

The Virginian-Pilot

PilotOnline.com

ADP to move first 250 workers into new Norfolk building soon

By Eric Hartley
The Virginian-Pilot
Nov 2, 2016



Steve Earley | The Virginian-Pilot

Developer Buddy Gadams, wearing hard hat, gets ready to take some members of the Norfolk Economic Development Authority board on a tour of the building at 2 Commercial Place on Wednesday, Nov. 2, 2016. Gadams is remodeling the building for ADP.

NORFOLK

ADP, the company bringing 1,800 jobs to downtown Norfolk, plans to move the first 250 workers into their new building at the end of November.

Inside 2 Commercial Place, crews are installing hundreds of cubicles in large open rooms for what will become a customer service center.

Developer Buddy Gadams, whose company owns the building, said about 400 people are working around the clock to get the first two floors of the building ready by Nov. 30. An ADP spokesman confirmed that is the move date.

“We’ll literally be running out the back door when they’re coming in the front,” Gadams joked to board members of the Norfolk Economic Development Authority before they donned hard hats and toured the building Wednesday morning.

For now, the roughly 250 people ADP has hired are working next door at the Bank of America tower, ADP spokesman Steve Cross said.



Developer Buddy Gadams is remodeling the building at 2 Commercial Place in downtown Norfolk for use by ADP, photographed on Wednesday, Nov. 2, 2016.
Steve Earley | The Virginian-Pilot

The 24-story tower is also under construction. Gadams is turning it into a 275-unit luxury apartment building set to open in fall 2017. Rents will range from \$1,100 to \$2,300.

Next door, Gadams said, the third through eighth floors should be ready to occupy by the end of March. The tower and ADP's building are part of the same project, which Gadams calls CityWalk.

Earlier this year, ADP said it wanted to focus on recruiting veterans and planned to have about half of the 1,800 new jobs in place by year's end. Cross said Wednesday that the company won't comment on its hiring targets.

Most jobs were expected to pay an average of \$36,000. State and city officials said they hoped such entry-level, middle-class salaries would keep people in Hampton Roads once they graduate from college or leave the military.

The company has hired some students and graduates from local universities, including Norfolk State and Old Dominion, officials at both schools said. Exact figures weren't available.

ADP representatives have been to the NSU campus at least twice, including for a September career expo, and held a well-attended information session about a

week ago at ODU, school officials said.

On the first two stories of the building ADP will occupy, workers were everywhere Wednesday, painting, sawing, climbing ladders or carrying equipment. Gadams said they've installed new elevators and windows, along with electrical and sprinkler systems.

Robert Garris, chairman of the Economic Development Authority, said the rooms packed with desks nearly from wall to wall reminded him of the Washington Post newsroom from "All the President's Men."

New Jersey-based ADP – formerly known as Automatic Data Processing Inc. – has more than 56,000 employees and does payroll and other human-resources services for companies around the world. It says it serves more than 80 percent of the companies in the Fortune 500.



Virginia Gov. Terry McAuliffe, right, presents Norfolk Mayor Paul Fraim with a \$5 million check from the state during a press conference on Tuesday, March 15, 2016, in Norfolk.

Vicki Cronis-Nohe | The Virginian-Pilot

Early this year, the state and city promised ADP \$25.3 million in incentives to lure it to Norfolk. That included \$6.8 million from the state, \$5 million from the city and \$13.5 million in discounts on leased parking in city garages.

City officials said Norfolk will come out ahead because tax revenue from the ADP jobs will more than cover the \$5 million, while the parking discounts are for spaces that would go unused. The city money will be paid to ADP in annual increments, with amounts depending on how much business the firm does in Norfolk and how much property assessments rise.

Most ADP employees will park across Main Street at the city-owned Fountain Park Garage or at MacArthur Center, Gadams said.

He said talks with ADP started in September 2015. A proposed lease was on the table by the end of the year, and the city and state had OK'd the \$25.3 million in incentives by February. Construction began April 1.

“It’s been a really fast-track project,” Gadams said. “Sometimes these things take years, and we did this in just a little over a year from the time we had the first phone call.”

Eric Hartley, 757-932-7511, eric.hartley@pilotonline.com