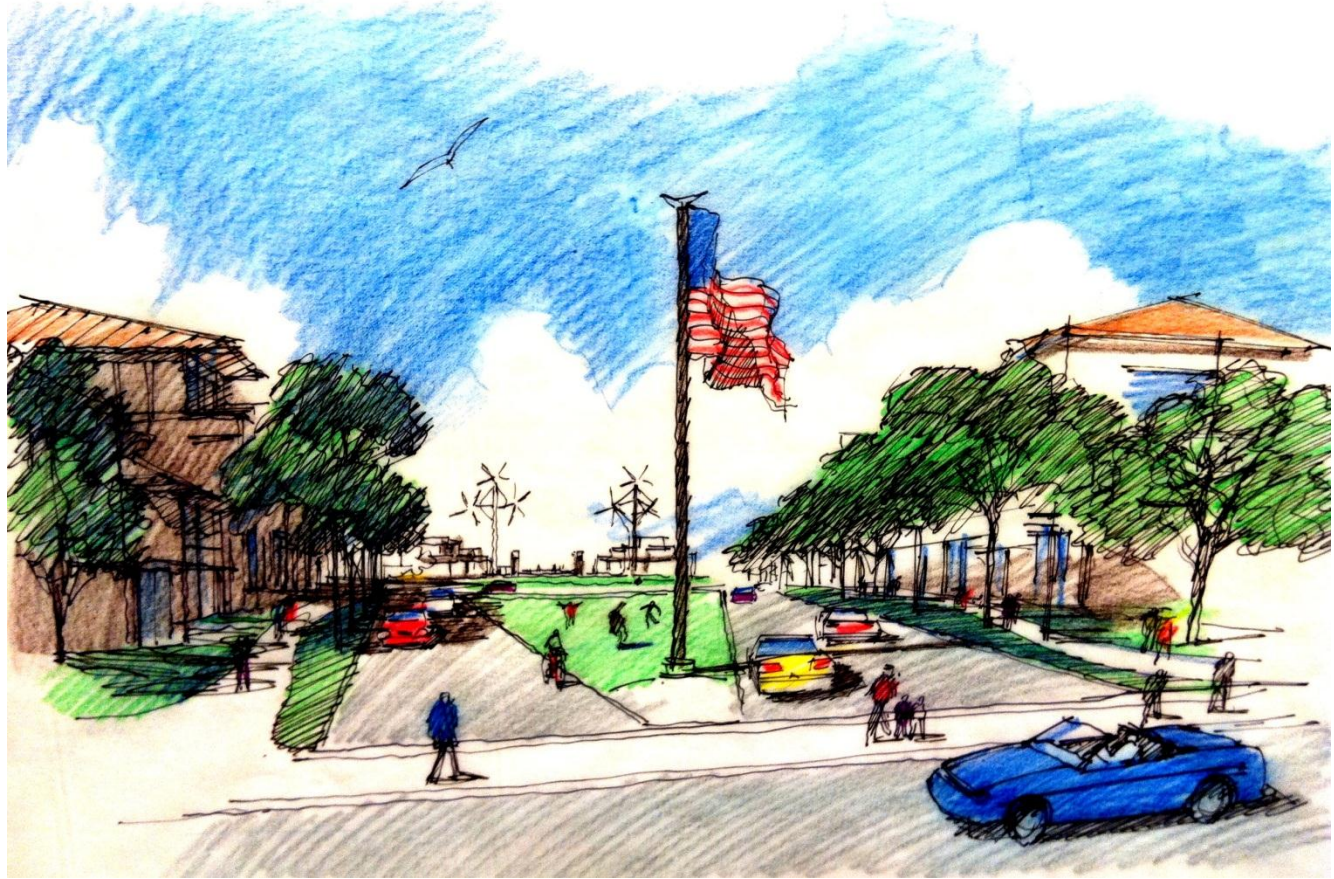


OPTION #3

-  COMMERCIAL
-  RETAIL
-  HIGH DENSITY RESID.
-  MED/LOW DENSITY RESID.
-  RETAIL - MIXED USE W/
OFFICES OR RESID.

Live the Dream!

Design Concepts



*Community
spine*



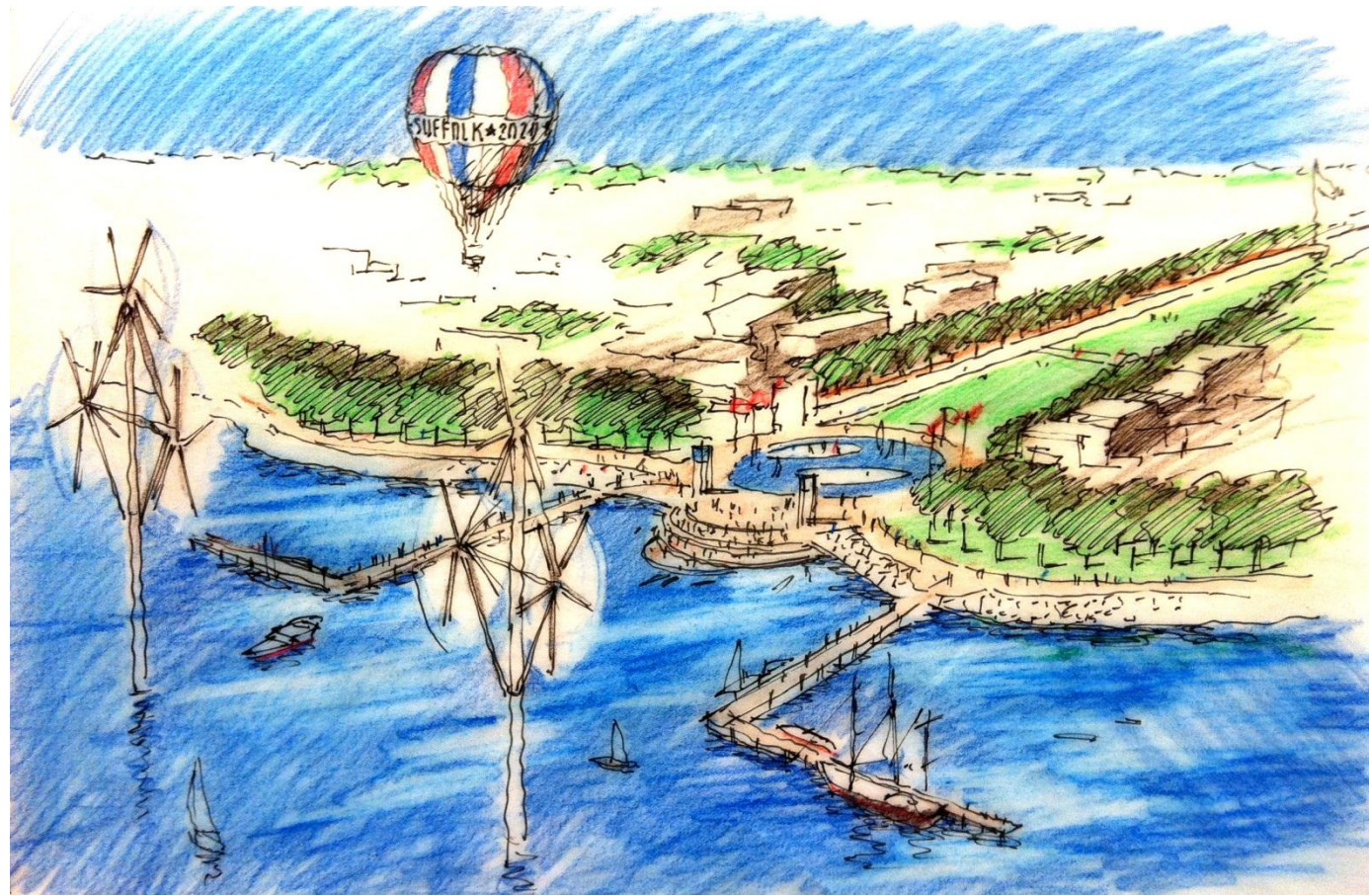
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Design Concepts



Bird's eye view

Design Concepts



*View from I-664
back to site*

Design Concepts



Waterfront park



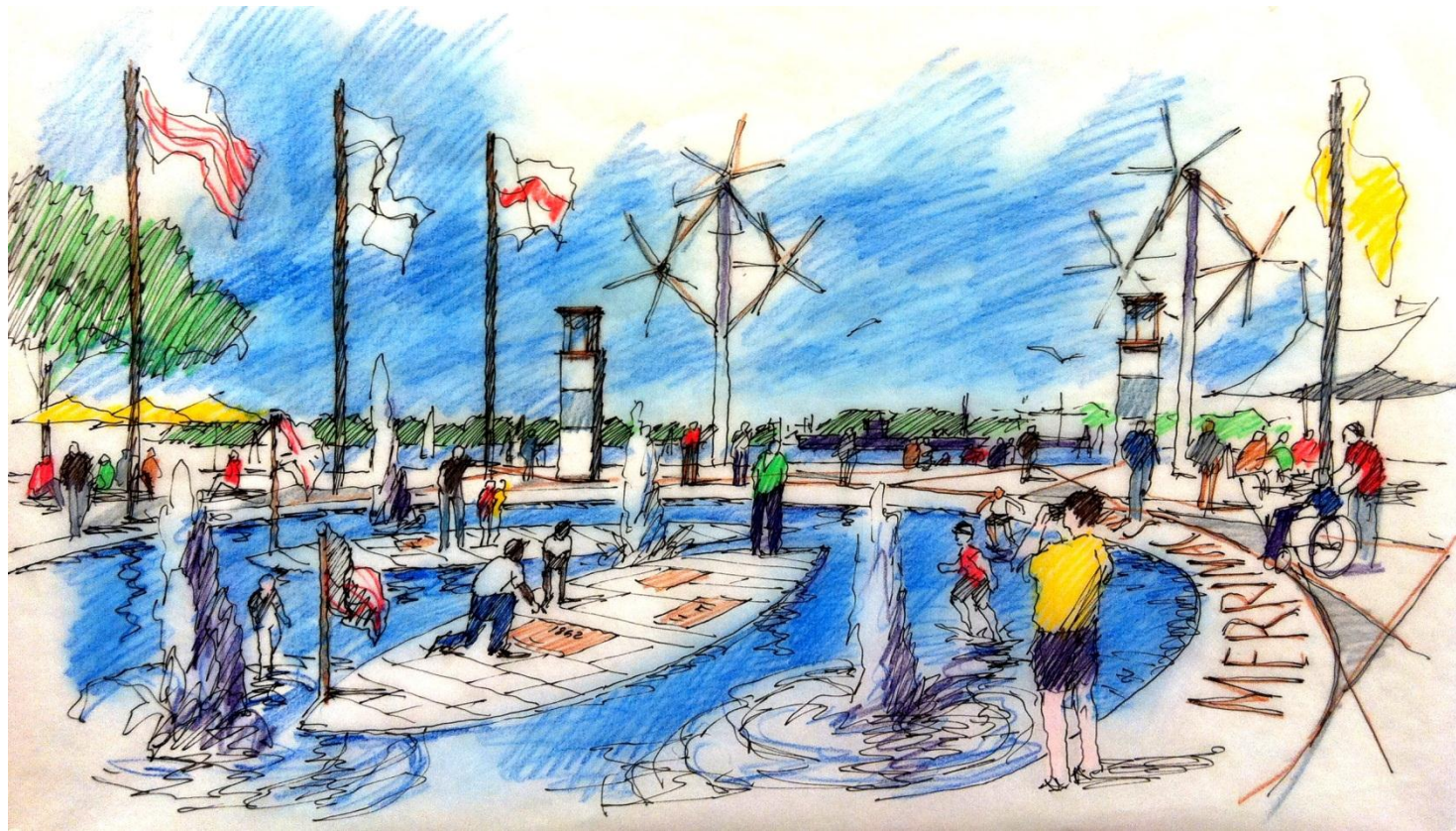
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Design Concepts



*Monitor and
Merrimac fountain
plaza*



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Design Concepts



Internal pedestrian streets



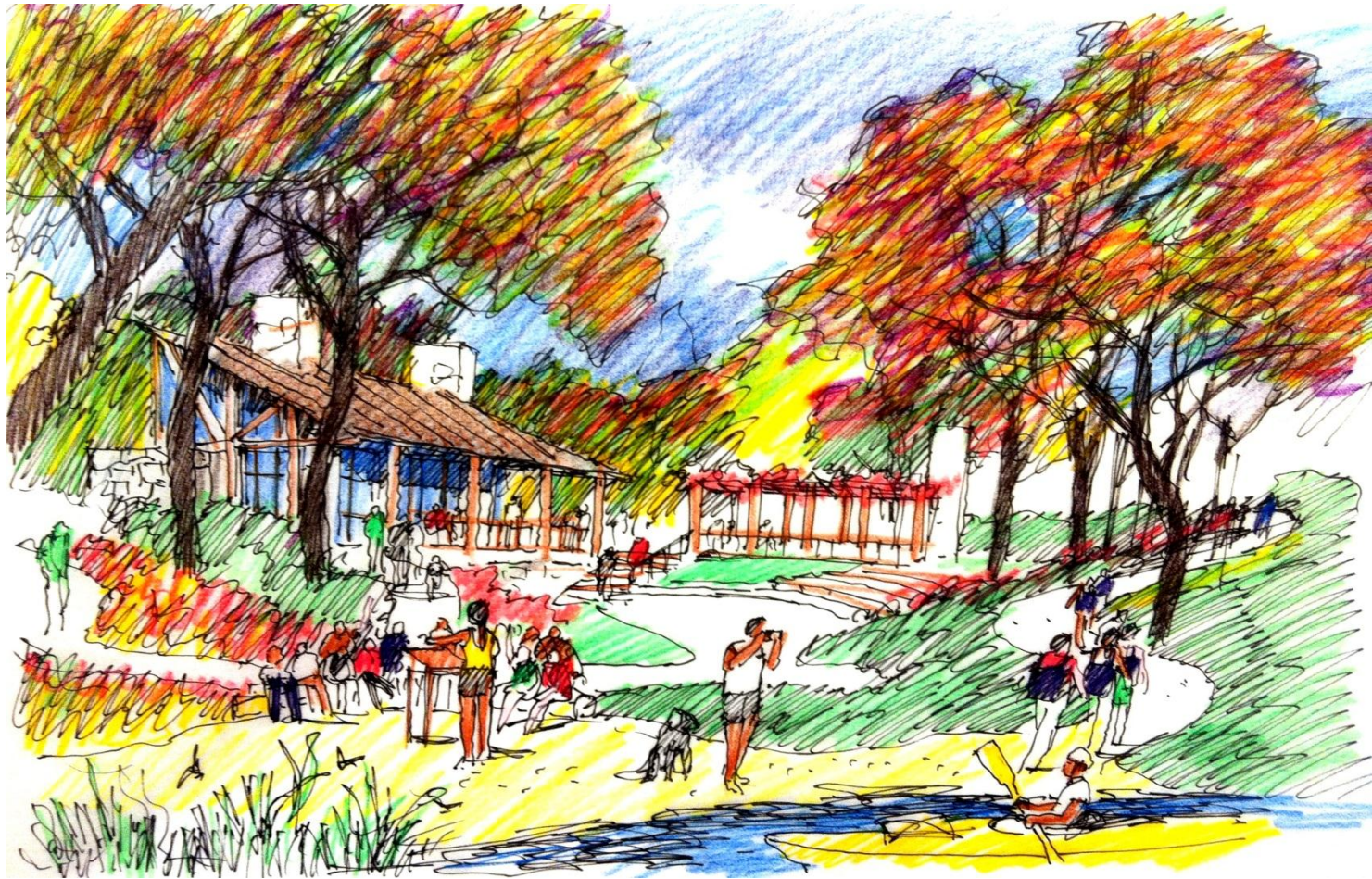
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Design Concepts



Nature center



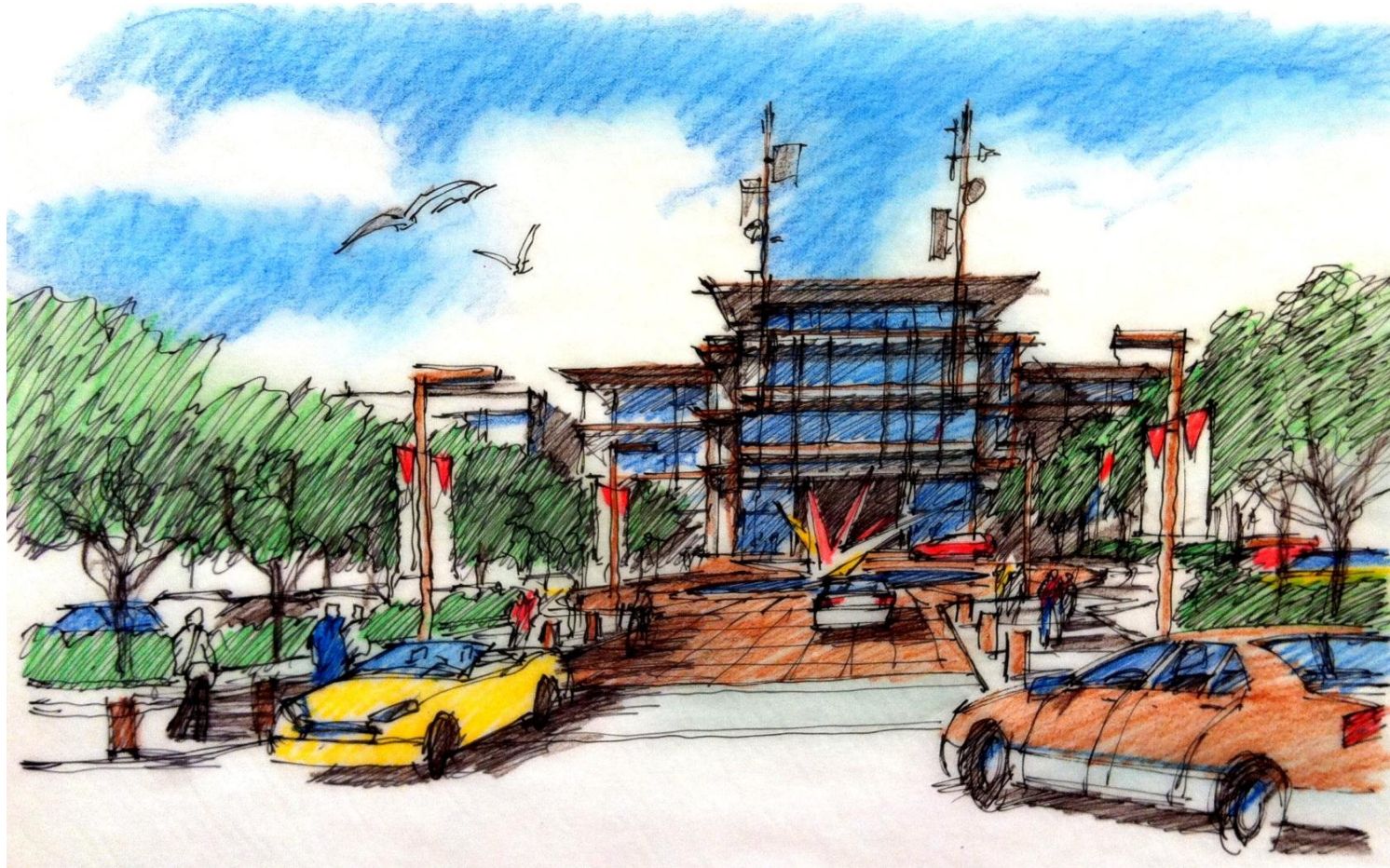
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Design Concepts



*Mid-rise
commercial
building*



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Implementation

Sue Southon

Principal

Strategic Planning Services

Detroit, Michigan

Donna Lewis

Planning Director

Mercer County

Trenton, New Jersey

Strategic Competitive Advantages

- Access to highly skilled workforce
- Institutions of higher learning
- National labs
- Existing high value sectors
- Strong transportation access
- Excellent quality of life

Economic Development Opportunities

- Build on rich history
- Work with federal agencies
- Collaborate with Port Authority Board
- Market the site

Capture the Opportunity

- Suffolk EDA and Tidewater Foundation partnership
- Operating Agreement
- Hire a Development Manager or firm
- Establish a timeline

The Next Three Years

- Create joint operating agreement
- Select an individual or firm to oversee implementation
- Negotiate sale of parcel east of I-664
- Create master plan
- Preserve shoreline
- Develop public amenities
- Enhance existing road infrastructure

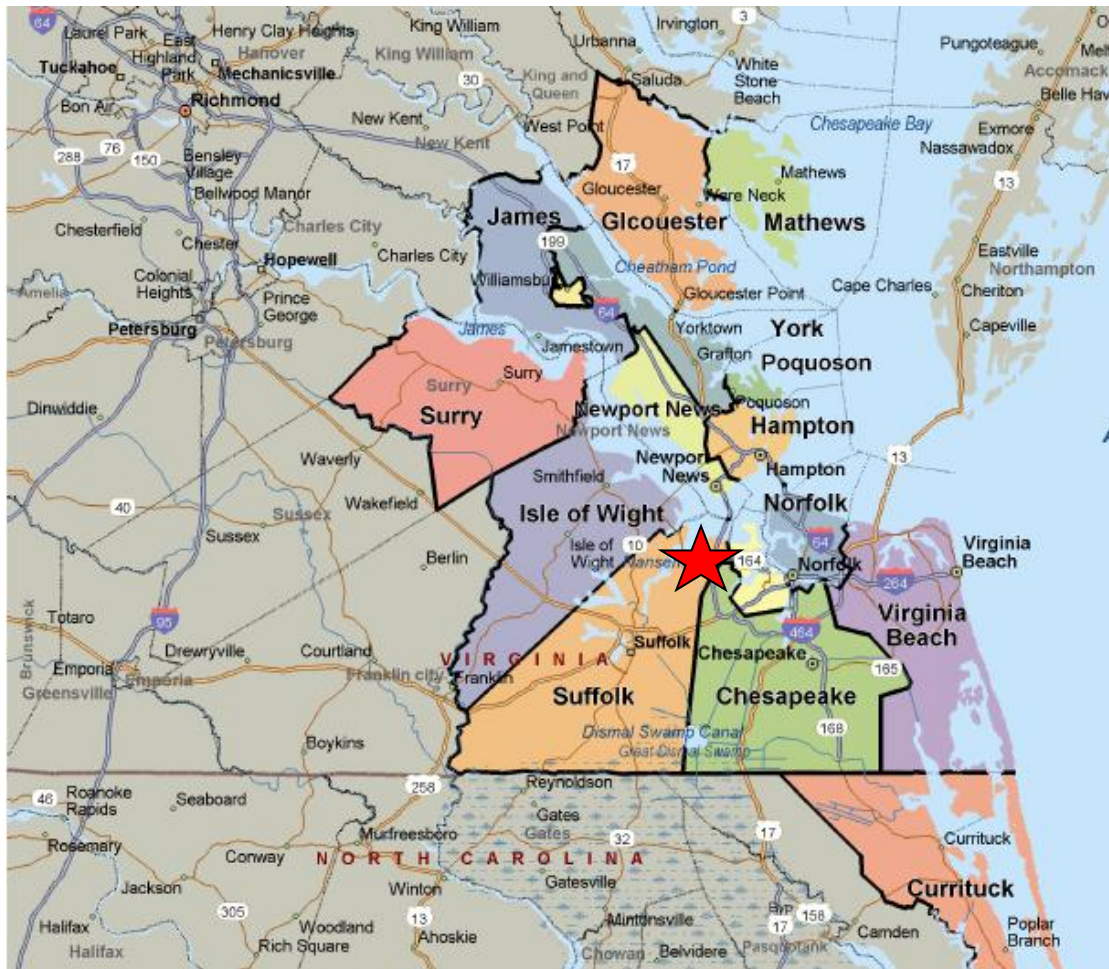
Common Goals

- Gateway
- Public access
- Legacy

Advancing the Vision

- Necessary technical and professional studies
 - Army Corps of Engineers
 - Archaeological studies
 - Geotechnical investigations

Regional Focus



Community Vision

- Identifies public goals
- Builds on existing assets
- Creates multiple use destinations
- Connects destinations along the waterfront
- Creates important public spaces and maintains waterfront access
- Balances environmental benefits and human needs with economic development objectives

Implementation



Conclusion

- Poised to capture growth
- Shovel ready for short term
- Plan for long term
- Exceptional and unique waterfront property
- Memorable and special place
- Maximize benefits
- Long-term opportunity, but plan today

Question and Answer

