

REQUEST FOR INTEREST

CITY CENTER Richmond, VA

**This is a prime redevelopment opportunity
in the heart of Richmond's life sciences
innovation and tourism district.**



Issuance date: Thursday, November 3, 2022

City Center site visit date: Tuesday, November 29, 2022, at 10:00 A.M. ET

Submission due: Tuesday, December 20, 2022, between 10:00 A.M. ET and 2:00 P.M. ET

Neither Chapter 21 of the Code of the City of Richmond nor the Virginia Public Procurement Act apply to this RFI.

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REQUEST FOR INTEREST

Richmond, Virginia Overview

The Economic Development Authority of the City of Richmond, Virginia (“EDA”), in collaboration with the Greater Richmond Convention Center Authority (“GRCCA”), is pleased to issue this Request for Interest (RFI) to solicit creative development responses from financially capable and experienced development teams interested in purchasing and redeveloping approximately 9.4 acres of under-utilized, EDA-owned property in Richmond’s City Center Innovation District (“City Center”). The vision for City Center is to redevelop the area to become a mixed-use, mixed-income urban innovation district destination anchored by a headquarter hotel supporting the Greater Richmond Convention Center along with commercial, educational and residential development to create a dynamic downtown.

City Center is in the heart of Richmond’s Downtown, a block from the Pulse Bus Rapid Transit line, within walking distance to Main Street Station, adjacent to the VA Bio+Tech Park, and two blocks from the State Capitol.

Richmond is attracting more businesses and people for reasons that are really quite simple: It’s a great place to live offering an affordable cost of living, a diverse collection of educational institutions, and a feeling of cultural and historical authenticity that permeates every nook and cranny.

And then there’s the location. Richmond is ideally situated in the center of the eastern seaboard at the intersection of the southern end of the northeast mega-region that spans from Boston to Washington DC and the northern end of the southeast mega-region that spans from Atlanta to the North Carolina Research Triangle. Richmond is within a day’s drive of approximately 53 million people and 25 million jobs.

City Center is also located at the crossroads of interstate highways I-95 and I-64 that connect Richmond west to Charlottesville (1.25-hr drive), east to Virginia’s Hampton Roads region and the largest naval base in the world (1.5-hr drive), north to the Washington DC Metro region (1.5-hr drive), and south to the Raleigh-Durham and Chapel Hill region (2-hrs).



Richmond, Virginia is located in the middle of the eastern seaboard and is a day’s drive from 53 million people and 25 million jobs.



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Home to Fortune 500 companies and world-renowned colleges and universities

- The Greater Richmond region (City of Richmond and Counties of Chesterfield, Hanover, and Henrico) is home to eight Fortune 500 companies and 11 Fortune 1,000 companies.
- City Center is near multiple institutions of higher learning and is immediately adjacent to Virginia Commonwealth University (VCU), the Virginia Commonwealth University medical center campus (VCU Health) and Reynolds Community College.
- Virginia Union University (VUU), a Historically Black College and University, and VCU's Monroe Park Campus are each a short distance from City Center.
- The University of Richmond is approximately six miles from City Center.
- Together, all institutions of higher-education graduate 11,000 students annually, creating a robust pipeline of qualified employees to grow Richmond's businesses.



City Center is at the heart of Downtown Richmond.



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Richmond continues to attract investment and jobs

A highlight of recent announcements includes:

- In November 2022 CoStar Group broke ground on a \$460 million campus expansion that will feature a 26-story LEED Platinum office tower in Downtown Richmond. CoStar will add 2,000 jobs on top of its current 1,000 Richmond-based employees. (located 8 blocks from site)
- Aditx Therapeutics, a life science company, announced plans to build a state-of-the-art facility and create over 300 new jobs in the Virginia Bio+Tech Park. (located 1 block from site)
- Intact Technology, a software consulting and managed services firm announced its second Virginia location creating 125 new jobs (located 3 miles from site)
- Thermo Fisher Scientific is expanding a bioanalytical lab in the VA Bio+Tech Park.
- The Alliance for Building Better Medicine was awarded a \$52.9 million grant from the US Department of Commerce's Economic Development Administration's Build Back Better Challenge. The grant will be used to scale up the region's advanced pharmaceutical manufacturing and R&D cluster.



CoStar Group's new 26-story LEED Platinum office tower and adjacent six-story, mass-timber multipurpose building will be 8 blocks from the City Center Phase 1 parcels. The new tower will add 2,000 jobs in addition to CoStar's current 1,000 Richmond-based employees. The project broke ground in November 2022



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Recent accolades

- #1 State for Business Climate – Site Selection Magazine (2022)
- #1 State to do Business – CNBC (2021)
- #1 James River for Best Riverfront Entertainment – River Travel Magazine (2021)
- #1 Best City with the Best Street Art – Bella Magazine (2021)
- #3 in the top-10 Cities that People are Moving to During the Pandemic – LinkedIn
- One of the 50 Best Places to Travel in 2021 – Travel + Leisure
- #6 Best Beer Scene – USA Today (2020)
- #9 Metro Area for Corporate Headquarters – Business Facilities Magazine (2021)
- Top 10 Most Interesting Food Scene Across the Country – USA Today (2021)
- #27 of the 100 Best Cities to Live in 2021 – Livability
- #50 of 150 Best Places to Live in 2021-22 – U.S. News and World Report
- Richmond 300: A Guide for Growth recognized as the best comprehensive plan in the nation in 2021 by American Planning Association



The James River, 8 blocks from City Center, is a major destination for its hiking and biking trails, parks, and water sports on class II to III+ rapids (left). USA Today recognized the robust street art scene in Richmond by ranking it #3 in the Nation for street art (right).



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Key Partners

Economic Development Authority of the City of Richmond

The Economic Development Authority of the City of Richmond (EDA) is a political subdivision of the Commonwealth of Virginia and is comprised of a seven-member Board of Directors appointed by the City Council of the City of Richmond. The EDA undertakes commercial activities as authorized by Chapter 49 of Title 15.2 of the Code of Virginia. On behalf of the City of Richmond the EDA works in partnership with City Council, City administration, and state officials to achieve economic growth in the city.

Greater Richmond Convention Center Authority

The Greater Richmond Convention Center Authority (GRCCA) is a political subdivision of the Commonwealth of Virginia that was created by the local governments in City of Richmond, Chesterfield, Hanover, and Henrico Counties and was established to acquire, finance, expand, renovate, lease, operate and maintain the Greater Richmond Convention Center. GRCCA is governed by a five-member commission made up of the Chief Administrative Officer of each of the four incorporating political subdivisions and the President of InUnison, a regional business association. Debt service costs and other operating and capital cost obligations for the Greater Richmond Convention Center are funded by an 8% transient lodging tax levied on hotel room rentals in the four participating localities.



Economic Development Authority
City of Richmond



WHERE VIRGINIA MEETS THE WORLD



GRCCA was established to acquire, finance, expand, renovate, lease, operate and maintain the Greater Richmond Convention Center, pictured above.



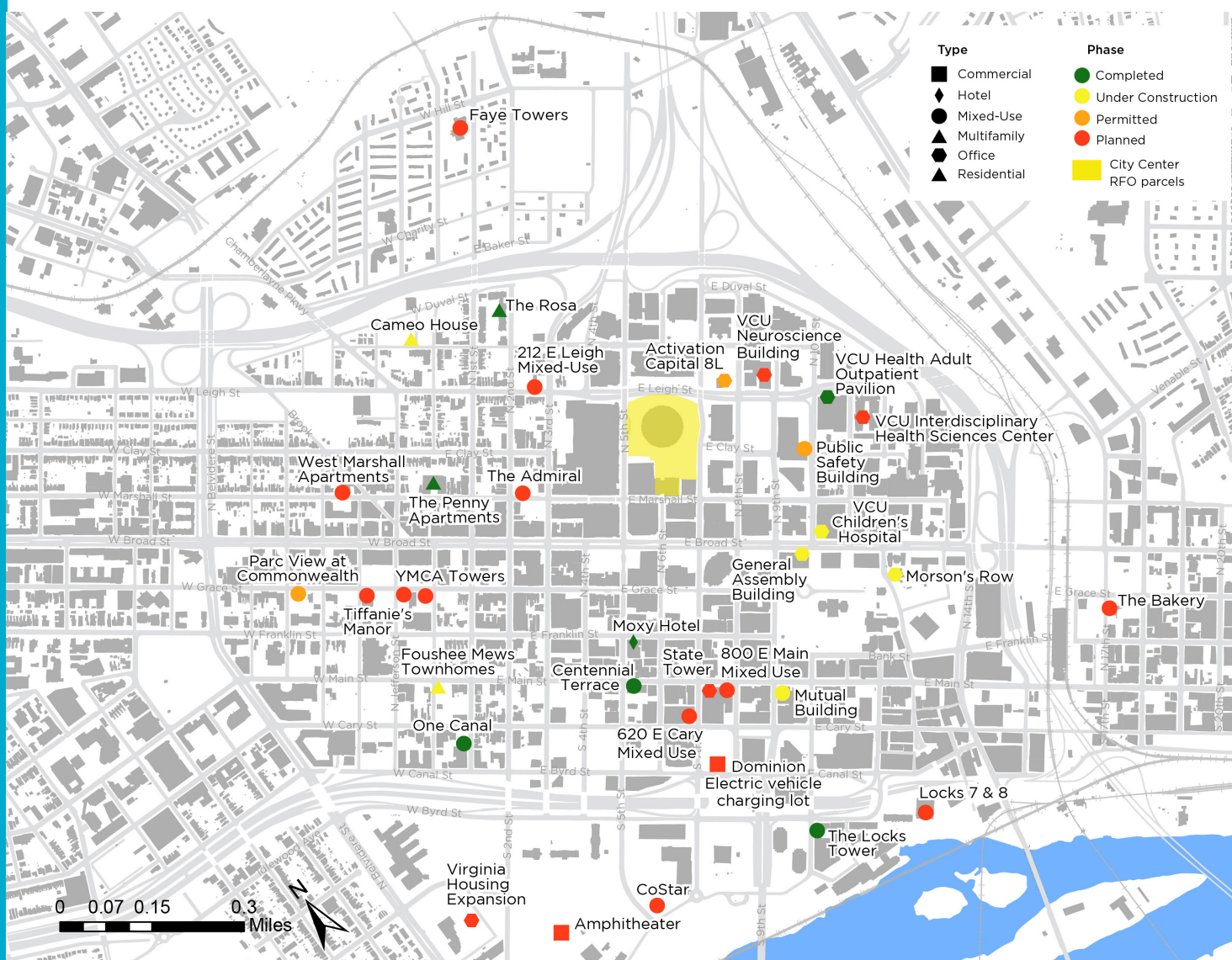
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City Center Overview

Key investments have been made...and will continue

The area surrounding City Center has seen a substantial increase in investment over the past several years—with more investment in the pipeline.

- From 2016 to 2021 over \$3.6 billion in investment from 75+ projects (completed or are underway) in the Downtown area that have resulted in 4,892 residential units, 3.5 million square feet of commercial development (new and renovated space), 55,500 square feet of arts and culture development, 508 hotel rooms (new and renovated space), and 1.5 million square feet of education, medical, and research development (new and renovated space). See Appendix A for the Market Analysis and Appendix B for the latest Venture Richmond Downtown Report.



Projects completed in Downtown in the past 5 years and projects in the pipeline.



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A closer look at the surrounding area

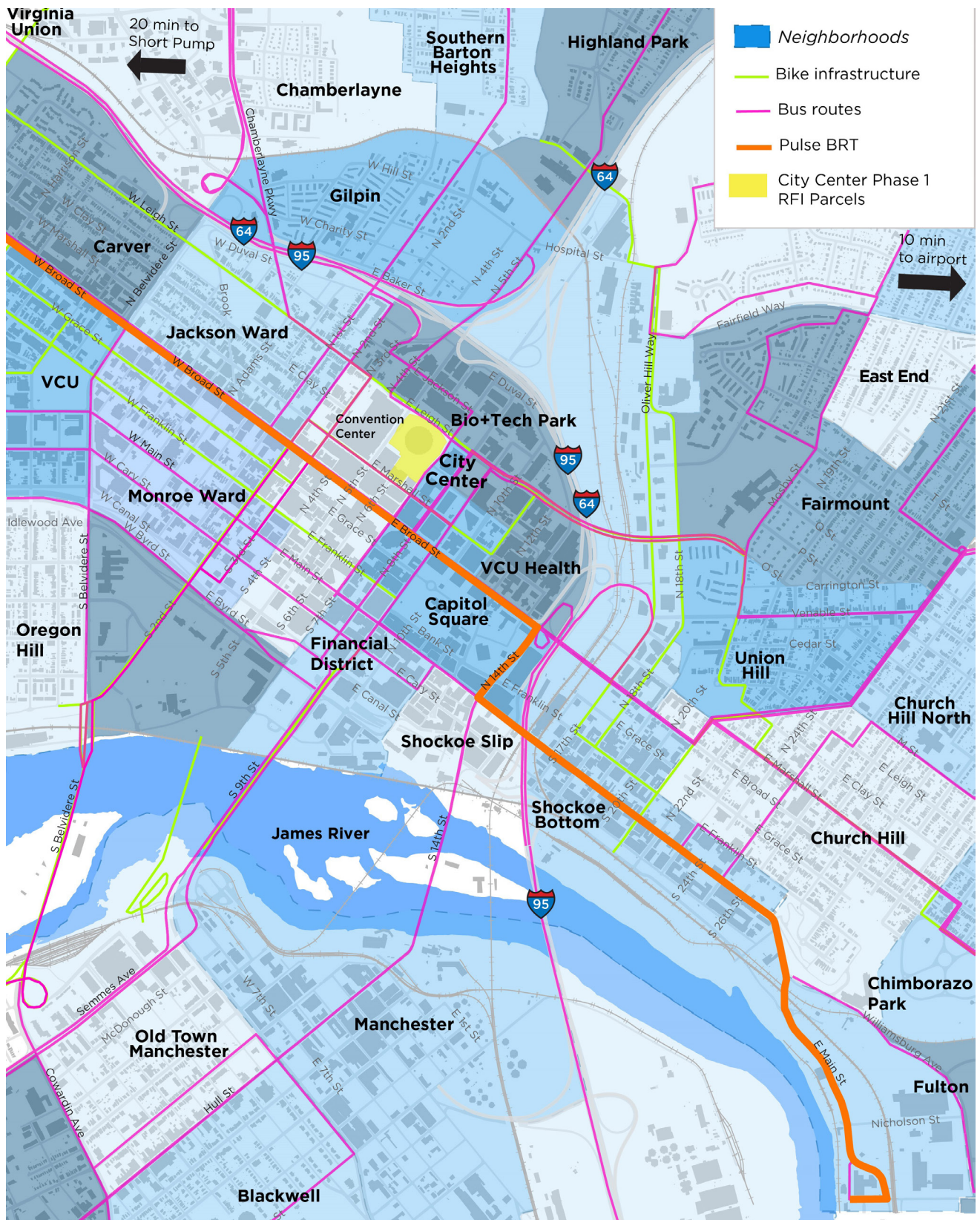
City Center is in the heart of Downtown Richmond, surrounded by several established residential, office, government, and retail neighborhoods.

- Capital Square, just a block from City Center, is home to the Capitol of the Commonwealth of Virginia and many state agencies that employ thousands of people. The new Virginia General Assembly building will be complete by early 2023. The 15-story building incorporates a historic 1912 limestone façade and will provide 400,000 square feet of space. Each legislative session brings several hundred additional visitors and employees from all over the Commonwealth for extended periods of time. These visitors and employees enjoy the city-wide dining, accommodation, and entertainment amenities.
- VCU Health is the largest stakeholder in City Center and is the region's premier hospital system. VCU Health recently opened an Adult Outpatient pavilion that is expected to provide care to 200,000 patients annually. The 16-story expansion of the VCU Children's Hospital of Richmond plans to open in the spring of 2023. This building consolidates pediatric care into one building and will provide the capacity to expand care. The One VCU Master Plan includes substantial renovations to existing buildings over the next several years to achieve their medical campus vision.
- The VA Bio+Tech Park was incorporated in 1992 and opened in 1995. Today the Tech Park is home to nearly 70 companies, research institutes, and state/federal laboratories and Reynolds Community College. Reynolds has had a downtown campus for over 40 years and continues to provide one and two-year occupational and technical programs in allied health, business, and community service areas.



The City Center Phase 1 parcels are three blocks from the Virginia Capitol Building. Designed by Thomas Jefferson, this was the first Roman-inspired building in the country (top). Designed by architect Robert Stern, the new General Assembly legislative building will be completed by early 2023 (middle). The 16-story expansion to VCU Children's Hospital of Richmond plans to open in the spring of 2023 (bottom).

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City Center is in the heart of Downtown Richmond and surrounded by established and growing neighborhoods.



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- Venture Richmond reports that 53% of the City's workforce is employed in Downtown, including the Financial District as the economic center of Richmond and home to several Fortune 500 companies. In the past 15 years, many class C office buildings have been converted to residential uses, adding thousands of residents to Downtown.
- Jackson Ward, located adjacent to City Center, is the largest national landmark district associated with African-American history, commerce, and culture. Jackson Ward features the most unaltered blocks of historic buildings in the entire city. The neighborhood has seen a surge in investment through restaurants, shops, new housing options, and events such as the 2nd Street Festival.
- Monroe Ward is home to many popular restaurants and provides easy access to the VCU Monroe Park campus. Monroe Ward and other Richmond neighborhoods can be seen as the backdrop for shows such as Homeland (HBO), Succession (HBO), and Dopesick (Hulu).
- The James River Park System is one of the most popular destinations in Richmond. The 600-acre urban park attracts 2 million annual visitors to its 40 miles of trails, and class II-IV rapids. Visitors enjoy whitewater rafting, paddle sports, hiking, climbing, bird watching, cycling, and taking in the Richmond skyline.



Jackson Ward, located 2 blocks from City Center, is the largest national landmark district associated with African-American history. The Penny is a new infill mixed-use residential project located in historic Jackson Ward (top). Jackson Ward includes historic destinations like the Maggie Walker House National Historic Site (middle). Every year in October the annual 2nd Street Festival attracts tens of thousands of attendees to Jackson Ward.



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All the pieces are in place

City Center's life sciences cluster has been over 175 years in the making. The core life science anchor institution in the Commonwealth of Virginia, the Medical College of Virginia (now known as VCU Health), was established in the City Center area in 1844.

- **Completed plan:** The City Center Innovation District Small Area Plan was adopted in January 2022. The area has seen a patchwork of construction since the 1920s, and with the demographic shift to the county during the 1960s and 1970s, City Center has become a '9-5' hub but is otherwise lifeless. The small area plan envisions City Center as a multi-modal, mixed-use area with multi-family residential, retail/office/personal services, institutional, government, and open space. The Small Area Plan is included in Appendix C.
- **Site Preparation:** In May 2022, City Council designated the Coliseum site as surplus property and approved the transfer of the property to the EDA. The Richmond Redevelopment and Housing Authority also approved the transfer of the Blues Armory and adjacent paracels in City Center to the EDA.
- **Favorable zoning:** In September 2022, City Council passed ordinances to rezone the City Center area to align with the Small Area Plan vision. The new zoning allows for unlimited height with form-based requirements and a broad range of uses such as business, professional or medical offices, and commercial retail, restaurants, and personal services.
- **Access to public transportation:** City Center is located at the heart of many Greater Richmond Transit Corporation (GRTC) bus lines, including the Pulse Bus Rapid Transit (BRT). The Pulse runs from Rocketts Landing in the East to Willow Lawn in the West.

City Center Innovation District

SMALL AREA PLAN



Final
Richmond, VA | November 23, 2021



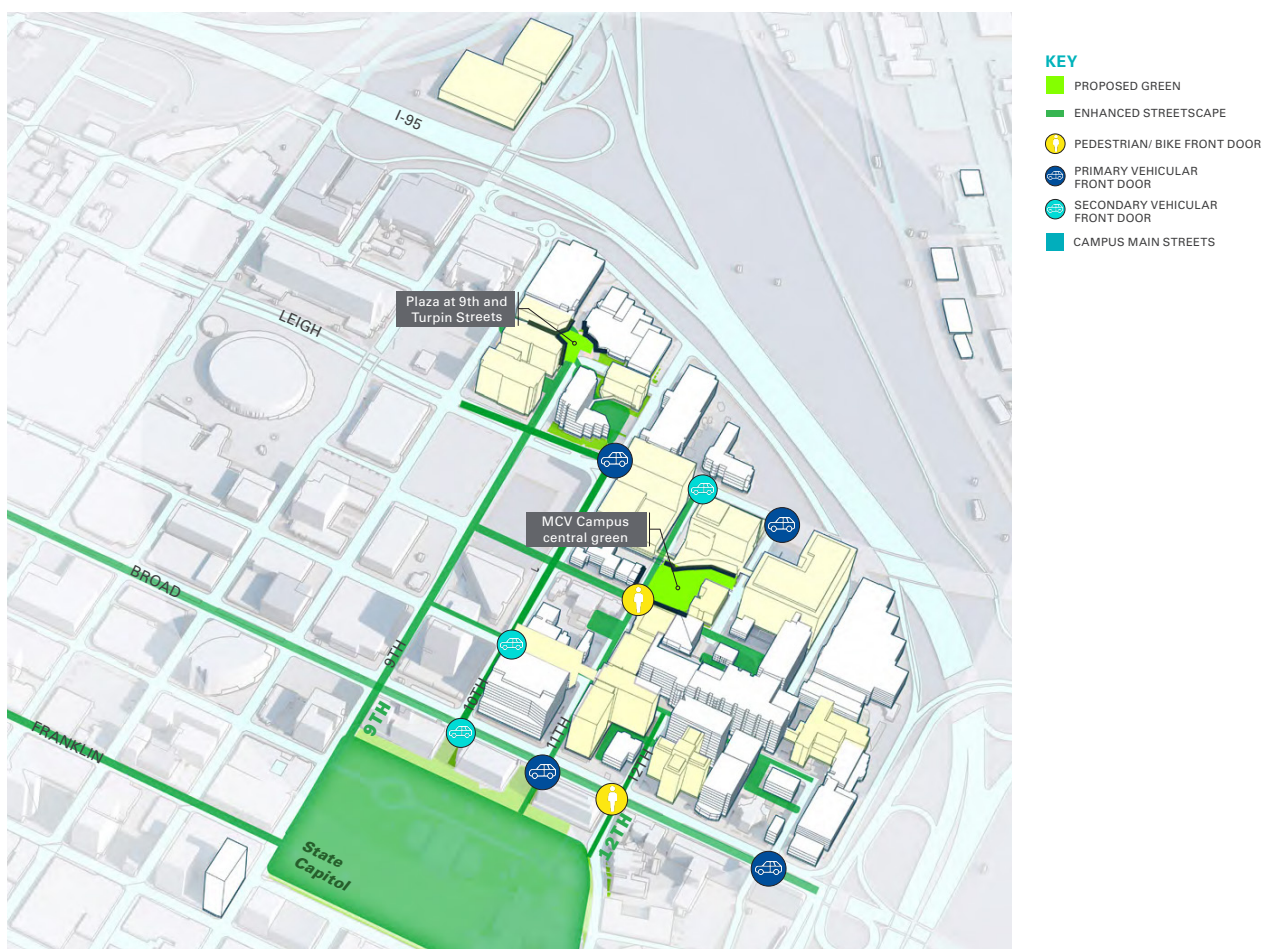
The City Center Innovation District Small Area Plan was adopted in January 2022 (top). Known for its bright red lanes, The Pulse bus rapid transit runs through City Center along Broad Street and connects Richmond from east to west (bottom).



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It makes stops at VCU/VUU, Richmond City Hall, and several of the city's most popular and thriving neighborhoods such as the Arts District and Scott's Addition. The public sector invested over \$40 million in the Pulse line along Broad Street and at present, efforts are underway to examine a North-South BRT line connecting Richmond across the James River.

- **Multi-use trail access:** The City, the region, and the state are planning a 43-mile multiuse trail, known as the Fall Line, which will travel through Richmond to connect the historic town of Ashland and the cities of Richmond and Petersburg. The Fall Line trail alignment will travel along N. 7th and Jackson Streets, directly adjacent to the site. Bike lanes have also been introduced on East Leigh, East Clay and East Marshall Streets. The ONE VCU Plan calls for a bike greenway through their medical campus along Marshall.
- **Anchor Institution Expansions:** VCU Health has plans to renovate six of their existing buildings and add seven new buildings and two new green spaces directly adjacent to City Center. The Commonwealth of Virginia's new General Assembly Building is located just a block away from the City Center site. The building will host several thousand visitors and hundreds of state employees. Activation Capital (VA Bio+Tech Park) is advancing the development of new research and development space.



This placemaking diagram from the ONE VCU Master Plan shows new and renovated buildings in light yellow and depicts how the buildings will connect to the rest of Downtown Richmond.



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Greater Richmond Convention Center

The Greater Richmond Convention Center is the largest meeting and exhibition venue in the Commonwealth of Virginia spanning six city blocks. The Convention Center is adjacent to the City Center Phase 1 Parcels.

Quick COVID Recovery

The Greater Richmond Convention Center is owned by the GRCCA. Unlike most convention center authorities, GRCCA quickly recovered from the hotel occupancy impacts associated with the COVID-19 pandemic. In fact, in the most recent fiscal year ending June 30, 2022, GRCCA collected its highest lodging tax total in its history at \$30.8 million, nearly 3% greater than its next highest total in the pre-pandemic fiscal year that ended June 30, 2019. This strength has recently been validated by outlook upgrades on GRCCA's existing AA- rated debt from "negative" to "stable" by both Standard & Poor's and Fitch. To quote the May 4, 2022 rating report from Fitch, "Fitch expects pledged revenues will return to a solid pace of growth throughout typical economic cycles. Prior to the pandemic, pledged revenues grew at a healthy pace including a 4.4% 10-year compound annual growth rate." It should also be noted that Chesterfield, Henrico, and Hanover Counties each possess a Triple-A (AAA) bond rating – 3 of 48 counties in the U.S. to hold this distinction – while the City of Richmond possesses a bond rating only one notch away from a Triple-A from Moody's, Standard & Poor's, and Fitch.

Collaboration with Richmond Region Tourism

The Greater Richmond Convention Center, in collaboration with Richmond Region Tourism (www.VisitRichmondVA.com), has helped to propel an engine of economic activity for the Richmond Region. As the region's destination marketing organization, Richmond Region Tourism welcomes meeting planners, tournament organizers, tour operators, travel

media and leisure travelers. A nonprofit organization, Richmond Region Tourism offers a comprehensive array of information and services to help the local hospitality industry benefit from the powerful economic engine that is tourism. Richmond Region Tourism promotes seven jurisdictions, including four counties (Chesterfield, Hanover, Henrico, New Kent), two cities (Richmond and Colonial Heights) and the town of Ashland.

Lack of Headquarter Hotel

Despite its collective success – including a record-setting year of hotel tax revenues for the Richmond region in 2022 – the region's core convention and visitor business that is anchored by the Greater Richmond Convention Center is not able to reach its full potential. In addition, the region has a competitive disadvantage when competing against other comparable cities for large-scale conventions and trade shows. The reason: a lack of a headquarter hotel and other amenities near the Convention Center.

The need for a headquarter hotel to support the Greater Richmond Convention Center and the surrounding hospitality community has reached a critical juncture. The fact is, in order to maintain its competitive posture in the convention and meeting business, which is a core economic driver for the region – the city needs hundreds of additional hotel rooms in proximity to the Convention Center. Despite some creative workarounds that have sustained events in the past, the time has come for the region to attract a headquarter hotel.

The timing could not be better. As previously noted, hotels in the Richmond Region recently set a new collective record for annual occupancy tax revenue in fiscal year 2022. Building on that momentum, occupancy tax revenues in the first two months of the 2023 fiscal year are larger than the first two months of the previous fiscal year by more than 36%. The demand for hotel rooms has never been stronger in the Richmond region.



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The competition to attract nationally rotating conventions has become increasingly intense, as data suggests a comparable and competitive shortfall of hotel rooms that supports large event room blocks in downtown Richmond. Appendix D includes a detailed analysis of the need for a Convention Center hotel. Some notable findings from that analysis include:

- Excluding Virginia Beach (which has no headquarter hotel), Richmond ties for last out of 10 destinations in hotels in terms of properties required to accommodate a 500-room block. Richmond would need 8 hotels to accommodate a 1,000-person block, ranking last among the comparable market set.
- Assuming only hotels within a half-mile are considered, Richmond cannot currently accommodate a block of 1,500 committable rooms within one-half mile of the Greater Richmond Convention Center.
- The inventory of headquarter hotel rooms in Richmond ranks 9th out of the 11 markets reviewed.
- To reach the desired share of market capture and to achieve parity with comparable and aspirational markets, a target room count for a future headquarter hotel is targeted at 500 or more rooms.
- A future headquarter hotel will require significant ancillary support space including registration and lobby space, additional meeting and ballroom space, back-of-house amenities and convenient (ideally connected) access to the Greater Richmond Convention Center.

Due to the targeted room count and the significant ancillary space, it is assumed that a branded property in the upper-upscale tier (Marriott, Hyatt, Hilton, Sheraton, Westin, Omni, etc.) will be proposed in the redevelopment of the 9.4 acres of the City Center Phase 1 parcels.

Hotels Needed for Room Blocks within ½ mile

	500	1000	1500
Louisville, KY	1	2	3
Baltimore, MD	2	3	4
Tampa, FL	2	3	7
Columbus, OH	2	3	7
Milwaukee, WI	2	4	7
Cincinnati, OH	2	4	7
Charlotte, NC	2	4	6
Providence, RI	2	5	12
Richmond, VA	3	8	-
Raleigh, NC	3	-	-
Virginia Beach, VA	-	-	-



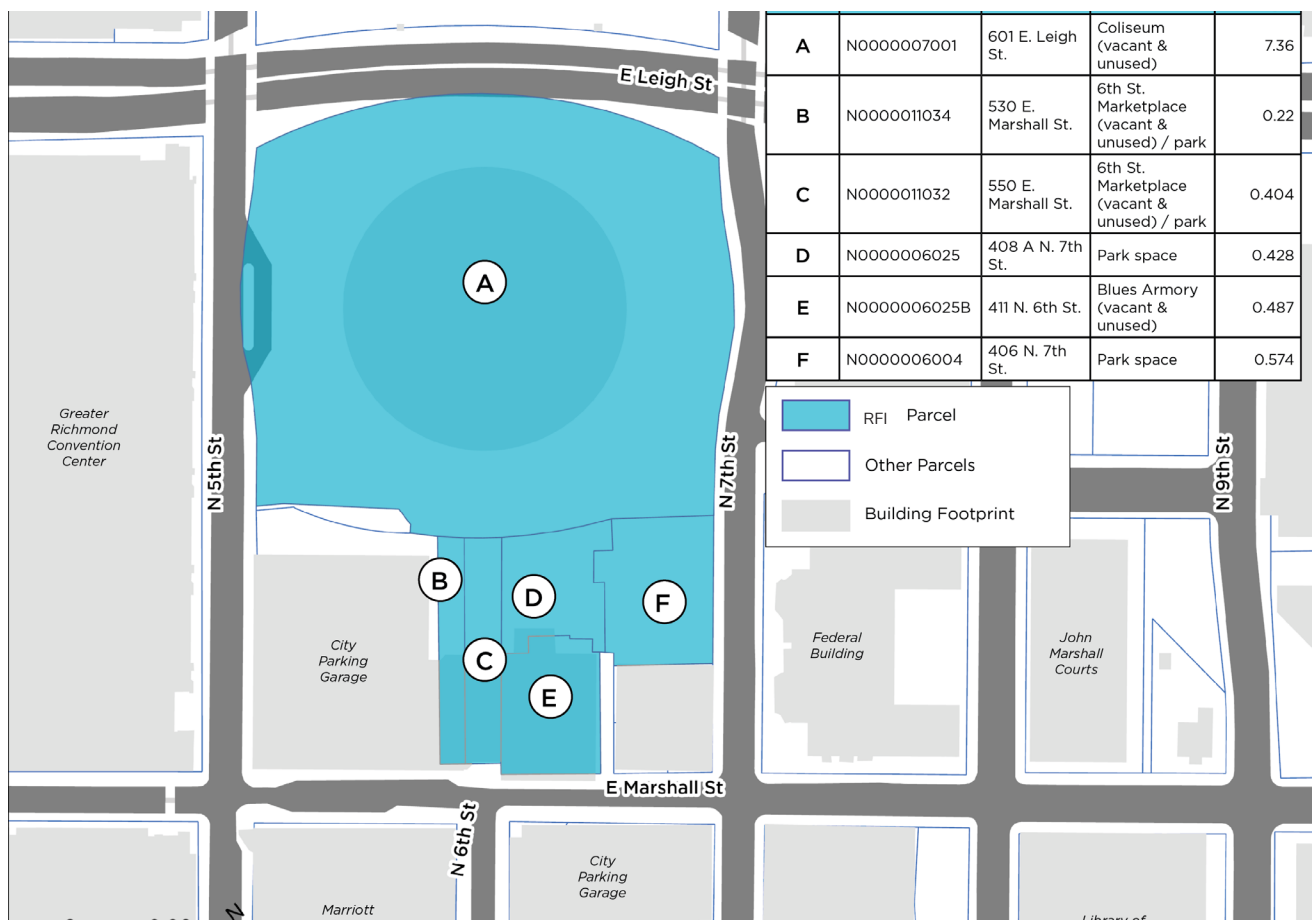
Hilton Richmond Downtown is one of the only hotels located within a few blocks of the Convention Center.



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Site Description

In the first phase of City Center, the EDA and GRRCA desire to have the following EDA-owned parcels ("City Center Phase One Parcels") redeveloped into a mixed-use, mixed-income urban live-work-learn-play destination anchored by a headquarter hotel supporting the Greater Richmond Convention Center .



The first phase of the City Center redevelopment includes parcels A-F between N 5th St. and N 7th St. and E Leigh St. and E Marshall St.

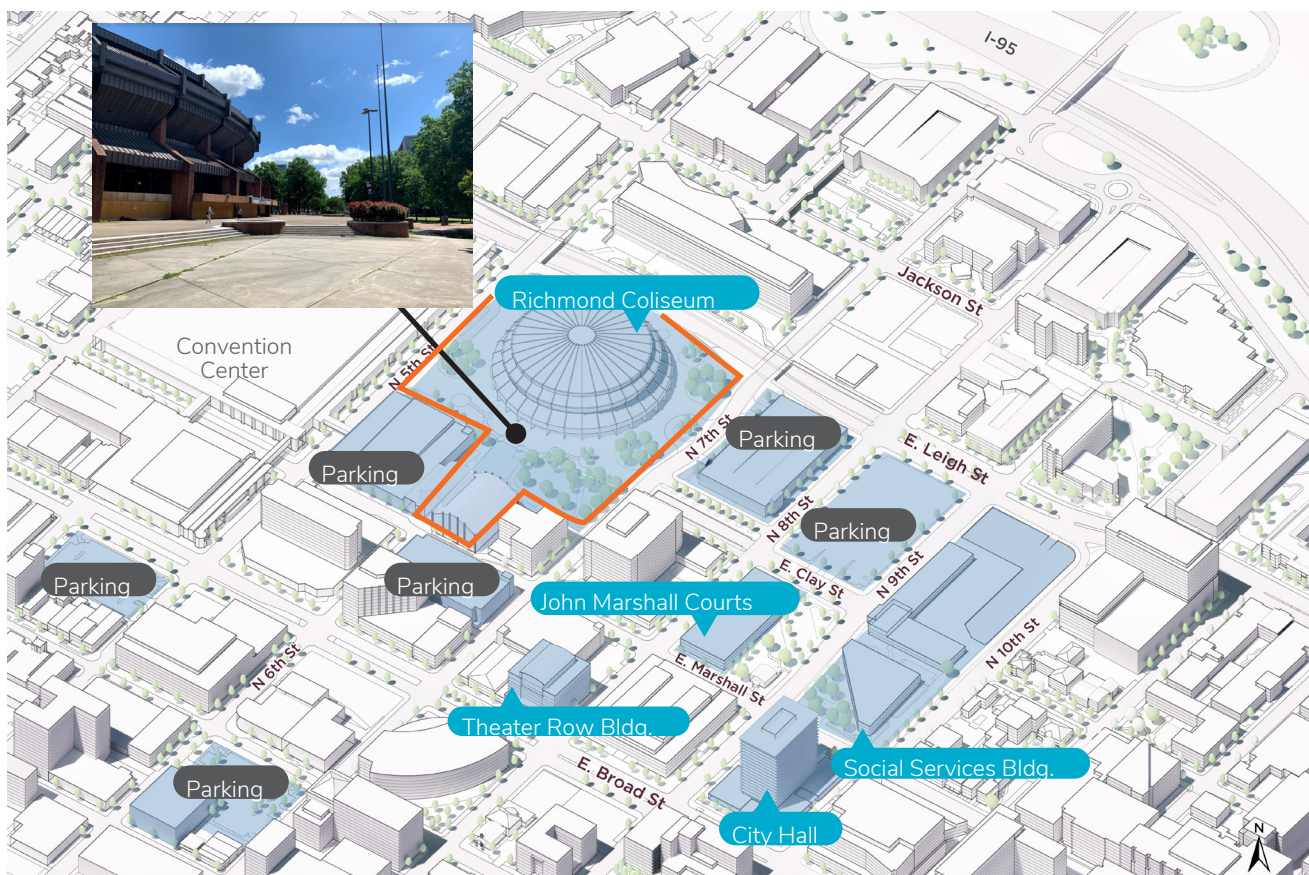


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Site Today

City Center is home to multiple publicly-owned assets including City Hall, the John Marshall Courts Building, the Richmond Coliseum, the 730 Building, Marshall Plaza, and multiple parking lots and garages. While the Small Area Plan calls for some civic uses to remain in the area, other uses will be relocated or eliminated to allow for the redevelopment of the parcels by private parties. The majority of the EDA and City-owned structures have significant maintenance issues and continued maintenance to prolong their useful life is not appropriate (see the City Center Small Area Plan in Appendix C for details on the conditions of existing EDA and City-owned structures).

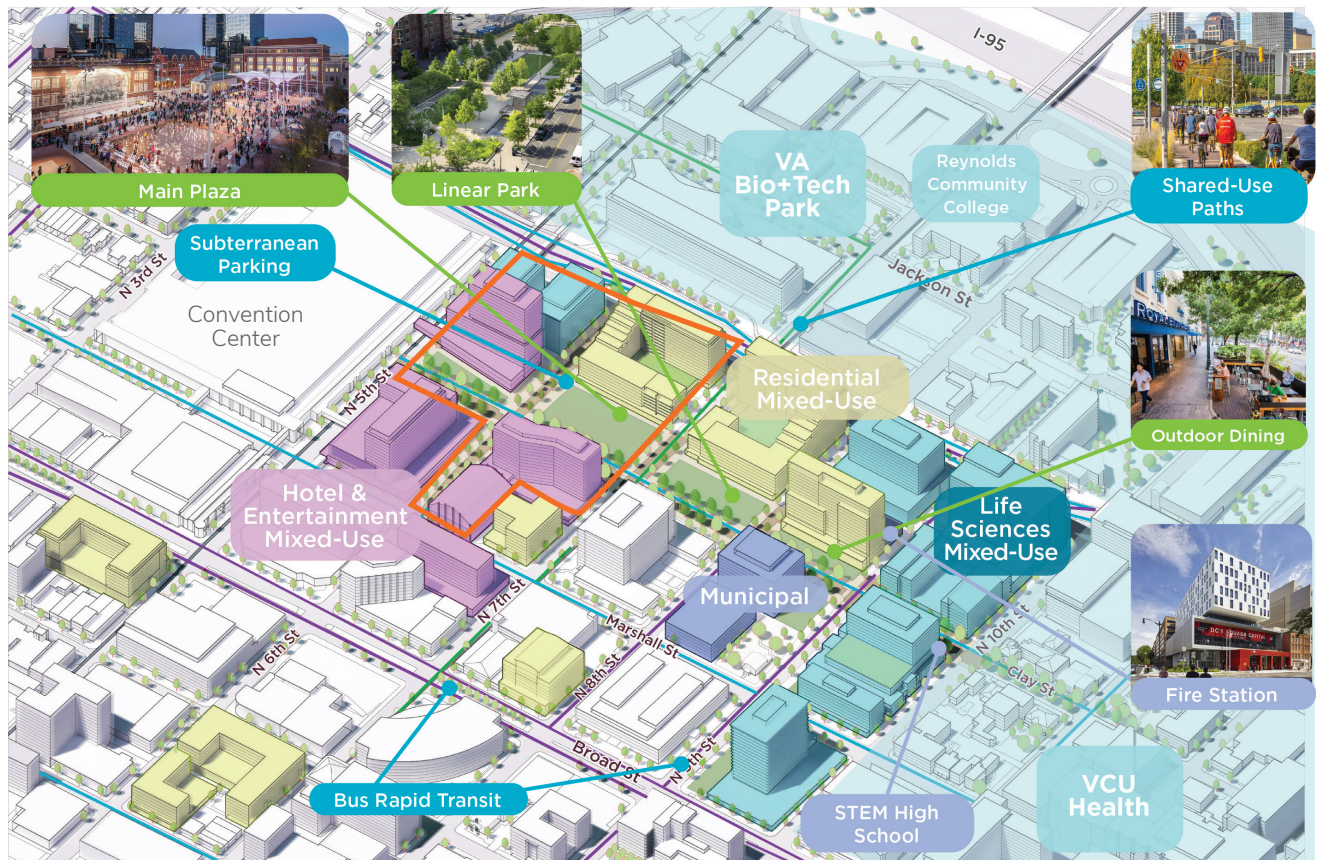
The Phase 1 parcels include the existing Richmond Coliseum, the Blues Armory, and the open space connecting them.



Today the 9.4 acre site (outlined in orange) is home to the shuttered Richmond Coliseum and former Sixth Street Market Place. The properties highlighted in blue above are owned by the EDA or the City.

The City Center Plan outlines the strategies to become Richmond's Life Sciences Innovation District. By consolidating City government functions, transferring parcels from public to private ownership, and using the City Center Plan as a tool to build an innovation district downtown. Mixed-use residential buildings can potentially bring thousands of residents back to the area and provide places for life science workers to live near work. New shared-use paths, bike lanes, ample green space, and activated ground floor uses can make City Center vibrant and inviting to residents,

visitors, and other Richmonders. Hotel and entertainment uses can help foster tourism and create added value for patrons of the Greater Richmond Convention Center as well as for the Innovation District. Additional space for biotech and life sciences companies can provide expansion opportunities for this growing sector and help continue to place Richmond at the forefront of innovation. Additionally, including a STEM-focused high school could provide opportunities for Richmond students to grow into biotech careers. Overall, the City Center Plan is an essential step in establishing City Center as the engine of the Richmond Region's growing life science industries.



Note: The conceptual massing diagram illustrates the potential shape and scale of buildings and open space; however as these areas develop, the exact design and scale of the buildings and spaces may be different from what is depicted in this conceptual illustration. The exact location of specific uses may also adjust overtime.



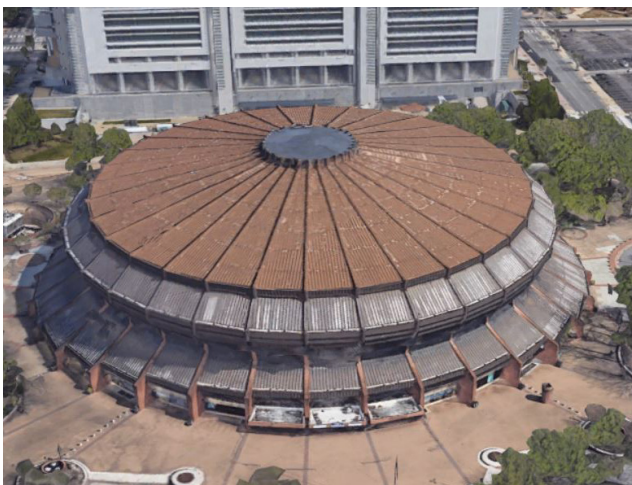
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Project Goals

The EDA and GRCCA anticipates that an ideal project would catalyze the City Center Innovation District and include the following:

Development Components

1. **Demolition:** Demolish the Richmond Coliseum.
2. **Blues Armory:** Creative adaptive reuse of the historic Blues Armory building.
3. **Infrastructure:** Upgrade water, sewer, road and other infrastructure to support development plans. Development should incorporate substantial water quality and stormwater management improvements and an increase in pervious surfaces and greenspaces. Reconnect N. 6th Street and E. Clay Street and create a new street parallel to E. Leigh Street that incorporate excellent urban design, such as street furnishings.
4. **Hotel:** Develop a signature minimum 500-key headquarter hotel with meeting spaces to support business, tourism, and entertainment activities. Pursuant to the Headquarter Hotel Needs Assessment –Updated Research (see Appendix D), the Greater Richmond Convention Center Authority and the Greater Richmond Region support the need for a headquarter hotel that provides a minimum of 500 guest rooms, supportive ancillary event and entertainment space, lobby/registration areas, back of house and other such space. Any resulting Hotel development and operating agreement will be between GRCCA and the selected developer. A desired outcome of this development is to have in place a room block agreement between the selected developer and GRCCA to give the region's destination marketing organization a tool to attract large events to the Richmond region that require more attractive hotel room rates.
 - Proposed minimum terms for the room block agreement: 1) A room block for Richmond Region Tourism equal to eighty percent (80%) of hotel guest room inventory for groups booking eighteen (18) months in the future. and 2) Monthly meetings between the hotel



The demolition of the Richmond Coliseum (left) and creative adaptive reuse of the Blues Armory building (right) are key components of the Phase 1 City Center redevelopment.



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developer/operator, Richmond Region Tourism, and GRCC team to review availability and booking strategies, including pre-opening meetings to commence upon the employment of the property-based Director of Sales and Marketing.

5. **Office:** Develop signature Class-A office space, or spaces, addressing needs of employers and employees in our new pandemic-influenced world, including biotech and life sciences focused research office buildings.
6. **Residential:** Create a significant number of new housing units. If rental, include units affordable to households with incomes as low as 30% of the Area Median Income (AMI) to households earning 110% of the AMI. If for-sale, include units affordable to households with incomes as low as 70% of the AMI.
7. **Retail:** Integrate retail uses at ground level where appropriate to support the daytime and nighttime needs and activities of the new community.
8. **Parking:** Utilize a shared parking strategy with any combination of on-street parking, underground parking decks, wrapped parking decks, and ideally no surface parking (except on-street parking).
9. **Transit:** Design the site to take advantage of existing bus service on East Broad Street and create demand for expanded bus service.
10. **Bicycle & Pedestrian:** Prioritize walking and biking on all streets. Transform 6th and East Clay Streets into flexible festival streetscapes. Provide bike racks and bike lanes or shared-used paths.
11. **Public Open Space:** Develop a grand public open space that can be offered as a space that can be programmed by the Convention Center.
12. **Quality Design:** Utilize high-quality, distinctive architecture that establishes a visible landmark location in the heart of Downtown Richmond. Maximize the by-right zoning to create the density and height that should be found in a city's downtown.
13. **Sustainable Development:** Incorporate state-of-the-art technology for new construction or rehabilitation of existing spaces that promotes innovative and sustainable building methods that create a healthier, more vibrant, economically competitive, and resilient community.

Community

1. **Families and Children:** Incorporate features, destinations, and amenities that welcome families and children, which may include, but are not limited to parks, playgrounds, daycare facilities, and recreation.
2. **Connectivity:** Connect the redeveloped area to the surrounding Downtown neighborhoods.
3. **Sustainable District:** Utilize a systems approach to create a resilient and sustainable district featuring items such as high-performance building systems, renewable energy production, storm water management, and multimodal, mixed-use, mixed-income compact living.
4. **Employment:** Create meaningful employment opportunities for local residents paying, at a



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minimum, the higher of the prevailing wage rate for the City of Richmond or \$17.50/hour during both the construction and operations of the development. Use union employees for a portion of the construction activities.

5. **Minority Business Enterprises and Emerging Small Businesses:** Include minority business enterprises and emerging small businesses in the development, design, financing, construction management, ownership, equity, and construction of project. Also include minority business enterprises and emerging small businesses as contractors/vendors in the operations of buildings, and as tenants in office and retail spaces.

Fiscal

1. **Revenue:** Generate new revenues for the EDA, GRCCA and the City.
2. **Financing:** Utilize financing approaches that minimize public investment and risk and maximize private investment.
3. **Community Fund:** Create a fund to support technical assistance and training for minority business enterprises (MBEs) and emerging small businesses (ESBs); offset costs for MBEs and ESBs to lease commercial space in the project; and fund post-secondary scholarships for Richmond Public School students eligible for free or reduced lunch.



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Evaluation and Selection Process

The EDA and GRCCA anticipate following the evaluation and selection process as outlined below. The EDA and GRCCA reserve the right to alter the process at any point to ensure the greatest benefit is derived for the EDA, GRCCA, and the City and its citizens.

Part 1 – Request for Interest (RFI)

- **Submission due:** Tuesday, December 20, 2022 at 2:00 P.M. ET
- **Evaluation:** RFI Responses will be evaluated based upon the “Evaluation Criteria” set forth in this RFI by an Evaluation Panel comprised of representatives from the EDA, GRCCA, and the City.
- **Shortlist:** In Winter 2023, the Evaluation Panel anticipates announcing a short-list of RFI Respondents who will be invited to respond to the RFO

Part 2 – Request for Offers (RFO)

- **RFO Release:** The Evaluation Panel may select some or all of the RFI Respondents to respond to a Request for Offers that will require additional information – which may include items such as conceptual site plans, a detailed development program including financial modeling, parking plan, renderings, and detailed proposed business terms for the acquisition of the site and development. The EDA and GRCCA anticipate releasing the RFO in Winter 2023.
- **RFO Evaluation:** RFO Responses will be evaluated based upon the “Evaluation Criteria” set forth in the RFO by an Evaluation Panel comprised of representatives from the EDA, GRCCA, and the City,
- **Selection:** The EDA and GRCCA anticipates negotiating a development agreement(s) (and other contractual documents, as applicable) with one or more selected respondents. Ultimately, at its discretion, the Evaluation Panel may choose to recommend one development team or multiple development teams for different portions of the redevelopment project. Any and all transactions will be subject to approval as appropriate by the EDA and GRCCA Boards. Approval by other public bodies may be required for some aspects of the project, depending on the final development program. The EDA and GRCCA anticipate announcing the selected development team(s) in Spring 2023.

Disclaimers

The EDA and GRCCA reserve the right, at their collective sole discretion to:

- Request clarifications;
- Terminate consideration of any respondent for any reason and at any time;
- Modify, suspend, discontinue, or terminate the process described herein at any time for any reason;
- Change or deviate from the dates identified in this RFI;
- Conduct investigations regarding the qualifications and experience of any development team or partner thereof; and



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- Take any other action regarding the property that it deems is in the best interest of the EDA and GRCCA.

The preparation of a response shall be at the expense of the respondent. The EDA and GRCCA will not reimburse respondents for any costs associated with the preparation or submittal of a response.

Subject to F.O.I.A., by submitting a response to the RFI and any subsequent information, Respondent and any affiliated organizations acknowledge that if the Respondent's team is eliminated from the evaluation process, neither the EDA or GRCCA will provide feedback on reasons for the elimination prior to the completion of all legislative and legal actions required by the EDA, GRCCA, and the City for the selected development team(s) and associated project(s) for this RFI and subsequent RFO.

Important Dates

The following is a tentative schedule the EDA and GRCCA plans to follow. The EDA and GRCCA reserve the right to alter this schedule at any time, with or without public notice, and will post any changes at www.rva.gov/citycenter.

November 3, 2022: RFI released.

November 29, 2022: Pre-submission tour of the project site in Richmond starting at 10:00 A.M. ET. [Complete this form to register for the tour.](#) Respondents are not required to attend the tour.

December 4, 2022: Written questions due by 11:59 P.M. ET to Maritza Mercado Pechin via email at maritza.pechin@rva.gov.

December 9, 2022: Responses to written questions posted by 5:00 P.M. ET at www.rva.gov/citycenter.

December 20, 2022: RFI Submissions due by 2:00 P.M. ET.

Winter 2023: RFI evaluation completed and a short list of the RFI Respondents are invited to respond to the RFO.

Spring 2023: RFO submissions due.

Spring/Summer 2023: Announcement of the selected development team(s) and approvals from the EDA, GRCCA, and the City.



REQUEST FOR INTEREST

RFI Evaluation Criteria

The EDA and GRCCA will review and evaluate each submission based on this general list of criteria:

Development Team

- Years and breadth of the development team's experience
- Scope of services provided including real estate management and development; marketing and public relations; architecture and design; landscape architecture; engineering and construction; and hotel development and operation
- Financial capability to complete the project
- Strength of professional, financial and project references
- Diversity of team and ownership structure

Urban Mixed-use Experience

- Experience with urban redevelopment
- Capability to fulfill the demolition of the Richmond Coliseum
- Capability to adaptively reuse the Blues Armory
- Capability to fulfill office or bio-tech/life sciences component and attract new-to-market companies and facilitate the expansion of existing companies
- Capability to fulfill mixed-income residential component
- Capability to fulfill retail component and attract retail tenants
- Experience successfully overcoming barriers to site redevelopment
- Experience incorporating public spaces into redevelopment
- Experience incorporating restaurants, entertainment, retail, and nightlife into redevelopment
- Successful reconciliation of private sector site needs with municipal/community desires
- Proven capacity to deliver the project requirements on time and on budget

Equitable Development Benefits

See Appendix E for Anticipated Minimum Community Benefits Requirements

- Inclusion of affordable rental and for-sale housing units
- Implementation of a development program that includes a diverse, equitable and inclusive development team and diverse equity participation that creates diverse, equitable and inclusive opportunities for the business community, including MBEs and ESBs, in all phases of



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development, financing, design, construction, and ongoing operation

- Potential to create new employment at a mix of skills and abilities
- Potential to act as a catalyst for economic development in the area
- Impact to increasing tourism and enhancing the Convention Center
- New open green space connected throughout the site and to adjacent communities
- Site-wide and building-specific sustainability and resiliency features
- Potential to enhance meaningful employment opportunities available to local residents through workforce training programs and the creation of sustainable and well-paying jobs with benefits and upward economic mobility

Project Understanding

- Understanding of and approach for accomplishing the EDA's and GRCCA's goals and desires for the project
- Approach to evaluating the market and determining the appropriate mix of uses
- Approach to incorporating/activating public spaces on site

Financing Approach

- Approach to project financing demonstrated by explanation of potential public and private sources
- Utilization of financing approaches that minimize public investment/risk and maximize private investment
- EDA, GRCCA, and City cost avoidance (e.g. infrastructure and public amenities constructed by the development team)



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Submission Requirements

The EDA and GRCCA are currently interested in selecting a development team (or teams) that can redevelop the City Center Phase One Parcels. Each development team should outline its unique vision that creates a sense of community by offering many ways for people to interact and by creating a variety of uses connected by public spaces that are supportive of each other and that not only serve the residents and workers, but Richmonders and the larger region as well.

Submission teams shall include, at a minimum, a developer, and architectural and engineering firm(s). Additional team members that are needed to meet the EDA's and GRCCA's goals may be identified within the submission. Each identified entity's capabilities must be included. If not identified in the RFI submission, development teams must demonstrate how they will include partners in the future and specifically how they will attract top local, regional, or national partners to fulfill future roles. All development teams must demonstrate their financial wherewithal to develop the property as outlined in the project goals.

RFI Responses must conform to the Submission Requirements set forth in this section. Omission of any of the required information may lead to a determination that the RFI Response will not be considered due to non-responsiveness. This decision will be made at the sole discretion of the Evaluation Panel.

Submission Format

RFI Responses must be in an 8 ½" x 11" format with standard text no smaller than 11 point font. The margins on each page should not be less than 0.75 inch and the line spacing should not be less than 1.1, excluding charts and graphics. All pages must be numbered, and page numbers may be included within the margin. Provide an electronic copy (PDF file) on a USB drive and twelve (12) paper copies of each RFI Response that are either: A) three-hole punched and placed in separate 3-ring binders with identifying covers; or B) coil-bound with identifying covers. RFI Responses must be organized and outlined in the format described below including tabs for major sections. The responses may not be more than 150 pages (150 single-side pages or 75 double-sided pages).

All submittals must include the information in the order listed below in a manner that demonstrates the Development Team's ability and envisioned approach to address the EDA's and GRCCA's Project Goals

Submission Content

Front Matter

- **Letter of Transmittal:** The letter of transmittal shall include the RFI Respondent's name, Primary Contact (with name, address, telephone number, and email address), signature of the authorized representative, and a designation of the responsible legal entity that will be the party the EDA's and GRCCA's contracts if the project is selected for the development. The letter should clearly outline the overall capability of the development team and briefly summarize its ability to design, construct and operate the mixed-use development. The letter shall be signed by the principal of the lead firm for the project indicating their authority to submit the response on behalf of the development team. In the letter the RFI Respondent should also confirm in writing that:



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- It is a legal entity registered to do business in the Commonwealth of Virginia with the State Corporation Commission (the “SCC”);
 - The RFI Response is genuine and without collusion in all respects; and
 - That the Primary Contact is authorized to act on the RFI Respondent’s behalf.
- **Table of Contents:** Indicate significant elements of the RFI Response by subject and page number. If the RFI Response contains appendices, include a listing of each appendix item.

Project Team

- Provide a short overview of the RFI Respondent’s ability to develop and manage the redevelopment of the City Center Innovation District and the components and improvements being proposed.
- Provide an organizational chart for the RFI Respondent’s (i.e., Master Developer) structure as a legal entity (including ownership percentages).
- Provide an organizational chart setting forth the RFI Respondent’s Development Team indicating the relationship between team members and the role each team member will have in the development process (including all master development partners, financial partners, design partners, community partners, contractors, etc.).
- Identify all MBEs/ESBs/local organizations.
- Provide the percentage of time that each organization is contributing to the City Center Innovation District redevelopment project.
- Provide resumes of key personnel who will be working on the project.
- Provide a description of each partner firm such as history, services offered/general experiences, number of employees, location of offices, and whether the firm is a MBE or ESB as defined by section 21-4 of the Code of the City of Richmond. For respondents not yet proposing a full team of specific partners, detail the type of firm that will be recruited and its role.

Relevant Experience

Provide evidence of experience with projects of similar size and scope. For each description include:

- Name, location, and description of the type of project including project size.
- The member(s) of the proposed development team that were involved and the services they performed.
- Project specifics:
 - Contact information for a project reference not associated with this development team;
 - Project construction budget and sources of financing;
 - Number of permanent jobs created;
 - Increase in taxable value as a result of the project;
 - Project start and end dates; and
 - Any website link or links to relevant articles regarding the project



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- **Development Ownership:** Whether the developer or another member of the current team has or had an ownership interest in the project. If so, specify if it is/was a controlling or non-controlling interest.
- **Development Operation:** Whether the developer or another member of the current team has or had an operating role in the development since its completion.
- **Experience providing opportunities for minority business enterprises, emerging small businesses, and other underrepresented groups to participate in the development (including equity, ownership, employment, contacting, etc.).**
- **Experience operating a convention/event center headquarter hotel, to include examples of current operating agreements preferably containing hotel room block commitments.**

Financial Capabilities

Demonstrate the ability to self-finance or secure funding for large mixed-use projects such as this by providing a list and contact information for the following:

- **Experience with private only and public/private project financing mechanisms:**
 - Private sources of financing used for recent projects; and
 - Public sources of financing, incentives, either or both, used for recent projects
- **Past bankruptcies or pending financial litigation involving any development team firm or principal.**
- **Identify the overall financial impact your proposed project will have with regard to private investment, jobs created, and new residential and commercial square footage developed.**

Project Understanding and Financing

- **Provide a statement that illustrates the development team's understanding of the project, unique opportunities, and potential challenges.**
- **Provide a summary of a potential mix of uses (including square footage) for the site and approach to performing the work and meeting the EDA's and GRCCA's goals.**
- **Describe the development team's quality control and project management philosophy to ensure the completion of a quality project on schedule and on budget.**
- **Describe the potential phasing approach and financing approach for the development, including all infrastructure.**

Confidential Information

All responses and related materials are the property of the EDA and GRCCA and will not be returned. At the conclusion of the process, the EDA and GRCCA may retain or may dispose of any and all materials received consistent with the EDA's and GRCCA's obligations under the Virginia Public Records Act, Va. Code §§ 42.1-76 et. seq. In no event will the EDA or GRCCA assume liability for any loss, damage or injury that may result from any disclosure or use of proprietary information.



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Respondents should be aware that records of the EDA and GRCCA including records submitted in response to this RFI are subject to the provisions of the Virginia Freedom of Information Act regarding access to public records. (See Va. Code §§ 2.2-3700 et. seq.) To the extent the EDA and GRCCA determine the exemption to VFOIA set forth in Va. Code Section 2.2-3705.6(3) applies to information provided by a respondent (and marked as confidential or proprietary), the EDA and GRCCA will endeavor to keep such information confidential.

If any respondent provides information it believes is exempt from mandatory disclosure under Virginia law, the response shall include the following language on the title page of the response:

“THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE.”

In addition, on each page that contains information that any respondent believes is exempt from mandatory disclosure under Virginia law, the respondent shall include the following separate language:

“THIS PAGE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE.”

On each such page, the respondent shall also clearly specify the exempt information and shall state the specific Code of Virginia section and exemption within which it is believed the information falls.

Notwithstanding anything to the contrary in this RFI, although the EDA and GRCCA will generally endeavor not to disclose information designated as confidential, proprietary, or otherwise exempt from disclosure, the EDA and GRCCA will independently determine whether the information designated by respondents is exempt from mandatory disclosure. Moreover, unless release of such information is otherwise prohibited by law, the EDA and GRCCA shall have no liability for releasing any information regardless of whether it was exempt from disclosure.

In all cases, the City will adhere to the Virginia Freedom of Information Act (Va. Code §2.2-3700 et. seq).



REQUEST FOR INTEREST

Essential Information

Project Manager

The primary point of contact for the RFI is the City Center Project Manager. Direct all questions and inquiries regarding this RFI to the City Center Project Manager. **The City Center Project Manager is Maritza Mercado Pechin (maritza.pechin@rva.gov / 804-646-6348).**

Each potential RFI respondent intending to submit a response to this RFI (each “RFI Respondent”) should email the City Center Project Manager by **November 30, 2022** in order to receive e-mails with any addenda or other information relevant to submitting responses to this RFI. In your email you must include the name, email address, and cellphone number for the sole primary point of contact for your development team (“Primary Contact”). All correspondence from the EDA and GRCCA to RFI Respondents will be sent directly from the City Center Project Manager and will only be sent to the identified Primary Contact named in the email. If you do not email the City Center Project Manager you may not receive direct notice if/when addenda are issued and will be solely responsible for obtaining the information from the City Center website. All addenda will also be posted on the City Center website.

Questions

Requests for clarification or any questions about the RFI must be submitted by the Primary Contact in writing via email **no later than 11:59 P.M. on Sunday, December 4, 2022**, to the City Center Project Manager.

An addendum with questions and answers will be emailed by **Friday, December 9, 2022** to the Primary Contacts and posted on the City Center website. All requests or questions must be emailed to the City Center Project Manager.

Submission Delivery Instructions

Submission Requirements for responses to the RFI (“RFI Responses”) are set forth in the “Submission Requirements” section. Each RFI Response must include an electronic copy (PDF file) on a USB drive and twelve (12) individual printed/hard copies, all of which must be hand delivered between 10:00 A.M. ET and 2:00 P.M. ET on Tuesday, December 20, 2022, to the EDA office located at:

Main Street Station
1500 East Main Street, 4th Floor
Richmond, Virginia 23219

The RFI Response must be addressed to:

Leonard Sledge, Executive Director, Economic Development Authority of the City of Richmond

And

Brandon Hinton, Finance Committee Chair, Greater Richmond Convention Center Authority

NO LATE SUBMITTALS WILL BE ACCEPTED.



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Costs of Response Preparation

RFI Responses are to be prepared at the sole cost and expense of the RFI Respondents, with the express understanding that there may be no claims whatsoever for the reimbursement of any costs, damages, or expenses related to this process from the EDA and GRCCA or their officers, employees, advisors, or representatives, or any other party for any reason.

Accuracy of the RFI and Related Documents

The EDA and GRCCA assume no responsibility for the completeness, or the accuracy of specific technical and background information presented in the RFI, or otherwise distributed or made available during this process. No person has been authorized by the EDA or GRCCA to give any information other than the information contained in this RFI and, if given, such other information should not be relied upon as having been authorized by the EDA or GRCCA. The information set forth herein has been obtained from sources that are believed to be reliable but is not guaranteed as to accuracy or completeness. The information contained herein is subject to change without notice.

Appendices

- Appendix A – City Center Market Analysis
- Appendix B – Venture Richmond Downtown Report
- Appendix C – City Center Innovation District Small Area Plan
- Appendix D – Headquarter Hotel Needs Assessment –Updated Research
- Appendix E – Anticipated Minimum Community Benefits

CITY CENTER

Richmond, VA

Appendix A

City Center Market Analysis



Richmond City Center Market Analysis

City of Richmond

October 14, 2022

Prepared for:
City of Richmond

Prepared by:

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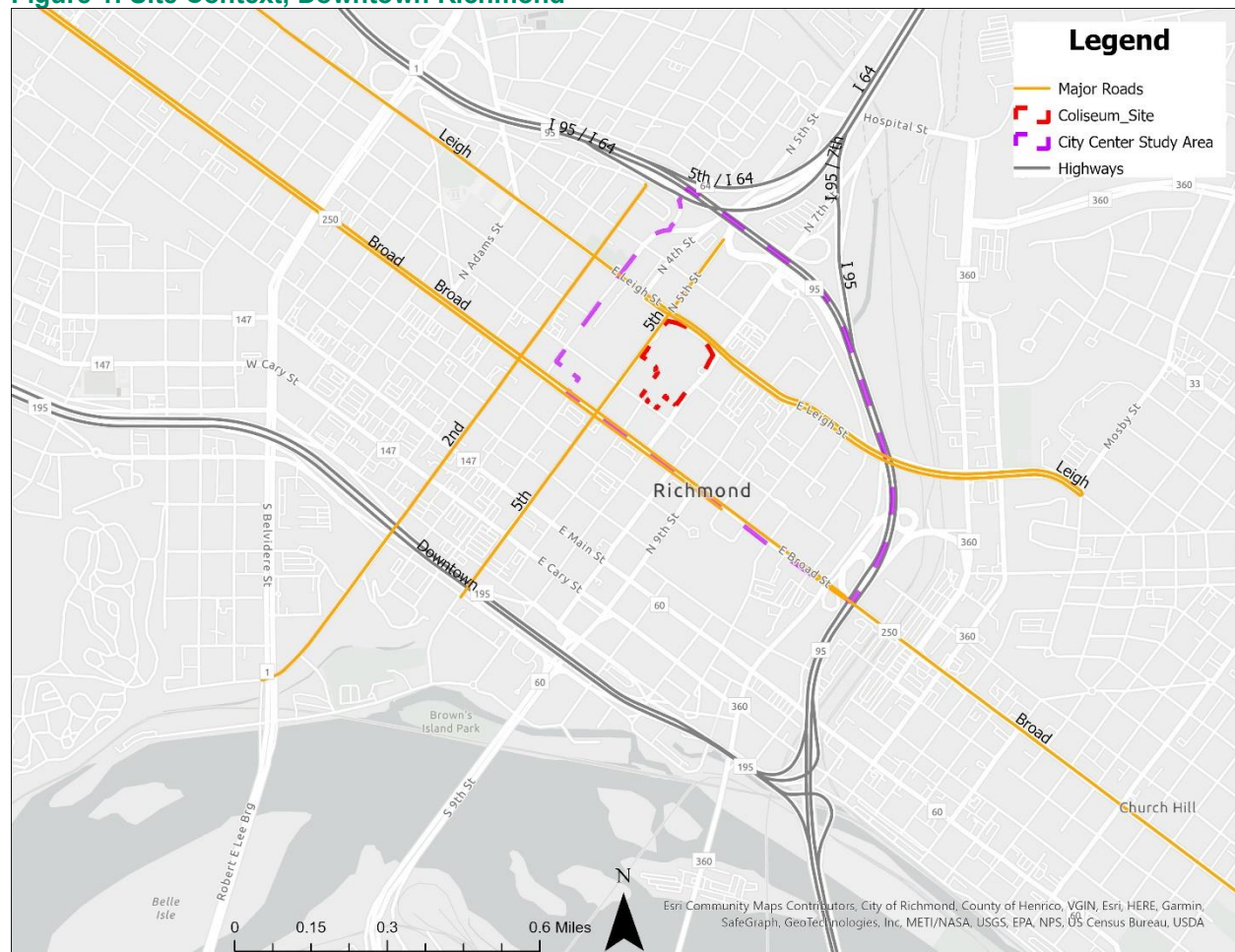
Executive Summary

Introduction

When the Blues Armory, which formerly housed a food court and City offices, closed in 2002, it left a “hole” in Richmond’s downtown fabric. The closure of the Richmond Coliseum in 2019 meant that activities on the site bounded by East Marshall Street on the south, North 5th Street on the west, East Leigh Street on the north, and North 7th street on the east came to a standstill. The City, residents, business owners, and other neighborhood stakeholders have expressed that they would like to see the site re-imagined as a true “center” for the City’s downtown – a vibrant, walkable, mixed-use hub of activity, to serve as a “gateway” to the City for both Richmond residents and the visitors and convention goers using the Greater Richmond Convention Center (GRCC) immediately west of the site, and other tourists visiting the City.

The City of Richmond has engaged AECOM to conduct a market analysis to estimate market-supportable development in this location, along with rough-order-of-magnitude (ROM) cost estimate for public infrastructure needed to redevelop the site. Figure 1 shows the site in context with greater downtown. The site is located in the heart of downtown Richmond, just blocks from City Hall and the Virginia State Capitol. Richmond’s downtown has experienced a renaissance over the last two decades, and has attracted a growing residential population, along with offices, restaurants, hotels, and entertainment venues.

Figure 1: Site Context, Downtown Richmond



Source: ESRI, AECOM, 2022

Vision

The City adopted a small area plan for the site, the *City Center Innovation District Small Area Plan*, in 2022. This plan serves as the baseline for the overall vision for the site; however, the site has since gone through a rezoning, and the City would like to see the full potential of this site realized in terms of density, as it is one of the few larger contiguous properties in the City center available for redevelopment. The site is bordered by the VCU Health Campus; Richmond Bio+Tech Park (Activation Capital), J. Sargeant Reynolds Community College, and greater Jackson Ward. The area has become a hub for medical research and treatment, and is expected to continue growing and developing into a world-class center for research & development (R&D).

The historic Jackson Ward neighborhood just west of the site was once considered the “Black Wall Street” of the South, is also undergoing a City-led revitalization, and has once again begun to return to its former vibrancy. However, as development pressures intensify, the risk of displacing long-term residents there has become acute. *Richmond 300*, the City’s recently adopted comprehensive plan, and the City’s current affordable housing strategy encourage developers to provide housing for a mix of incomes as part of any new developments that include a residential component, and this site is no exception.



Greater Richmond Convention Center
[This Photo](#) by Unknown Author is licensed under [CC BY-NC-ND](#)

The Greater Richmond Convention Center (GRCC), directly adjacent to the site on west, is a popular destination for conferences and conventions; however, according to GRCCA, the Convention Center Authority, they have lost business to other cities over the past decade due to the lack of available hotel rooms within easy walking distance of the GRCC. There are approximately 2,500 rooms available within a quarter-mile of the GRCC; however, many convention groups are looking for at least 500 rooms in the same location. The City lacks a flagship/headquarter hotel downtown, which many cities similar in size and scale to Richmond are able to provide.

Despite the City’s well-deserved reputation as a “foodie” destination, this site and the blocks surrounding provide few options, especially for the lunchtime crowd. Hotspots for restaurants and breweries like Greater Scott’s Addition and Manchester are just a few miles away, but not convenient for people working in the area or attending events at the GRCC/visitors staying downtown. The nearest full-service grocery store is more than a mile outside of downtown’s core, and is not convenient to people living and working near the site.

Existing Conditions Summary

Population

The City of Richmond has grown at a moderate rate of 1% annually since 2010. Downtown, comparatively, has grown more quickly than both the City and MSA overall, at a rate of nearly 4% since 2010. ESRI estimates that, as of 2022, nearly 9,500 people live in the census tracts that make up downtown, up from approximately 6,000 in 2010. However, according to UVA’s Weldon-Cooper Center, which conducts regular population projections for the State of Virginia, the City is projected to grow by just

over 19% between 2022 and 2050. In order to accommodate approximately 44,000 new residents, Richmond will have to continue to re-think land use and density.

Employment

Richmond has seen substantial economic transformation over the last two decades. The City lost 44% of production jobs and 37% of Office and Admin jobs between 2005 and 2021. Many of these losses came from tobacco manufacturing, which has shed roughly 3,000 jobs in the City since 2001. Despite losses in these sectors, the City has seen significant employment growth in business & financial operation, healthcare, Computer & Mathematical, accommodation and management from 2005 to 2021. Between 2005 to 2021, business & financial operations added over 4,500 jobs, Healthcare and its support business added more than 3,500 jobs, and computer and mathematical added over 1,000 jobs. Growth in the healthcare and R&D fields is projected to continue growing in downtown and the City overall.

Market Trends Overview

Housing

Despite steady growth in overall population, production of single-family homes in Richmond has remained relatively low since 2000. Between 2000 and 2010, Richmond averaged 283 annual permits for new single-family homes per year. In the decade since, the city has permitted on average only 228 new single-family dwellings per year, while adding over 1,000 households annually on average over the same timeframe. It is likely that slow growth in housing supply has contributed to the significant growth in home prices in Richmond, especially over the last five years. Based on data from the City of Richmond Real Estate Assessor's Office, the number of condo units sold per year in Richmond increased from 2012 to 2021, with the overall condo sold increasing by an average annual rate of 10%, for a total increase of 150% between 2012 and 2022. Sale prices have also increased across the City, by 3% annually over the ten-year period, for a total increase of 38%.

Growth in multifamily housing in Richmond has accelerated in recent years. The City of Richmond has added 41% of its total multifamily units in the past decade. Construction of multifamily downtown has outpaced the rest of the City, growing annually at a rate of 3.9% since 2010. The City's share of new units out of the total MSA has also risen from 36% in 2010 to 40% in 2022, and downtown's share of the City's overall multifamily units has risen slightly, from 9% to 10%. Despite multiple new multifamily residential projects in the development pipeline, demand for more housing is not projected to slow drastically, unless the U.S. enters a prolonged economic recession.

Retail

Total retail space has expanded slowly across the Richmond area over the last decade, according to an analysis of CoStar data. Retail square footage in the City of Richmond has remained between 41 million and 42 million square feet (SF) since the 2008 Great Recession; overall, since 2005, retail square footage has grown at a rate of less than 1% per year in all City Capital, Downtown Richmond, City of Richmond and the greater MSA. In City Capital, the inventory of retail square feet hasn't changed since 2005.

Despite a relatively steady inventory of retail square footage in City submarkets, vacancy rates have fluctuated considerably; however, in recent years, they have been at historic lows. Despite the decrease in "brick and mortar" retail shopping during the early days of the 2020 coronavirus pandemic, the City's retail markets appear to have recovered, and demand for retail space remains steady.

Office

The yearly average office vacancy rate in downtown Richmond has typically been higher than the City's average in the past decade; however, considering the current post-pandemic uncertainty around office space nationwide, both downtown and the City's office vacancy rates are relatively low; according to JLL, a national real estate research firm, the national vacancy rate is hovering around 18%, versus 8% in downtown Richmond, and 7% citywide.¹

¹ <https://rejournal.com/jll-reports-a-new-high-in-the-u-s-office-vacancy-rate-18-9/>

Although office vacancies dipped in 2021, they have since increased across all three geographies, as many tenants continue to re-assess their need for space post-pandemic. According to the real estate brokers surveyed as part of this study, despite higher vacancies, they continue to see demand for smaller-footprint, high-quality, boutique/bespoke office space within City limits. For example, office space in the Current, a new mixed-use building recently constructed in the Manchester neighborhood just south of downtown, is 77% leased, reflecting interest in this Class-A office submarket.

It is still too early to definitively predict how office space will perform in the post-pandemic environment; therefore, it is recommended that the future developer of the Coliseum site conduct a more in-depth study of the local market and considering securing commitment from office tenant(s) prior to constructing a significant amount of office space on the site, and/or including it in the Blues Armory.

Lab, Medical, & R&D

According to AECOM's analysis, demand is increasing for lab and specialty medical and R&D space in downtown Richmond; rents for these spaces tend to be somewhat higher than for other general office space. Activation Capital and VCU Health both have plans to expand; as with other types of office space, it is recommended that the future development team chosen to redevelop this site obtain a full understanding of future expansion plans for surrounding property owners/users, and secure commitments from specific tenants for both general office and lab/specialty/medical office space.

Funding support for biosciences and other research industries has increased significantly, which supports stronger demand for research facilities and lab spaces. Virginia ranks 6th in National Institutes of Health (NIH) funding growth, and recently received a significant federal grant for biopharmaceutical R&D. According to the U.S. Census, 57% of Richmond's jobs within the professional, scientific, and management industries are already located in downtown Richmond.

Community & Educational Uses

Enrollment in higher education has been declining both nationally and locally. However, universities like VCU are investing in innovative new facilities to draw additional out-of-state students to bolster enrollment growth. Other universities and colleges may need to reformat programs to attract new students. Richmond Public Schools, which consists of 54 K-12 facilities, has also lost a considerable number of students in the past year, dropping by 25% enrollment. Decreasing enrollment in public schools is a national trend in the wake of the pandemic, as parents explore non-public education options. Magnet schools that cater to STEM fields, such as CodeRVA, are on the rise in Richmond and nationally; CodeRVA is interested in having space in City Center; however, construction or rehabilitation of any public community and/or educational space on the site would need to be heavily subsidized by the public sector, or as part of a public-private partnership.

Food, Beverage, & Entertainment

Richmond has become a regional destination for craft beverage production, dining, and entertainment; however, there is a gap in the market in the near vicinity of the vacant Coliseum site, which presents a key opportunity for new uses. Because the greater City's food, beverage, and entertainment offerings are already plentiful and diverse, any uses in those categories located on the project site will need to be tailored to the immediate (1-mile radius or less) market demand, and be supported by significant residential density in the immediate vicinity. A grocery/market use that offers groceries, including fresh produce, sit-down fast-casual dining, and has space for entertainment and local vendors would most likely perform well, given the right residential densities and office tenants. It is important to note that lab workers and many other office workers already in the area tend to bring lunch or eat in their office cafeteria, so food, beverage, and entertainment uses on-site would need to have a diverse range of offerings and extended hours that would cater to residents and tourists staying in the area/using the GRCC, in addition to office tenants.

Blues Armory

One of Richmond's many incredible historic landmarks, the Blues Armory has gone through multiple evolutions since it was built in 1910. The building, nearly 20,000 enclosed square feet (SF), is currently vacant and in a state of disrepair. The discussions around appropriate uses for the historic Blues Armory building are ongoing. Although a full structural analysis was not undertaken for this report, the project team received a tour of the building in its current state. It appears that significant investment will be required to adaptively re-use the building for new purposes. Based on the charrette held with key stakeholders and City staff in September 2022 as part of this process, the following uses were determined to be most appropriate for the space, subject to any physical/structural constraints that the project team is not currently aware of:

- Grocery/market and/or food hall uses on the ground floor, with space for local vendors
- Office, including coworking and/or incubator space on the upper levels
- A ballroom or similar event space on the top level
- A smaller-scale entertainment venue that could host e-sports events, or other "virtual" entertainment, or host live music as an accompaniment to any dining/food & beverage uses determined appropriate for the space.

Figure 2: Blues Armory, September 2022



The City has held discussions with multiple stakeholders about the possibility of adapting the building for a public magnet school use; however, the structural constraints of the existing building may be cost-prohibitive. Additionally, any type of educational use that requires specialized space and equipment would most likely be better suited to a newer building that could be built to their specifications.

Hospitality & Tourism Markets

The greater Richmond regional tourism market has boomed following a downturn in the immediate aftermath of the 2022 pandemic, and offers a number of well-established attractions and experiences. There also appear to be additional opportunities for growth and increased market capture on the horizon. Both visitation and visitor spending have significantly increased over recent years. The data collected on tourism activity in the region also firmly establishes Richmond as a year-round destination. Downtown Richmond has become a regional destination as well, with the expansion of the arts district, greater transit options, and new hotel developments. Entertainment options downtown have increased in recent years, with live shows at venues such as The National, The Dominion Energy Center, and Brown's Island attracting visitors from across the region and beyond.

However, the lack of amenities in the immediate vicinity has created something of a "dead zone" on the former Coliseum site and surrounding blocks. The downtown hotel market is strong, but the GRCC cites the lack of walkable, "blockable" rooms adjacent to the facility as a major deterrent for growing its customer base. Downtown hotel rooms are generally undersupplied by the market; it is estimated that the 264 additional nearby rooms in the development pipeline will still not meet the demand for convenient hotel options downtown.

Parking Demand

In response to an oversupply of parking, the City of Richmond removed minimum parking requirements in City Center, creating a market-driven model of parking. A study by DESMAN in 2018 illustrates the availability of walkable parking spaces within public parking garages near the project site. AECOM

expects future users of this site to utilize approximately 1,000 – 1,500 of the available offsite parking spaces, partially accommodating demand generated onsite and reducing the need to construct additional parking onsite. However, tenants will require secure, onsite parking as an amenity, especially for hotel guests and residents. Office users are also likely to expect onsite parking, but availability in parking structures adjacent to the project site may supplement and potentially replace a portion of onsite parking. Development of parking onsite should be developed with a shared parking model, when appropriate, with a modern management and payment system, be well-lit, secured, and/or surveilled, and have obvious signage and wayfinding to ensure easy and convenient use.

Conclusion

The vacuum created by the shuttering of the Blues Armory and, more recently, the Richmond Coliseum, is an incredible opportunity for the City of Richmond to transform this site in the heart of downtown into a dense, amenity rich environment that serves as a community gathering place and a hub of activity for residents, workers, event attendees, and visitors. Stakeholders continually mentioned the need for a “gateway” to downtown that mixes outdoor community gathering space with other types of entertainment spaces, dining and retail options, and residential uses, creating a true “live/work/play,” 24-hour destination.

In a world where, in many cases, employers must “lure” employees back to the office with interactive spaces, more dining options, and programmed, social activities; and consumers have more choice about where to spend their time and money than ever before, the importance of supporting public and private amenities to drive activity and spending has never been more evident. Interest in spending more time outdoors, including in outdoor dining, festivals, and events, is one trend that was “supercharged” by the 2020 pandemic, and does not appear to be going away any time soon. Well-programmed open space will be critical for “activating” the site, and encouraging residents, tourists, and office workers to linger in downtown. It is also critical that the future development team maintain open channels of communication with the site’s neighbors about their plans for expansion and growth, vision, and goals, especially VCU Health, Activation Capital, J. Sargeant Reynolds, and the Historic Jackson Ward Civic Association.

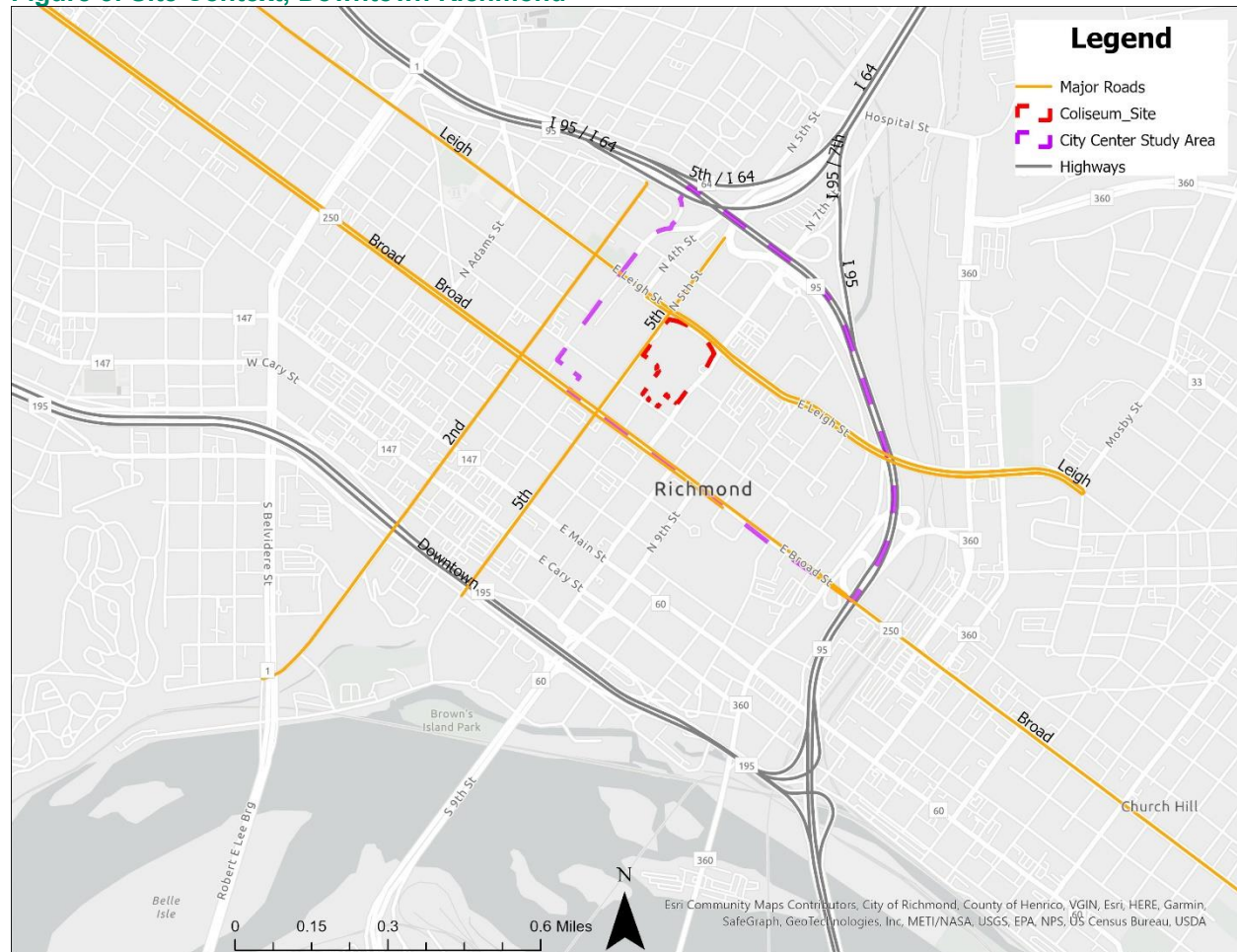
Market Analysis

Context

Richmond City Center Market Analysis Subject Site

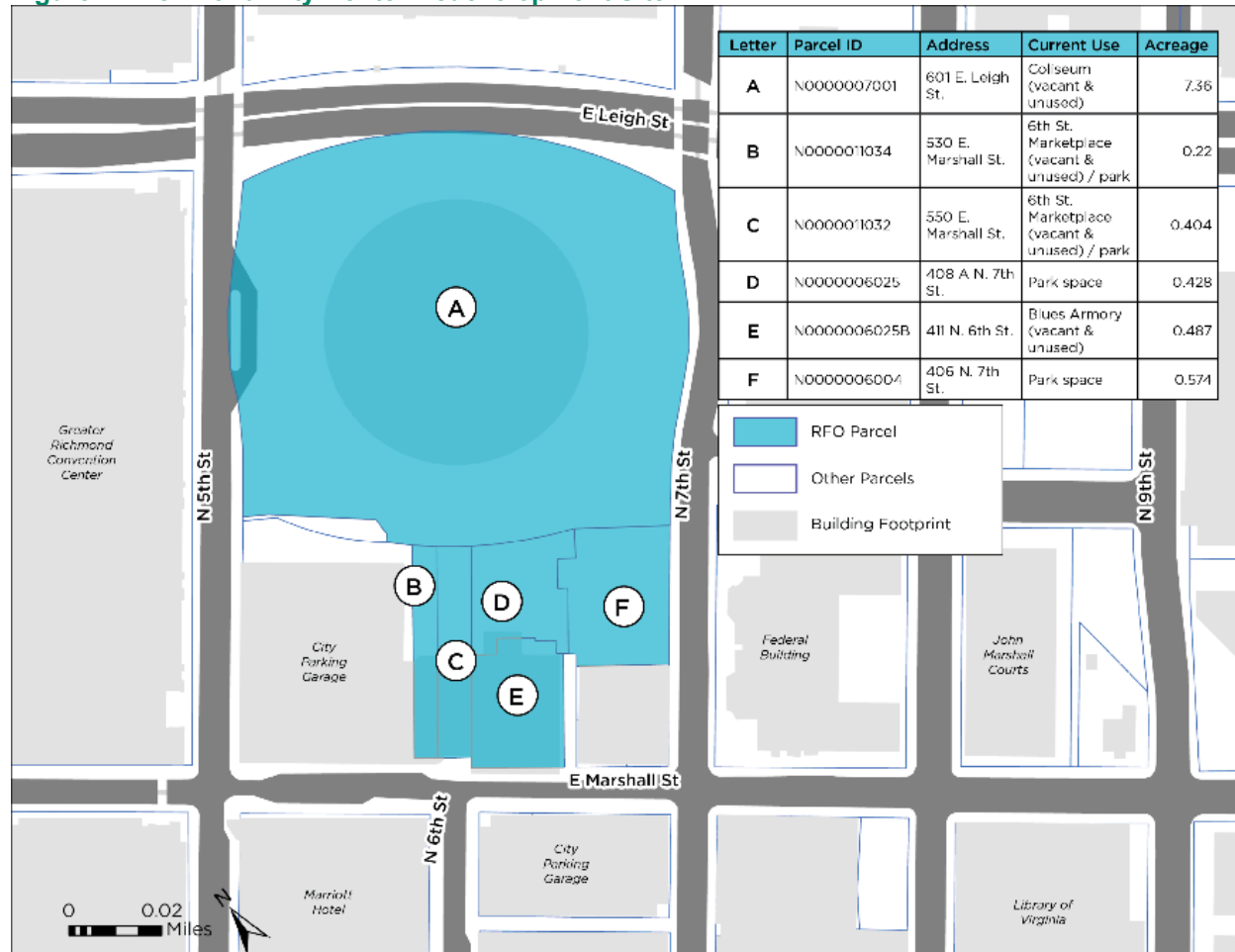
The City of Richmond has engaged AECOM to conduct a cost estimate for public infrastructure needed to redevelop the site, along with a market analysis to estimate market-supportable development in this location for the next 5-10 years. Figure 3 shows the site in context with greater downtown. The site is located in the heart of downtown Richmond, just blocks from City Hall and the Virginia State Capitol. Richmond's downtown has experienced a renaissance over the last two decades, and has attracted a significant residential population, along with offices, restaurants, hotels, and entertainment venues.

Figure 3: Site Context, Downtown Richmond



Source: ESRI, AECOM, 2022

The six subject properties for this analysis, bounded by East Marshall Street on the south, North 5th Street on the west, East Leigh Street on the north, and North 7th street on the east, are located in the heart of downtown Richmond, Virginia. They include the now-vacant Richmond Coliseum, which originally opened in 1971 and has been vacant since 2019, along with the 6th Street Marketplace addition located adjacent to the Blues Army, an historic structure that was built in 1910. The City Center Innovation District Small Area Plan, and other background information provided by the City, serve as the baseline for the analysis, cost estimate, and conceptual site design.

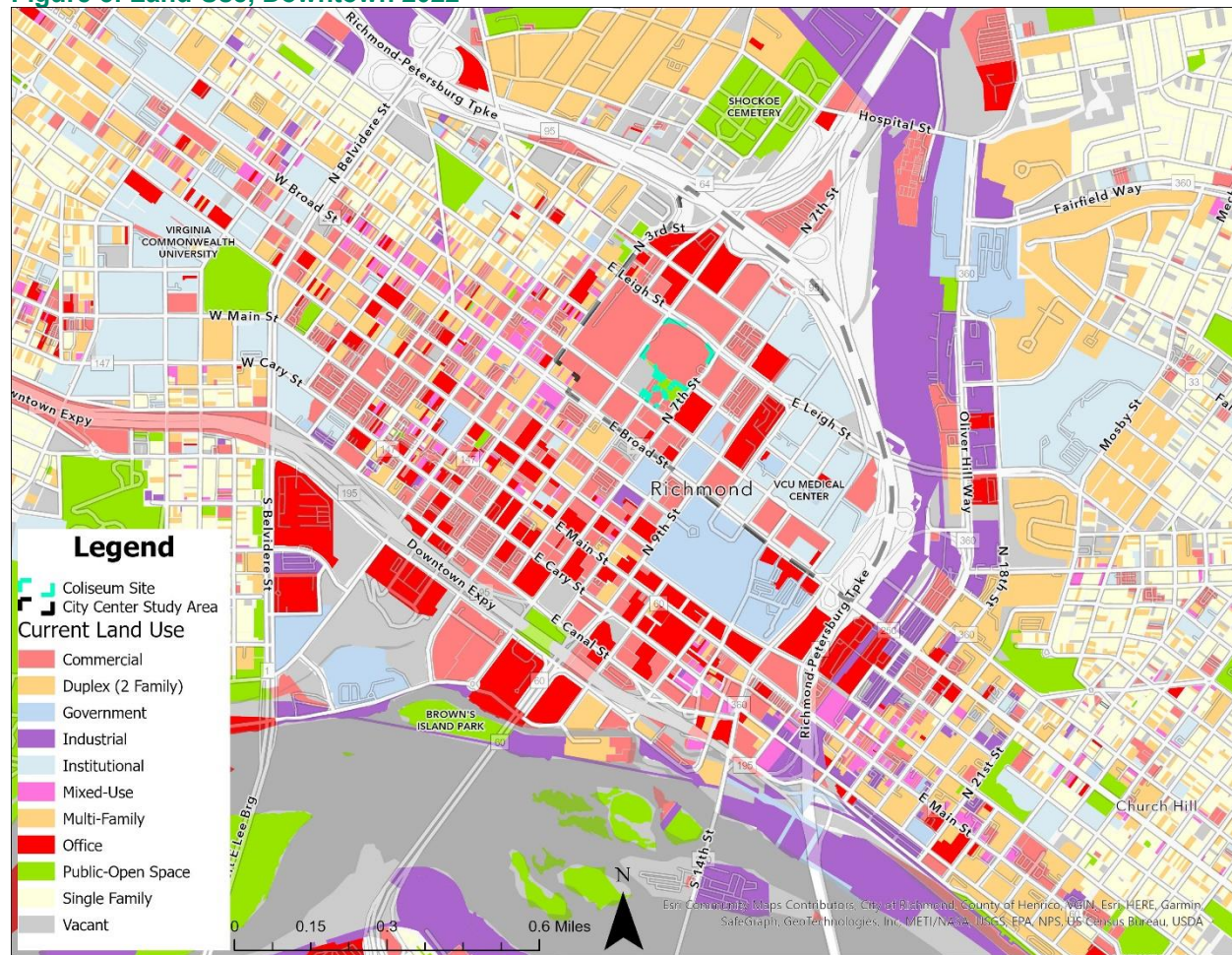
Figure 4: Richmond City Center Redevelopment Site

Source: City of Richmond 2022

The parcels included in the analysis, shown in Figure 4, are:

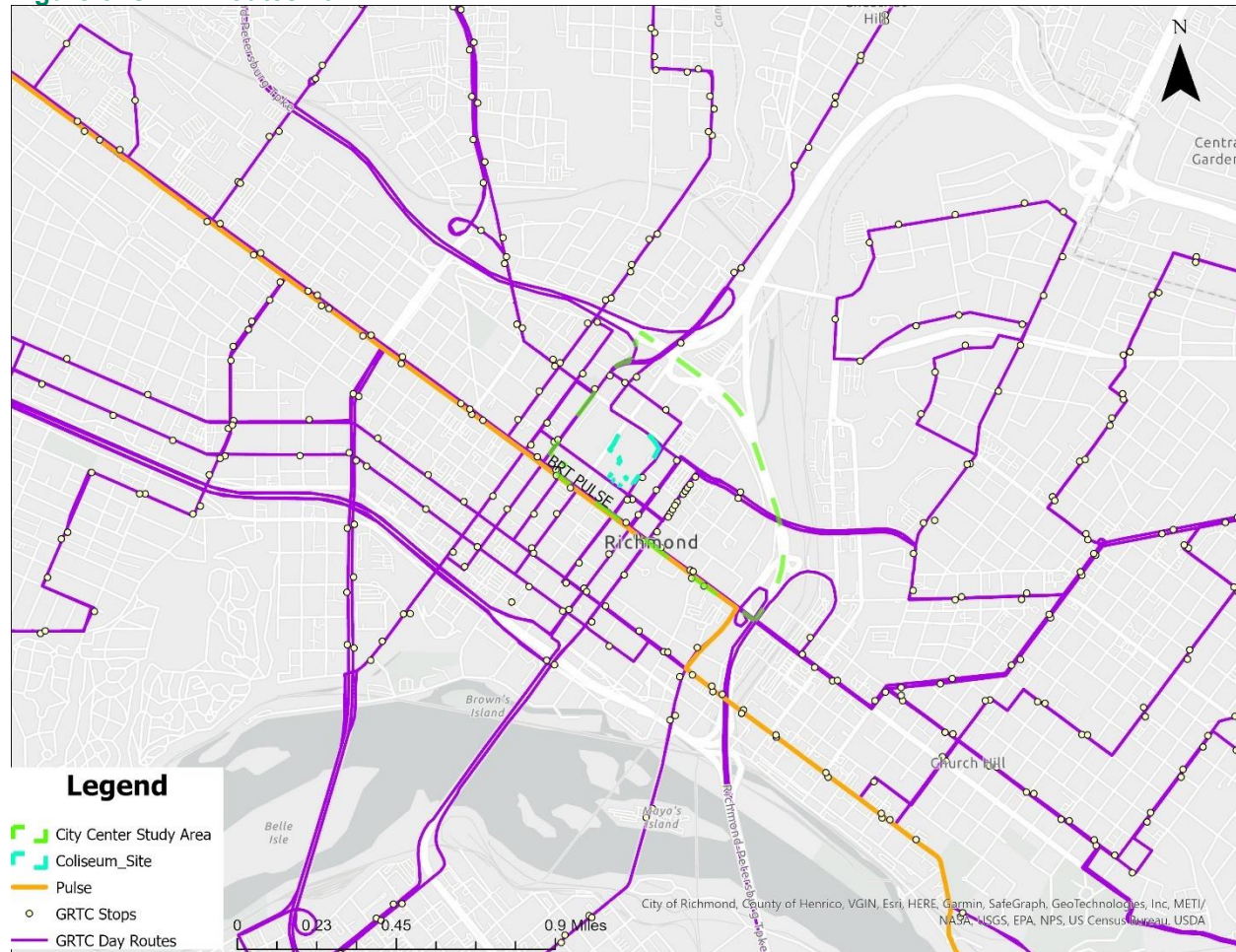
- N0000007001 – 601 E. Leigh Street – 7.36 acres
- N0000011034 – 530 E. Marshall Street – 0.22 acres
- N0000011032 – 550 E. Marshall Street – 0.404 acres
- N0000006025 – 408 A N. 7th St. – 0.428 acres
- N0000006025B – 411 N. 6th St. – 0.487 acres
- N0000006004 – 406 N. 7th St. – 0.574 acres

Figure 5 shows current land use in downtown Richmond and for the subject site. The majority of parcels downtown are predominated by office uses, but residential development has increased in recent decades. The downtown area is transitioning to a more mixed-use environment, “live/work/play” environment, which aligns with the City’s planning goals.

Figure 5: Land Use, Downtown 2022

Source: ESRI, City of Richmond, AECOM 2022

Greater Richmond Transit (GRTC) bus routes are the main form of public transit serving the site and surrounding area; the Pulse Bus Rapid Transit (BRT) line runs along Broad Street, one block south of the site, and has a stop adjacent to the Convention Center, as shown in Figure 6. The Pulse currently terminates at Rockett's Landing on the east end, and the Willow Lawn shopping area on the west end. GRTC is currently exploring expanding the BRT, but is still in the planning phases of determining where to locate additional stops. As the map in Figure 6 shows, the site is well-served by Richmond's current system on a east-west axis – however, the lack of direct, efficient connections to surrounding communities to the north and south often deter people outside the immediate area from riding the bus, if they have the option of driving. It is generally more efficient for both residents and tourists/visitors to drive between Richmond's neighborhoods, so private automobiles or rideshares are more heavily utilized than the GRTC bus system. Parking is a key consideration for site redevelopment; although multimodal transit options, including bike and scooter shares, have grown in popularity in the area, personal automobiles or rideshares still tend to be the preferred alternative for getting around Richmond.

Figure 6. GRTC Routes 2022

Plans & Studies

The City of Richmond has conducted multiple plans and studies for the City as a whole, as well as for downtown and the immediate site. Relevant information for the subject sites from each are summarized in the section below.

City Center Innovation District Small Area Plan

- Alignment: Richmond 300, Pulse Corridor Plan
- Purpose: Amend the Richmond 300 Comprehensive Plan to establish City Center as Richmond's Life Sciences Innovation District by creating a place to "live, learn, collaborate, create, and develop new life science businesses in a high density, walkable, urban, full-service environment."
- Reason: Create a phased, targeted approach to rezoning City Center to allow for mixed-use development, reduce the municipal footprint and increase operational efficiency through repurposing/redeveloping 14 underutilized City-owned sites/structures, and create an educational hub for high school and higher education.

Richmond 300 Master Plan: A Guide for Growth, 2020

The *Richmond 300* Master Plan, adopted by City Council on December 14, 2020, seeks to guide Richmond's growth in a more equitable and sustainable manner, with the overarching goal of improving quality of life for all residents, as well as continuing to attract talent, business, and industry. The Richmond 300 Master Plan included small area plans for each one of the City's targeted growth nodes. The plan's overarching goals relevant to redeveloping the Diamond property include:

- Re-writing Richmond's Zoning Ordinance to growth to appropriate areas, while maintaining existing neighborhoods, and creating new, "authentic," transit-oriented neighborhoods

- Targeting growth in jobs and population to key areas of the City, including Downtown, Greater Scott's Addition, Route 1 Corridor, Southside Plaza, and Stony Point Fashion Park
- Expanding housing opportunities for all residents by offering a wide range of housing options at varying price point throughout the city to expand the geography of opportunity.

As part of expanding opportunities for all residents, the City makes special emphasis of the importance of offering more affordable and workforce/missing-middle housing throughout the City. One of the City's specific goals is to create 10,000 new affordable housing units for low- and very low-income households over the next 10 years. The City also wants to prioritize projects that provide housing to very low-income individuals and families, including supportive housing, within a half mile of high-frequency transit stops. The City also plans to amend the rehabilitation tax abatement program to provide incentives for developers to create mixed-income residential housing where at least 20% of the units are affordable to households earning less than 50% of the area median income (AMI).

Navy Hill Final Report, Johnson Consulting, 2020

- Purpose: Assess reasonableness of results of previous studies regarding Navy Hill development and make recommendations for next steps in the research/development process.
- Conclusions
 - Prior market research and development recommendations were sound and remained so.
 - The lack of overarching leadership/competency to develop and implement a district plan hinders the City's ability to progress beyond studying issue.
 - Timing is critical as neighboring communities are studying similar opportunities, and the cost to develop such projects continues to rise.

Research Park District Amendments

- Alignment: Richmond 300, City Center Rezoning
- Purpose: To amend the city's zoning ordinance for the purpose of amending the existing RP Research Park District concerning uses, yards, screening, parking and circulation of vehicles, height, signage, street side yards, emergency, transitional, and permanent supportive housing, and off-street parking requirements and creating usable open space and building façade fenestration requirements.
- Reason: Help implement the vision outlined in the city center innovation district small area plan.
- Recommendations
 - Transition the research park district to a mixed-use innovation district.
 - The area will become the engine for expanding Richmond's life sciences industries
 - Create a place to live, learn, collaborate, innovate, and develop new life science businesses in a high density, walkable, urban full-service environment that includes multi-modal transportation options to city and regional neighborhoods and job centers.
 - Promote an environment that is conducive to the expansion of research, development and laboratory facilities related to the medical, biotechnology and life sciences industries, and other uses that support innovation such as mixed-use residential, hotel, office and open space.
 - Removal of ground floor parking for the district, provided that parking spaces are screened from view from the street by structural material similar to the material of the building façade.
 - No maximum height limit. Buildings taller than 7 stories require a minimum step back of 10 feet from the building façade line. Such step back shall occur above the ground story, and no higher than the fifth story. Every main building hereinafter constructed shall have a minimum height of three stories.

GRCC Hotel Update Analysis, CSL International, 2022

- Purpose: Update 2017 hotel analysis regarding need for headquarter hotel for GRCC, determine level of need/opportunity, and establish potential funding structures for development.
- Realities
 - Richmond ranks near the bottom in terms of "blockable" hotel rooms near the GRCC compared to peer cities.
 - GRCC needs an additional 300+room headquarter hotel to reach average among its peers.
 - Three sites were assessed for potential development of a headquarter hotel. Strengths and weaknesses were presented for each, but no recommendation was made.
- Recommendations
 - Develop 350 or 500-room headquarter hotel to increase GRCC market capture.

- Public-private partnership should be created to develop a headquarter hotel through a developer solicitation and selection process.

City of Richmond Affordable Housing Strategy, David Paul Rosen & Associates, 2014

- Alignment: Richmond 300
- Purpose: Assist local decision-makers in making informed policy decisions that best provide for the affordable housing needs of the community, and to guide the use of the City's Affordable Housing Trust Fund.
- Guiding Principles
 - Target those most in need
 - Preserve assisted housing
 - Sound investment and financial management of city resources through leveraging
 - Efficient and flexible program design
 - Productive investment
 - Public/private partnerships
- Best Practices
 - Take advantage of density when feasible
 - Preserve existing neighborhood character by removing absentee owners who neglect properties.
 - Scatter affordable housing throughout the city
 - Support mixed-use and mixed-income projects
 - Take advantage of energy efficiency techniques
 - Maximize assistance from non-city sources
- Recommendations
 - The city should make a \$10 million per year commitment of new revenue sources for affordable housing to evidence the City's intention to materially address the substantial affordable housing needs in Richmond, for at least 10 years.
 - The city should elevate the organization of the housing function in the city by creating a housing director position to effectively administer affordable housing projects and programs.
 - Implementation of a meaningful and successful affordable housing program in the city of Richmond will require the development of a functional and collaborative working relationship between the city and RRHA.
 - The city and RRHA should make effective use of their substantial land and property assets, including property already owned by RRHA and properties that potentially may be acquired by the city using recent legislation regarding tax-delinquent properties, to provide land and financial resources for affordable housing development.
 - Promote housing investment through administrative reforms in the areas of planning, building permit and zoning approvals, permit fees and other municipal actions, disposition of city-owned land, and finance and investment policy.
 - Promote targeted and coordinated investment in housing, neighborhood redevelopment, public housing transformation, transportation, infrastructure, and schools and public amenities.
- Definitions
 - Very low-income households are defined as households with incomes less than 50% of Average Median Income (50%). Low-income households are defined as households with incomes between 51% and 80% of AMI. Moderate income households are defined as households with incomes between 81% and 120% of AMI. An extremely low income category for households earning less than 30% of AMI is sometimes used.
 - Affordable housing expense for renters is defined to include rent plus utilities, which is standard for affordable housing programs and practice. For owners, the definition of affordable housing expense includes mortgage principal, interest, property taxes and homeowner's insurance. For renters, affordable housing expense is calculated at 30% of household income, the standard of virtually all rental housing programs.
- Supply
 - RRHA currently owns approximately 3,900 public housing units (2014). Nearly all units were built prior to 1984 and are at least 30 years old.
 - Other federally subsidized housing: A combination of LIHTC, HUD PBRA and other units have been identified in the Richmond region. Of these units, 6,045 units lost affordability use

restrictions between 2014 and 2019. Between 2020 and 2024, another 4,824 units will have expired use restrictions. When use restrictions expire, units may lose their affordability status and enter the market as market rate units if the owner chooses to.

- A 2021 report by the Public and Affordable Housing Research Corporation found that Virginia has a shortage of 148,720 rental homes affordable and available for extremely low-income renters.² The same report found that there are 5,478 publicly supported rental homes with affordability restrictions expiring in the next five years. Within the next ten years, the state will lose quadruple that amount.
- The 2021 report indicates that there are 11,913 federally assisted rental homes within the city of Richmond. Within the next five years, 174 rental subsidies for affordable homes will expire. By the end of the decade, nearly a thousand assisted rental homes will lose subsidies.³

City Center Rezoning, September 2022

The City recently underwent a rezoning process for this area, including the subject parcels, to allow for a broader mix of uses and densities.

- Alignment: Richmond 300, Research Park District Amendments
- Purpose: Amend the official zoning map for the purpose of rezoning certain properties in the area generally north of East Broad Street, south and west of Interstate 64/95, and east of North Third Street and to update priority street and street-oriented commercial designations in the area.
- Reason: Help implement the vision outlined in the City Center Innovation District Small Area Plan
- Recommendations
 - Allow mixed-uses including residential, ground floor activation, and unlimited height and density.
 - Transition from a primarily office district to an 18-hour district (18 hours of the day lively) with a mix of uses, including entertainment, residential, and retail uses.
 - New infill development in the downtown core matches the intensity of existing buildings and includes active ground floor uses that enliven the sidewalks.
 - City-owned property, such as the coliseum, should be redeveloped to foster a mixed-income, mixed use development that enlivens downtown by drawing people downtown in the evenings and on the weekend.
 - Future development should be urban in form and may be of larger scale than existing context.
 - Plazas and setbacks create an engaging street life.
- Zoning
 - Existing Conditions: The current zoning of City Center does not align with the vision described in the city center innovation district small area plan, as residential districts are not currently permitted. Additionally, current zoning does not allow for unlimited height and density.
 - Proposed: The proposed zoning for this area consists of the amended RP (Research Park) District, allowing for more uses and greater scale and design of buildings.
 - Street oriented commercial frontages: East Clay Street and East Broad Street are proposed to be designated as street-oriented commercial frontage, meaning that new developments would be required to provide a minimum of one third, or 1,000 square feet, of the floor area of the ground floor of new buildings have a principal use other than dwelling units.
 - Priority Street Designations: Proposed on East Broad Street, East Marshall Street, East Clay Street, East Jackson Street, North 7th Street, North 9th Street, and North 11th Street. The priority street designation would apply the form-based requirements of principal street frontages when a building has multiple street frontages, and includes fenestration requirements, parking being located behind buildings, and limits to driveways across streets when access is available.

Stakeholder Engagement

The project team interviewed key stakeholders, as well as local real estate professionals, to get a better understanding of future development context, and local perception of Richmond real estate market trends and demand for particular use types in this area specifically. The project team spoke with the following organizations:

- GRCCA
- Activation Capital

² https://preservationdatabase.org/wp-content/uploads/2021/08/PD-Profile_2021_VA.pdf

³ <https://preservationdatabase.org/reports/preservation-profiles/>

- Historic Jackson Ward Civic Association
- Venture Richmond
- VisitRichmond
- Thalhimer Realty

The following are key takeaways relevant to redevelopment of the subject site:

Activation Capital

- Activation Capital has plans to expand their life sciences campus in the near future, by up to 200,000 square feet. They would most likely expand on one of the parcels directly east of the subject sites, along 8th Street.
- They would like to continue partnering with local educational institutions, and would support the development of a K-12 STEM school in the area, although they are more focused on higher education due to the nature of their work. They would like to see more retail and dining opportunities in the immediate area, but did stress that their tenants/employees tend to use lab and research space somewhat differently than “typical” office users, and would most likely not generate a large lunch crowd

GRCCA/Visit Richmond

- GRCCA would like to see a flagship/headquarter hotel on this site, and believes that the Richmond convention and tourist market could support 500 – 1,000 additional hotel rooms in this area
- Significant lost business for the GRCC is attributed to the lack of connected and/or walkable, “blockable” hotel rooms. Event planners wish to contract larger room blocks with fewer, more proximate hotels. GRCC utilization rates and economic impact would be expected to increase with the addition of another large headquarter hotel
- They also stressed the importance of having walkable amenities, including dining, retail, and entertainment options, and public space on the site to support the hotel and convention uses
- GRCCA/VisitRichmond would also like to see a large ballroom or other rentable event space included in the site’s redevelopment
- GRCCA also noted the success of Nina Abady Park, prior to the relocation of Friday Cheers and other events to Brown’s Island

Venture Richmond

- Venture Richmond noted the importance of more parks/public open space in this part of downtown
- They also emphasized the need for this area to have more of an “identity,” as it could really serve as the gateway to downtown, especially for visitors
- Venture Richmond also noted the importance of connecting this site via public transit to encourage both residents and visitors to circulate between Richmond’s hotspots, including Greater Scott’s Addition, the Fan/Museum District, Downtown, and Shockoe Bottom, and suggested that a transit hub might be a use that a developer should explore as part of the redevelopment of this site
- They also noted the need for more grocery stores/markets in this area, along with retail, dining, and entertainment

Thalhimer Realty

- The project team held discussions with multiple brokers and other real estate professionals at Thalhimer Realty, a real estate firm that has been operating in the Richmond area for over a century. The discussions focused on the mix of uses being considered for the site, including:
 - Multifamily residential
 - Commercial/Class A office space
 - Retail uses
 - R&D/biotech office space
 - Hospitality
 - Dining & entertainment
- In discussions around multiple uses, the key takeaways were:
 - Richmond is seeing significant demand for multifamily uses, especially in its denser, walkable, amenity-rich neighborhoods like Scott’s Addition, Jackson Ward, and Manchester.

- Boutique, smaller-footprint, Class A office space is still in relatively high demand within City limits, again, especially in close proximity to amenities
- There is demand for a grocery or market downtown, but more residential density in the immediate vicinity would most likely be needed to support it
- Most of the brokers the project team interviewed agreed that there was strong demand for hotel rooms within walking distance of the GRCC, but were not sure that the market would support more than 500 in the near future
- Phasing of essential retail and services, as well as a critical mass of food & beverage options will enhance the viability of multifamily development and likely attract far greater foot traffic from existing offices in the surrounding area

Historic Jackson Ward Civic Association

- The Historic Jackson Ward Civic Association representative noted the importance of having more mixed use, mixed income housing in Richmond, and staying away from exclusively market-rate or exclusively affordable/low-income developments
- They also noted the importance of having more opportunities for affordable/middle-income homeownership in the City
- They were concerned about minority and low-income residents being pushed out of the City due to gentrification pressures, especially in the downtown and Jackson Ward neighborhoods
- The Civic Association also noted the importance of having well-marked, easy-access public parking downtown to drive visitation and spending
- The representative mentioned that the City has done a significant number of plans and studies in the area, and that the City should make sure that they “tie together” in the redevelopment of this site
- They also noted the importance of involving other Civic Associations in adjacent neighborhood early on in the redevelopment process
- The Civic Association pointed out that Richmond is a “city of neighborhoods,” and noted the importance of honoring and enhancing historic neighborhood character during redevelopment

Design Charrette

The project team also conducted an in-person charrette at City Hall with City staff and key stakeholders to discuss supportable uses, and the community’s vision for the site. The charrette served to spark additional discussions around appropriate uses/tenants for the historic Blues Armory Space. Discussion around the Blues Armory space is detailed in the Blues Armory section of the report. Other key takeaways noted by participants in the Charrette discussion include:

- Area needs to be a regional destination and foster connections with surrounding neighborhood, other parts of the City. Should be a new “gateway/front door” for downtown Richmond
- The right mix of parking is absolutely critical for the success of this area
- New hotel uses onsite should provide bridge to GRCC/be directly connected
- The new Columbus OH, Convention Center and flagship hotel is a great example for what GRCCA would like to see in this area
- It will be important to consider how redevelopment of this area might contribute to downtown’s “heat island” effect, and mitigate this however possible
- It will be important to consider how the redeveloped site connects to other parts of Richmond via multimodal transit – should be easy to get to Brown’s Island, James River Parks, Diamond District, etc. from this area
- Childcare/early childhood development uses to support surrounding office/VCU Health should be considered
- Important to have more multipurpose space, both indoor and out, that could be used for community recreation and entertainment
- Amenities are critical for supporting both office and residential uses – outdoor space is a major amenity, “stress reducer” that companies are looking to integrate with office uses
- GRTC should consider locating a transit hub/linear transfer center on or adjacent to the site; redeveloped site should also integrate the next phase of the Fall Line Trail as part of a public-private partnership or similar with the future development team
- Similarly, the provision and maintenance of open space should be the responsibility of the development team, or part of a broader partnership to provide more public amenities, which will also benefit private tenants

- Successful programming of the open space will be critical

Existing Conditions

Population

The City of Richmond has grown at a moderate rate of 1% annually since 2010; the MSA has grown slightly more slowly, at an annual rate of 0.9%. Downtown, comparatively, has grown more quickly than both the City and MSA overall, at a rate of nearly 4% since 2010. ESRI estimates that, as of 2022, nearly 9,500 people live in the census tracts that make up downtown, up from approximately 6,000 in 2010.

Table 1. Population

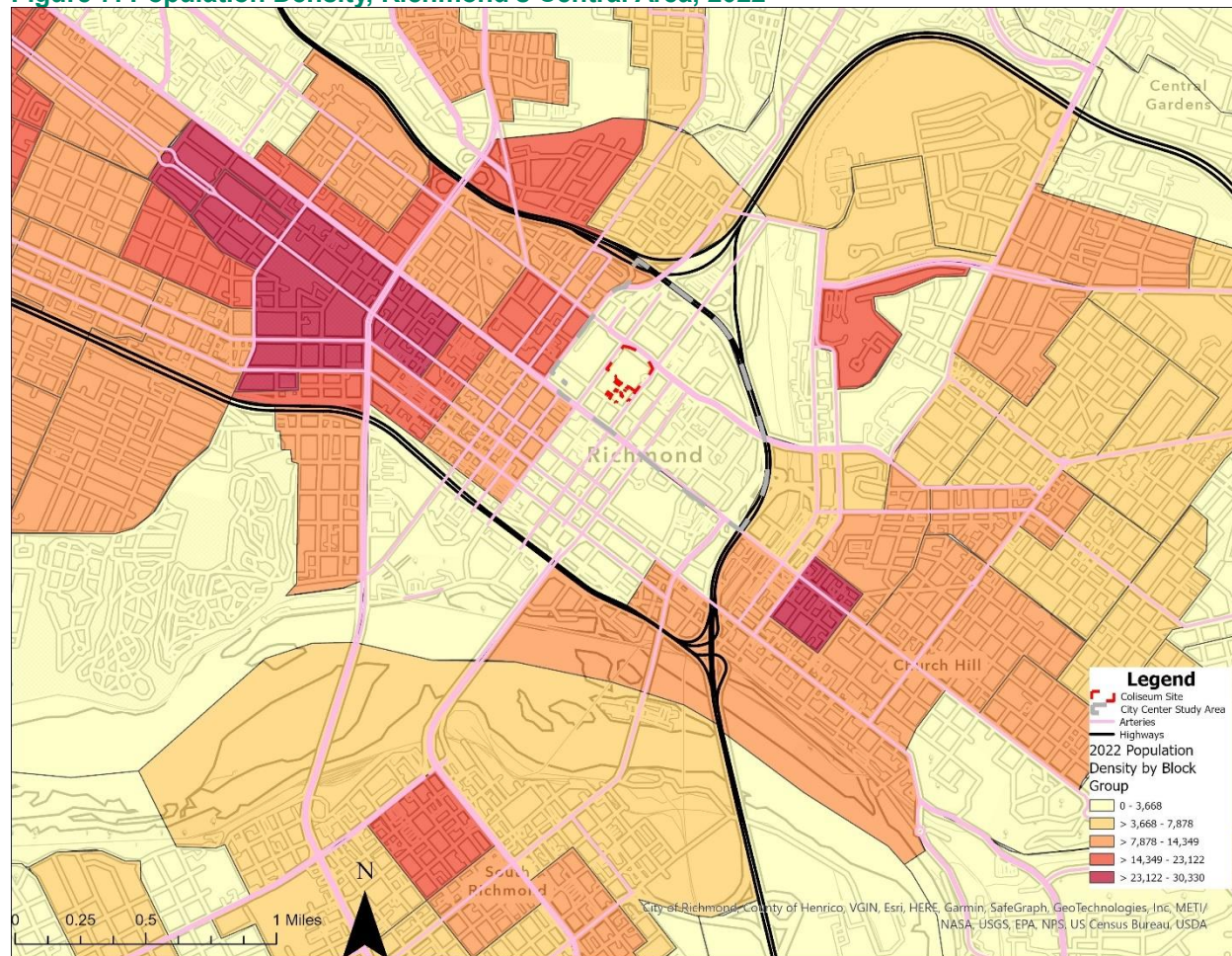
	Downtown		CAGR	Richmond City		CAGR	MSA		CAGR
Metric	2010	2022	2010-2022	2010	2022	2010-2022	2010	2022	2010-2022
Population	6,084	9,489	3.8%	204,256	231,285	1.0%	1,188,423	1,321,674	0.9%
Households	724	2,889	12.2%	83,498	105,194	1.9%	475,685	526,868	0.9%
Families	180	462	8.2%	40,047	48,429	1.6%	321,306	341,528	0.5%
Housing Units	3,118	6,444	6.2%	83,498	115,354	2.7%	471,958	562,385	1.5%
Median Age	24.6	26.3		32.6	34.2		37.5	39.4	
Median HH Income	\$30,428	\$40,429		\$38,266	\$41,943		\$55,325	\$74,772	
Avg. HH Size	1.9	1.6		2.3	2.1		2.5	2.5	

Source: ESRI, AECOM 2022

According to ESRI, the City of Richmond added more nearly 25,000 new residents between 2010 and 2022, placing the city fifth in the state in terms of total number of new residents. The City's added population surpassed some of Virginia's largest cities, including Virginia Beach. The Co-CEO of Capital Square recently noted that "greater Richmond is one of the Southeast's most attractive areas...it's flourishing by nearly every measure."⁴ Population density is concentrated

Downtown Richmond absorbed more than 42% of the city's population growth over the last two decades; from 2000 to 2021, downtown residents increased more than 23,000. Downtown added over 2,000 households between 2010 and 2022, a 12% annual growth rate. Increasingly, downtown Richmond has become more of a place of residence, entertainment, and shopping rather than just a place of work. Despite overall growth, downtown household sizes shrank from 1.92 to 1.59 individuals per household between 2010 and 2022, compared to the City overall, which has an average household size of 2.1, and the MSA, which is closer to 2.5. This suggests that housing growth downtown is being driven by singles and couples/two-person households. As Figure 7 shows, the highest population densities in this part of the City are to the west and south of the site, with less residential density in the immediate surrounding area.

⁴ Yahoo Finance. "Capital Square Acquires Class A Multifamily Community in Richmond, Virginia for DST Offering." Accessed September 16, 2022. <https://finance.yahoo.com/news/capital-square-acquires-class-multifamily-173600249.html>.

Figure 7: Population Density, Richmond's Central Area, 2022

Source: ESRI, City of Richmond, AECOM 2022

Downtown is more racially and ethnically diverse than many Richmond neighborhoods, supporting a growing Hispanic population as well as an increasing number of individuals identifying as two or more races. As housing opportunities expand within the neighborhood, increased diversity could be expected. It appears that the greater Richmond population is becoming both more diverse and more “cosmopolitan.”

Table 2. Race & Ethnicity

Race/Ethnicity	Downtown		Richmond City		MSA	
	2010	2022	2010	2022	2010	2022
Total Population	6,084	9,489	204,256	231,285	1,179,718	1,332,674
White Alone	47.1%	55.2%	40.8%	43.3%	61.4%	56.1%
Black Alone	30.6%	20.3%	50.6%	40.1%	30.2%	27.7%
American Indian Alone	0.2%	0.2%	0.3%	0.4%	0.4%	0.5%
Asian Alone	16.5%	12.4%	2.3%	2.8%	3.3%	4.5%
Pacific Islander Alone	0.0%	0.1%	0.1%	0.0%	0.1%	0.1%
Some Other Race Alone	1.6%	2.9%	3.6%	7.0%	2.4%	4.6%
Two or More Races	4.0%	8.9%	2.3%	6.4%	2.3%	6.7%
Hispanic Origin	4.3%	7.8%	6.3%	10.6%	5.2%	8.1%

Source: ESRI, AECOM 2022

However, as noted in Table 2, downtown Richmond has lost a significant share of its residents who identify as Black over the last 12 years. The growing popularity of Richmond among young professionals as a low cost of living employment center has led to significant population shifts in many neighborhoods. Many younger Black families have struggled to afford housing in the neighborhoods they once called home. A Richmond resident described this personal experience in 2019, “Due to rent increases and landlords selling their property, my husband and I have moved 4 times in 5 years...each time we paid more in rent for less space.”⁵ Providing a mix of housing typologies at different price points downtown, including low-income and workforce housing, will be a critical tool for reducing displacement in the future.

Future Growth Estimates

The University of Virginia’s Weldon Cooper Center projects a modest annual growth rate between 2022 and 2030 for the City of Richmond, at around 0.7% annually, as Table 3 shows.

Table 3. Regional Population Projections

Geography	2022	2030	CAGR	2040	CAGR	2050	CAGR
Richmond City	231,285	245,437	0.7%	256,015	0.4%	270,425	0.5%
Henrico County	333,554	356,656	0.8%	386,910	0.8%	422,954	0.9%
Chesterfield County	370,688	406,942	1.2%	452,492	1.1%	504,814	1.1%

Source: UVA Weldon-Cooper Center, US Census Bureau, AECOM 2022

Based on those estimates, the City is projected to grow by an additional 14,152 residents between 2022 and 2030. However, surrounding counties such as Chesterfield and Henrico may experience a slightly higher growth rate as formerly isolated suburban centers such as Midlothian and Short Pump become saturated with denser urban style mixed-use developments. The significant population growth in nearby counties may increase demand for a true downtown center serving as a regional destination for residents outside of the city.

Richmond’s “Peer” Cities

AECOM recently conducted an analysis of the central growth areas/greater downtowns of 39 large and midsize cities across the U.S., including the City of Richmond. From this list, it is possible to ascertain which midsize cities have similar population and job density characteristics to Richmond. Depending on the metrics measured, several cities appeared to have similar central area⁶ characteristics to the City. Overall central area growth in Richmond has exceeded the City’s overall annual growth rate of 1.1% by more approximately three percentage points, growing at a rate of just over 4% between 2010 and 2019. Similar “peer” cities to Richmond in terms of central area growth include Seattle (4.6%), Nashville (4.4%), Austin (4.2%), and St. Louis (4.0%).

In terms of its share of out-of-state and foreign-born residents, the City of Richmond fell within the top 15 cities in terms of annual growth rate, with annual growth of out-of-state plus foreign-born residents in the City’s central growth area at 3%. Similar cities to Richmond in terms of annual growth in out-of-state and foreign-born residents included Durham, Indianapolis, Nashville, Seattle, and Philadelphia, all with approximately 3% annual growth of residents from elsewhere.

As part of this analysis, AECOM also examined at the relationships between population and job density in these cities’ central growth areas and found that Richmond’s central growth area had a 2019 residents-to-jobs ratio of 2.2, similar to Seattle’s (2.3), Los Angeles’s (2.3), Boston’s (2.4), Tampa’s (2.4), and Chicago’s (2.5). All of this suggests that both population and job growth in the City will continue to concentrate in areas like downtown, Manchester, and Greater Scott’s Addition.

Richmond’s Megaregional Context

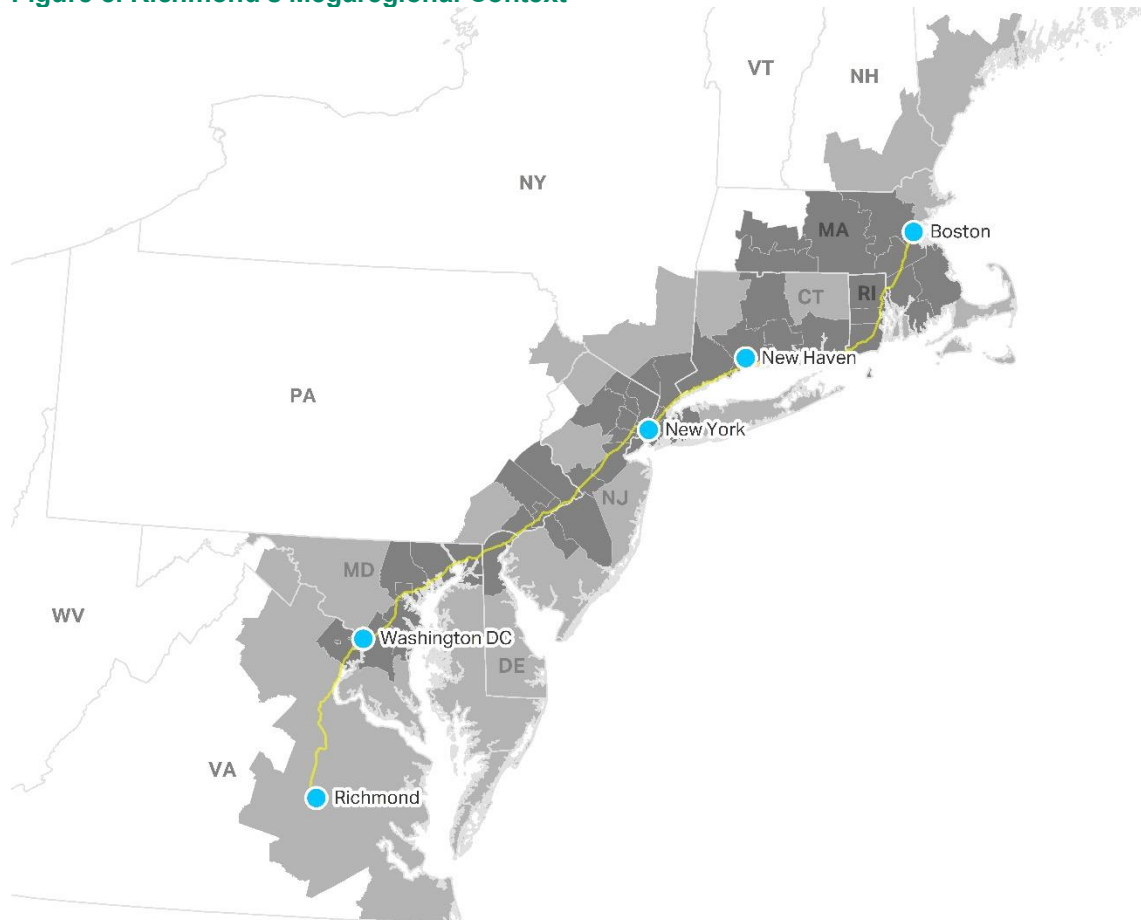
If Amtrak’s plans for high-speed rail between Richmond and Washington, D.C. are implemented, this would result in a significant influx of population and jobs into to greater Richmond over the coming decades. Although not yet “officially” considered part of the Northeast Corridor, the extension of high-

⁵ Mitchell, Shekinah. “In Richmond, Virginia, Gentrification Is Colonization » NCRC,” March 18, 2019. <https://ncrc.org/gentrification-richmondva/>.

⁶ For the purposes of this analysis, Richmond’s “central growth area” was defined as Census Tracts 205, 305, 302, 404, 402, 403, 610, and 602.

speed rail to Richmond would certainly make it the unofficial terminus of a corridor that connects approximately 33.9 million people and 16.7 million jobs. The City is already considered part of the Northeast “Megaregion,” putting it within a day’s drive of approximately 53 million people and 25 million jobs, as the map in Figure 8 shows.

Figure 8. Richmond's Megaregional Context



Source: ESRI, AECOM, 2022

Population Key Takeaways

Based on AECOM's analysis of historical trends and forecasted population and household growth, the following key takeaways were evident:

- Downtown Richmond's population has grown approximately 56% since 2010 (a 3.8% annual rate), compared with a 13% increase (a 1.1% annual rate) for the City overall, emphasizing the changing nature of downtown as a place to “live, work, and play”
- The population in downtown Richmond is younger (26.3 median age), with smaller household sizes (1.59 average size) with a slightly lower household income (\$1,500 less) compared to the City overall.
- According to preliminary data, including a recent LinkedIn Study, Richmond's recent uptick in population growth so far has been boosted by the pandemic, which documented a 6.1% increase in net new arrivals since 2020.⁷
- If recent population trends continue, the City may exceed the population and household growth predicted by the most recent CURA study. With increasing Amtrak service between Richmond and Washington, D.C., Richmond may continue to experience accelerated population and job growth over the coming decades.

⁷ <https://www.linkedin.com/pulse/migrations-new-map-florida-utah-win-favor-two-giant-metros-anders/?trackingId=w6DqN7Jjrt%2BKqbrmx9nAaA%3D%3D>

Industry & Employment

Industry

In 2019, the City of Richmond's largest industry was Health Care, with 19% of the City's jobs, followed by Public Administration (12% of City jobs), and Educational Services (10% of City jobs). The industries with the lowest share of employment in the City are Agriculture & Mining and Information. As Table 4 shows, there were approximately 64,000 jobs downtown in 2019, approximately 41% of total City jobs; the largest share of jobs downtown are in the Health Care field, followed by Public Administration, then Professional, Scientific, and Technical Services. As aforementioned, medicine, biopharmaceuticals, and scientific research & development are all growing fields both in the City and greater MSA; many of these industries have also recently received a boost from federal funding sources, and are projected to continue growing at a fast clip over the next several years.⁸

Table 4. Richmond City & Downtown Jobs by Industry, 2019

NAICS	Description	Downtown Richmond		City of Richmond	
		Jobs	% of Total	Jobs	% of Total
11, 21	Agriculture, Mining	7	0.0%	40	0.0%
22, 23	Utilities & Construction	2,585	4.0%	9,301	5.9%
31-33, 48-49	Manufacturing, Transportation, Warehousing	535	0.8%	6,364	4.1%
44-45, 42	Retail & Wholesale	685	1.1%	9,023	5.7%
51	Information	812	1.3%	1,977	1.3%
52	Finance & Insurance	5,506	8.6%	8,853	5.6%
53	Real Estate	496	0.8%	2,260	1.4%
54	Professional, Scientific, and Technical Services	6,651	10.4%	11,717	7.5%
55	Management	6,608	10.3%	10,557	6.7%
56	Administrative Support & Waste Services	4,206	6.6%	10,887	6.9%
61	Educational Services	5,684	8.9%	15,561	9.9%
62	Health Care	12,000	18.7%	29,648	18.9%
71	Arts, Entertainment, Recreation	1,054	1.6%	3,721	2.4%
72	Hospitality & Food	3,444	5.4%	13,008	8.3%
81	Other	1,378	2.1%	5,589	3.6%
92	Public Administration	12,553	19.6%	18,550	11.8%
	Total Jobs	64,204	100%	157,056	100%

Source: LEHD LODS WAC 2019, AECOM 2022

AECOM conducted an analysis of location quotients (LQs), which indicate how over- or under-represented a particular industry cluster is in the local market compared with the U.S. as a whole, using EMSI data (see Table 5). Clusters ranked higher than 30 are above average for the region, while clusters ranked lower than 30 are considered below average. Richmond's specializations include tobacco manufacturing, state government, central bankers, investment banking, investment advisors, and federal employees. The city is also a destination for corporate headquarters and regional management offices, which employed over 8,600 in the city as of 2022. In terms of job growth, Richmond's fastest growing industries are Finance and Insurance, Real Estate, and Transportation and Warehousing, adding a total of approximately 2,000 jobs in the past 5 years. According to EMSI, the top posted occupations for the City of Richmond were Computer and Mathematical, Management, Healthcare Practitioners, Office and Administrative Support, and Business and Financial Operations. These occupations had over 7,000 unique monthly postings over the past year, ranging from \$20 to \$55 per hour.

⁸ https://richmond.com/news/state-and-regional/govt-and-politics/white-house-to-award-52-9-million-grant-to-va-biotech-authority/article_2617cf06-2d87-55a2-af20-e91ab05e7a77.html

Table 5. Richmond Industry Clusters

NAICS	Industry	Jobs	Specialization Score
312230	Tobacco Manufacturing	1,551	100
521110	Monetary Authorities-Central Bank	1,925	64
902999	State Government, Excluding Education and Hospitals	15,147	54
523930	Investment Advice	492	50
523110	Investment Banking and Securities Dealing	150	47
551114	Corporate, Subsidiary, and Regional Managing Offices	8,641	35

Source: EMSI, AECOM 2022

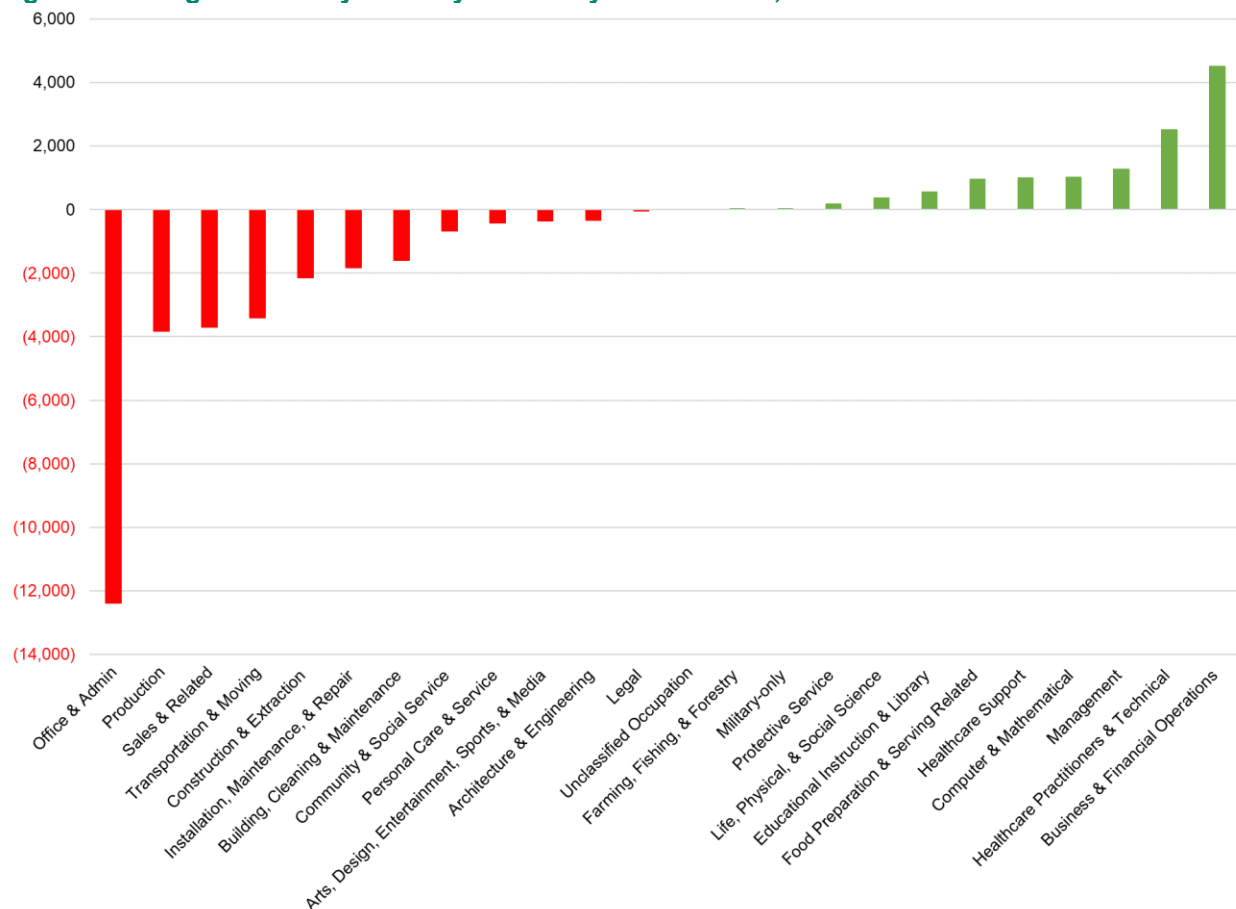
The Richmond region's largest employer is the VCU Health system, followed by Capital One, HCA Virginia Health, and Bon Secours, another large healthcare provider, as Table 6 shows. "Eds and meds" are major drivers of Richmond's economy. Since the onset of the 2022 pandemic, the demand for healthcare jobs has increased substantially.

Table 6. Richmond Metropolitan Region - Largest Employers

Company	Industry	Location	Number of Employees
Virginia Commonwealth University Health System	Health Care	Richmond City	13,500
Capital One Financial	Financial services, Call Center	Goochland	13,000
HCA Virginia Health System	Health Care	Chesterfield	11,000
Bon Secours Richmond	Health Care	Henrico	8,416
Virginia Commonwealth University	Public four-year University	Richmond City	7,832
Dominion Energy	Corporate HQ and energy	Richmond City	5,433
Truist	Banking	Richmond City	4,549
Amazon	Online Retail	Chesterfield	4,100
Altria Group	Corporate HQ, tobacco products, R&D	Henrico	3,850
Federal Reserve Bank Richmond	Federal reserve bank	Richmond City	2,700

Source: Greater Richmond Partnership, 2022

Richmond has seen substantial economic transformation over the last two decades. Figure 9 shows change in jobs by industry in the City between 2005 and 2021. The City has lost 44% of Production Jobs and 37% of Office and Admin jobs between 2005 and 2021. The City has experienced significant employment growth in Business & Financial Operations, Healthcare, Computer & Mathematical, Accommodation and Management from 2005 to 2021. Between 2005 to 2021, Business & Financial Operations added over 4,500 jobs, Healthcare & Supporting Businesses added more than 3,500 jobs, and Computer and Mathematical industries added over 1,000 jobs. Downtown Richmond has added 1,951 jobs since 2010, according to the U.S. Census OnTheMap; the City of Richmond added 23,978, or 1.29%, but the MSA lost 25,073, or -0.31%, during the same time period.

Figure 9. Change in Jobs by Industry in the City of Richmond, 2005 – 2021

Source: EMSI, AECOM 2022

As Table 7 indicates, many of the types of jobs in the healthcare & supporting industries, as well as the biopharmaceutical and medical industries are well-paying, as well as high demand; they also typically require advanced degrees. Many of these jobs are concentrated on the VCU Health and Bio+Tech campuses in the City's center.

Table 7. Healthcare & Supporting Industries Occupations

Occupation	Richmond Average Wage	U.S. Average Wage
Biochemists and Biophysicists	\$102,000	\$108,200
Biological Scientists	\$84,500	\$87,600
Epidemiologists	\$69,000	\$78,300
Chemists	\$82,600	\$84,200
Biological Technicians	\$44,900	\$49,100
Life, Physical, and Social Science Technicians	\$47,000	\$53,700
Diagnostic Medical Sonographers	\$74,000	\$75,800
Health and Safety Engineers, Except Mining Safety	\$92,000	\$94,800
Database Administrators and Architects	\$95,000	\$96,100
Software Developers and Software Quality	\$102,300	\$111,600
Assurance Analysts and Testers		
Statisticians	\$73,100	\$95,700

Source: Greater Richmond Partnership, AECOM 2022

Figure 10 shows job density in Richmond's central area. Some of the highest concentrations of employment in the City are located within VCU's medical campus, which employs over 12,000.⁹ To the south, thousands of jobs are concentrated within Richmond's Central Business District, along East Main Street and East Cary Street, just south of the Capitol. According to the Virginia Employment Commission, six of the top ten employers within the city of Richmond are located within downtown Richmond, accounting for tens of thousands of employees.¹⁰ The State of Virginia employs over 22,000, while the federal government employs approximately 6,000. When combined with the nearly 10,000 local government employees, this total comes out to 38,160.¹¹ According to EMSI, another source of jobs and employment data, nearly 35,000 employees worked in the 23219 (downtown) zip code in 2021.

Figure 10. Job Density, Richmond's Downtown, 2019



Source: Census OnTheMap 2019, AECOM 2022

Using U.S. Census OnTheMap data, AECOM conducted an analysis of change in office jobs in the City of Richmond between 2010 and 2019, the most recent year data was available for. The City of Richmond added 3,550 "office jobs" between 2010 and 2019, as Table 8 shows, approximately 394 per year on average. "Office jobs" include the following industry categories: Information, Finance and Insurance, Real Estate and Rental and Leasing, Professional, Scientific, and Technical Services; Administration & Support, Waste Management and Remediation; Management of Companies and Enterprises, Public Administration, and Other Services. The overall MSA added over 39,000 office positions during the same time period, about 4,386 per year on average. Additionally, the City added 5,403 Healthcare jobs, about 600 per year on average between 2010 and 2019, some of which include office-based positions; the MSA

⁹ Virginia Commonwealth University. "Facts and Rankings." Virginia Commonwealth University, 2022. <https://www.vcu.edu/about-vcu/facts-and-rankings/>.

¹⁰ Virginia Employment Commission. "Community Profile: Richmond City." 9/17/22. <https://virginiaworks.com/docs/Local-Area-Profiles/5104000760.pdf>. Accessed 9/23/22.

¹¹ Virginia Employment Commission. "Community Profile: Richmond City."

added approximately 18,600, or about 2,000 per year on average, over the same time period (MSA numbers include City of Richmond jobs).

Table 8. Regional Office & Healthcare Jobs

Year	City of Richmond		MSA	
	Office*	Healthcare	Office*	Healthcare
2010-2011	-235	-7,408	4,497	-4,471
2011-2012	2,970	8,673	7,525	11,414
2012-2013	-1,870	377	1,205	-406
2013-2014	-1,577	586	629	1,413
2014-2015	1,397	739	9,262	1,076
2015-2016	395	-42	7,947	2,378
2016-2017	307	973	1,421	2,129
2017-2018	1,365	157	4,551	1,025
2018-2019	798	1,348	2,435	4,037
Total	3,550	5,403	39,472	18,595
Average	394	600	4,386	2,066

Source: U.S. Census OnTheMap 2019, AECOM 2022

*Includes employees for the following industry categories: information, finance and Insurance, Real Estate and Rental and Leasing, Professional, Scientific, and Technical Services: Administration & Support, Waste Management and Remediation; Management of Companies and Enterprises,

The Richmond Regional Transportation Planning Organization/PlanRVA projects that the City of Richmond will be home to nearly 152,044 jobs in 2045, an increase of nearly 5,800 jobs between 2017 and 2045. PlanRVA projects that jobs in the greater Richmond region will increase by 8% between 2017 and 2045.

Commuting Patterns & Labor Force Characteristics

According to the most recent data from the U.S. Census OnTheMap, as of 2019, approximately 165,000 people were employed in the City of Richmond, whereas approximately 104,000 workers lived in the City – a jobs-to-residents ratio of 1.6. In 2019, 37% of Richmond residents both lived and worked in the City. The percentage of downtown jobs held by downtown residents was even lower, approximately 22%; 78% of downtown residents commute elsewhere for work. However, 72% of downtown residents both lived and worked within City limits, a significantly higher share than for the City population as a whole, as Table 9 indicates.

Table 9. Commuting Patterns, City of Richmond, 2019

Category	City		Downtown	
	Count	Share	Count	Share
Employed in the Selection Area	165,180	100.0%	64,204	100.0%
Living in the Selection Area	103,934	62.9%	3,580	5.6%
Employed & Living in the Selection Area	38,004	36.6%	777	21.7%
Net Job Inflow (+) or Outflow (-)	61,246	-	60,604	-
Worked in City of Residence		57.0%		72.2%
Worked Outside of City of Residence		42.2%		24.1%

Source: Census OnTheMap 2019, AECOM 2022

As Table 10 shows, the employed population working in the City of Richmond tends to skew older; approximately 80% of City workers are over age 30. The majority also earn more than \$3,333 per month, (just under \$40,000 per year).

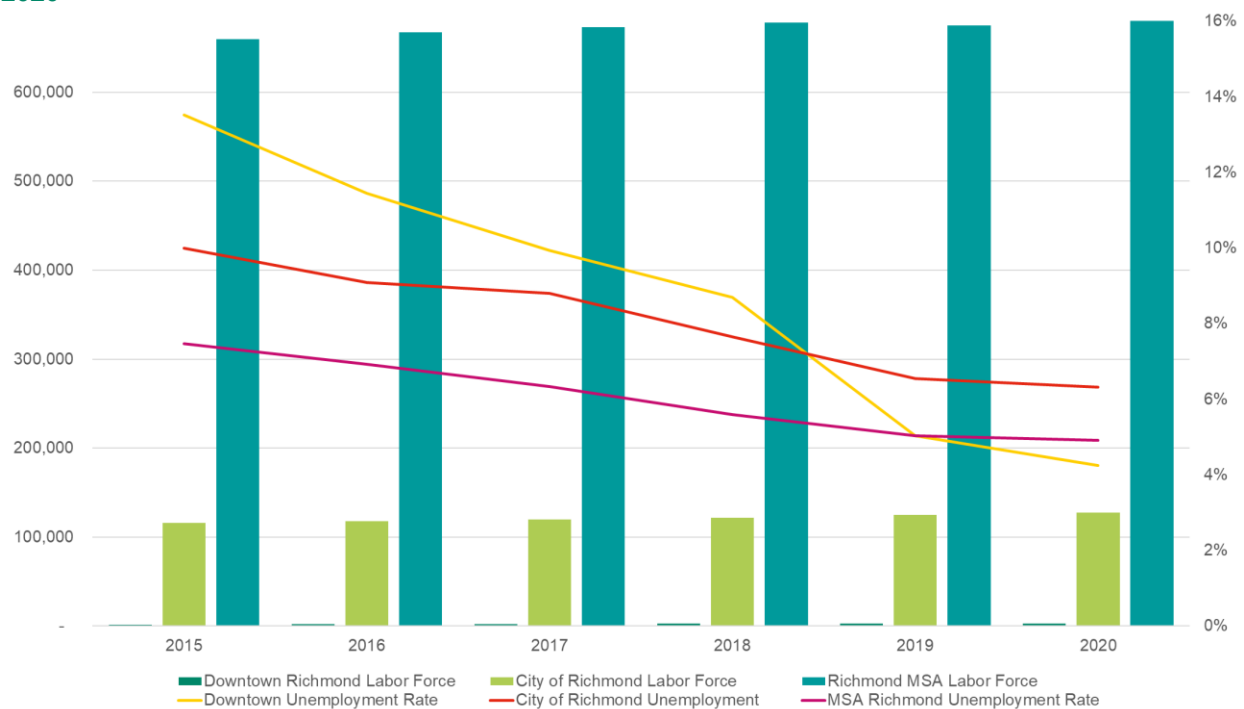
Table 10. Age & Earnings, Richmond City, 2019

Category	Count	Share
Total All Jobs	165,180	100.0%
Age 29 or younger	32,167	19.5%
Age 30 to 54	90,036	54.5%
Age 55 or older	42,977	26.0%
Workers Earning \$1,250 per month or less	28,806	17.4%
Workers Earning \$1,251 to \$3,333 per month	44,870	27.2%
Workers Earning More than \$3,333 per month	91,504	55.4%

Source: Census OnTheMap 2019, AECOM 2022

Employment

The combination of a growing labor force and decreasing unemployment projects a bright future for the City's economic health. As Figure 11 shows, the City's and MSA's labor force grew steadily between 2015 and 2020; downtown's has increased slightly.

Figure 11: Labor Force, Unemployment Rate, Downtown Richmond, City of Richmond and MSA, 2020

Source: ACS 5-Year Estimates Data Profiles, 2020; AECOM 2022

Between 2010 to 2020, the unemployment rate for both City of Richmond and MSA decreased steadily. Since 2020, unemployment for all three geographies has plummeted since the initial spike brought on by the 2020 coronavirus pandemic, down from 4.3% to 1.1% in downtown, 6.3% to 5.3% in the City overall, and down to 3.7% from 4.9% in 2020 for the MSA, as shown in Table 11. According to Census data, the civilian labor force in downtown Richmond increased faster than other two markets, with an annual growth rate downtown is 7.1%, while the annual growth rate of City of Richmond is 1.5%, and the labor force annual growth rate is 0.5%.

Table 11: 2022 Employment in Downtown, City of Richmond, and MSA

Category	Downtown Richmond	City of Richmond	MSA
Population 25 to 64 year	2,763	131,286	691,875
Population with Bachelor's degree and higher	1,772	56,040	276,773
Civilian Labor Force	2,963	127,791	683,523
Employed	2,837	119,709	649,959
Unemployed	126	8,082	33,564
Unemployment Rate	1.1%	5.3%	3.7%

Source: ACS 5-Year Estimates data profiles, 2020, LEHD LODS On the Map 2010, ESRI 2022, AECOM 2022

Analysis of mobility data gathered from REPLICA reveals that the employed labor force of both Downtown Richmond and Richmond City are increasingly returning to in-person work, with the percentage of workers working from home (WFH) decreasing by approximately 40% in both Downtown Richmond and the City of Richmond, as well as the Richmond MSA as a whole, as shown in Table 12. The REPLICA data considers “hybrid” employees as WFH employees; Table 12 shows the estimated share of residents who either WFH or have hybrid schedules on a “typical” workday. For total estimated count employed remote workers, there are close to 300 residents of Downtown Richmond, 9,300 residents in the City of Richmond, and 99,000 residents living within the Richmond MSA working remotely or WFH as of September 2022.

Table 12: Percentage of Employed Labor Force Working from Home, Downtown Richmond, City of Richmond, MSA, 2021

Geography	Total in Labor Force	Labor Force Participation Rate	Total Employed	% Employed Working from Home	2020-2022 YOY Change in WFH*
Downtown Richmond	4,849	68.0%	4,457	6.4%	-40.6%
City of Richmond	126,432	65.9%	116,583	8.0%	-39.9%
MSA	975,678	67.2%	837,753	15.1%	-40.2%

*WFH analysis reflects change up to September 2022, all other columns reflect 2021 estimates and numbers

** WFH numbers reflects the number of employed residents working from home on a typical weekday

Source: 2021 ACS Selected Economic Characteristics, REPLICA, AECOM 2022

Employment & Industry: Key Takeaways

- Richmond has lost 44% of Production Jobs, and 37% of Office and Admin jobs between 2005 and 2021. The City has experienced significant employment growth in Business & Financial Operations, Healthcare, Computer & Mathematical, Accommodation and Management from 2005 to 2021
- Downtown Richmond has added 1,951 jobs since 2010, according to the U.S. Census OnTheMap; the City of Richmond added 23,978, or 1.29%, but the MSA lost 25,073, or -0.31%, during the same time period
- Medical and biopharmaceutical industries are booming in both the City and downtown.
- Richmond has seen slow but steady labor market and job growth over the past decade; PlanRVA projects that jobs in the City of Richmond will increase 4% by 2045, and by 8% in the Richmond region during the same time period
- Food Preparation & Serving bore the brunt of pandemic-related job losses in the City, but recovered rapidly during the recovering period, while some office administrative and sales related jobs experience longer term job losses since pandemic. Professional Services, Finance, Insurance, Healthcare, and Real Estate Industries experienced few or no job losses
- Despite Richmond residents' relatively high levels of educational achievement and the City's 1.6 jobs-to-residents ratio, only 37% of Richmond residents both work and live in the City, suggesting a mismatch in jobs and resident skills, and/or a lack of housing options for Richmond workers
- Unemployment has plummeted to decade-low levels in downtown, the City overall, and MSA

Real Estate Market Conditions

Housing

According to the U.S. ACS, approximately 70% of the housing units in the Richmond MSA are single family. The City of Richmond has significantly more multifamily housing compared with the MSA; in downtown, nearly 99% of housing is multifamily.

Approximately 67% of homes in the Richmond MSA are owner-occupied, as Table 13 indicates, compared to 44% of homes in the City of Richmond. The median home value of owner-occupied units is \$247,500, in Richmond MSA, and \$244,200 in the City of Richmond. Both are lower than the median home value for the State of Virginia, \$282,800, but higher than the Downtown median home value, \$219,400.

Table 13. Housing Characteristics, Downtown, Richmond City, & MSA

	Downtown Richmond	City of Richmond	MSA
Single-family	1.3%	48.1%	69.8%
Multi-family	98.6%	51.1%	28.1%
Occupied Housing Units	90.5%	90.2%	92.8%
Vacant Housing Units	9.5%	9.8%	7.2%
Owner-occupied	7.2%	43.7%	66.6%
Renter-occupied	92.8%	56.3%	33.4%
Owner-occupied	7.2%	43.7%	66.6%
Median Value	\$219,400	\$244,200	\$247,500

Source: 2016-2020 ACS

Most of the housing in the greater Richmond MSA was built between 1970 and 2000 (approximately 60%), as Table 14 shows; however, homes in the City of Richmond dwellings are much older than those in the overall region – 76% of the City's homes were built prior to 1970, and 30% were built before 1939. Aging housing stock, combined with soaring demand for “missing middle”/workforce housing, has been one of the City's major challenges in recent years.

Table 14: Housing by Year Built, Downtown, Richmond City, & MSA, 2020

	Downtown Richmond	Percentage	City of Richmond	Percentage	MSA	Percentage
Built 2014 or later	111	3.4%	3,253	3.2%	21,361	4.1%
Built 2010 to 2013	107	3.3%	2,466	2.4%	16,936	3.2%
Built 2000 to 2009	412	12.7%	5,369	5.3%	76,762	14.6%
Built 1990 to 1999	65	2.0%	5,163	5.1%	80,983	15.4%
Built 1980 to 1989	124	3.8%	7,206	7.1%	83,236	15.8%
Built 1970 to 1979	270	8.3%	10,569	10.5%	78,380	14.9%
Built 1960 to 1969	122	3.8%	12,285	12.2%	50,496	9.6%
Built 1950 to 1959	276	8.5%	14,954	14.8%	48,074	9.1%
Built 1940 to 1949	258	7.9%	8,922	8.8%	22,358	4.2%
Built 1939 or earlier	1,508	46.4%	30,743	30.5%	47,543	9.0%

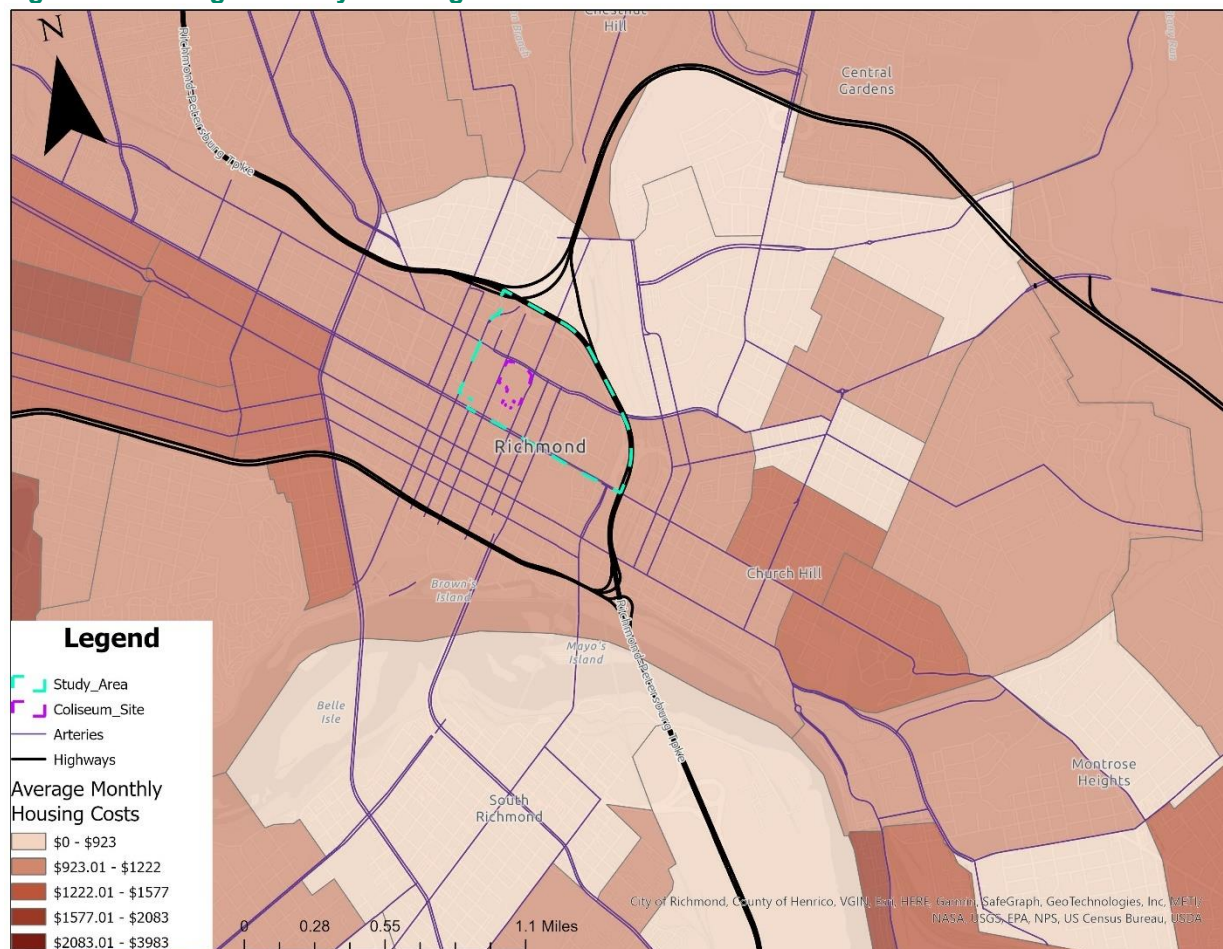
Source: 2016 - 2020 ACS, AECOM 2022

Housing Costs

According to AECOM's analysis, there is a significant premium for newer housing in the MSA – over \$139,000 between properties built 2014 or later – versus housing built prior to 1939. The premium is less steep for City of Richmond for homes built 2014 or later, versus housing built prior to 1939, at approximately \$491.

According to ACS estimates, median gross rent for the MSA overall is \$1,141, compared to \$1,070 in the City of Richmond. Compared with other metro areas with larger central cities, rent premiums within City limits are not significant. However, there is a significant difference in median rent paid for rent older versus newer units; in the MSA overall, median rent for properties built in 2014 or later is \$1,400, whereas renters pay approximately \$1,100 per month to rent apartments in buildings built in 1939 or before. In the City of Richmond, the premium paid for newer (built 2014 or later) and older properties (built 1939 or earlier) is approximately \$200, with the median rent commanded for newer properties at \$1,355 versus the median rent for properties built in 1939 or before of \$1,155. Figure 12 shows average monthly housing costs for downtown and its surrounding neighborhoods.

Figure 12. Average Monthly Housing Costs



Source: U.S. HUD, AECOM 2022

According to the U.S. Department of Housing and Urban Development (HUD), there are 9,577 units of subsidized affordable housing in the City of Richmond, as shown in Table 15. These units have historically remained at high occupancies and are currently approximately 91% occupied. The average household income of residents is just \$12,074, more than \$56,000 below the 2019 ACS median income reported for the MSA of \$68,324. As the high occupancy rates and very low average household incomes of residents in subsidized housing indicate, the need for more affordable housing in the City of Richmond is acute.

Table 15: Affordable Housing Summary, City of Richmond, MSA, & VA, 2021

Geography	Subsidized Housing Units	% Occupied	Total Residents	Avg. HH Income
Richmond City	9,577	91%	18,758	\$12,074
Richmond MSA	19,000	90%	38,995	\$13,199
Virginia	106,379	88%	204,472	\$14,463

Source: U.S. HUD, AECOM 2022

The Richmond Redevelopment and Housing Authority (RRHA) has had to close housing waitlists due to substantial increases in demand for affordable housing. In April 2022, the housing authority reported nearly 16,000 persons on its public housing waitlist with only 55 vacant units across all RRHA public housing communities.¹² This is one of many reasons that the City of Richmond has made building more affordable housing in the City a top priority. The City of Richmond offers the following incentives to construct affordable housing in the City, which are codified in the City's Zoning Ordinance¹³:

- Density bonuses
- Development fee reduction
- Expedited consideration

Housing Market Trends

Like most larger metro areas in the U.S., the Richmond MSA has not been immune to the increasing housing pressures impacting markets across the County. The high costs of constructing new housing, combined with supply chain constraints still reverberating from the 2020 coronavirus pandemic, have constrained housing supply across the City and metro region.

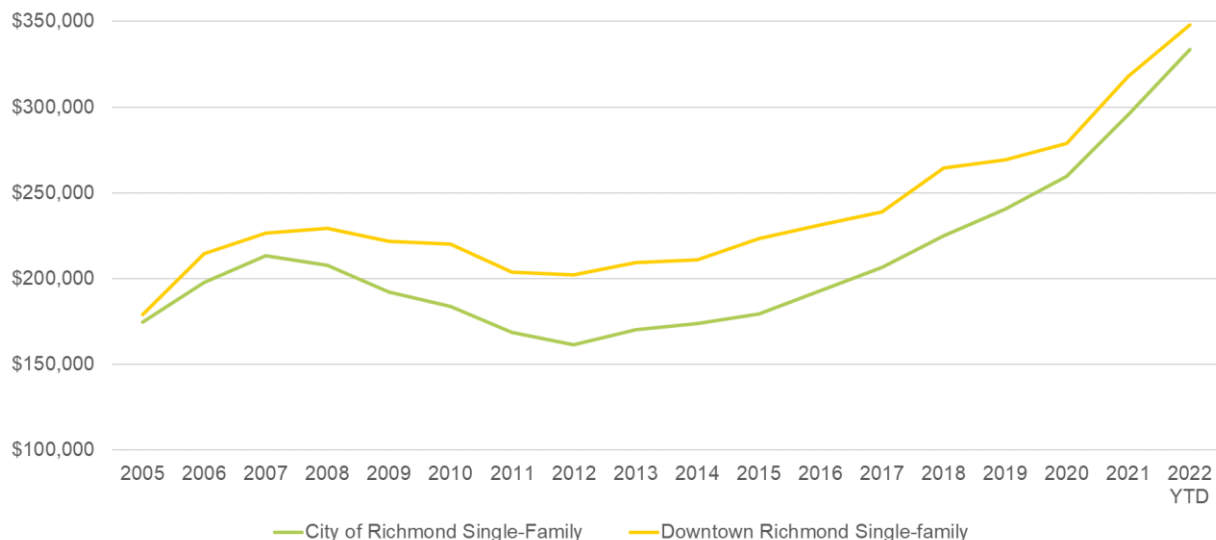
Single-Family Housing

Despite steady growth in overall population, production of housing units in Richmond has remained relatively low after 2009. Between 2000 and 2009, the City of Richmond added an average of 530 homes per year. In the decade since, the city has added on average only 286 new homes per year, while adding over 1,800 households annually on average over the same timeframe. It is likely that slow growth in housing supply growth has contributed to the significant growth in home prices in Richmond, especially over the last five years, as Figure 13 shows.

According to Zillow, single-family home prices in downtown Richmond increased 25% from 2005 to 2015, and then another 21% from 2015 to 2019 (see Figure 13); single-family home prices increased 29% from 2019 to 2022 year-to-date.

¹² Richmond Redevelopment & Housing Authority. "RRHA Is Closing Housing Waitlists." *Richmond Redevelopment & Housing Authority* (blog), April 6, 2022. <https://www.rrha.com/news/rrha-is-closing-housing-waitlists/>.

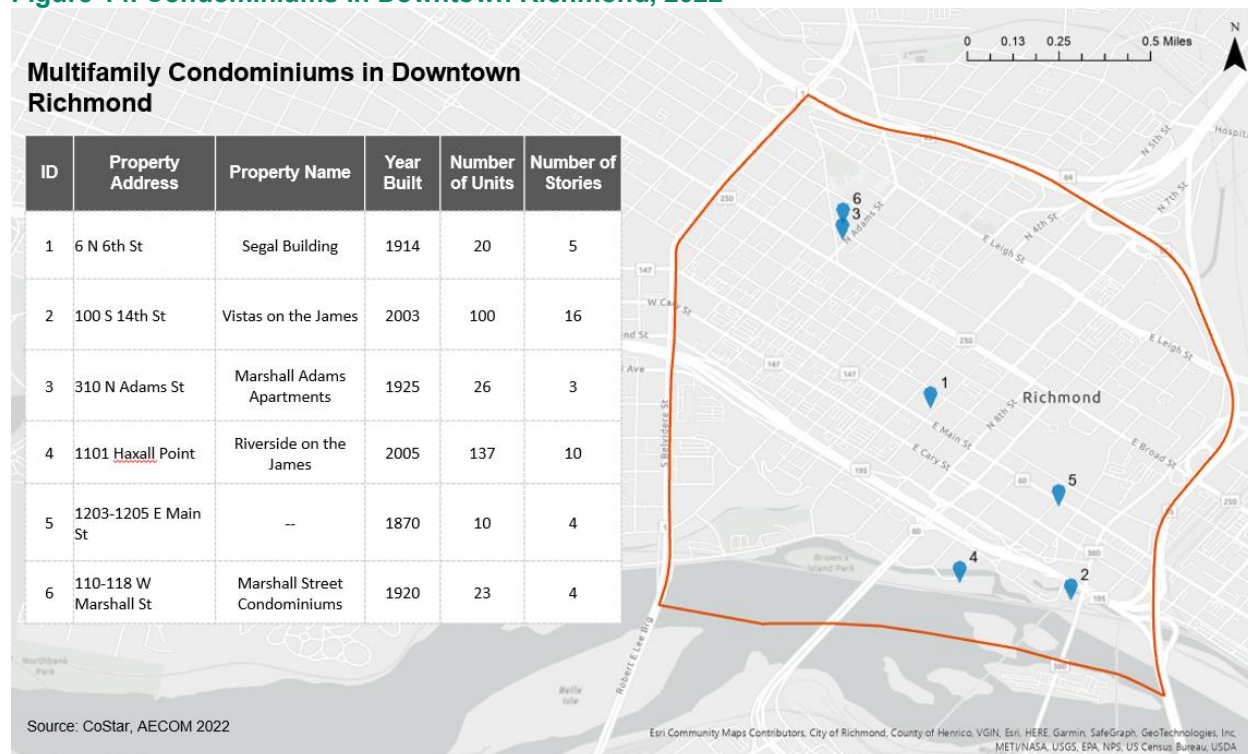
¹³ https://library.municode.com/va/richmond/codes/code_of_ordinances?nodeId=16118

Figure 13: Single-Family Home Prices, Downtown and City of Richmond, 2005 – 2022 YTD

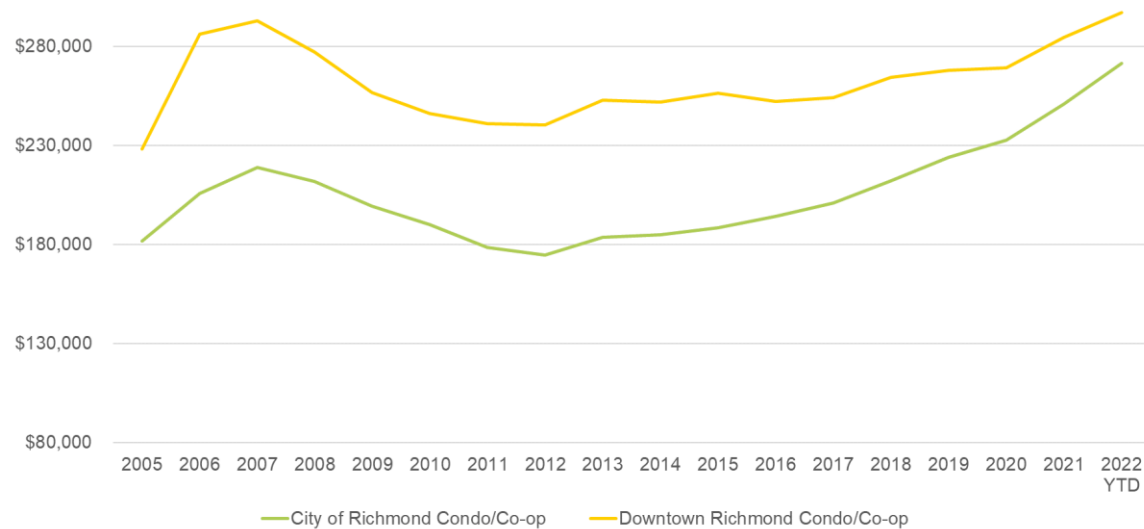
Source: Zillow Home Price Index; AECOM, 2022

Richmond Condo Market

The condo market in Richmond is small but growing. There are approximately 300 units in the City Center area, as Figure 14 indicates.

Figure 14. Condominiums in Downtown Richmond, 2022

Several newer condo buildings have also been built/rehabbed in areas immediately adjacent to downtown, including Manchester and Church Hill, though no deliveries have occurred downtown since 2005. Figure 15 shows the change in condo prices for both downtown and the City overall; prices spiked prior to the 2008 crash, before dropping during the Great Recession; however, over the past several years, they have recovered, and are expected to surpass 2007 levels if current trends continue.

Figure 15: Condo/Co-op Home Prices, Downtown and City of Richmond, 2000 – 2022 YTD

Source: Zillow Home Price Index; AECOM 2022

Based on data from the City of Richmond Real Estate Assessor's Office, the number of condo units sold per year in Richmond increased from 2012 to 2021. Overall condos sold increased by an average annual rate of 10%, for a total increase of 150% between 2012 and 2022 (see Table 16). Sale prices have also increased, by 3% annually over the ten-year period, for a total increase of 38%. Despite the increase in number of condo units sold and average sale price, the average condo size has decreased slightly, suggesting that some of the newer products that have come on the market tend to be smaller (but perhaps have more updated amenities and community features) than Richmond's older condo housing stock.

Table 16. Richmond Condo Units

Year	Condo Units Sold	Avg. Size	Avg. Sale Price
2012	78	1,188	\$208,230
2013	201	1,245	\$231,446
2014	237	1,195	\$221,010
2015	248	1,162	\$210,812
2016	296	1,132	\$226,718
2017	372	1,106	\$264,117
2018	233	1,020	\$220,760
2019	279	1,059	\$247,499
2020	355	1,107	\$276,881
2021	444	1,123	\$276,564
2022 YTD	195	1,074	\$287,124
CAGR	10.0%	-1.0%	3.0%
% Change, 2012-2022 YTD	150.0%	-10.0%	38.0%

Source: City of Richmond Assessor of Real Estate, AECOM 2022

Condo living has become more attractive to people of all ages in recent years, from young singles and couples to empty nesters downsizing from larger single-family homes. The rising prices and constrained supply of single-family homes has limited buying options for many first-time homebuyers, pushing some into the condo market who might otherwise have purchased smaller "starter" detached single-family homes. Many of Richmond's newer condo developments offer attractive on-site amenities, and are

located in vibrant, urban, mixed-use environments, within walking distance of bars, restaurants, entertainment venues, parks, and cultural opportunities.

Multifamily Rental Housing

Growth in multifamily housing in Richmond has accelerated in recent years. The City of Richmond has added 41% of its total multifamily units in the past decade. Construction of multifamily downtown has outpaced the rest of the City, growing annually at a rate of 3.9% since 2010. The City's share of new units

Table 17: Multifamily Housing Market Trends, 2010 - 2022

Year Built	Downtown Richmond	City of Richmond	MSA
Units			
2010	3,231	36,719	101,852
2022 YTD	5,116	51,841	128,920
CAGR	3.90%	2.92%	1.98%
Rent			
2010	\$1,045	\$911	\$893
2022 YTD	\$1,364	\$1,260	\$1,355
CAGR	2.24%	2.74%	3.54%
Vacancy			
2010	8.90%	8.70%	7.20%
2022 YTD	8.50%	6.50%	6.30%

Source: Costar, AECOM 2022

out of the total MSA has also risen from 36% in 2010 to 40% in 2022, and downtown's share of the City's overall multifamily units has risen slightly, from 9% to 10%.

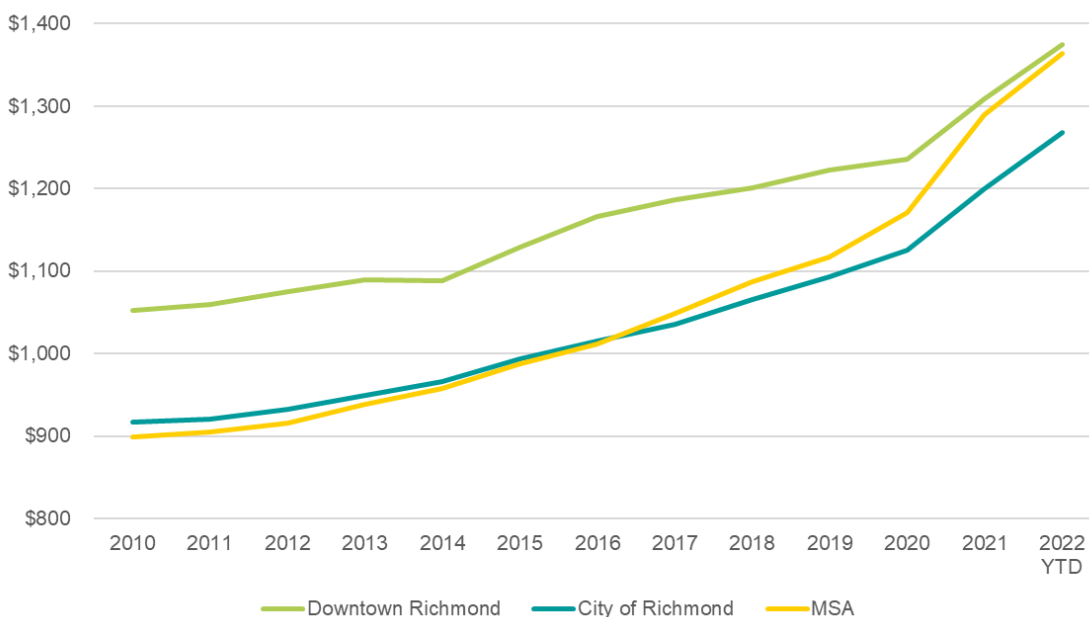
Since 2010, effective rent per unit for multifamily housing in the City and the overall MSA have tracked closely; rents have risen 2.4% annually downtown, 2.7% in the City overall, and 3.5% annually in the MSA since 2010.

Multifamily vacancy downtown has decreased slightly since 2010 but has remained somewhat higher than in the City overall (8.5% for downtown, compared with 6.5% for the City as of the third quarter of 2022). Both

downtown and City vacancies are significantly higher than the MSA overall, which had a rental vacancy rate of only 1% in the third quarter of 2022.

All submarkets have experienced steady rent growth in the past 10 years. In the City and metro area, most of this rent growth has occurred since the beginning of the COVID-19 pandemic. Rents in downtown, however, were already increasing rapidly in the years leading up to the pandemic, and have continued to rise.

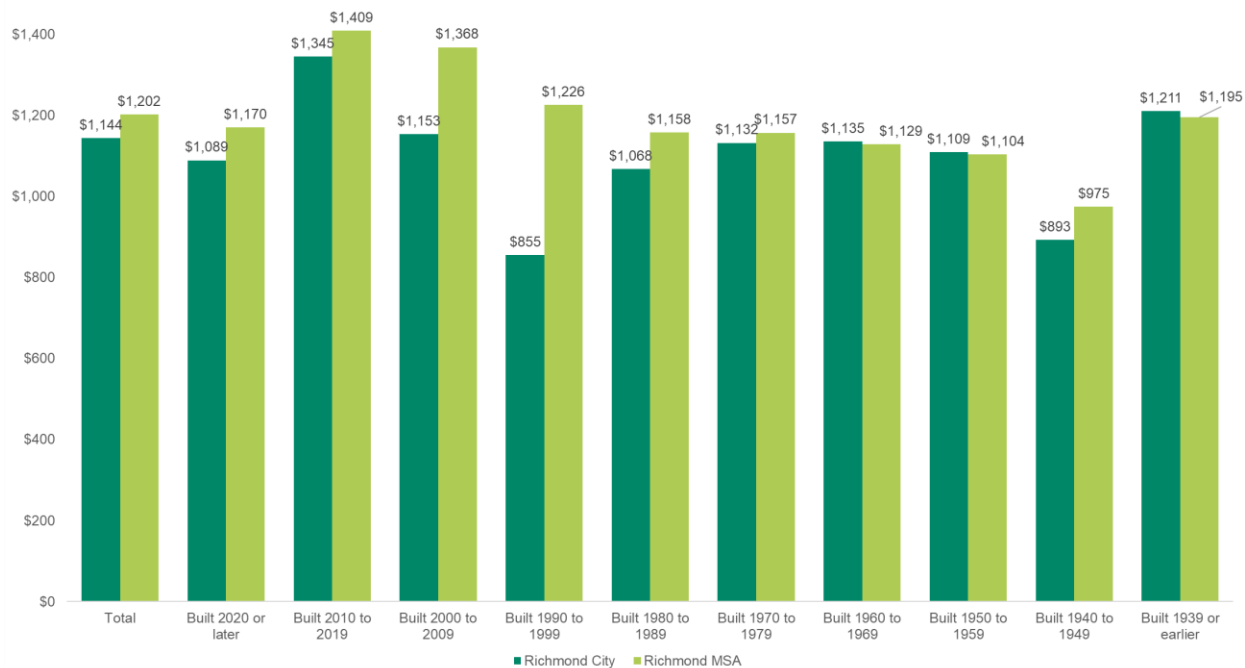
Figure 16. Average Unit Multifamily Rents, Downtown, City of Richmond, & MSA, 2010 – 2022 YTD



Source: CoStar, AECOM 2021

There appears to be a substantial premium for recently constructed rental units both within the City of Richmond and for the broader MSA. Renters are paying over \$150 more per month for housing built in 2010 or later, relative to housing units built in the 1990s, according to the most recent one-year ACS, as Figure 17 shows.

Figure 17. Housing Age Compared to Monthly Rental Prices

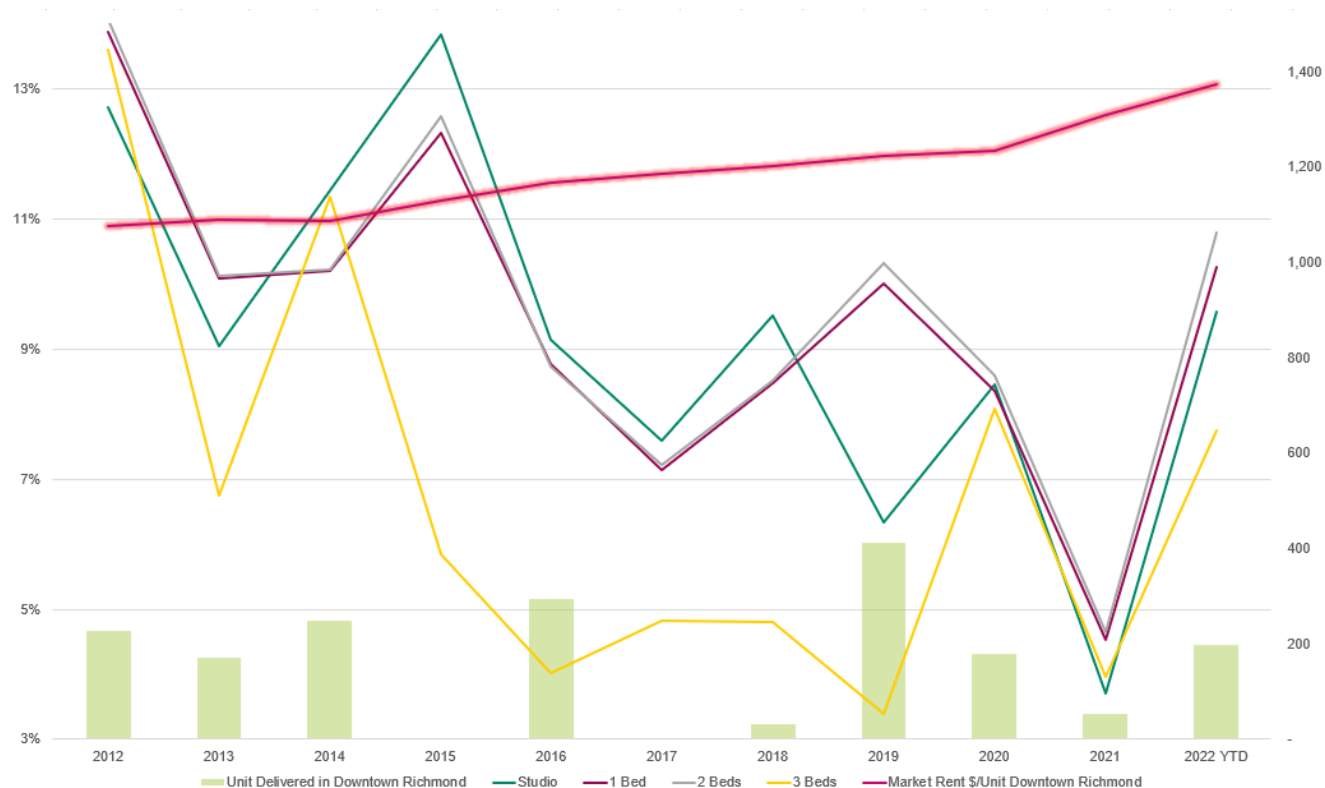


Source: CoStar, AECOM 2021

Compared to larger, high-density cities like New York or Boston, Richmond has developed at more moderate densities over the decades. According to CoStar, the City has seen very little high-rise residential development over the years, only 7 multi-family properties in the City are more than 15 stories high. The tallest residential building in the City is 23 stories; the majority of multifamily residential buildings are five stories or fewer, with the largest share (45% of multifamily residential buildings) being only two stories in height. Only 6% of multifamily buildings in Richmond are greater than five stories.

Unit Mix

AECOM also analyzed the differences in supply, rents, and vacancy rates by different unit types, and found that two and three-bedroom apartments are typically undersupplied in downtown and the City, especially three-bedroom units. Two-bedroom units make up approximately 22% of total units in downtown, and 33% of the City's inventory. Three-bedroom units make up only 5% of downtown Richmond's for-rental units, compared with 8% of total City apartments, and 30% of units supplied in the MSA overall. Vacancy rates for all unit types hit their lowest point in 2021, then increased dramatically, largely due to the delivery of nearly 900 new units to the Richmond market (and many more in the greater region) during this time period, as Figure 18 shows.

Figure 18: Vacancy, Rents, and Deliveries by Unit Type, Downtown Richmond, 2012 – 2022 YTD

Source: CoStar, AECOM 2022

Since 2010, rents for one- and two-bedroom units downtown have increased at the highest annual rates of all unit types (2.4% and 2.3%, respectively), followed by 3-bedrooms and studios showing 1.9% annual increases. For the City overall, the highest annual rental increases were for two-bedrooms (nearly 3% annually) and three-bedrooms (a 2.7% annual increase).

Table 18: Multifamily Unit Absorption Trends for Greater Richmond and Downtown

Year	MSA	Downtown	DT %
2022 est	1,167	423	36%
2021	4,612	732	16%
2020	3,783	522	14%
2019	1,743	599	34%
2018	2,149	392	18%
2017	1,301	395	30%
2016	1,669	673	40%
2015	2,207	575	26%
2014	1,435	390	27%
2013	1,276	453	36%
10-yr Avg	2,134	515	28%
5-yr Avg	2,691	534	24%
2019-21	3,379	618	21%

Source: CoStar, AECOM 2022

During the past 10 years, absorption of multifamily rental units averaged more than 2,100 annually across the Greater Richmond Region, and more than 500 units annually downtown. The absorption rate in the MSA and Downtown increased significantly during the first two years of the COVID-19 pandemic, though

2022 is estimated by CoStar to have the lowest absorption of the period shown. Generally, downtown absorption as a percentage of the whole for the MSA increased when citywide absorption was lower, illustrating the stability of demand for multifamily units downtown.

Student Housing

Richmond is home to multiple public and private institutions of higher learning, including Virginia Commonwealth University (VCU), Virginia Union University (VUU), J. Sargeant Reynolds Community College (JSRCC), and University of Richmond (U of R). VCU is by far the largest, with an enrollment of nearly 30,000 students split across two campuses and is a public university. The main campus is located adjacent to the Fan District, west of Belvidere Street, and the medical campus (formerly the Medical College of Virginia) is in downtown Richmond. Both Virginia Commonwealth University and JSRCC have campuses near the site. Those two universities had more than 36,000 students enrolled in year 2020. VCU does not require students to live on campus, however, the university strongly encourages first year students to live on campus. JSRCC does not offer housing for students.

Table 19. VCU Housing Inventory

Residence hall	Address	Capacity	Students served	Median Monthly Rate
Ackell Residence Center	1100 W Broad	394	Upperclass, graduate	\$849
Brandt Hall	710 W Franklin St	624	First year	\$957
Broad & Belvidere	710 W Broad St	487	Upperclass, graduate	\$915
Cary & Belvidere	355 W Cary St	407	Sophomore	\$1,035
Gladding Residence Center	711 W Main St	1518	First year	\$844
Gladding Residence Center III	355 W Cary St	172	First year	\$958
Grace & Broad	1000 W Grace St	397	Upperclass, graduate	\$776
The Honors College	701 W Grace St	177	First year	\$1,071
Rhoads Hall	710 W Franklin St	697	First year	\$749
West Grace North	830 W Grace St	388	Upperclass, graduate	\$872
West Grace South	835 W Grace St	495	All years	\$725

Source: VCU Residential Housing, AECOM, 2022

VCU has a total capacity of 5,756 student beds, the majority of which are dedicated to first-year students. These residence halls provide accommodations for approximately 19% of total enrollment, compared to an estimated 600 VUU students (40% of students) and 2,800 U of R students (68% of students). As Table 19 shows, VCU charges between \$725 and \$1,071 per month through 9 month and 12-month annual contracts. This amounts to between \$6,744 and \$12,365 for 9 month and 12-month contracts. VUU also had high on-campus housing costs, charging between \$7,148 and \$10,660 for a single room per year, (between \$663 and \$888 per month) for on-campus housing. U of R has the most affordable single on-campus housing rates of the three, between \$6,850 and \$7,500 per year, or \$571 and \$625 per month.

Table 20: VCU Fall Enrollment 2017 - 2022

Academic Period	# Students	% Change
Fall 2017	31,036	-
Fall 2018	31,076	0.1%
Fall 2019	30,103	-3.1%
Fall 2020	29,417	-2.3%
Fall 2021	28,919	-1.7%
Fall 2022	28,341	-2.0%

Source: VCU, AECOM 2022

VCU has a total of approximately 5,700 graduate students studying at both the medical campus and the Monroe Park campus.¹⁴ These graduate students are limited to a lottery application system for 2,161 bedrooms that are also open to undergraduate students. The university currently does not have housing to accommodate students studying in the medical school, as Cabaniss Hall, located in the heart of the medical campus, has closed indefinitely; the school plans to demolish the building.¹⁵

¹⁴ Virginia Commonwealth University. "Facts and Rankings." Virginia Commonwealth University, 2022. <https://www.vcu.edu/about-vcu/facts-and-rankings/>.

¹⁵ VCU Maps. "Cabaniss Hall — VCU Maps." Accessed September 22, 2022. <https://maps.vcu.edu/mcv/cabanissHall/>.

Over the past five years, the VCU student population has declined at a median rate of 2% per year. Since 2012, enrollment has slid 9% to roughly 29,000 students in Fall 2021.¹⁶ School officials have cited the lingering effects of the pandemic and its associated economic conditions on low-income students as a major cause for the enrollment decrease. If these enrollment trends continue, the school could potentially lose an additional 3,000 students in the next five years, dropping to less than 26,000 students enrolled by 2027.

The school's target enrollment is 31,600 students over the next 5 years, representing a 9% increase. The university plans to target wealthier out-of-state students to bolster its student population, by targeting potential new students in North Carolina, Maryland, and New York.¹⁷ As one of the top public Arts schools in the country, VCU is making its largest investments in new arts facilities. The university has planned a new \$181 million Arts & Innovation building across from the Institute for Contemporary Art on Broad & Belvidere.¹⁸ The project is currently in the schematic design phase, but construction is anticipated to begin in September 2023.

The university is counting on attracting new out-of-state students through newer state of the art facilities serving the school's most prestigious programs. Through the added tuition benefits, the school hopes to invest in greater financial aid programs for students to ensure that students finish their studies within the school. Currently, 84% of students stay after their first year, and 75% stay after their second, citing affordability as a key factor preventing students from completing their degree.¹⁹ With a 1% increase in retention, the university could bring in an additional \$800,000 in revenue, which could be reinvested in financial aid programs to ensure that more students are able to complete their degree.

VCU's campus growth plans and enrollment strategies could help reverse the recent enrollment declines precipitated by disruptions within educational environments due to the lingering pandemic. The university's efforts to invest in students facing financial uncertainty is a noteworthy effort, which could be supported in offering a diversity of additional housing opportunities in neighborhoods close to VCU's two campuses.

Housing Market Key Takeaways

- Richmond's housing stock is significantly older on average than the overall MSA's, despite the market conferring a significant premium on newer homes (built after 2014).
- Average home prices, relatively stagnant during the housing boom of the early 2000s, have accelerated rapidly over the last five years. The average home price in Richmond was over \$337,071 as of September 2021, a 14.1% year-over-year increase.²⁰
- Despite an increase in new construction of multifamily homes over the last five years in the City, demand continues to exceed supply, especially for "missing middle" and affordable housing
- Multifamily housing vacancy is higher in downtown (8.5%) compared with the rest of the City (6.5%) as of September 2022.
- Condo sales in downtown and immediately adjacent neighborhood are strong
- Absorption of multifamily rental units downtown has been more than 500 units annually during the last 10 years with much higher rates during 2019-2021
- Three-bedroom units make up only 8% of City of Richmond's overall multifamily portfolio; there appears to be unmet demand in the market for larger units
- The City has a significant college and graduate student population, the majority of whom live off-campus. The Coliseum property is located a few blocks away from J Sargeant Reynolds Community College, less than 2 miles from both VUU and VCU, and less than 7 miles from the University of Richmond.

¹⁶ Kolenich, Eric. "VCU's Five-Year Goal: Grow School Enrollment by 2,700 Students." Richmond Times-Dispatch, April 18, 2022. https://richmond.com/news/local/education/vcus-five-year-goal-grow-school-enrollment-by-2-700-students/article_24321349-c82f-5104-8c3b-bfa550dec66.html.

¹⁷ Kolenich, Eric. "VCU's Five-Year Goal: Grow School Enrollment by 2,700 Students." Richmond Times-Dispatch

¹⁸ Virginia Commonwealth University. "Arts and Innovation Academic Building - ONE VCU Master Plan - Virginia Commonwealth University." Accessed September 26, 2022. <https://masterplan.vcu.edu/implementation/planning-phase/projects/arts-and-innovation-academic-building/>.

¹⁹ Kolenich, Eric. "VCU's Five-Year Goal: Grow School Enrollment by 2,700 Students." Richmond Times-Dispatch

²⁰ <https://www.zillow.com/richmond-va/home-values/>

- While VCU's student population has been dropping for the past 5 years, there is still a strong demand for housing for students, as less than 20% of students currently live on campus. The strength of VCU's medical programs will continue to draw students, necessitating additional housing near the medical campus.

Retail/Commercial

Total retail space has expanded slowly across the Richmond area over the last decade, according to an analysis of CoStar data. Retail square footage in the City of Richmond has remained between 41 million and 42 million square feet (SF) since the 2008 Great Recession; overall, since 2005, retail square footage has grown at a rate of less than 1% per year in all Downtown Richmond, City of Richmond and the greater MSA. In Downtown Richmond, the inventory of retail square feet only increased 0.05% annually since 2010.

Despite a relatively steady inventory of retail square footage in all submarkets, vacancy rates have fluctuated considerably, particularly in Downtown Richmond, as Table 21 shows. Retail vacancy rates in the City and overall MSA tracked closely between 2010 and 2022 YTD, hovered between 5% - 6%, and both decreased slightly in the past decade. The pandemic caused vacancy rate increased slightly in 2019, but still stay under 6% since then.

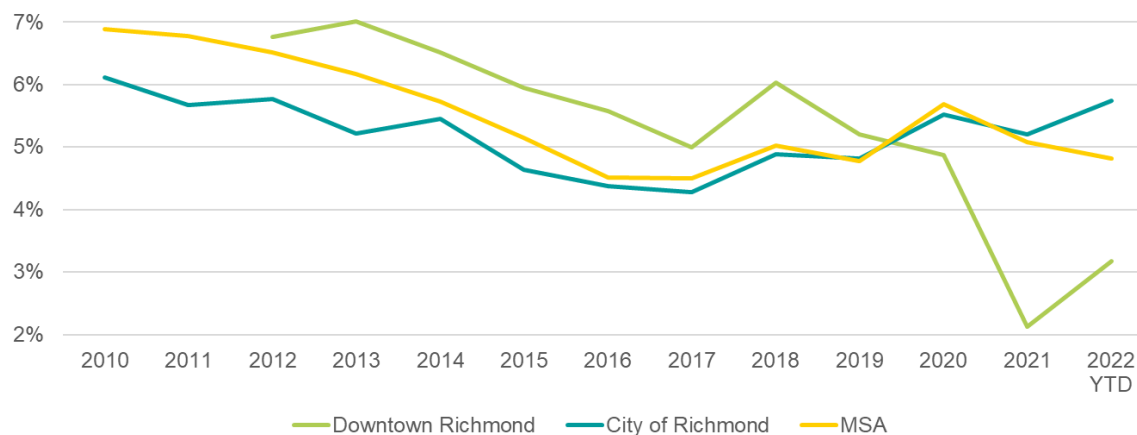
Historical downtown Richmond retail vacancy rates were lower than other 2 submarkets, currently and historically, peaking at 7% in 2013, then dropping significantly after pandemic recovery period. However, the vacancy rate of Downtown Richmond started to pick up immediately after the pandemic recovery period, as Figure 19 shows.

Table 21: Retail Market Trends, 2010 - 2022

Year Built	Downtown Richmond	City of Richmond	MSA
SF			
2010	2,465,128	41,146,336	78,702,781
2022 YTD	2,479,428	42,306,796	82,827,964
CAGR	0.05%	0.23%	0.43%
Rent \$/SF			
2010	\$14.05	\$11.70	\$13.80
2022 YTD	\$16.42	\$18.18	\$16.69
CAGR	1.31%	3.74%	1.60%
Vacancy			
2010	5.80%	6.10%	6.90%
2022 YTD	3.20%	5.70%	4.80%

Source: CoStar, AECOM 2022

Figure 19. Retail Vacancies, Downtown, City of Richmond, & Richmond MSA, 2010 – 2022 YTD



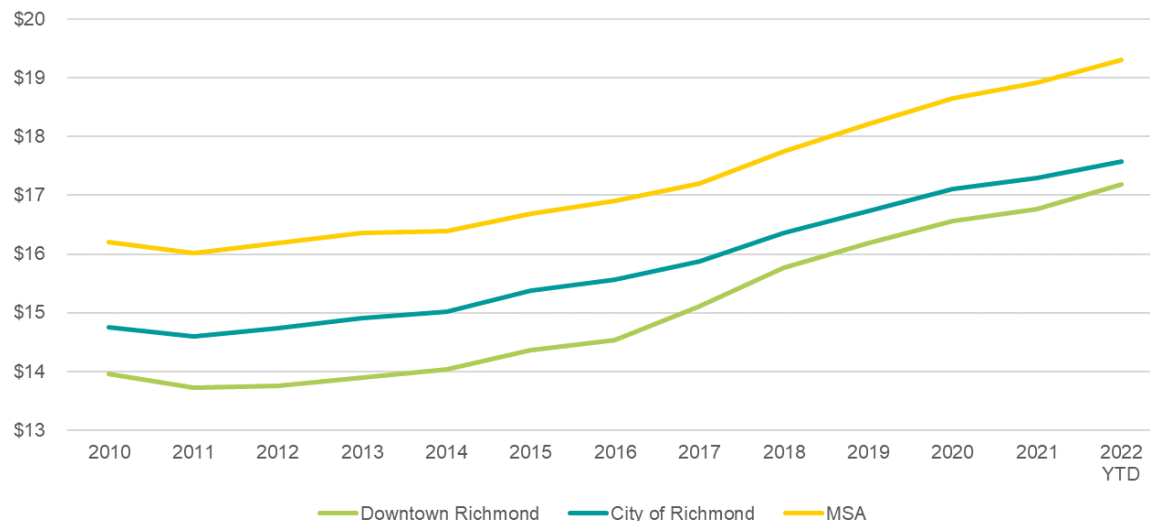
Source: CoStar, AECOM 2022

- After the onset of the pandemic in 2020, retail vacancies in downtown decreased significantly in 2021. The City and MSA remained largely unchanged. Despite a slight increase in vacancy rates for downtown and the City overall since 2021, retail vacancies in the Richmond region remain relatively low, particularly

in downtown; as of the third quarter 2022, national retail vacancies hovered around 5%. Since 2010, the market rent of retail space across all markets increased at approximately 1.2% annually, as

Figure 20 shows; however, retail rents in the City and downtown are still lower than for the MSA overall, partly due to the lack of large-footprint, newly built retail within City limits.

Figure 20. Retail Rent, Downtown, City of Richmond, & Richmond MSA, 2010 – 2022 YTD



Source: CoStar, AECOM 2022

Table 22 shows absorption trends for retail uses in greater Richmond and downtown; over the last decade, downtown has absorbed approximately 4% of the total retail SF in greater Richmond.

Table 22: Retail Square Feet Absorption Trends in Greater Richmond and Downtown

Year	MSA	Downtown	Downtown %
2022 est	858,062	26,556	3%
2021	690,779	96,873	14%
2020	-35,731	96,399	--
2019	229,706	-49,763	-22%
2018	-231,740	-10,908	5%
2017	605,996	-49,106	-8%
2016	1,052,358	42,526	4%
2015	716,631	96,562	13%
2014	992,676	-48,993	-5%
2013	494,170	727	0%
10-yr Avg	537,291	20,087	4%
5-yr Avg	302,215	31,831	11%
2019-21	294,918	47,836	16%

Source: CoStar, AECOM 2022

Grocery Options

Within five miles of the City Center study area, there are 18 stores selling grocery items. However, only half of these could be considered full-service grocery stores containing essential daily needs. The nearest full-service grocery stores are approximately a mile and a half from the City Center study area, as indicated in Table 23 below. These distances make it difficult for downtown residents to walk to their grocery store, typically requiring residents to rely upon personal transportation to reach their grocer of choice. As aforementioned, the downtown area is serviced by the GRTC Pulse line, which allows residents quick and easy access to two grocery stores – Whole Foods Market and Farm Fresh. Both

grocery stores have dedicated Pulse stops that are steps away from the entrance of the stores. Residents within the downtown area are serviced by the Stella's Grocery market on East Grace Street, functioning more as an upscale convenience-style market and café, but not carrying essential grocery items.

Table 23. Nearby Indoor Markets/Grocers

#	Grocery Store	Address	Distance From Site (miles)
1	Stella's Grocery - Downtown	109 E Grace St, Richmond, VA 23219	1.0
2	Kroger - Lombardy	901 N Lombardy St, Richmond, VA 23220	1.4
3	Farm Fresh	2320 E Main St, Richmond, VA 23223	1.6
4	Sweet Mart	1904 E Main St, Richmond, VA 23223	1.6
5	Northside Gourmet Market	2208 North Ave, Richmond, VA 23222	1.7
6	The Market at 25th	1330 N 25th St, Richmond, VA 23223	1.9
7	The Lombardy Market	203 N Lombardy St, Richmond, VA 23220	2.1
8	Whole Foods Market	2024 W Broad St, Richmond, VA 23220	2.2
9	Shields Market	206 N Shields Ave, Richmond, VA 23220	2.5
10	Strawberry Street Market	415 Strawberry St, Richmond, VA 23220	2.6
11	Tugwells Market	2533 W Cary St, Richmond, VA 23220	2.7
12	Aldi - Boulevard	927 Myers Street, Richmond, VA 23220	2.7
13	Kroger - Carytown	3507 W Cary St, Richmond, VA 23221	3.4
14	Ellwood Thompson's	4 N Thompson St, Richmond, VA 23221	4.2
15	Publix - Carytown	3535 Ellwood Ave, Richmond, VA 23221	4.2
16	Save A Lot	441 E Belt Blvd, Richmond, VA 23224	4.6
17	Super Fresh	640 E Southside Plaza, Richmond, VA 23224	4.9
18	Big Apple Supermarket	2916 Jefferson Davis Hwy, Richmond, VA, 23234	5.0

Source: Google Maps, AECOM 2022

ESRI releases Retail Market Potential reports annually for a variety of geographies. These reports use a metric called the 'Market Potential Index', which measures local demand compared to national demand. A value greater than 100 represents higher than average demand for a good or service within an area.²¹ In Downtown Richmond, nearly 1,700 households used organic food in the last 6 months, generating a market potential index approximately 20% above the national rate.²² As noted in Table 24, Downtown Richmond's market potential indicates that households are willing to buy products based on quality and environmental sustainability. These households are willing to spend more for environmentally safe products, particularly products that are higher quality.

Table 24. Retail Market Potential - Downtown Richmond

Statement	Expected Number of Adults/HHs	Percent of Adults/HHs	MPI
Buying American is important	2,420	27.5%	78
Buy based on quality not price	1,910	27.1%	126
Buy on credit rather than wait	1,211	13.8%	104
Only use coupons brands	1,271	14.5%	106
Will pay more for environmentally safe products	1,482	16.9%	123
Is interested in how to help the environment	2,407	27.4%	134

Source: ESRI Business Analyst, AECOM 2022

Retail Demand

²¹ ESRI. "2022 Market Potential." ArcGIS StoryMaps, July 28, 2022. <https://storymaps.arcgis.com/stories/2eca5a489d7d48529d40b5df41970bc4>.

²² ESRI Business Analyst. "Retail Market Potential: Grocery Survey" 2022.

ESRI projects that retail spending will increase by at least 4% annually for the City of Richmond overall, and 6% for the three census tracts that make up downtown's core, between 2022 and 2027. Table 25 shows projected spending in selected categories that may be applicable for potential retail uses for a redevelopment of the site. The additional projected spending growth on Apparel & Services (clothes, nails & haircare, etc.), Entertainment & Recreation, Food at Home (groceries), Food Away from Home (restaurant spending) is significant for both downtown and the City overall.

Table 25. Projected Spending, Selected Retail Categories, Richmond City & Downtown

Category	Projected Spending Growth, 2022-2027		Growth Rate	
	Richmond	Downtown	Richmond	Downtown
Apparel and Services	\$55,482,491	\$3,154,167	4%	6%
Entertainment & Recreation	\$79,131,809	\$4,394,484	4%	6%
Food at Home	\$138,217,515	\$7,507,106	4%	6%
Food Away from Home	\$99,001,708	\$5,685,660	4%	6%
Alcoholic Beverages	\$15,841,692	\$852,888	4%	6%
Personal Care Products	\$12,895,733	\$729,119	4%	6%

Source: ESRI, AECOM 2022

It is important to note that ESRI has its own methodology of classifying businesses, and much of it is based on self-reported data. It is recommended that a full, in-depth analysis of retail uses and spending in the area be undertaken by the development team, to better understand the nuances of retail demand in the area.

Retail/Commercial Key Takeaways

- Relatively little retail square footage has been added downtown in recent years; although overall rents per square foot are somewhat lower downtown than in the City overall, retail vacancies as of September 2022 were also very low, at only 3%.
- Based on the low occupancies and steady increases in rent growth since the onset of the coronavirus pandemic in 2022, the pandemic does not appear to have significantly dampened demand for “brick and mortar” retail space in City
- According to ESRI, spending on multiple key categories that may be appropriate for a redevelopment of the site, including grocery and restaurant spending, is projected to increase by 6% annually downtown, and 4% annually for the City overall, between 2022 and 2027
- ESRI predicts retail spending in all categories to increase by 6% annually for Downtown households, and 4% annually for the City overall, between now and 2027

Office

The MSA, the City of Richmond, and downtown have all added office space at a modest annual rate since 2010. According to CoStar, 73% of the office space added in the City between 2010 and 2022 was added downtown.

The yearly average office vacancy rate in downtown Richmond has typically been higher than the City's average in the past decade; however, considering the current post-pandemic uncertainty around office space nationwide. Currently, the US office market vacancy rate is 12.4%, increased 0.3% from last year. Both downtown's and the City's office vacancy rates are relatively low, compare 7.7% in downtown Richmond, and 7.2% citywide. Although office vacancies dipped in 2021, they have since increased across all three geographies, as many tenants continue to re-assess their need for space post-pandemic.

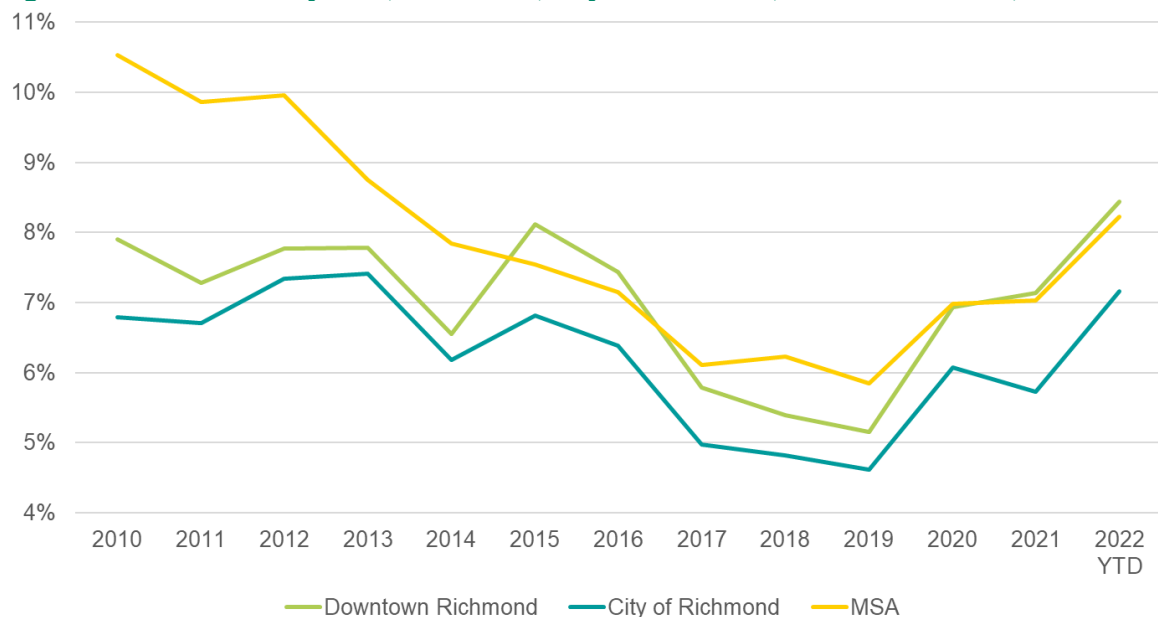
Table 26: Office Space, 2010 - 2022

Year Built	Downtown Richmond	City of Richmond	MSA
SF			
2010	15,148,227	24,187,097	62,518,711
2022 YTD	16,856,358	26,537,814	67,519,810
CAGR	0.9%	0.8%	0.6%
Rent \$/SF			
2010	\$19.55	\$18.13	\$16.75
2022 YTD	\$22.52	\$21.21	\$20.10
CAGR	1.19%	1.32%	1.53%
Vacancy			
2010	7.3%	6.8%	10.0%
2022 YTD	7.7%	7.2%	7.6%

Source: CoStar, AECOM 2022

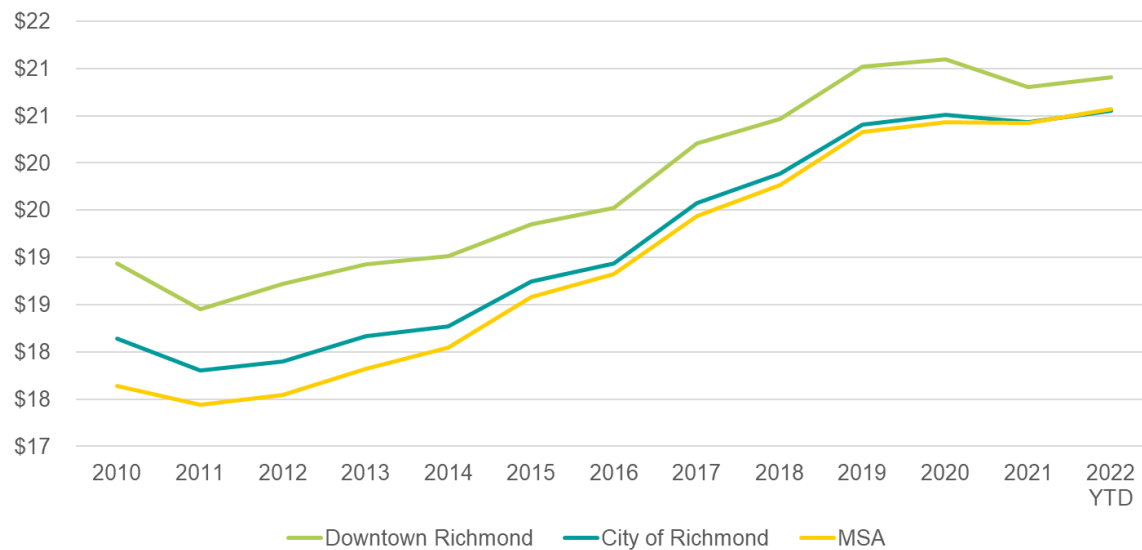
According to the real estate brokers surveyed as part of this study, despite higher vacancies, they continue to see demand for smaller-footprint, high-quality, boutique/bespoke office space within City limits. For example, office space in the Current, a new mixed-use building recently constructed in the Manchester neighborhood just south of downtown, is 77% leased, reflecting interest in this Class-A office submarket.

Figure 21. Office Vacancy Rate, Downtown, City of Richmond, & Richmond MSA, 2010 – 2022 YTD



Source: CoStar, AECOM 2022

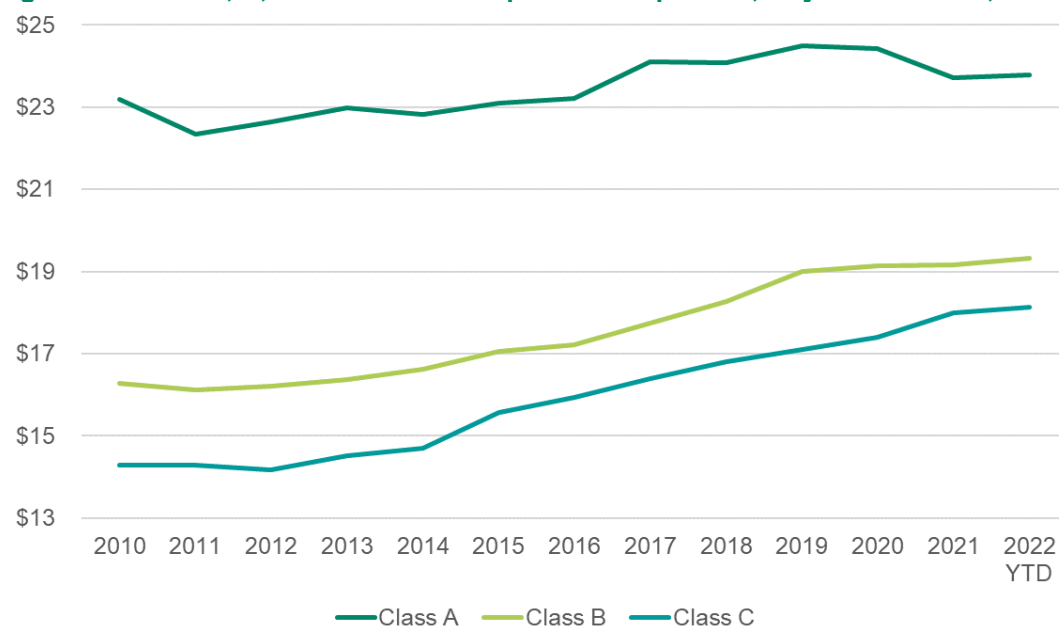
Despite increasing vacancies, rents per SF have grown relatively steadily since their initial dip in 2020; on the whole, they have grown significantly since 2010, at an average annual rate of 1.2% for downtown, 1.3% for the City, and 1.5% for the MSA.

Figure 22. Office Rent per SF, Downtown, City of Richmond, & Richmond MSA, 2010 – 2022 YTD

Source: CoStar, AECOM 2022

Office Space by Class Type

Class A space is the dominant type of office space in the City (43.8% of all office space), while Class B makes up the largest share of MSA office space (46.8% of all office space). Vacancies across downtown, the City, and MSA have typically been lowest for Class C space, due to its affordability, but Class A and B vacancies have remained roughly on par with one another since 2013. Class A space rent per SF has hovered between \$22 - \$25 since 2010, as Figure 23 shows. The year-over-year rent growth rate is lower for Class A space than the other two types; however, it commands a significant per SF premium over Classes B and C.

Figure 23. Class A, B, and C Office Rent per SF Comparison, City of Richmond, 2010 – 2022 YTD

Source: CoStar, AECOM

The year-over-year rent growth rates for both Class B and C have been volatile, as Figure 23 shows, but they are trending up compared with Class A. Class B vacancies have stayed relatively flat since the onset of the pandemic in 2020, while increasing for both Class A and Class C.

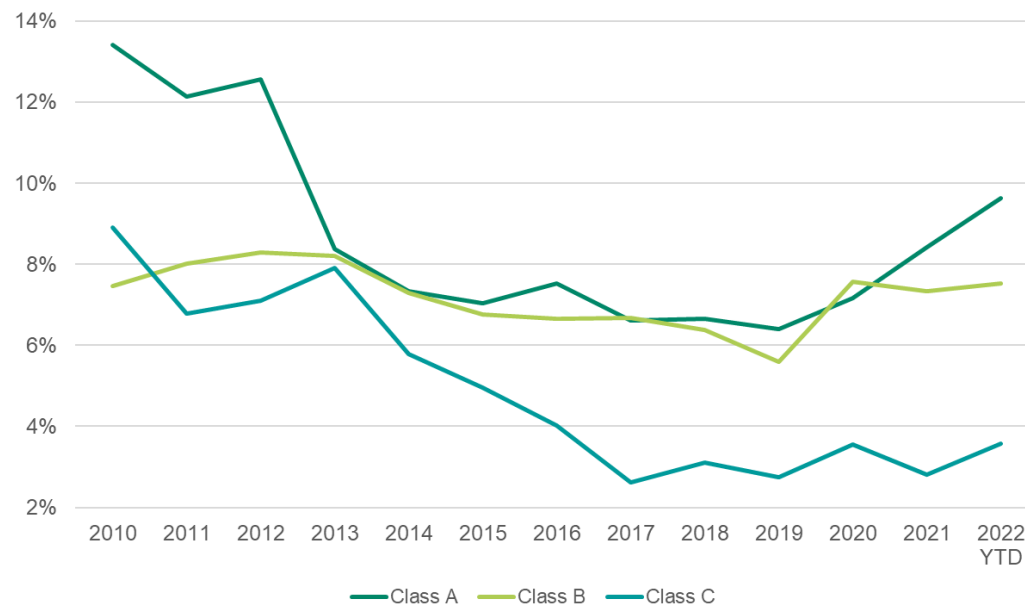
Figure 24. Class A, B, and C Office Rent Annual Increase Rate Comparison, City of Richmond



Source: CoStar, AECOM 2022

As aforementioned, strong demand for Class C office space has kept vacancies low, as Figure 25 shows; however, Richmond office vacancies across classes have remained lower than national averages, including Class A space.

Figure 25. Class A, B, and C Office Vacancy Rate Comparison, City of Richmond, 2010 – 2022 YTD



Source: CoStar, AECOM 2022

It is still too early to definitively predict how office space will perform in the post-pandemic environment; therefore, it is recommended that the future developer of the Coliseum site conduct a more in-depth study of the local market and considering securing commitment from office tenant(s) prior to constructing a significant amount of office space on the site, and/or including it in the Blues Army.

Office Key Takeaways

- The City overall has lost 4.1 million SF of office space (mostly Class C) due to demolition, while Downtown has added 1.7 million SF in the office space since 2010
- Office rents and vacancies in both the City and downtown have remained well below national levels, despite pandemic impacts to office demand, as more companies allow workers to work from home full-time or multiple days per week
- On average, demand for Class C office space has been high, due to its affordability; however, Class A space in the City still commands a significant premium
- Discussions with brokers and evidence from recent new “boutique” office developments in Richmond, such as The Current in Manchester, indicate demand for bespoke, smaller-footprint, higher-quality office space within City limits; however, it is recommended that the future development team chosen to redevelop this site obtain a full understanding of future expansion plans for surrounding property owners/users, and secure commitments from specific tenants

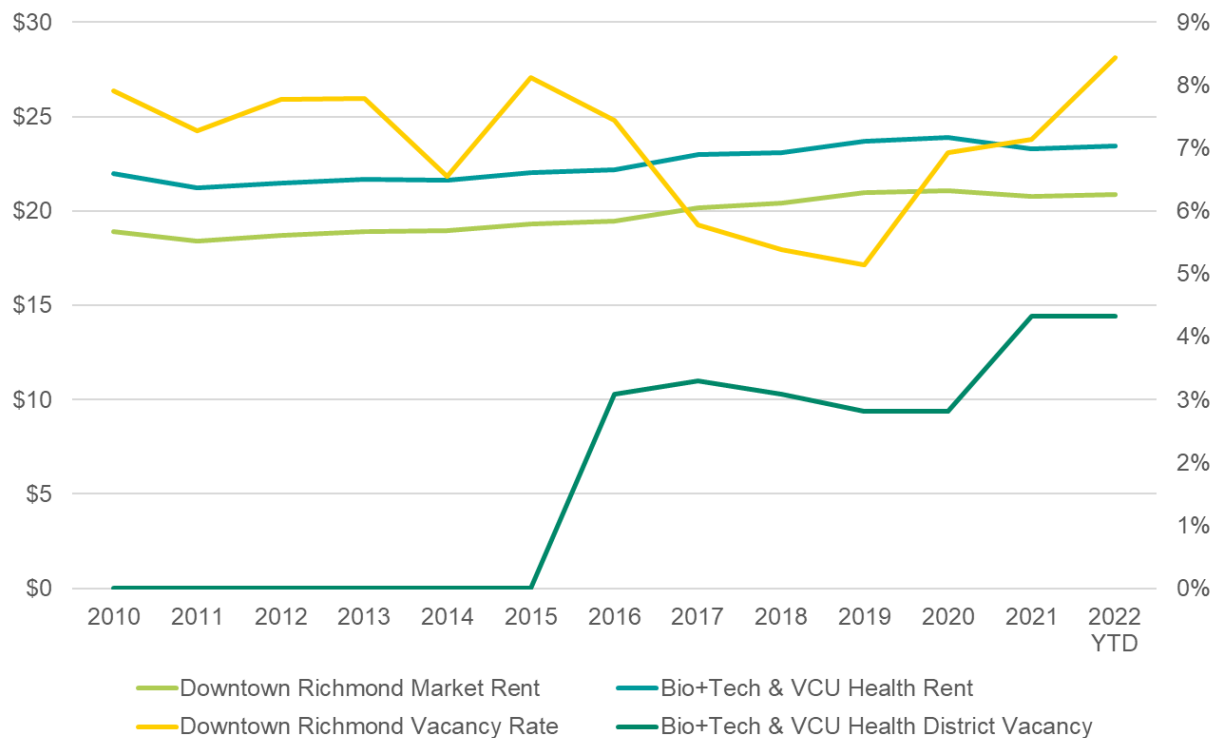
Lab, Medical, & R&D

Virginia's life sciences manufacturing covers a broad swath of the industry including pharmaceutical, nutritional products, medical supplies, and devices. It is home to over 150,000 people working in the life sciences industry and related occupations. The greater Richmond area has over 650 life science companies in the region, with more than 5,800 workers employed in the life science industry.

The Richmond area is home to the VA Bio+Tech Park, which is home to nearly 70 companies, research institutes and state and federal laboratory, employing approximately 2,400 scientists, engineers, and researcher. The Park adjacent to Virginia Commonwealth University, which is a "Top 100" life sciences research center. The region recently received a \$53 million grant to grow its nascent biopharmaceutical and medical R&D cluster.²³

As Figure 26 shows, the office space in Bio+Tech and VCU Health District has a lower vacancy rate and higher market rent compared with Downtown Richmond in the past decade. The trend of market rent growth rate in the Bio+Tech district is the approximately on par with downtown's. The office vacancy rate in the Bio+Tech district is significantly lower than the downtown average. However, since 2015, the vacancy rate has increased somewhat. Overall, there appears to be strong demand for these spaces.

Figure 26. Office Market Rent & Vacancy Rate Comparison, Bio+Tech and VCU Health Districts, 2010 – 2022 YTD



Source: CoStar, AECOM 2022

Lab, Medical, & R&D Key Takeaways

- Demand is increasing for lab and specialty medical and R&D space in downtown Richmond; rents for these spaces tend to be somewhat higher than for other general office space
- As noted previously, Activation Capital and VCU Health both have plans to expand; as with other types of office space, it is recommended that the future development team chosen to redevelop this site obtain a full understanding of future expansion plans for surrounding property owners/users, and

²³ https://richmond.com/news/state-and-regional/govt-and-politics/white-house-to-award-52-9-million-grant-to-va-biotech-authority/article_2617cf06-2d87-55a2-af20-e91ab05e7a77.html

secure commitments from specific tenants for both general office and lab/specialty/medical office space.

- Funding support for biosciences and other research industries has seen rapid increase, which supports stronger demand for research facilities and lab spaces. Virginia ranks 6th in NIH Funding growth, experiencing a growth rate in NIH funding of 44.8% from 2016-2019²⁴
- The life sciences and bio tech industry has a symbiotic and collaborative relationship with the City of Richmond, home to an large talent base of over 2,400 researchers, engineers, and scientists, as well as a multitude of research universities
- Proximity to both undergraduate and graduate programs at institutions such as VCU College of Engineering, and VSU makes downtown Richmond a high value location for companies to be and attract skilled employees. 57% of Richmond's jobs within the professional, scientific, and management industries are located in downtown Richmond

Community/Educational Uses

As previously noted, Richmond is home to multiple public and private institutions of higher learning, including VCU, VUU, JSRCC, and U of R. As Table 27 indicates, there are more than 42,000 full- and part-time students attending major Richmond institutes of higher learning. The City also has 54 public and 56 private K-12 schools.

Table 27. Higher Education Student Population

	J Sargeant Reynolds Community College		Virginia Commonwealth University		University of Richmond		Virginia Union University	
Year	Full-time	Part-Time	Full-time	Part-Time	Full-time	Part-Time	Full-time	Part-Time
2012	3,616	9,230	24,924	6,521	3,661	700	1,699	52
2013	3,552	8,902	24,803	6,171	3,554	586	1,700	49
2014	3,312	8,549	25,031	5,817	3,553	629	1,657	58
2015	3,099	7,790	25,273	5,645	3,558	623	1,808	114
2016	2,851	7,524	25,337	5,535	3,552	579	1,706	109
2017	2,567	6,767	25,122	5,553	3,478	545	1,558	116
2018	2,453	6,284	25,301	5,396	3,449	553	1,400	152
2019	2,606	6,105	24,782	4,975	3,424	490	1,240	211
2020	2,476	5,283	23,696	5,374	3,604	452	1,360	156

Source: DataUSA, AECOM 2022

VCU's enrollment has declined somewhat in recent years, with an approximately 2% decrease in new students each year since 2017.²⁵ This decline is most likely due to a combination of the strong labor market and the adverse impacts on secondary education wrought by the 2020 coronavirus pandemic. In the past ten years, this represents a 9% decrease in the student population. If this trend were to continue, the student population of the university could drop to nearly 26,000 students in the next five years. However, the university remains optimistic and is implementing multiple strategies to attract new students from out of state and retain existing students. With innovative new facilities and enhanced financial aid programs, the university hopes to increase its student population to 31,600 by the fall of 2026.²⁶

²⁴ "The Value of Bioscience Innovation in Growing Jobs and Improving Quality of Life | BIO." Accessed September 29, 2022.

<https://www.bio.org/value-bioscience-innovation-growing-jobs-and-improving-quality-life>.

²⁵ Virginia Commonwealth University. "Facts and Rankings." Virginia Commonwealth University, 2022. <https://www.vcu.edu/about-vcu/facts-and-rankings/>.

²⁶ Kolenich, Eric. "VCU's Five-Year Goal: Grow School Enrollment by 2,700 Students." Richmond Times-Dispatch, April 18, 2022. https://richmond.com/news/local/education/vcus-five-year-goal-grow-school-enrollment-by-2-700-students/article_24321349-c82f-5104-8c3b-bfa550decb66.html.

VCU's medical programs are some of the highest ranked in the country, with eight programs ranked within the top 25.²⁷ Medical programs such as the School of Medicine boast enrollment of over 1,000 students, while other schools such as the School of Pharmacy typically have approximately 400 students.²⁸ The closure of Cabaniss hall in 2019 has removed 423 bedrooms from VCU's housing portfolio that could have accommodated students within medical programs.²⁹ There are currently no plans to replace the residential hall, however, the One VCU Master Plan has called for replacing the aged facility with a pedestrian-oriented plaza connected to a new neuroscience research facility.³⁰

J. Sargeant Reynolds Community College's enrollment has suffered an even greater decline over the past ten years. The community college has lost a considerable number of students between 2012 and 2020, dropping over 5,000 students. Enrollment has dropped an average of 5% each year during the same period.³¹ In the wake of the pandemic, many universities have had issues in attracting new students and retaining current students, especially at the local level. College enrollment declined 7% between 2019 and 2020, nationally. In Virginia, some schools such as UVA, Virginia Tech, and William & Mary continued to boost their enrollment numbers.³² Colleges and Universities may need to reformat programs in a changing labor market and address student needs financially to retain students and prepare for the future.

Richmond Public Schools has lost a considerable number of students over the past year, as Table 28

Table 28: Richmond Public Schools Students

Grade	2019-2020	2020-2021	2021-2022	% Change (20/21 - 21/22)
Pre-kindergarten	1,667	1,012	981	-3.1%
Kindergarten	1,897	2,209	1,640	-25.8%
Grade 1	2,052	2,343	1,719	-26.6%
Grade 2	2,083	2,241	1,671	-25.4%
Grade 3	2,069	2,473	1,702	-31.2%
Grade 4	2,035	2,297	1,748	-23.9%
Grade 5	1,949	2,296	1,607	-30.0%
Grade 6	1,900	2,253	1,538	-31.7%
Grade 7	1,959	2,257	1,472	-34.8%
Grade 8	1,722	2,206	1,544	-30.0%
Grade 9	1,861	1,810	1,695	-6.4%
Grade 10	1,566	1,961	1,272	-35.1%
Grade 11	1,312	1,551	1,378	-11.2%
Grade 12	1,140	1,317	1,212	-8.0%
Post Graduate	-	14	10	-28.6%
Total Students	25,212	28,240	21,189	-25.0%

Source: Virginia Department of Education, AECOM 2022

shows. Every grade level has experienced a drop in enrollment between 2021 and 2022, resulting in an overall enrollment decline of 25% within the same period. The public school system saw a jump in enrollment between the 2019/2020 school year and the 2020/2021 school year, but that boost was negated in the 2021/2022 school year. Nationally, many schools are losing student population as students return to in-person classes. Many parents are opting for home schooling and private schools, citing concerns with virtual learning and safety.³³ Some projections estimate that the number of high school graduates on the East Coast is stagnating and may continue sinking in the coming decade.³⁴

Richmond Public Schools has added several new facilities in the past several years, including the Henry L. Marsh III Elementary school, Cardinal Elementary School, and River City Middle School. These new schools were funded by a

²⁷ Virginia Commonwealth University. "Facts and Rankings."

²⁸ VCU School of Medicine. "Education - VCU School of Medicine." Accessed September 22, 2022.

<https://medschool.vcu.edu/education/>.

²⁹ Sczerzenie, Anya. "More than 50 Years after It Was Built, Cabaniss Hall Is Vacant - The Commonwealth Times." Commonwealth Times, September 3, 2019. <https://commonwealthtimes.org/2019/09/03/more-than-50-years-after-it-was-built-cabaniss-hall-is-vacant/>, <https://commonwealthtimes.org/2019/09/03/more-than-50-years-after-it-was-built-cabaniss-hall-is-vacant/>.

³⁰ Virginia Commonwealth University. "Transdisciplinary Neurosciences Building - ONE VCU Master Plan - Virginia Commonwealth University." Accessed September 27, 2022. <https://masterplan.vcu.edu/implementation/planning-phase/projects/transdisciplinary-neurosciences-building/>.

³¹ DataUSA. "J Sargeant Reynolds Community College | Data USA." Accessed September 26, 2022.

<https://datausa.io/profile/university/j-sargeant-reynolds-community-college#enrollment>.

³² Kolenich, Eric. "VCU's Five-Year Goal: Grow School Enrollment by 2,700 Students." Richmond Times-Dispatch, April 18, 2022.

³³ Kamenetz, Anya, Cory Turner, and Mansee Khurana. "Where Are the Students? For a Second Straight Year, School Enrollment Is Dropping." NPR, December 15, 2021, sec. Education. <https://www.npr.org/2021/12/15/1062999168/school-enrollment-drops-for-second-straight-year>.

³⁴ Kolenich, Eric. "VCU's Five-Year Goal: Grow School Enrollment by 2,700 Students." Richmond Times-Dispatch, April 18, 2022. https://richmond.com/news/local/education/vcus-five-year-goal-grow-school-enrollment-by-2-700-students/article_24321349-c82f-5104-8c3b-bfa550dec666.html.

1.5% meals tax approved by the City of Richmond in 2018. The three new schools have the capacity to accommodate 1,750 elementary students and 1,400 middle school students.³⁵ These new facilities are state-of-the-art and designed to include school and community green space, LEED certified, and feature advanced security systems.³⁶

In 2014, Richmond Public Schools closed two schools: Clark Springs Elementary and Norrell Elementary, part of the school district's plan to close underutilized facilities to reduce maintenance overhead.³⁷ In 2022, an RPS enrollment report showed that middle schools are drastically under capacity, which could indicate a decline in high school students soon. Middle schools such as Henderson and Boushall were operating at nearly 50% capacity in September 2022.³⁸ The School District is in the process of beginning construction on a new George Wythe High School to accommodate potential new enrollment growth in Richmond's South Side.

CodeRVA is a regional magnet school preparing students for college and careers in computer science through personalized, integrated, and applied learning.³⁹ The magnet school connects students to employers for internship opportunities and graduates from the school have an opportunity to graduate with both a high school diploma and an associate degree from the Virginia Community College system. Students have the opportunity to complete high school requirements through a combination of blended learning, integrated coursework, and project-based learning.⁴⁰ The school serves 345 high school students from 15 public school districts within the Richmond Metropolitan Region, from Amelia to Sussex. Richmond Public Schools' declining enrollment and aging facilities indicate that housing a school usage within the study area may not meet local education demands.

Many schools within the district are operating with a reduced capacity, which could present an opportunity for magnet schools such as CodeRVA to establish joint-use leasing agreements with the school district, utilizing unused classroom space to teach students. Alternatively, new schools could be designed with magnet programs in mind, designing innovative classrooms to meet the needs of 21st century minded programs such as CodeRVA. Joint uses are new and inventive ways to incorporate multiple uses in community schools, maximizing the utility of a school for community usage. Incorporating multiple uses into school facilities is a cost-effective method to generate new opportunities for students and community members alike. Magnet programs that offer associate degrees could also be housed within community colleges such as J Sargeant Reynolds, providing the opportunity for high school students to be exposed to the variety of programs that area community colleges have to offer.

Community/Educational Uses Key Takeaways

- Enrollment in higher education has been declining nationally and locally. However, universities such as VCU are investing in innovative new facilities to draw additional out-of-state students to bolster enrollment growth. Other universities and colleges may need to reformat programs to attract new students.
- Richmond Public Schools has lost a considerable number of students in the past year, dropping by 25% enrollment. Decreasing enrollment in public schools is a national trend in the wake of the pandemic, as parents explore non-public education options
- As a result of the enrollment decline, some RPS facilities are operating below capacity, so the need for more space is less pressing

³⁵ Richmond Public Schools. "Budget - FY22 - 23 - Richmond Public Schools." Accessed September 27, 2022.

<https://www.rvaschools.net/operating-office/budget>.

³⁶ Richmond Public Schools. "Budget - FY22 - 23 - Richmond Public Schools."

³⁷ Reid, Zachary. "Closure Ahead for 3 Richmond School Buildings." Richmond Times-Dispatch. Accessed September 27, 2022.

https://richmond.com/news/local/closure-ahead-for-3-richmond-school-buildings/article_93e35aba-d325-5214-a636-2c23a8298334.html.

³⁸ Lazarus, Jeremy. "RPS Data Show Middle Schools under Capacity, as Controversy over New High School Size Continues | Richmond Free Press | Serving the African American Community in Richmond, VA." Richmond Free Press, March 24, 2022.

<https://richmondfreepress.com/news/2022/mar/24/rps-data-show-middle-schools-under-capacity-control/>.

³⁹ CodeRVA. "About High School for Blended Learning & Computer Science | CodeRVA | Magnet School for Computer Science in Richmond, VA." Accessed September 28, 2022. <https://coderva.org/about/>.

⁴⁰ CodeRVA. "About High School for Blended Learning & Computer Science | CodeRVA | Magnet School for Computer Science in Richmond, VA."

- Magnet schools such as CodeRVA are interested in having space in City Center; however, construction or rehabilitation of any public community and/or educational space on the site would need to be heavily subsidized by other the public sector, or as part of a public-private partnership

Food, Beverage, & Entertainment

Entertainment

Friday Cheers, a weekly summer concert series with a 37-year history, now occurs on Brown's Island, but used to take place at Nina Abady Park on the subject property. As aforementioned, the redevelopment of this site presents significant opportunities for additional food, beverage, and entertainment opportunities in a part of downtown that is currently under-served by those uses; the site presents a critical opportunity to bring events and vibrancy back into the "heart" of downtown.

AECOM assessed 75 entertainment concepts regarding their potential for development on the project site, as Table 29 shows. While other entertainment concepts could also work on the site, those listed are likely to fit into ground floor retail space or be suitable for the planned public green space. Multiple concepts could operate on-site simultaneously.

Outdoor concepts, such as seasonal events, outdoor cinema, pop-up markets, and an artificial ice-skating rink, as well as daily free programming can create consistent activity and a sense of place, especially with phased development leaving certain sites vacant for months or years. Further, some of the larger format indoor concepts could help bring the Blues Armory to life with an active, publicly available attraction. In addition to those listed, charrette participants noted resurgent attraction in smaller-footprint indoor games such as squash and pickleball; again, much would depend on the structural adaptability of the existing space.



Richmond has established a regional reputation for its exceptional craft beer scene [This Photo](#) by Unknown Author is licensed under [CC BY-SA-NC](#)

Table 29. Potential Entertainment Concepts for Project Site

Potential Uses	Description & Examples	Size	Rain or Shine?	General Notes
4D Immersive Digital Media Experience	Virtual reality, augmented reality, mixed reality, etc.	Small/ Medium	Yes	Indoor
Immersive Gaming Experience		Small/ Medium	Yes	
Comedy Show Venue		Small/ Medium	Yes	
Branded Store(s)	Store specifically focused on a company / brand (ex: NatGeo Store)	Small/ Medium	Yes	Indoor
Restaurant	A place where people pay to sit and eat meals	Small/ Medium	Yes	Indoor
Axe Throwing		Small/ Medium	Maybe	
Seasonal Events	Temporary events that change per season, holiday, etc.	Small/ Medium	No	Outdoor
Cinema - Outdoor		Small/ Medium	No	
Pop-Up Market	Collection of temporary businesses / stalls	Small/ Medium	No	Indoor/Outdoor
Escape Room		Small/ Medium	Yes	
Specialty Stores	Stores with a specific focus (ex: vintage candy shop, ice cream factory)	Small/ Medium	Yes	Indoor
Artificial Ice Skating Rink		Small/ Medium	No	
Foodertainment	Interactive games and elevated food & beverage (ex: Punch Bowl Social)	Small/ Medium	Yes	Indoor

Source: AECOM 2022

Bars, Breweries, and Restaurants

The Richmond Region is home to more than 30 craft breweries, distilleries, and cideries, and hundreds of restaurants serving locally made beer and cider on tap.⁴¹ The City is home to more than 900 restaurants,⁴² including two food halls. Farmer's markets and pop-up events are hosted across the City on a weekly basis year-round, and 150+ festivals and street-level events take place in the City every year.⁴³ While restaurants and in-person events are booming after 2+ years of lockdowns, staffing has become a serious concern for many, due to persistent labor shortages.

Food Halls

Based on a benchmarking study of food halls done by AECOM in 2020, these multi-option dining & entertainment venues have seen exponential growth over the last decade; according to Cushman & Wakefield, 400 new food halls opened across the U.S. between 2015 and 2019, and only 10 have closed.⁴⁴ Approximately 80% stayed open during the pandemic.⁴⁵ Successful food halls are typically a curated concentration of chef-driven concepts with an emphasis on regional fare, local and emerging talent, authenticity, and delivering an overall experience is at the core of what makes food halls successful. They can range anywhere between 5,000 to more than 75,000 SF; the average stall is 200-300 SF in smaller venues. Despite typically higher per SF rent costs than a traditional restaurant, food halls often reduce overall overhead costs, which allows for a lower barrier to entry for many vendors and allows vendors to "test" the market for their product without overcommitting to a larger space. They also offer opportunities for shared labor.

Successful food halls typically locate in areas where there is strong demand for all-day and weekend food, beverage, and entertainment options, and are able to differentiate themselves in the market from chains and other surrounding options. In order to maximize revenue potential, a food hall must appeal to both the lunchtime workforce population and the evening and weekend visitors. Through a design that caters to both as well as programming that activates the space in the evening and weekend hours, the food hall has a better chance of becoming a compelling destination for more than just dining. Some of the nation's most successful food halls also have a strong emphasis on performance and entertainment programming, indicating a need for multi-use programmable space when designing a food hall.

Food, Beverage, & Entertainment Market Key Takeaways

- Richmond has become a regional destination for craft beverages, dining, and entertainment; however, there is a gap in the market in the near vicinity of the vacant Coliseum site, which presents a key opportunity for new uses
- Because the greater City's food, beverage, and entertainment offerings are already plentiful and diverse, any uses in those categories located on the project site will need to be tailored to the immediate (1-mile radius or less) market demand, and be supported by significant residential density in the immediate vicinity
- A grocery market use that offers groceries, including fresh produce, sit-down fast-casual dining, and has space for entertainment and local vendors would perform well, given the right residential densities and office tenants
- As aforementioned, lab workers and some of the other office workers already in the area tend to bring lunch or eat in their office cafeteria, so food, beverage, and entertainment uses on-site would need to have a diverse range of offerings and extended hours that would cater to residents and tourists staying in the area/using the GRCC, in addition to office tenants

Blues Armory

One of Richmond's many incredible historic landmarks, the Blues Armory has gone through many evolutions since it was built in 1910. The building is nearly 20,000 SF, and is currently vacant, and in a state of disrepair. The discussions around appropriate uses for the historic Blues Armory building are ongoing. Although a full structural analysis was not undertaken for this report, the project team received a tour of the building in its current state.

⁴¹ <https://www.visitrichmondva.com/drink/richmond-beer-trail/>

⁴² <https://www.visitrichmondva.com/restaurants/>

⁴³ <https://allevents.in/richmond/festivals>

⁴⁴ <https://mailchimp.com/courier/article/food-halls/>

⁴⁵ Ibid

It appears that significant investment will be required to adaptively re-use the building for new purposes. Based on the charrette held with key stakeholders and City staff in September 2022 as part of this process, the following uses were determined to be most appropriate for the space, subject to any physical/structural constraints that the project team is not currently aware of:

- Grocery/market and/or food hall uses on the ground floor, with space for local vendors
- Office, including coworking and/or incubator space on the upper levels
- A ballroom or similar event space on the top level
- A smaller-scale entertainment venue that could host e-sports events, or other “virtual” entertainment, or host live music as an accompaniment to any dining/food & beverage uses determined appropriate for the space.

Figure 27: Blues Armory, September 2022



The City has held discussions with multiple stakeholders about the possibility of adapting the building for a public magnet school use; however, the structural constraints of the existing building may be cost-prohibitive to such a use. Additionally, any type of educational use that requires specialized space and equipment would most likely be better suited to a newer building.

In terms of market demand, the analysis shows that there is relatively strong demand in the vicinity for a small market or grocery that also offers indoor and outdoor dining, and/or a brewery or restaurant; however, adding residential to this area will be critical for supporting such a use long-term. Although GRCCA would like to have more ballroom space in the vicinity, as the analysis shows, there is a significant amount of event space in the immediate area, and a very large ballroom covering the entire top floor may not be supportable, unless the number of events hosted downtown increases substantially in the coming years.

According to the analysis of office uses and job growth downtown, a smaller-scale, boutique-style office, and/or coworking or (subsidized) business incubator space may be supported by current demand; however, the future development team would be encouraged to secure commitments from specific tenants prior to outfitting a large amount of boutique office space in either the Armory or on the adjacent property to the rear. As noted, business incubator space is, by definition “low-cost,” so would need to be supported by a public and/or nonprofit entity that is willing to offer the space to start-ups at below market rates.

Hospitality & Tourism

Overview

The greater Richmond region has become a nationwide tourist destination in recent years. The region boasts strong cultural, heritage, and culinary tourism sectors, and has seen significant growth in adventure and sports tourism over the years. Richmond has been consistently ranked by numerous tourism and travel publications (American Express Travel, New York Times, Travel + Leisure, etc.) as a top tourism destination. Attractions in Richmond’s downtown core include the Greater Richmond Convention Center, Richmond Coliseum, the National, Dominion Energy Center, and others.

The impacts of the closure of the Coliseum (as well as the Blues Armory) have reverberated throughout City Center, creating a psychological and physical barrier for pedestrians between 5th and 7th Streets. According to Richmond Region Tourism's *Richmond Regions 2030: A Strategic Direction for the Richmond Region's Visitor Economy*, despite Richmond's success as a regional tourism destination, it has "room to grow," and potentially capture more market share. City Center represents a great opportunity to revitalize and revolutionize Downtown's role as a tourism destination and economic engine.

Regional Tourism Trends

According to Richmond Region Tourism, in 2019 (pre-pandemic), the region had 7.7 million visitors, an increase of approximately 700,000 visitors since 2015 (an annual growth rate of 2.4%), and a 134% total increase since 2010. Visitor spending has continued to increase as well, reaching \$2.6 billion in 2019 for the region, an increase of \$400 million over 2015 and \$1 billion over 2010. In 2019, visitors spent upwards of \$836 million in the City of Richmond alone, around one-third of total visitor spending in the region. According to Virginia is for Lovers, tourism generated roughly \$27 billion in visitor spending for the State of Virginia in 2019; the Richmond Region captured approximately 10%, while the City of Richmond represented about 3% of total state visitor spending. Tourism in the Richmond region supported approximately 24,700 jobs prior to the pandemic.

Richmond Region Tourism's *Fiscal Year 2018 – 2019 Annual Report* noted the following key points about tourism in the Richmond region:

- The largest proportion of overnight trips were made for the primary purpose of visiting friends and family, followed by leisure (touring, events, etc.), then by other business trips.
- The Richmond Region is a year-round destination, with the distribution of visitors almost equal between all four calendar quarters.
- The top main purposes of trip are shopping, fine dining, visiting a landmark or historic site, going to a museum, and visiting a national or state park.

In a recent survey conducted by Resonance, younger visitors appear to be more motivated by Richmond's culinary, outdoor, and nightlife experiences, while older visitors are more motivated by the region's history and role as the state capital. Visitors to the Richmond region have a more positive perception of the City after visiting the region than they did prior to visiting, which highlights the City's strengths, but also points to a potential public relations concern.⁴⁶

Top Tourist Attractions

The Richmond Region is home to several well-established attractions and the visitor experiences offered vary widely. Many attractions are unique to the Richmond Region and offer historical, cultural, and educational opportunities. As reported by Richmond Region Tourism, the top 10 attractions in the area receive between approximately 240,000 and 2 million annual visits, with the James River Park at the top of the list, as Table 30 shows.

⁴⁶ <https://resonanceco.com/insights/how-tourism-can-influence-or-change-the-perception-of-a-city/>

Table 30: Top 10 Attractions in the Richmond Region, 2021

Attraction	Attendance
James River Park	2,000,000
Virginia State Capital Trail	1,200,000
Maymont	800,000
Henricus Historical Park	N/A
Science Museum of Virginia	50,000
Virginia Museum of Fine Arts	411,000
Lewis Ginter Botanical Garden	462,178
Three Lakes Park & Nature Center	250,000
Meadow Farm	N/A
Children's Museum of Richmond	400,000

Source: Richmond Region Tourism, 2022

Sports Tourism

Prior to the pandemic, an increasing share of Richmond-area tourism was being driven by the sports industry. In 2019, it was reported by Richmond Region Tourism that eight of the top ten recent peak days in hotel occupancy were connected to sporting events. Sports-related tourism has proven to be a vital part of early economic recovery from the COVID-19 pandemic in the Richmond region; according to SportsEvents/The Richmond Times Dispatch, Richmond's hospitality industry is bouncing back to pre-pandemic growth largely due to sports tourism – sports tourism accounted for 79 percent of hotel bookings in the region in 2021.⁴⁷ As the Henrico Arena development advances, sports tourism is anticipated to continue to be a major driver of tourism visitation and spending in the greater Richmond region.

The Future of Tourism in Richmond

According to Richmond Region Tourism's *Richmond Regions 2030: A Strategic Direction for the Richmond Region's Visitor Economy* report, the Richmond Region is expected to see 9.2 million visits annually by 2030, an annual growth rate of 1.6% between 2019 to 2030, equating to an increase of 1.5 million visitors over 2019 volumes. Key focus areas for tourism growth in greater Richmond region are experience development, investment in tourism-supportive infrastructure, and industry advancement and advocacy. Other goals put forward by Richmond Region Tourism include:

- Enhancing and delivering a better visitor experience that reflects the region's unique environment, culture, and character
- Enhancing and delivering a higher quality of life through destination products and services for residents
- Encouraging more employment for residents in the tourism industry
- Maximizing the value of the visitor economy through continued growth and development in the industry
- Fostering expansion of private sector investment and coordinate public infrastructure investment to benefit the tourism industry

Richmond 300: A Guide for Growth, the City of Richmond's recent comprehensive plan, notes that the four main tourism objectives Richmond has in the future area:

- Maintain, grow, and market Richmond's tourism attractions.
- Host regional, national, and international events.
- Increase the availability and options for lodging in the city.
- Improve hospitality and visitor facilities and services.

The plan also notes the importance of supporting of heritage tourism, promoting the development of varying size performance venues, promoting the region for sporting events, and encouraging the development of hotel rooms in tourism "clusters" or hubs.

Competitive Tourist Markets

Based on conversations with industry professionals, Richmond's top competitors for tourists are cities like Charleston, SC; Raleigh, NC; Nashville, TN; Columbus, OH; and Baltimore, MD. Each of these cities is known for its unique character and sense of place: Charleston's cobblestone streets and horse-drawn carriages, Raleigh's cosmopolitan yet uniquely Southern charm; Nashville's rich music culture, and Baltimore's historic landmarks and lively waterfront all draw tourists who are interested in cultural offerings and heritage tourism. Columbus, with its active parks and urban spaces, is also growing as a tourist destination. Based on CoStar's hotel demand, Richmond is one of the smaller tourism markets in

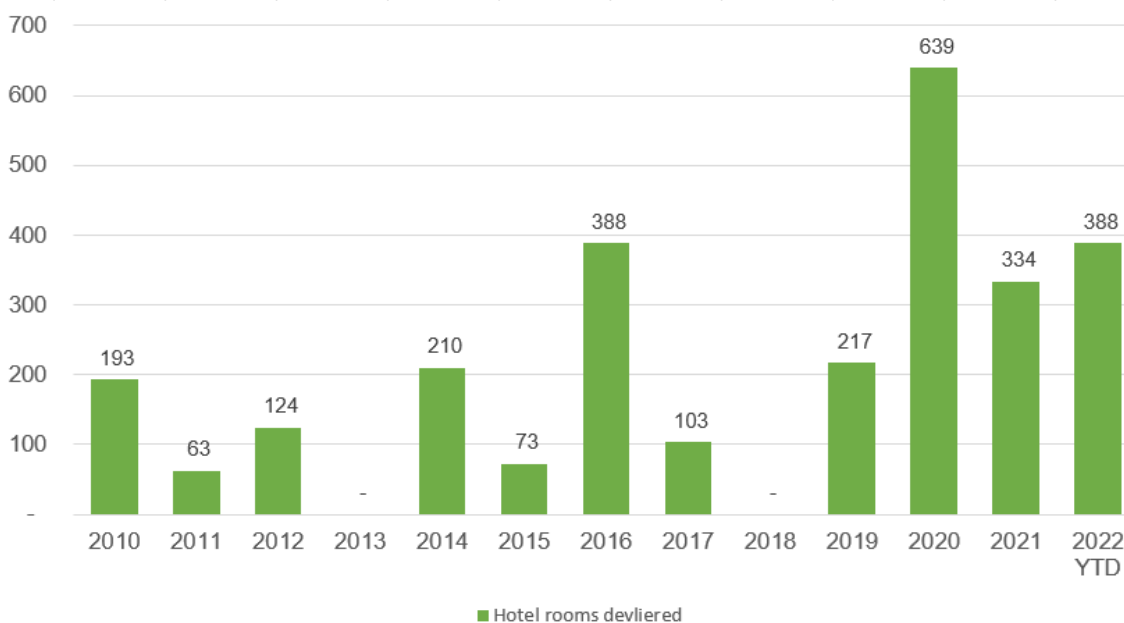
⁴⁷ <https://sportseventsmediagroup.com/richmond-sports-tourism-main-reason-for-regional-growth/>

this comparable set. Leading the cities is Nashville followed by Baltimore, Raleigh, Columbus, and then Charleston.

Regional Hospitality Market

According to CoStar and as of September 2022, there are approximately 22,400 rooms across 240 hotels in the Richmond/Petersburg, VA hotel market. Since 2010, approximately 2,655 hotel rooms have been added to the market, as Figure 28 indicates.

Figure 28: Hotel Rooms Delivered, Richmond/Petersburg Market, 2010 – 2022 YTD



Source: CoStar, AECOM 2022

Prior to the pandemic, occupancy rates in the Richmond/Petersburg market remained relatively steady. Occupancy rates typically ranged from 50% to 65% from 2012 to 2022, with an average of 60%, as shown in Table 31. The average occupancy rate from 2017 to 2022 was slightly higher, at 61%. Between 2020 to 2021, due largely to pandemic impacts, occupancy rates fell to average of 55%.

From 2012 to 2022, average daily rates (ADRs) typically ranged between a low of \$73 and high of \$95, with 10-year, 5-year, and 3-year averages between \$90 and \$88. From 2021 to 2022, the typical range in ADR raised from \$80 to \$96, with an average of \$88.⁴⁸ Revenue per available room (RevPAR) typically ranged between a low of \$37 and a high of \$62 from 2012 to 2022, with 10-year, 5-year, and 3-year averages between \$51 and \$55. From 2020 to 2021, RevPAR in the Richmond/Petersburg hotel market increased to \$43 to \$62, with an average of \$53.⁴⁹

Table 31: Key Hotel Indicators, Richmond/Petersburg Market, 2012 – 2022 YTD

Metric	10-Year Avg. (2012 – 2022 YTD)	5-Year Avg. (2017– 2022 YTD)	3-Year Avg. (2019 – 2022 YTD)	1-Year Avg. (2021 – 2022 YTD)
Occupancy Rate	60.1%	61.0%	59.6%	58.6%
ADR	\$85.22	\$89.76	\$88.56	\$86.61
RevAPR	\$51.48	\$55.11	\$53.31	\$51.39

Source: CoStar, AECOM 2022

⁴⁸ Not adjusted for inflation

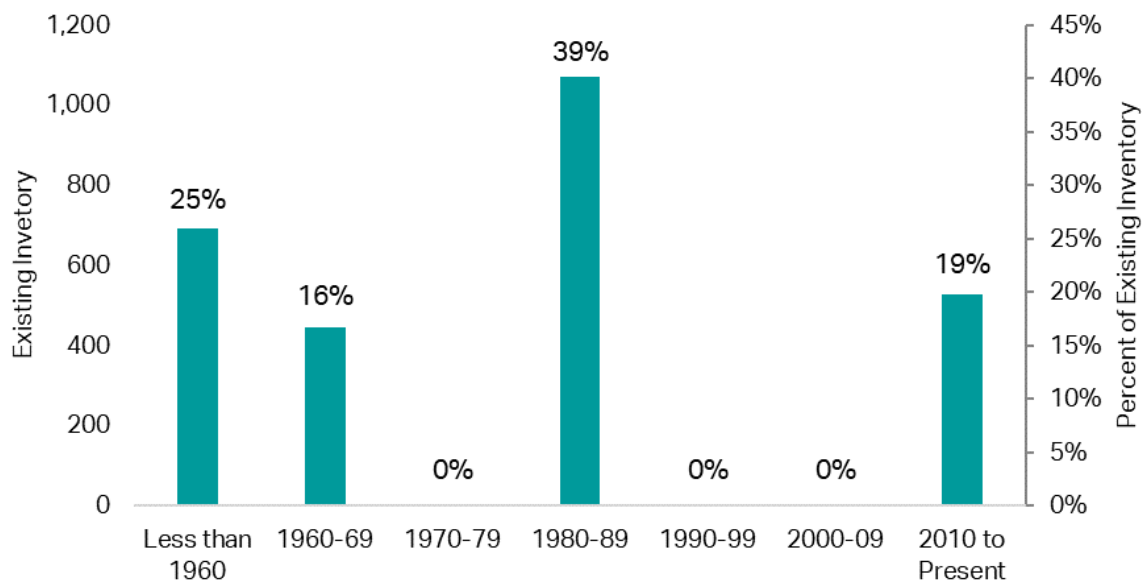
⁴⁹ Not adjusted for inflation

Downtown Richmond Hotel Market

According to CoStar, there are 18 existing hotels within downtown Richmond, as seen in Figure 30. Of the 18 existing hotel properties, three are permanently closed; of the open hotels, there are approximately 2,500 rooms. Within the development pipeline, there is one hotel (100 rooms) under construction downtown, and two hotel projects (164 rooms) proposed.

Of the 2,500 rooms in Downtown Richmond, the greatest share of hotel rooms are considered “upper upscale” (45%), followed by “upscale” (22%), and then “upper midscale” (9%). As seen in Figure 29, 80% of the existing hotel inventory was built prior to the 90s. The older and outdated inventory has led to increased renovation activity and conversions of hotel space into alternative uses. Since 2010, roughly 36% of the existing inventory has been renovated.

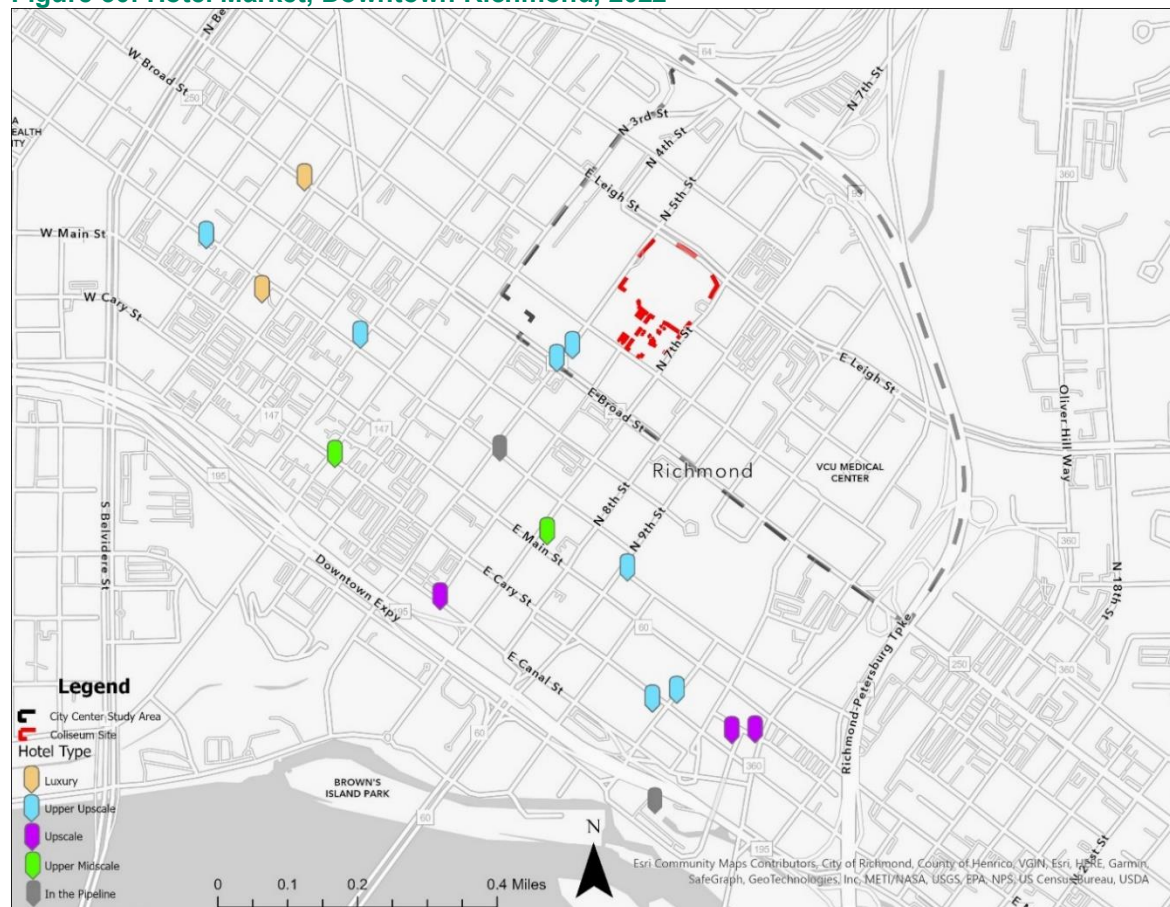
Figure 29: Existing Inventory by Decade of Construction



Source: CoStar, AECOM 2022

Figure 30 shows the approximate location of other hotels in the downtown area. The majority of the lodging properties in this area are (67%) are branded hotels. Amenities vary widely, but generally include a fitness rooms and business center.

Figure 30: Hotel Market, Downtown Richmond, 2022



Source: ESRI, AECOM 2022

Occupancy rates in the downtown market decreased slightly overall in recent years, as Table 32 indicates. The average occupancy rate from 2012 to 2022 was 62%; between 2017 and 2022 this rate decreased to an average of approximately 58%; between 2019 and 2022 this rate again decreased, to an average of 54%; then from 2021 to 2022, greatly impacted further by the COVID-19 pandemic, the average occupancy rate reached 46%. Occupancy rates in the downtown hotel market have historically been similar to those for the Richmond/Petersburg, VA market.

Table 32: Key Hotel Indicators, Downtown Richmond Market, 2011 – 2022 YTD

Metric	10-Year Avg. (2012 – 2022 YTD)	5-Year Avg. (2017– 2022 YTD)	3-Year Avg. (2019 – 2022 YTD)	1-Year Avg. (2021 – 2022 YTD)
Occupancy Rate	62.0%	57.8%	53.7%	45.7%
ADR	\$125.10	\$134.40	\$133.56	\$129.58
RevAPR	\$77.66	\$78.61	\$73.11	\$60.90

Source: CoStar, AECOM 2022

From 2012 to 2022, average daily rates (ADRs) in the downtown market typically ranged between a low of \$108 and high of \$152, with 10-year, 5-year, and 3-year averages between \$125 and \$134. ADRs in this market have historically been significantly higher than those for the Richmond/Petersburg, VA market.

Revenue per available room (RevPAR) ranged between a low of \$22 and a high of \$99 from 2012 to 2022, with 10-year, 5-year, and 3-year averages between \$60 and \$78. Similar to ADRs, RevPARs in this market have also been higher than those for the Richmond/Petersburg market.

Richmond's Short-Term Rental Market

According to AirDNA Market Minder, a short-term rental analytics program, there are approximately 900 active rentals between Airbnb and Vrbo, two of the leading vacation home booking platforms, in the Richmond market. Airbnb rentals account for 79% of the market, while Vrbo captures only 7%; 14% of rentals are listed on both channels. Eighty-one percent of all rentals (756 homes) in the area are entire home rentals, versus 175 (19%) private rooms, and three (less than 1%) shared rooms. The average rental size is 1.9 bedrooms, with 4.6 guests on average. One-bedroom rentals account for the largest proportion of rentals, at 37%, followed by 31% two-bedroom rentals, and 21% 3-bedroom rentals. In Q3 2022, the median occupancy rate over the last twelve months was 75%, which is much higher than seen in the two hotel markets previously reviewed. ADRs over the past year ranged from \$159 to \$176, with an average of \$168, significantly higher than the hotel markets previously reviewed.

Greater Richmond Convention Center

The GRCC is another major driver of tourism in the City and Richmond region. The Convention Center is the largest exhibition and meeting facility in the Commonwealth of Virginia, and boasts 700,000-square feet of meeting, event, and multi-purpose space. The GRCC is home to:

- 178,158 square feet of contiguous exhibit space
- A 30,550 square-foot Grand Ballroom
- 50,000 square feet of additional meeting/banquet space,
- Attached 411-space parking deck is attached to the facility; according to the GRCC, there are over 10,000 additional parking spaces available within a six-block radius of the GRCC

Two full-service hotels — the 400-room Richmond Marriott and the 249-room Hilton Richmond Downtown — are located directly adjacent to the Convention Center.⁵⁰ However, according to GRCCA, they still have to turn away business due to a lack of convenient available hotel rooms nearby. Over the past year, as regional tourism continued to recover from the pandemic, the GRCC hosted more than 50 events and saw increases in attendance over 2020 and 2021.⁵¹ According to Jack Berry with GRCCA, for the Richmond region, “the first pillar is business travel, the second is meetings, conventions, and sports, the third is leisure travel and the fourth — which is the strongest and most widely used — is travel for friends and family.”⁵²

During multiple conversations with local tourism and convention professionals, a critical obstacle for prospective convention groups booking the GRCC continued to be mentioned. The GRCC has a critical lack of walkable rooms (rooms within approximately 1,500 feet) that are available for booking in large groups (room blocks) hotel rooms to support the existing function space. AECOM assessed VisitRichmond's (Richmond Convention and Visitors Bureau) lost business report regarding the GRCC.

⁵⁰ <https://www.richmondcenter.com/about>

⁵¹ <https://sportseventsmediagroup.com/richmond-sports-tourism-main-reason-for-regional-growth/>

⁵² Ibid

Figure 31. GRCC Lost Business Report (2016 - Present)

Lost Reason	Events	Attendees	Attendees / Event	Room Nights	Room Nights / Event
Board Decision	61	86,810	1,423	117,971	1,934
Hotel Package	50	126,275	2,526	166,047	3,321
COVID-19	40	126,025	3,151	77,209	1,930
Client Preferred a Different Destination	36	51,350	1,426	52,019	1,445
Internal Politics	34	53,270	1,567	51,491	1,514
Hotel Rates	23	65,400	2,843	46,059	2,003
Canceled Meeting	19	47,733	2,512	26,312	1,385
Facility Availability	19	31,575	1,662	41,311	2,174
No Reason Provided	18	32,372	1,798	24,229	1,346
Facility Costs	16	27,340	1,709	22,337	1,396
Budget Problem	11	21,050	1,914	12,668	1,152
No Response From Client	11	25,440	2,313	37,009	3,364
Lack of Hotel Options	7	13,200	1,886	8,376	1,197
Hotel Proximity	7	7,000	1,000	11,971	1,710
Perception of Destination	6	6,675	1,113	10,062	1,677
Availability 1	6	5,800	967	5,008	835
CVENT-Duplicate	5	4,900	980	6,427	1,285
Postponed	5	5,650	1,130	4,243	849
No Availability Due to Occupancy	5	4,100	820	7,913	1,583
CVENT-Cancelled	3	2,400	800	4,651	1,550
Poor Attendance	3	8,800	2,933	7,609	2,536
Selected Richmond for Alternate Dates	3	7,315	2,438	5,683	1,894
No Availability Due to Requested Rate	2	2,700	1,350	3,909	1,955
Went Virtual	2	2,350	1,175	2,398	1,199
No Response From Hotel(s)	1	200	200	90	90
Appeal of Broad Street	1	600	600	985	985
Already Hosted Event	1	3,500	3,500	11,540	11,540
CVENT-Not for the Richmond Region	1	500	500	609	609
Total	396	770,330	1,945	766,136	1,935

Source: VisitRichmond

Nearly one in four lost events at the GRCC were due to hotel-related issues for event planners. These lost events represented more than 230,000 room nights and 210,000 attendees. As was stated by stakeholders, addressing the lack of walkable and “blockable” hotel rooms is a top priority for maximally leveraging the GRCC as an economic engine.

As a follow-up exercise to the lost business analysis, AECOM assessed the GRCC's connected and walkable hotel package relative to similar size convention facilities. Using data from various convention centers, Smith Travel Research, and Cvent.com, AECOM established a metric of walkable hotel rooms per 1,000 square feet of exhibit space.

Figure 32. Selected Similar Convention Center Hotel Package Comparison

Facility	Location	Total Function Space	Exhibit Space	Ballroom Space	Largest Ballroom	Meeting Space	Connected Rooms /				Hotel Rooms/ 1,000 SF of Exhibit Space
							Connected Hotel Rooms	1,000 SF of Exhibit Space	Walkable Hotels*	Walkable Hotel Rooms	
Kentucky International Convention Center	Louisville, KY	303,972	204,169	54,855	39,690	44,948	620	3	16	4,963	24
Connecticut Convention Center	Hartford, CT	203,030	140,000	40,000	40,000	23,030	409	3	1	409	3
Spokane Convention Center	Spokane, WA	198,013	120,000	50,750	25,276	27,263	375	3	5	1,155	10
Rhode Island Convention Center	Providence, RI	133,988	100,000	24,004	20,000	9,984	564	6	8	1,485	15
Buffalo Niagara Convention Center	Buffalo, NY	102,869	64,410	12,367	12,367	26,092	396	6	7	1,261	20
Rochester Riverside Convention Center	Rochester, NY	72,355	49,275	10,208	10,208	12,872	341	7	1	106	2
Average		169,038	112,976	32,031	24,590	24,032	451	5	6	1,855	14
Greater Columbus Convention Center	Columbus, OH	555,274	368,000	113,729	74,000	73,545	1,813	5	9	3,024	8
Greater Richmond Convention Center	Richmond, VA	263,000	178,000	45,000	30,550	40,000	413	2	2	663	4
GRCC w/ 600-room HQ Hotel & Moxy Downtown		263,000	178,000	45,000	30,550	40,000	1,013	6	4	1,363	8
Optimal Walkable Hotel Rooms											2,540
Add't Walkable Rooms Needed											1,877
Rooms Needed w/ HQ & Moxy											1,177

* Walkable is defined here as within 1,500 linear feet of any entrance of the respective convention center
Source: Smith Travel Research, Cvent, AECOM 2022

After determining an average of 14 walkable hotel rooms per 1,000 square feet of exhibition space for the selected convention centers, AECOM applied this metric to establish an optimal walkable hotel package for the GRCC. Currently, the GRCC falls short of the estimated optimal package by nearly 1,900 walkable hotel rooms.

Figure 33. Selected Similar Convention Center Headquarter Hotel Comparison

Convention Center HQ Hotel	Rooms	Total Function Space	Total Function SF / Room	Largest Ballroom	Largest Ballroom SF / Room	Total Ballroom Space	Total Ballroom SF / Room	Total Meeting Space	Total Meeting SF / Room
Marriott Louisville Downtown	620	40,621	66	20,072	32	30,056	48	10,565	17
Omni Providence	564	21,599	38	8,098	14	15,701	28	5,870	10
Marriott Hartford Downtown	409	13,417	33	8,311	20	11,335	28	2,054	5
Hyatt Regency Buffalo	396	17,523	44	10,125	26	13,185	33	4,305	11
DoubleTree by Hilton Spokane	375	16,942	45	10,080	27	13,440	36	3,466	9
Hyatt Regency Rochester	341	13,851	41	8,940	26	11,283	33	2,535	7
Average	451	20,659	44	10,938	24	16,743	35	5,252	11
Hyatt Regency Coumbus	633	64,196	101	15,800	25	35,282	56	28,914	46
Richmond Marriott	413	27,077	66	15,092	37	22,957	56	4,120	10
HQ Hotel (Min.)	400	18,000	44	10,000	24	14,000	35	4,000	11
HQ Hotel (Max.)	600	27,000	44	15,000	24	21,000	35	6,000	11

Source: Smith Travel Research, Cvent

AECOM further assessed each of the selected convention centers' connected headquarter hotel, considering room counts and function space.

Hospitality & Tourism Key Takeaways

- The Richmond Region continues to have a healthy tourist market, and offers a number of well-established attractions and experiences, however, there are opportunities for growth and increased market capture. Both visitation and visitor spending have significantly increased over recent years. The data collected on tourism activity in the region also firmly establishes Richmond as a year-round destination
- There are additional opportunities to leverage Richmond's more traditional, heritage-driven tourism destinations, as well as its up-and-coming sports and culinary/craft beverage scenes, and encourage more visitors to come to the City, stay longer, and spend more of their tourism dollars at local venues.
- The area continues to attract both new and repeat visitors, providing supporting evidence that visitors enjoy their experiences. The focus moving forward is on attracting more first-time visitors (who will hopefully become repeat visitors) to the region.

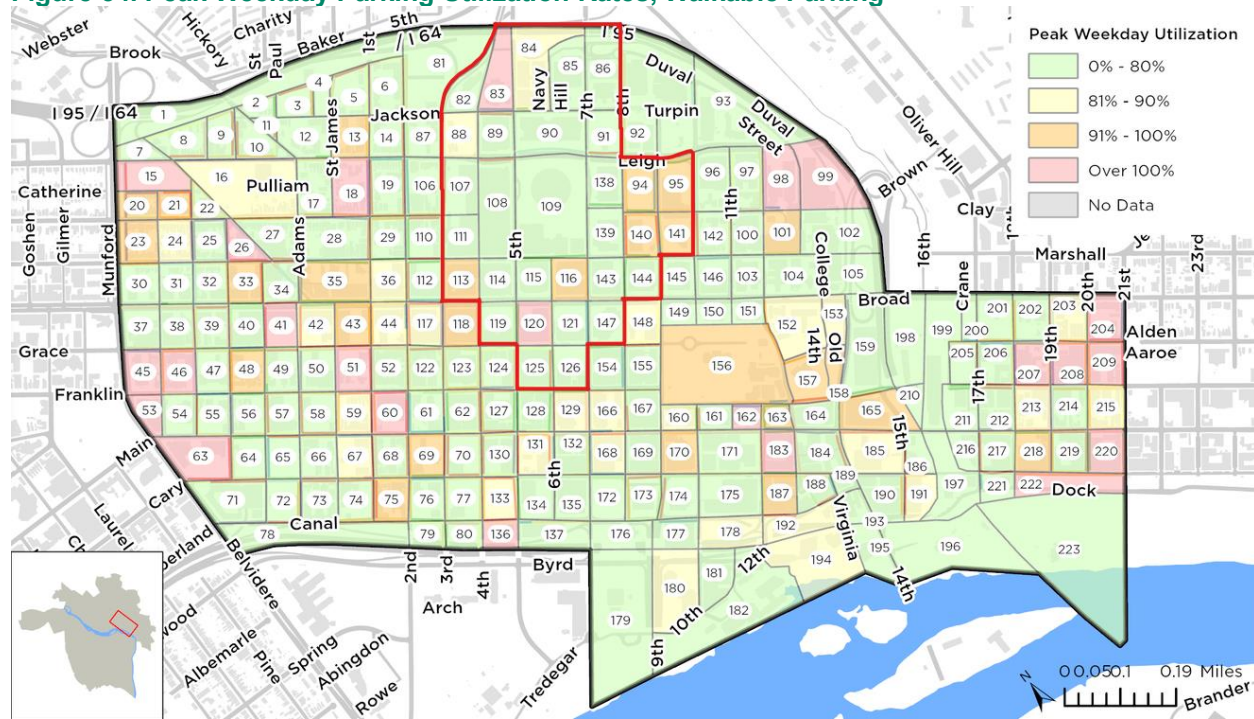
- Although the COVID-19 pandemic has shaken the industry, there are multiple indications that a full recovery is under way. Sports tourism continues to be a major tourism driver in the Richmond Region, including during early stages of the pandemic recovery.
- Despite the presence of the GRCC, the lack of amenities in the immediate vicinity has created something of a “dead zone” on the former Coliseum site and surrounding blocks for residents and tourists alike
- In downtown Richmond, hotel metrics are generally above those in the greater region, indicating a strong lodging market; however, walkable, “blockable” rooms adjacent to the GRCC are undersupplied by the market, even with 264 additional nearby rooms in the development pipeline
- Downtown Richmond has become a regional destination, with the expansion of the arts district, greater transit options, and new hotel developments. Downtown has increased its entertainment offerings in recent years, with live shows at venues such as The National, The Dominion Energy Center, and Brown’s Island attracting visitors from across the region and beyond.

Parking Analysis

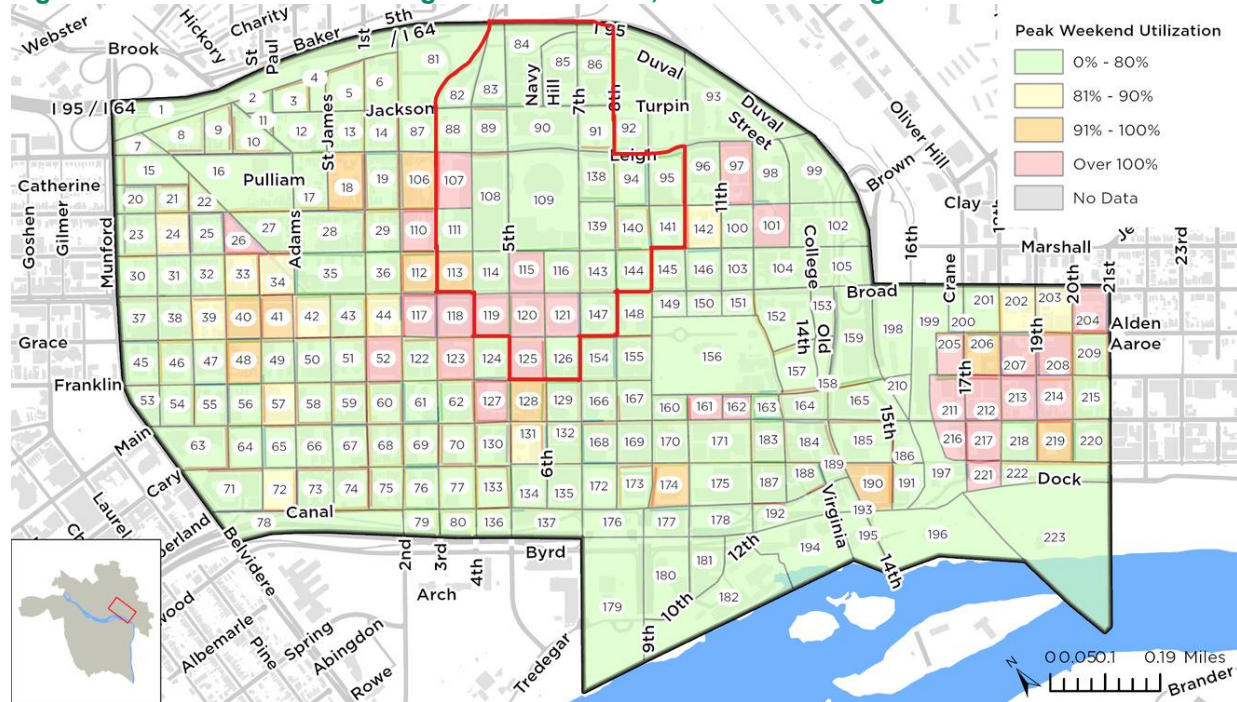
Due to the City’s status as a smaller, medium-density city, Richmonders have historically been averse to paying for parking; however, this seems to be shifting, as activity returns to downtown. Stakeholder interviews with local developers and brokers indicated that structured parking is becoming more of an accepted norm in Richmond’s denser neighborhoods. Still, multiple stakeholders also expressed downtown parking is perceived as particularly difficult and confusing due to a lack of signage and clear delineation of public versus private parking structures.

As part of the Richmond 300 Master planning process, the City retained DESMAN to study existing parking conditions, policies, and operations in 2018 across seven different neighborhoods across the City, including Downtown. DESMAN’s downtown parking study generated the two following maps with color-coded zones by peak utilization rates for weekdays and weekends. As the City grows, and demand for mid-day on-street parking increases, especially on the weekends, Richmond will likely see increased occupancy in its structured garages and public parking lots.

Figure 34. Peak Weekday Parking Utilization Rates, Walkable Parking



Source: DESMAN, 2018

Figure 35. Peak Weekend Parking Utilization Rates, Walkable Parking

Source: DESMAN, 2018

AECOM established a “walkable area” in which available parking will be most impactful to the redevelopment of the project site, denoted in red on both downtown parking utilization maps. Of the 31 walkable zones, including the Coliseum Mall, the majority were found by DESMAN to have peak utilization below 80% for both weekdays and weekends.

Table 36. Parking Availability Near Richmond Coliseum

Location	Cross Streets	Zone (Desman)	Type	Spaces	WeekDay		WeekEnd	
					Avg Peak Utilization*	Avg Spaces Avail	Avg Peak Utilization*	Avg Spaces Avail
Biotech Garage	5th St & Leigh St	89	Structured	210	70%	62	7%	196
5th & Marshall	5th St & Marshall St	109	Structured	690	56%	305	76%	168
8th & Leigh	8th St & Leigh St	91	Surface Lot		3%	0	7%	0
650 N 8th St Garage	8th St & Duval St	86	Structured		0%	0	7%	0
Coliseum Parking Deck	8th St & Leigh St	138	Structured	921	75%	234	49%	466
8th & Clay	8th St & Clay St	94	Surface Lot	71	50%	36	19%	57
200 E Marshall St	2nd St & Marshall St	108	Surface Lot		0%	0	72%	0
2nd & Marshall City Parking	2nd St & Marshall St	111	Surface Lot		46%	0	32%	0
311 E Marshall St	3rd St & Marshall St	115	Structured		38%	0	263%	0
6th & Marshall Garage	6th St & Marshall St	116	Structured		77%	0	55%	0
7th & Marshall	7th St & Marshall St	143	Structured	640	34%	423	11%	571
8th & Marshall	8th St & Marshall St	143	Surface Lot		34%	0	11%	0
5th & Broad Lot	5th St & Broad St	114	Surface Lot	117	0%	117	0%	117
7th & Grace Lot	7th St & Grace St	126	Surface Lot	124	43%	71	36%	80
Total / Average				2,773	37%	1,248	46%	1,655

* Average peak utilization based on Desman's afternoon and evening parking utilization counts/percentages

Source: Desman Downtown Richmond Parking Study (2018), City of Richmond, AECOM Calculations

AECOM averaged the two peak utilization rates, representing afternoon and evening, for both weekday and weekend data points to produce the average peak utilization rates in the table above. These rates were then applied to the number of spaces in public parking structures and lots in the respective zones, resulting in an average number of available spaces for weekdays and weekends. AECOM's calculations estimated between approximately 1,250 and 1,650 available spaces within the walkable area, which could be utilized by future visitors to the project site upon redevelopment. It is important to note that these estimates are undercounting available spaces, as half of the parking locations shown do not have parking space counts, which would increase the estimated spaces available.

Extending GRTC Pulse service to the project site as proposed by the Richmond 300 Plan would also alleviate some parking pressure; however, structured, shared parking will also be required to service the future developments, including any residential, office, retail, hotel, and entertainment uses.

AECOM conducted a high-level parking survey of structured parking in the City of Richmond, to try and understand what parking rates currently are for structured parking in the area. AECOM also surveyed newer multifamily developments in GSA to get a sense of what residents were paying for surface and covered parking spots in the neighborhood. Table 33 shows the ranges of rates that users typically pay for structured parking throughout the City, based on the length of time they park for, and whether or not the space is reserved.

Table 33: Sample Downtown Parking Rates

Location	Cross Streets	Zone (Desman)	Type	Monthly		Daily		Hourly	
				Low	High	Low	High	Low	High
Biotech Garage	5th St & Leigh St	89	Structured	\$80.00	\$80.00	--	--	--	--
5th & Marshall	5th St & Marshall St	109	Structured	\$110.00	\$110.00	\$20.00	\$20.00	\$5.00	\$5.00
8th & Leigh	8th St & Leigh St	91	Surface Lot						
650 N 8th St Garage	8th St & Duvall St	86	Structured						
Coliseum Parking Deck	8th St & Leigh St	138	Structured	\$100.00	\$100.00	\$18.00	\$18.00	\$5.00	\$5.00
8th & Clay	8th St & Clay St	94	Surface Lot	--	--	--	--	\$1.50	\$7.50
200 E Marshall St	2nd St & Marshall St	108	Surface Lot						
2nd & Marshall City Parking	2nd St & Marshall St	111	Surface Lot						
311 E Marshall St	3rd St & Marshall St	115	Structured						
6th & Marshall Garage	6th St & Marshall St	116	Structured						
7th & Marshall	7th St & Marshall St	143	Structured	\$110.00	\$125.00	\$8.00	\$20.00	\$5.00	\$5.00
8th & Marshall	8th St & Marshall St	143	Surface Lot						
5th & Broad Lot	5th St & Broad St	114	Surface Lot	\$110.00	\$140.00	\$20.00	\$20.00	\$5.00	\$5.00
7th & Grace Lot	7th St & Grace St	126	Surface Lot	\$135.00	\$150.00	\$25.00	\$25.00	\$5.00	\$5.00
Total / Average				\$107.50	\$117.50	\$18.20	\$20.60	\$4.42	\$5.42

Source: City of Richmond; AECOM 2022

Parking Analysis Key Takeaways

- In response to an oversupply of parking throughout the City, the City of Richmond removed minimum parking requirements in City Center, creating a market driven model of parking.
- DESMAN's downtown parking study illustrates the availability of walkable parking spaces within public parking garages near the project site. AECOM expects future users of this site to utilize the approximately 1,000 – 1,500 available offsite parking spaces, partially accommodating demand generated onsite and reducing the need to construct additional parking onsite.
- However, certain onsite users will expect and even require secure, onsite parking as an amenity, especially hotel guests and residents. Office users are also likely to expect onsite parking, but availability in parking structures adjacent to the project site may supplement and potentially replace a portion of onsite parking.
- Most retail and restaurant spaces can be served by street parking and offsite locations. For any grocery and/or anchor retail space, AECOM recommends dedicated parking.
- Overall development of parking onsite should be developed with a shared parking model, when appropriate, with a modern management and payment system, be well lit, secured, and/or surveilled, and have obvious signage and wayfinding to ensure easy and convenient use.

Development Pipeline

Despite supply chain constraints and pandemic-induced disruptions, development, particularly multifamily, has been ongoing in the City of Richmond as demand for housing and commercial spaces continues to recover from a pandemic-induced standstill. For the City as a whole, as Table 34 shows, there are approximately 20 permitted or ongoing projects across multiple use types, including approximately 1,500 new housing units, 100 hotel rooms, and nearly 2 million SF of commercial space.

Table 34: Development in Pipeline - 1 Mile from Site

Use	Projects	Housing Units	Hotel Rooms	Commercial SF
Mixed-Use	11	1,381	0	840,780
Office	5	0	0	1,097,744
Commercial	1	0	0	1
Hotel	1	0	100	0
Multifamily	1	67	0	0
Residential	1	21	0	0
Total	20	1,469	100	1,938,525

Source: City of Richmond, 2022

Within a mile of the Coliseum site, as shown in Table 35, there are 20 projects estimated to be in the development pipeline. Most of these projects are mixed-use projects, accounting for 1,381 housing units and 840,780 square feet of commercial space. Additionally, there are 5 office projects planned, adding an additional 1,097,744 commercial square feet within a mile of the Coliseum site.

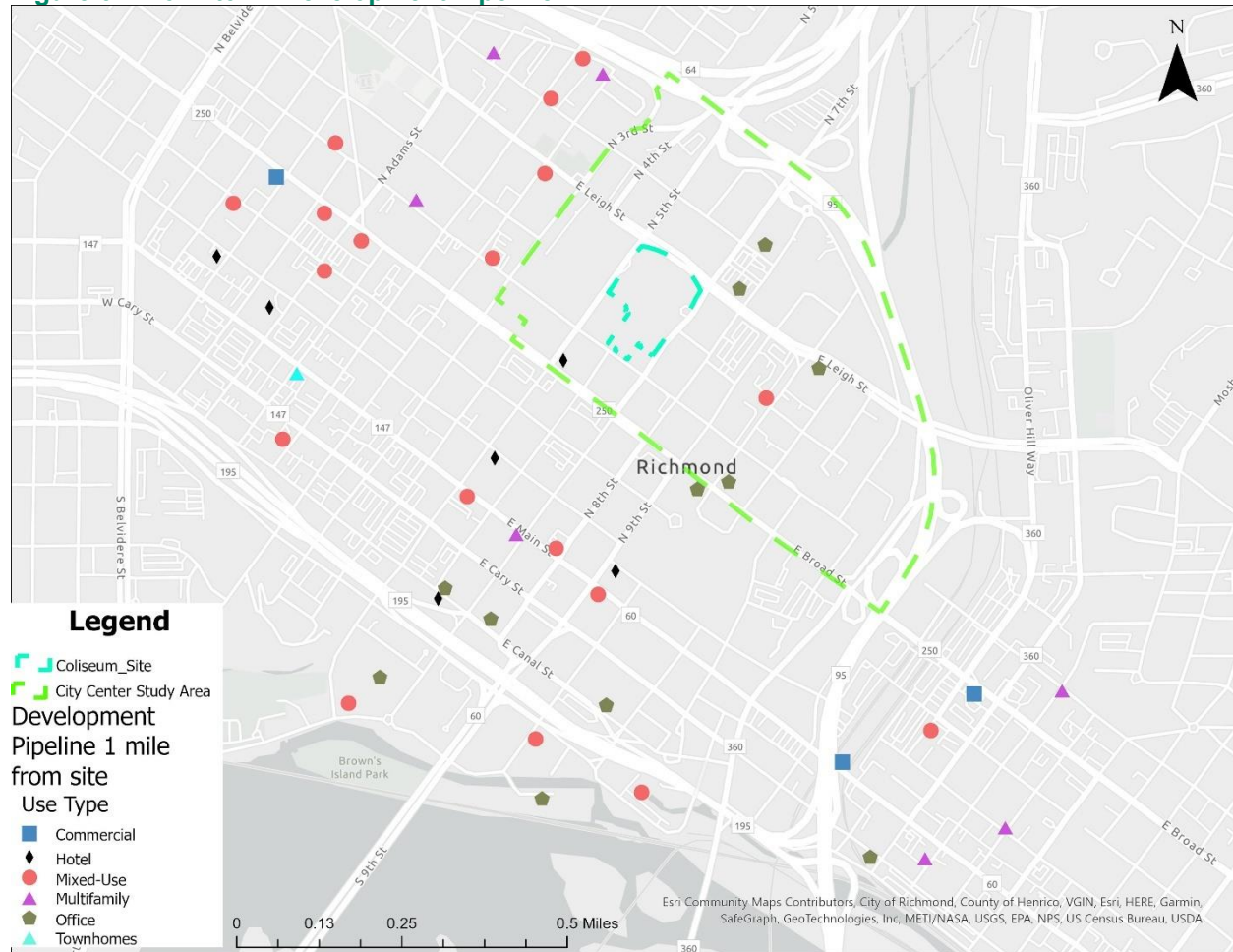
Table 35: Development in Pipeline - Citywide

Use	Projects	Housing Units	Hotel Rooms	Commercial SF
Mixed-Use	19	2,963	0	881,768
Office	5	0	0	1,097,744
Commercial	1	0	0	1
Hotel	1	0	100	0
Multifamily	9	1,846	0	0
Residential	2	85	0	0
Total	37	4,894	100	1,979,513

Source: City of Richmond, 2022

Timeline data for the completion of these projects was not available to AECOM at the time of the analysis. Therefore, AECOM assumed construction of the pipeline projects shown would be completed by the end of Q1 2025 with deliveries being substantially absorbed by the end of 2026.

The map in Figure 37 shows the approximate locations of new developments within one mile of the project site.

Figure 37. Downtown Development Pipeline

As of September 2022, there were three mixed-use developments under construction in the Richmond market that featured more than 300 units of residential, and an additional eight proposed. The largest multi-family campus under construction is a 350 unit/480,000 SF midrise apartment complex in Scott's Addition; the largest proposed multifamily development is 600,000 SF and expected to be built in 2023.

The additional 1,469 housing units in the pipeline for Richmond's downtown district could add at least another 2,300 residents to the district, based on the 2022 average household size of 1.59. The population boost generated by this number of units would bring downtown Richmond's population to nearly 12,000. The City Center area has six developments directly within the study area, four of which are offices. This includes the completed VCU Health Adult Outpatient facility on East Leigh Street, accounting for 603,000 square feet of offices. Along Broad Street, VCU is adding onto the VCU Children's Hospital to increase the Health System's footprint downtown. Nearest the Coliseum parcels, Activation Capital is planning a six story 100,000 square foot research building at 706 E Leigh Street.⁵³

Across the street, VCU has listed in their masterplan the demolition of Cabaniss Hall to create a pedestrian-oriented plaza and a transdisciplinary neuroscience building.⁵⁴ Another VCU project is occurring at the former public safety building, where a mix of uses including a 20-story office tower for VCU health. The project is being developed by a private company, Capital City Partners, which bought

⁵³ Greater Richmond Partnership. "VA Bio+Tech Park Plans New 100,000-Square-Foot Building | Greater Richmond Partnership | Virginia | USA," September 23, 2019. <https://www.grpva.com/news/va-biotech-park-plans-new-100000-square-foot-building/>.

⁵⁴ Virginia Commonwealth University. "Transdisciplinary Neurosciences Building - ONE VCU Master Plan - Virginia Commonwealth University." Accessed September 27, 2022. <https://masterplan.vcu.edu/implementation/planning-phase-projects/transdisciplinary-neurosciences-building/>.

the 545,000 square foot property in the spring of 2021.⁵⁵ The site will also house facilities for the Ronald McDonald House charities and 1,900 parking spaces.

Many of the hotel projects that are in the pipeline are renovations to increase the quality of rooms and amenities for visitors. The most notable hotel project in the pipeline is the Moxy Hotel, located at 537 N 2nd Street, which is currently under construction. This project will add 100 hotel rooms to downtown Richmond steps away from the Greater Richmond Convention Center.

According to CoStar, there are approximately 10,000 multifamily units within a 1-mile radius of the Coliseum site.⁵⁶ Effective rent per unit is over \$1,300 or \$1.80 per square foot, increasing by approximately 6% per year. The total number of multifamily units within 1 mile of the site has increased by 8.5% since 2019, representing an annual growth rate of 2%.

Approximately three miles to the West, the Richmond Diamond District is set to enact transformational change for the Greater Scott's Addition neighborhood. Even though the Diamond District is more than three miles to the west of City Center, its scale and scope are expected to have a ripple effect on neighboring districts extending to downtown Richmond. According to RVA Diamond Partners, Phase 1 of the project includes over 1,200 new housing units, 20% of which address affordable housing needs.⁵⁷ The target completion date for Phase 1 is by the end of 2026, with targeted purchases of the remaining parcels in Phases 2 – 4 by the end of 2033.⁵⁸ Table 36 shows the Richmond Diamond development program.

Table 36. RVA Diamond Partners Phasing

Use Type	Phase 1	Total Buildout (Phases 1-4)
Rental Housing	1,134 units [184 at 60% AMI, 39 at 30% AMI (20 PBV)]	2,863 units [469 at 60% AMI, 100 at 30% AMI (51 PBV)]
For Sale Housing	92 units (18 at 60-70% AMI)	157 (31 at 60-70% AMI)
Office	Ability to convert multi-family parcel to office	935,000 SF
Hotel	1 hotel with 180 rooms	2 hotels with 330 rooms
Retail	58,018 SF	195,000 SF
Parking	1,695 structured parking spaces	6,800 structured parking spaces
Other	Baseball stadium, 4.2 acres park space, streets & infrastructure	11.1 acres park space, streets and infrastructure
Minimum Investment	\$627.6 million	\$2.44 billion

Source: City of Richmond, RVA Diamond Partners 2022

The new hotels should help address the excess demand for hotel rooms within City limits; however, the distance from the GRCC may dissuade visitors and convention operators from considering these hotels for convention events. It is important to note that, while not a “direct competitor” for redevelopment downtown, a development of this size and scale will have implications for the local/regional market for housing, office, and hotel space. Redevelopment of the Coliseum site must account for the development program and timeline of the Diamond District, especially in terms of market demand and absorption/stabilization of deliveries. Differentiation of both timing and offerings must be carefully considered. It is important that new development in the city attract a significant share of non-City residents, to avoid “cannibalizing” market share from other parts of the City, though some level of demand will inevitably come from existing tenants within Richmond.

The subject property’s competitive advantage lies in its central location, in the heart of downtown Richmond. However, having the appropriate mix of uses, densities, and amenities on the site, as well as active programming in the space, will be critical for making it a competitive location to live, work, play, and stay, compared to “hotspots” like Greater Scott’s Addition and Manchester.

⁵⁵ Roldan, Roberto. “Richmond Approves Sale of Downtown Public Safety Building.” VPM.org. Accessed September 27, 2022. <https://vpm.org/news/articles/20743/richmond-approves-sale-of-downtown-public-safety-building>.

⁵⁶ CoStar. “Multifamily Market Profile: 1 mile radius from 601 E Leigh St.” 9/27/2022

⁵⁷ City of Richmond, and RVA Diamond Partners. “City of Richmond - File #: RES. 2022-R055,” September 26, 2022. <https://richmondva.legistar.com/LegislationDetail.aspx?ID=5838106&GUID=213E8CB0-E648-47E3-A403-AC2CDB0F3FCD&Options=&Search=>

⁵⁸ City of Richmond, and RVA Diamond Partners. “City of Richmond - File #: RES. 2022-R055,” September 26, 2022.

Conclusion

The vacuum created by the shuttering of the Blues Armory and, more recently, the Richmond Coliseum, is an incredible opportunity for the City of Richmond to transform this site in the heart of downtown into a dense, amenity rich environment that serves as a community gathering place and a hub of activity for residents, workers, event attendees, and visitors. Stakeholders continually mentioned the need for a “gateway” to downtown that mixes outdoor community gathering space with other types of entertainment spaces, dining and retail options, and residential uses, creating a true “live/work/play,” 24-hour destination.

A truly mixed-use development on the Coliseum Mall will be greater than the sum of its parts. Each use included in the supportable development programs would play an integral role in supporting other onsite and proximate uses. The synergy created by increasing the area’s resident population, along with supplying supporting retail and services, dining, and entertainment options, could serve as a catalyst for redevelopment and new investment in nearby areas. A flagship hotel connected directly to the GRCC should allow the facility to capture more market share, and help drive tourism in downtown Richmond and beyond. Having the appropriate mix of uses, programming, and “energy,” along with enough convenient parking to serve users while GRTC builds out its public transit infrastructure in Richmond, will be critical to making this development competitive with other regional mixed-use activity centers in the development pipeline.

In a world where, in some cases, employers must “lure” employees back to the office with interactive spaces, more dining options, and programmed, social activities; and consumers have more choice about where to spend their time and money than ever before, the importance of supporting public and private amenities to drive activity and spending has never been more evident. Interest in spending more time outdoors, including in outdoor dining, festivals, and events, is one trend that was “supercharged” by the 2020 pandemic, and does not appear to be going away any time soon. Well-programmed open space will be critical for “activating” the site, and encouraging residents, tourists, and office workers to linger in downtown. It is also critical that the future development team maintain open channels of communication with the site’s neighbors about their plans for expansion and growth, vision, and goals, especially VCU Health, Activation Capital, J. Sargeant Reynolds, and the Historic Jackson Ward Civic Association.

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Deliverables and portions thereof shall be subject to the following General Limiting Conditions:

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CITY CENTER

Richmond, VA

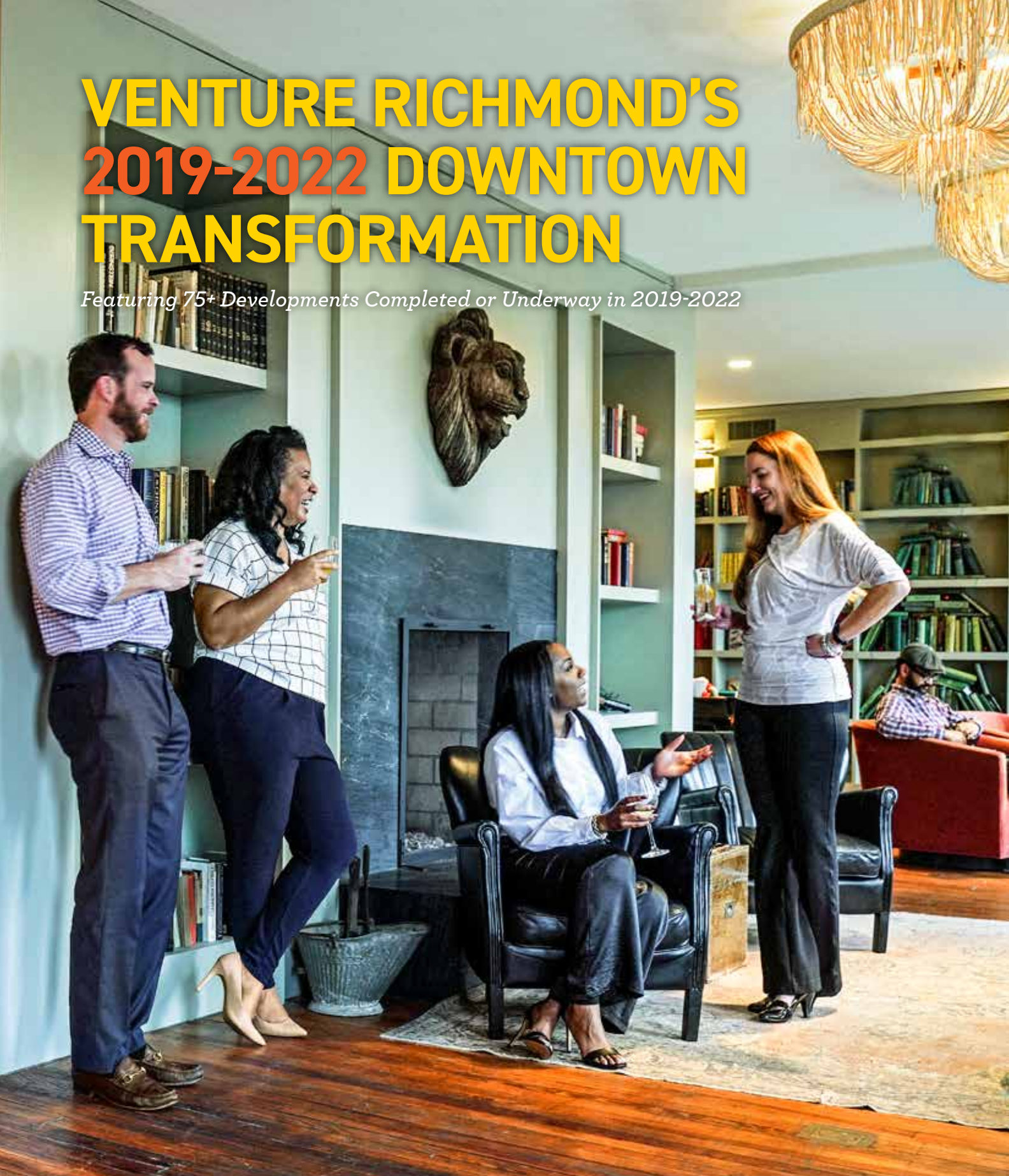
Appendix B

Venture Richmond Downtown Report

rva.gov/citycenter

VENTURE RICHMOND'S 2019-2022 DOWNTOWN TRANSFORMATION

Featuring 75+ Developments Completed or Underway in 2019-2022



TOTAL INVESTMENT OF OVER \$3.6 BILLION
4,892 Residences | 3,517,403 SF Commercial | 55,500 SF Arts & Culture
508 Hotel Rooms | 1,588,746 SF Education, Medical & Research

TABLE OF CONTENTS

MANCHESTER



SHOCKOE BOTTOM



ROCKETTS LANDING



RIVERFRONT



FINANCIAL DISTRICT



ARTS DISTRICT / BROAD ST.



ARTS DISTRICT / JACKSON WARD



ARTS DISTRICT / MONROE WARD



CAPITOL SQUARE



BIOTECH

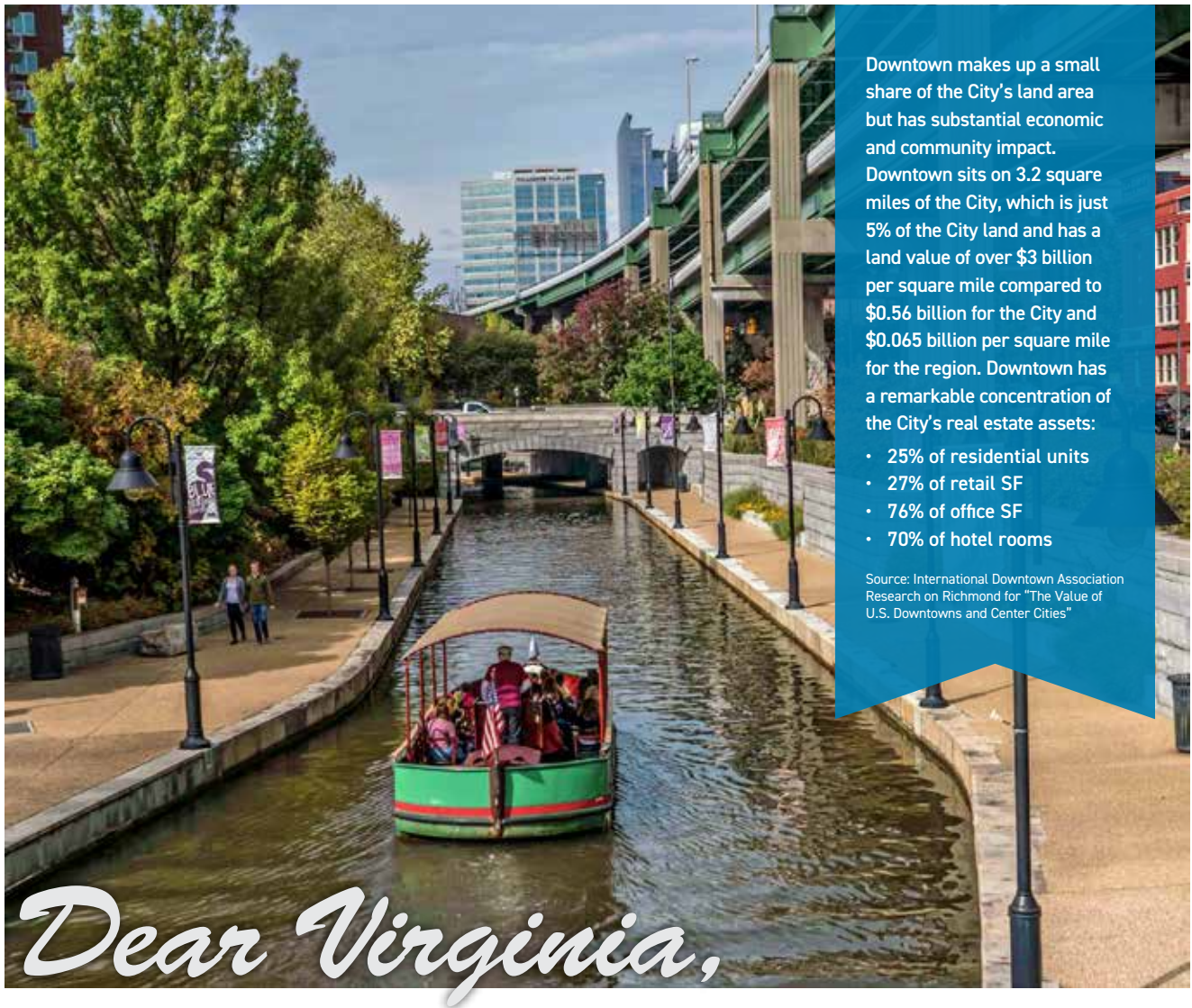


VCU



VCU HEALTH





Downtown makes up a small share of the City's land area but has substantial economic and community impact.

Downtown sits on 3.2 square miles of the City, which is just 5% of the City land and has a land value of over \$3 billion per square mile compared to \$0.56 billion for the City and \$0.065 billion per square mile for the region. Downtown has a remarkable concentration of the City's real estate assets:

- 25% of residential units
- 27% of retail SF
- 76% of office SF
- 70% of hotel rooms

Source: International Downtown Association Research on Richmond for "The Value of U.S. Downtowns and Center Cities"

Dear Virginia,

For decades, Downtown Richmond has been going through a dramatic transformation. Billions upon billions of dollars of investments have taken place from historic preservation projects and adaptive reuse to new infill construction. Neighborhoods that were once industrial, like Shockoe and Manchester, are now vibrant residential and mixed-use neighborhoods. Old office buildings have been converted into chic lofts and hotels, a trend that cities across the country would like to see happening in their downtowns.

Downtown Richmond's neighborhoods include Shockoe to the east, Manchester to the south, Virginia Commonwealth University and Monroe Ward to the west, Jackson Ward, BioTech and VCU Health/Court End to the north and City Center, the Financial District, the Riverfront, and the James River in between.

From 2000-2018 Downtown absorbed 42% of the City's population growth. During that time Downtown experienced 110% population growth, with 21,000 people

living Downtown in 2018. Today, that figure is closer to 25,000 people living in and loving RVA Downtown.

Downtown attracts residents who are young and well educated, with 57% having a bachelor's degree or higher, and many are moving here from other places. Downtown has 53% of all jobs in the City and 63% of its knowledge workers. Creative workspaces fill high rise buildings, funky historic rehabs and quirky storefronts.

But Downtown isn't just a place to live and work, it is also a place to play and visit. We invite you to come explore our fabulous neighborhoods, art galleries and public art, eclectic and diverse restaurants and shops, great outdoor spaces and activities, festivals and events, the Riverfront and Canal Walk, the Virginia Capital Trail, and the mighty James River with class IV rapids and miles of trails and parks attracting millions of visitors a year.

*See you soon,
Venture Richmond*

Manchester



THE CURRENT

400-424 Hull St.

New Construction: two 5-story buildings, 215 residential units, 73,700 SF commercial (office and retail), structured parking with 323 parking spaces and electric vehicle charging stations, public courtyard, restaurant, and retail space, including Hatch Local food hall and Benchtop Brewing Co. West Creek Financial will occupy the top three floors of the office building.

Completion: 2021

Total Investment: \$60M

Developer: Lynx Ventures, Richmond-based





SOUTH FALLS TOWER 1

111 Hull St.

New Construction: 14-story residential building, 255 units (studios, one- and two-bedroom floorplans), parking, gourmet kitchens, oversized closets, resort-style pool, fitness and yoga center, outdoor resident lounge and riverfront living.

Completion: 2020

Total Investment: \$50M

Developers: WVS Companies and Fountainhead Real Estate Development, Richmond-based



HYDRO DEVELOPMENT

101 Manchester Rd.

New Construction: 7-story residential building, 226 units (studios, one- and two-bedroom floorplans), 223 parking spaces, resort-style pool, fitness center, outdoor resident lounge and riverfront living.

Completion: 2021

Total Investment: \$44.5M

Developers: WVS Companies and Fountainhead Real Estate Development, Richmond-based



THE BOX

501, 509 and 511 Decatur St.

New Construction: 7-story residential building, 118 units (one- and two-bedroom floorplans), 4,200 SF first floor commercial, 89 parking spaces, pool, and gym.

Completion: 2021

Total Investment: \$21.2M

Developer: Fountainhead Assets, Richmond-based



On the Horizon

SOUTH FALLS TOWER 2

111 Hull St.

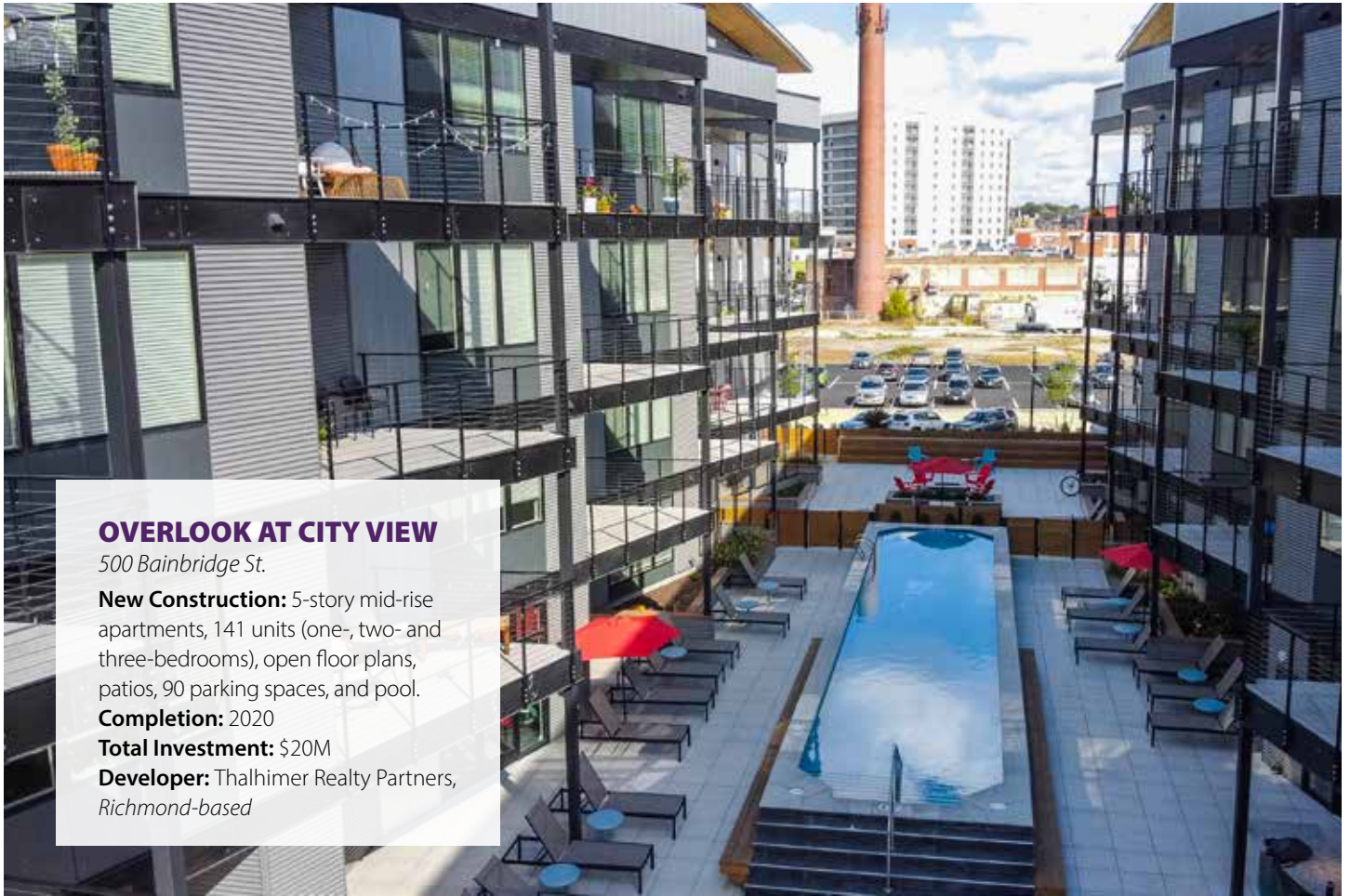
New Construction: 14-story residential building, 174 units, 246,000 SF, shared plaza deck and club room amenities with South Falls Tower 1.

Construction begins: 2022

Completion: 2023

Total Investment: \$45M

Developers: WVS Companies and Fountainhead Real Estate Development, Richmond-based



OVERLOOK AT CITY VIEW

500 Bainbridge St.

New Construction: 5-story mid-rise apartments, 141 units (one-, two- and three-bedrooms), open floor plans, patios, 90 parking spaces, and pool.

Completion: 2020

Total Investment: \$20M

Developer: Thalhimer Realty Partners, Richmond-based



CITY VIEW ROW

16-84 W. 6th St.

New Construction: 20 modern three bedroom rowhouses with contemporary finishes, open floor plans, private rooftop decks, covered parking and nearby amenities.

Completion: 2019

Total Investment: \$4.5M

Developer: Thalhimer Realty Partners, Richmond-based



CITY VIEW MARKETPLACE

505-609 Hull St.

New Construction: 15,000 SF of retail space, tenants include Stella's Grocery, Continental Restaurant, Virginia ABC Store and Meriel Salon.

Completion: 2021

Total Investment: \$4M

Developer: Thalhimer Realty Partners, Richmond-based



On the Horizon

SOUTH FALLS TOWER 3

111 Hull St.

New Construction: 12-story residential condominium building, 20 luxury condo units, and shared plaza deck and club room amenities with South Falls Tower 1 and 2.

Construction begins: 2022

Completion: 2023

Total Investment: \$12M

Developers: WVS Companies and Fountainhead Assets, *Richmond-based*



RIVER ROW

1406 Bainbridge St.

New Construction: 3-story building, 9 luxurious apartments, 6 two-bedroom townhouse style and 3 of these have rooftop terraces, 2 one-bedroom and 1 studio apartment.

Completion: 2019

Total Investment: \$1.5M

Developer: RJ Smith Cos., *Richmond-based*



McRAE & LACY

401-421 W 7th St.

New Construction: 3-4-story "for sale" luxury townhomes, 27 units with 3 bedrooms, 2-car garages, and outdoor terraces with view of the James River and Downtown skyline. Base prices start in the upper \$600,000s.

Phase 1 Completion: 2021

Total Investment: not disclosed

Developer: Eagle Construction, *Richmond-based*



On the Horizon

PLANT ZERO

13 E. 3rd St.

New Construction: 7-story residential apartment building, 235 units, 198,000 SF with 3,300 SF commercial space on Hull St., pool, gym, elevated plaza deck amenity space, dog run.

Construction begins: 2022

Completion: 2023

Total Investment: \$45M

Developers: WVS Companies and Fountainhead Assets, *Richmond-based*



1510 BAINBRIDGE ST.

New Construction: 2-story apartment building, 23 units (one- and two-bedrooms), 28 parking spaces.

Completion: 2021

Total Investment: \$3M

Developer: Corinthian Construction, Richmond-based



MANCHESTER GREEN

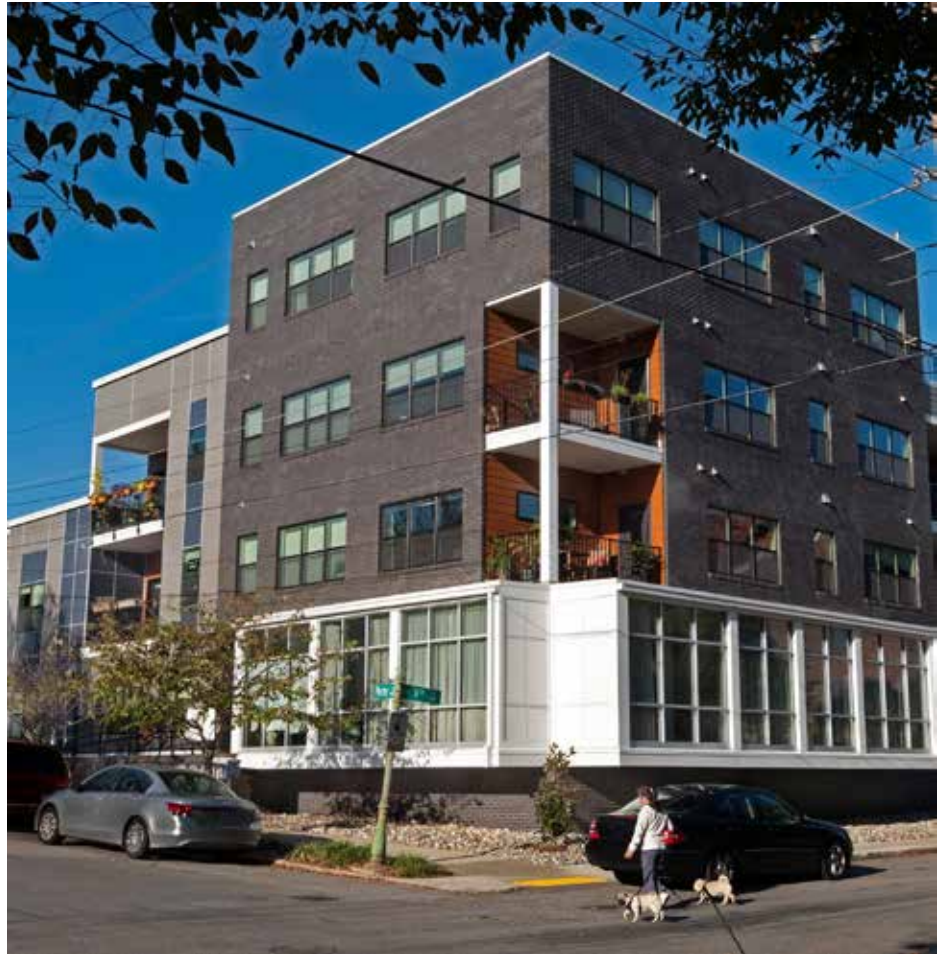
City block bound by Bainbridge, Porter, 12th and 13th

New Construction: 64 residential units (32 duplexes).

Completion: 2021

Total investment: \$13.5M

Developer: Urban Development Associates, Richmond-based



RICHMOND COHOUSING

901 Porter St.

New construction: 19 cohousing units (one-, two-, and three- bedrooms), large common area, kids room, and rooftop deck.

Completion: 2020

Total Investment: \$5.5M

Developers: Miller & Associates and Richmond Cohousing, Richmond-based



TIDEWATER

700 Semmes Ave.

New Construction: 6-story building, 221 residential units (one- and two-bedroom floorplans), 333 car parking garage, 2,600 SF first floor commercial, approximately 8,000 SF of amenity space including fitness center, electric car charging stations, pet spa, bike shop, pool lounge, co-working space, and sky lounge with game room as well as over 8,000 SF exterior amenity spaces (elevated pool deck with lounge areas, outdoor fireplace, grill stations and rooftop deck views of the downtown skyline).

Completion: 2023

Total Investment: Not disclosed

Developer: The Beach Co., South Carolina-based



RIVIERA AT SEMMES

1414 Semmes Ave.

Historic Rehab: Muse Brick buildings, 40 units.

New Construction: two 5-story buildings, 149 units (one-, two- and three-bedrooms), pool, fitness center, leasing office, and a new 1,325 SF restaurant. Total of 189 units.

Completion: 2021

Total Investment: \$27.3M

Developers: The Monument Companies and The Edison Company, *Richmond-based*



On the Horizon

THE RAILS

104 E. 2nd St.

Historic preservation of industrial warehouse and adaptive reuse into apartments: 36,000 SF, 42 apartments.

Completion: 2022

Total Investment: not disclosed

Developers: Catalyst Development Co. and Blackwood Development Co., *Richmond-based*



THE SPROUT SCHOOL

1101 Bainbridge St.

Rehab: Conversion of a 21,000 SF dormant church into a pre-school, office and retail or restaurant space.

Completion: 2020

Total Investment: \$3.5M

Developer: Corinthian Construction, *Richmond-based*



RVA KIDS FIRST COLLABORATIVE

100 Everett St.

Historic Rehabilitation: 1-story, 14,820 SF commercial space, 45 parking spaces. Creative class A office space for three City of Richmond child-focused non-profits, who work with the City and Richmond Public Schools to support at-risk youth. The building includes numerous open collaborative spaces: dining and lounge area, training and private meeting spaces, and an outdoor patio.

Total Investment: \$3.7M

Completion: 2021

Developer: 7 Hill Advisors, Richmond-based



On the Horizon

RIVERS EDGE II

310 W. Sixth St.

New Construction: 11-story tower, 344 apartments (one- and two-bedrooms), connected to Rivers Edge I by a 372 vehicle parking garage at the base of the building and by a 2,500 SF skybridge and patio at the top levels for gatherings. Amenities include pool, fitness center, business center, leasing office, bike parking and indoor and outdoor dog walks.

Construction begins: 2022

Total Investment: not disclosed

Developers: CMB Development and Purcell Construction, Richmond-based



THE JAMESTOWN APARTMENT FLATS

500 W. 14th St.

New Construction: three 4-story residential buildings and three rows of 3-story townhomes, 269 residential units (studios, one-, two-, and three-bedroom floor plans), gated residential parking, 3 sky lounges, resort style amenities.

Completion: 2021

Total Investment: not disclosed

Developers: LIV Development/Fogelman Properties, *Alabama-based*



MANCHESTER PARK PHASE 2

1200 McDonough St.

New Construction: 4-story building with a shared courtyard, 33 units and 4,000 SF first floor commercial.

Completion: 2020

Total Investment: \$7.5M

Developers: Macfarlane Partners and Corinthian Construction, *Richmond-based*



On the Horizon

1114 HULL ST.

New Construction: 5-story, 86 apartments (studio, one- and two-bedrooms), pool and outdoor courtyard.

Construction begins: 2022

Total Investment: not disclosed

Developer: Haris Design & Construction Company, *Maryland-based*



On the Horizon

OVERLOOK II AT CITY VIEW

423 Hull St.

New Construction: 8-story apartment building, 271 units (one-, two- and three-bedrooms), 10,000 SF commercial space and 364 parking spaces, open floors plans, patios, courtyard, fitness room, pool, and a lounge on the top floor.

Construction begins: 2022

Completion: 2024

Total Investment: \$65M

Developer: Thalhimier Realty Partners, *Richmond-based*

Shockoe Bottom

Photo by Kate Thompson



POWER PLANT AT LUCKY STRIKE EXPANSION

2700 E. Cary St.

Expansion: Arts and Letters Creative Co.'s 2nd location in Richmond, 21,000 SF occupying the entire Power Plant building. According to Adweek they are the fifth fastest growing ad firm in the world. Their clients include NBC News, Google, ESPN and many other accounts.

Completion: 2020

Total Investment: not disclosed

Developers: Macfarlane Partners and Property Results, Richmond-based



THE COOPER LOFTS

11 S. 18th St.

Renovation: 3-story, 13,000 SF building, 13 apartments (one- and two- bedrooms), and 2,000 SF of commercial space.

Completion: 2020

Developers: Dodson Commercial and Pivot Development, Richmond-based



MASONS' HALL RENOVATION

1807 E. Franklin St.

Historic Rehabilitation: 3-story building, 7,278 SF of space.

Completion: 2020

Total Investment: in excess of \$175,000

Developers: Historic Richmond Foundation, Richmond Randolph #19 and Masons' Hall 1785, Richmond-based



MAIN 2525

2525 E. Main St.

New Construction: 8-story mixed-use, 216 apartments (studios, one- and two-bedrooms), 240 parking spaces in secure deck, 7,500 SF commercial space for Virginia ABC store, indoor bike storage, pool with renovated retro style 1949 Airstream, rooftop terrace and lounge. 20% of the units are designated for income-based residents at 80% of the area median income.

Completion: 2020

Total Investment: \$36M+

Developers: Macfarlane Partners and Property Results, *Richmond-based*



PARK 14TH

323 S. 14th St.

New Construction: 210 space surface parking lot

Completion: 2020

Total Investment: \$2M+

Developers: Macfarlane Partners and Property Results, *Richmond-based*



On The Horizon

SHIPLOCK

2723 E. Cary St.

New Construction: 5-story on Cary Street side and 7 stories on Dock Street, 47 apartments (one- and two-bedroom), and 62 structured parking spaces.

Construction begins: 2022

Completion: not disclosed

Total Investment: not disclosed

Developer: Pareto LLC, *Richmond-based*



ALLEY LOFTS

10 Walnut Alley

Historic Rehabilitation: 3-story building, 13,000 SF, 16 apartments.

Completion: 2022

Total Investment: \$3.45M

Developers: Historic Housing and Main Street RVA, Richmond-based



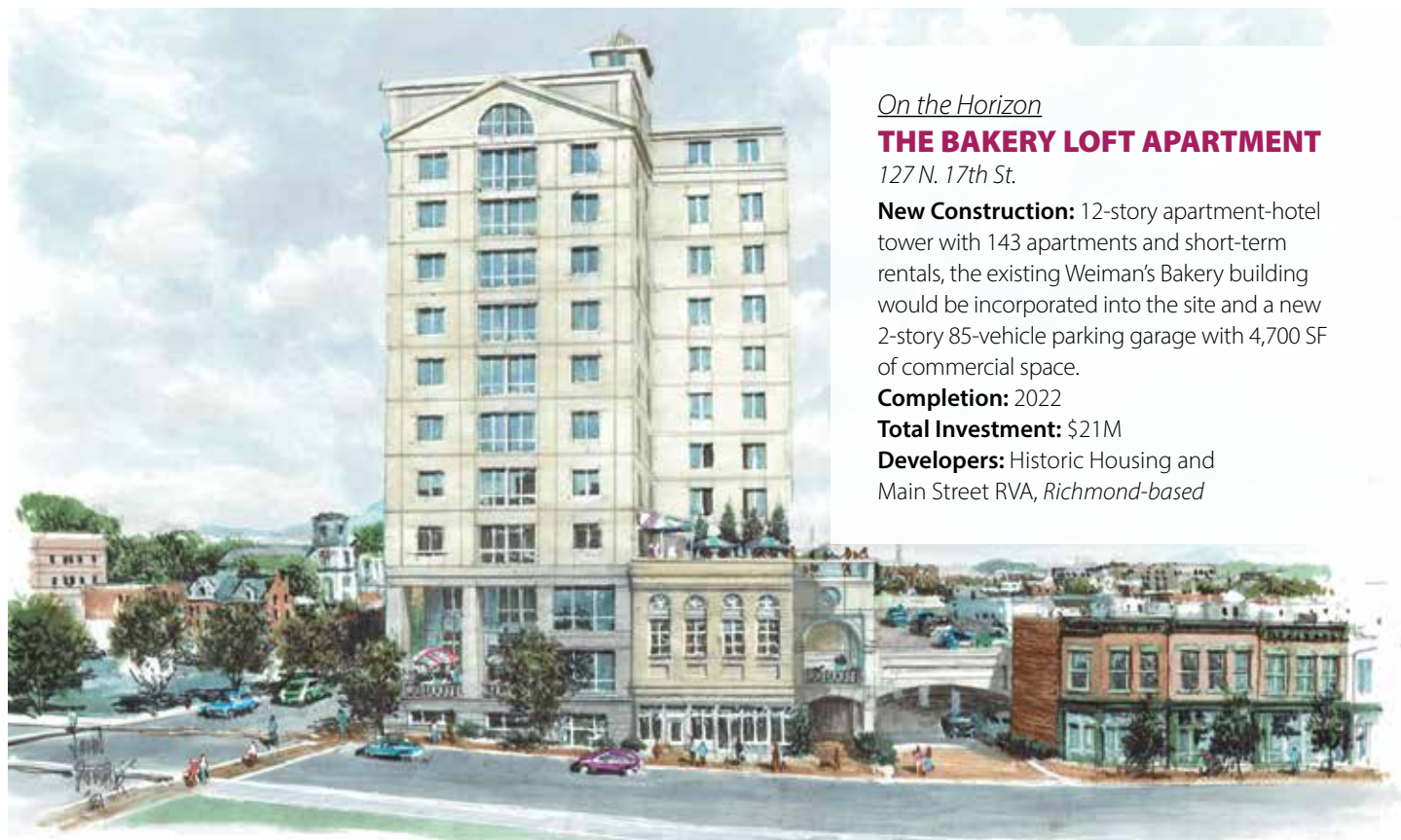
RICHBRAU BREWING 2

5 S. 20th St.

Historic Rehabilitation: 4,300 SF building into a brewery and tasting room.

Completion: 2019

Developer: Matthew Mullet, Brian McCauley and Hank Schmidt, Richmond-based



On the Horizon

THE BAKERY LOFT APARTMENT

127 N. 17th St.

New Construction: 12-story apartment-hotel tower with 143 apartments and short-term rentals, the existing Weiman's Bakery building would be incorporated into the site and a new 2-story 85-vehicle parking garage with 4,700 SF of commercial space.

Completion: 2022

Total Investment: \$21M

Developers: Historic Housing and Main Street RVA, Richmond-based



SHIPLOCK VIEWS

2801 E. Main St.

New Construction: 5-story, 180-unit apartment building (one- and two-bedrooms), pool, fitness center and rooftop decks and club house.

Under Construction: 2021

Total Investment: \$35M

Developers: CMB Development and Purcell Construction, *Richmond-based*

Rocketts Landing



BLOCK 8 APARTMENTS

4501 E. Main St.

New Construction: 6-story, 199 apartment building, 248 parking spaces and 6,800 SF street-level commercial space.

Completion: 2023

Total Investment: \$45M

Developers: WVS Companies, *Richmond-based* and PRG Real Estate, *Pennsylvania-based*



DESIGNED DOWNTOWN

A sampling of Downtown Richmond products and



Bakeries

EUROPA CRUST

1321 ½ E. Main St.

Neighborhood: Financial District

Europa Crust is a brand-new bakery offering an assortment of freshly made bread with a specialty in sourdough.

SUGAR & SALT RVA

416 N. 2nd St.

Neighborhood: Jackson Ward

A premier bakery specializing in one-of-a-kind, custom cakes and confections of all kinds.

WILDCRAFT FOCACCIA COMPANY

1303 Hull St.

Neighborhood: Manchester

Wildcraft Focaccia Company will warm your heart with their wide array of savory flatbreads, beautiful baking designs and more.

Brews

BRYANT'S CIDER

2114 E. Main St.

Neighborhood: Shockoe Bottom

Enjoy a glass of cider on the patio or relax inside their tasting tap room where you'll find their selection of small-batch, Virginia-made hard cider.

RICHBRAU BREWING

5 S. 20th St.

Neighborhood: Shockoe Bottom

With a love for RVA and a passion for brewing, Richbrau celebrates the history of Richmond and beer by creating adventurous recipes inspired by the city's past.

STONE BREWING

4300 Williamsburg Ave.

Neighborhood: Rocketts Landing

Explore the tap room and see where the beer is brewed at Stone Brewing's only East Coast facility featuring exclusive releases and year-round favorites.

Handmade & Gifts

LITTLE NOMAD

104 W. Broad St.

Neighborhood: Arts District

Little Nomad will delight children and parents alike with their collection of baby and children's clothing, books, toys and more.

SHOCKOE BOTTOM CLAY

1714 E. Main St.

Neighborhood: Shockoe Bottom

This working studio and gallery showcases and sells the ceramic works of 30+ regional artists.

Healthy Eats

NATIVE PLATE

1203 E. Main St.

Neighborhood: Financial District

Native Plate is a colorful and cozy spot offering global street food with Asian and American influences using fresh ingredients in dishes like Duck Bao Buns, Sashimi, Bulgogi BBQ, Vietnamese Spring Rolls and more.

SAADIA'S JUICEBOX

402 ½ N. 2nd St.

Neighborhood: Jackson Ward

Saadia's brings a plant-based menu with mindful ingredients and items like energy balls, raw juices, acai bowls and more.

Home Goods & Furnishings

FLOURISH SPACES

221A E. Clay St.

Neighborhood: Jackson Ward

A first-floor showroom featuring artwork, furnishings and textiles, libraries and a design studio for a truly customized experience.



IN VN

businesses



JOLENE

211 W. Broad St.

Neighborhood: Arts District

This artfully curated and thoughtfully sourced home goods shop brings the best of décor and entertaining accessories from independent makers and designers all over the world.

THE SOMEDAY SHOP

22 E. Broad St.

Neighborhood: Arts District

A home goods store that sells handmade gifts, vintage wares and luxurious plants.

Outdoors & Adventure

JOURNEYMAN'S ADVENTURE CO.

115 N. 18th St.

Neighborhood: Shockoe Bottom

This neighborhood bike shop offers everything you need to build the ultimate bike from scratch and specific to your adventure style and top-of-the-line accessories to optimize your outdoor experience.

TRAIL HUT

114 N. 2nd St.

Neighborhood: Monroe Ward

Trail Hut makes outdoor adventure sustainable and accessible by selling quality used gear and apparel for a great price.

Skincare & Self-care

ADIVA NATURALS

1802 E. Franklin St.

Neighborhood: Shockoe Bottom

Browse natural products like bath bombs, hair care, skincare sets and more from this multicultural, and locally made, brand.

MAVEN MADE

1321 ½ E. Main St.

Neighborhood: Financial District

This woman-owned and queer-owned brand and business provides plant-based skincare and wellness products ranging from serums to body elixirs.

Staying Active

HOURLY CYCLE STUDIO

715 E. Fourth St.

Neighborhood: Manchester

Hour Cycle Studio focuses on bringing the world of cycling to a more diverse audience and breaking down the barriers that keep Black riders at a beginner level from exploring the benefits of indoor stationary cycling by providing an inclusive environment.

Sweets

CHARM SCHOOL SOCIAL CLUB

311 W. Broad St.

Neighborhood: Arts District

This neighborhood ice cream scoop shop brings the classics, eclectic flavors and vegan offerings for all ice cream lovers.

SWEET SPOT ICE CREAM

6 N. 18th St.

Neighborhood: Shockoe Bottom

48+ flavors offer 300+ possibilities at this sweet shop where you'll find ice cream, smoothies, coffee and more.

WHISK

2100 E. Main St.

Neighborhood: Shockoe Bottom

French-inspired pastries, bread, espresso, coffee, sandwiches and unique offerings like monthly macaron memberships, custom cakes and classes.



Current CoStar Research Headquarters



CoStar Global Research Headquarters



CoStar Global Research Headquarters

On the Horizon

COSTAR GLOBAL RESEARCH HEADQUARTERS EXPANSION

600 Tredegar St.

New construction: 26-story corporate campus headquarters for research and data analytics on 4 acres adjacent to its current facility along Downtown's riverfront, 750,000 SF LEED-certified platinum space for office and retail and a 6-story multipurpose building as a central location for employee amenities including conference facilities, fitness and wellness, auditorium, and mixed-use retail and restaurant. The project will include 2.6 acres of gardens and outdoor venues and an outdoor amphitheater. CoStar will create 2,000 new high-quality jobs.

Total Investment: \$460M

COSTAR RESEARCH HEADQUARTERS

501 S. 5th St.

Purchased headquarters building: 9-story, 310,000 SF office.

Completion: 2021

Total Investment: \$130M

COSTAR RESEARCH HEADQUARTERS EXPANSION

Pattern Building

470 Tredegar St.

Leased: 13,000 SF office.

Completion: 2021

COSTAR RESEARCH HEADQUARTERS EXPANSION

Riverfront Plaza

Subleased: 51,000 SF office.

Completion: 2021



VIRGINIA WAR MEMORIAL EXPANSION

721 S. Belvidere St.

New Construction: 26,500 SF expansion for educational facilities, offices, a 300 seat auditorium, a memorial honoring veterans from the Global War on Terror and a 170 space parking deck.

Completion: 2019

Total Investment: \$26M

Developer: Virginia War Memorial, Richmond-based



AMERICAN CIVIL WAR MUSEUM EXPANSION

500 Tredegar St.

New Construction: 2-story, 29,000 SF facility expansion at Historic Tredegar with expanded exhibit space, an experience theater, improved storage and preservation areas for Civil War artifacts.

Completion: 2019

Developer: American Civil War Museum, Richmond-based

THE FOUNDRY AT TREDEGAR

500 Tredegar Street

Historic Renovation:

1-story building, 6,500 SF, event space with large exterior patios.

Completion: 2021

Total Investment: not disclosed

Developer:

NewMarket Corporation, Richmond-based



Casa Del Barco @ Canal Walk reinvents its patio into a 15,000 SF outdoor dining area and 15,000 SF bar/lounge area.



3011-3021 DOCK ST.

Acquisition of Riverfront Parkland: 5.2 acres of land acquired and will be placed under a conservation easement for a city-owned park, establish new riverfront access and educational opportunities, and enhance the Richmond section of the Virginia Capital Trail.

Completion: 2021

Total Investment for Acquisition: \$5.1M

Developers: Capital Region Land Conservancy, in partnership with The Conservation Fund, James River Association, and City of Richmond, Richmond-based

Financial District



MUTUAL BUILDING

909 E. Main St.

Adaptive Re-use of Office Tower:

13-story, 152,000 SF, 170 market-rate apartments (studios, one- and two-bedrooms), 4,000 SF commercial, 160 parking spaces.

Under construction

Total Investment: not disclosed

Developers: Landmark Property Services and The Wilton Companies, Richmond-based



MOXY HOTEL

501 E. Franklin St.

Adaptive Re-use of Office Tower: 8-story, 48,000 SF, Moxy Hotel by Marriott with 100 rooms.

Completion: 2022

Total Investment: \$15M

Developer: Shamin Hotels, Richmond-based

JAMES CENTER RENOVATION

1051 E. Cary St.

Renovation of 1,000,000 SF in three Class

A office towers: 21-story One James Center, 22-story Two James Center, 14-story Three James Center, on-site parking for tenants and connected to the Omni Hotel.

Completion: 2020

Total Investment: \$30M

Developer: Riverstone Group, Richmond-based



CENTENNIAL TERRACE

507 E. Main St.

New Construction: 6-story building, 47,800 SF, 53 apartments (studios and one-bedroom), rooftop fitness room, rooftop terraces, 2,100 SF retail and 25 on-site parking spaces.

Completion: 2021

Total Investment: not disclosed

Developer: Goodstein Development Corp., New York-based



RESIDENCES AT RICHMOND TRUST APARTMENTS

629 E. Main St.

Adaptive Re-use of Office Tower: 12-story, 116,315 SF, 188 market-rate apartments (studios, one- and some two-bedroom units) with premium finishes, co-working space, state-of-the-art fitness center and a rooftop lounge.

Completion: 2022

Total Investment: \$42M

Developer: Douglas Development Corp., *Richmond/Washington, D.C.-based*



600 CANAL PLACE

600 E. Canal St.

New Construction: 20-story, 960,000 SF, Dominion Energy Inc. office tower, 17 office floors, retail space, 6-level parking deck with a one-acre rooftop garden. LEED Gold. Joint venture with Hourigan Construction and Clayco Inc.

Completion: 2019

Total Investment: not disclosed

Developer: Dominion Energy Inc., *Richmond-based*



STUMPF FLATS ON MAIN APARTMENTS

728 E. Main St.

Historic rehab: 7-story building, 24 one-bedroom apartments, 2,300 SF street level commercial space.

Completion: 2020

Total Investment: \$7.5M

Developer: Douglas Development Corp., *Richmond/Washington, D.C.-based*

Arts District | Broad Street

COMMON HOUSE

303-305 W. Broad St.

Historic Rehabilitation: 6-story, 28,000 SF building converted into a social club complete with co-working space, conference rooms, a podcast studio, screening room, restaurant and bar, event space with an attached courtyard with a retractable roof, rooftop bar and pool. In 2021 Common House opened Birdie's, an intimate 27-seat café, oyster bar, and wine cellar located in Common House on the first floor, opened to members and the public.

Completion: 2020

Total Investment: not disclosed

Developer: 305 W. Broad LLC, Richmond-based





THE MEZZO AT CITY CENTER

17 W. Broad St.

Historic Rehabilitation: Four 6-story buildings (floors vary depending on the building, as The Mezzo spans the bulk of the city block), 91,811 SF of residential, 102 units and 25,000 SF of street-level commercial space with 6 tenants.

Completion: 2019

Total Investment: not disclosed

Developer: SNP Properties, Richmond-based



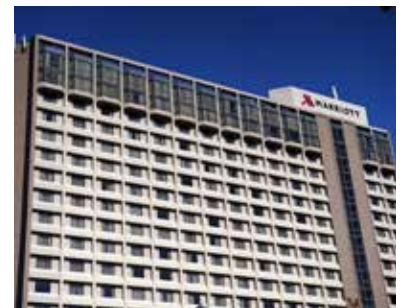
24 E. BROAD ST.

Historic Rehabilitation: 3-story building, 8,100 SF building into 10 residential units and 1,000 SF street-level commercial space.

Completion: 2021

Total Investment: not disclosed

Developer: SNP Properties, Richmond-based



MARRIOTT RICHMOND

500 E. Broad St.

Renovation: 413 guest rooms, lobby, fitness center, Fall Line Kitchen & Bar: a new free-standing 3,400 SF restaurant with patio seating, and a Starbucks.

Completion: 2020

Total investment: not disclosed

Developer: Apple Hospitality REIT, Richmond-based

Arts District | Jackson Ward



DR. WILLIAM HUGHES HOUSE

508 Saint James St.

Historic Preservation and Rehabilitation: 4-story home including basement and attic, 10,000 SF with four rental units (one two-bedroom and two with three-bedrooms).

Completion: 2021

Total Investment: \$1.1M

Developer: L&Z Historic LLC, Richmond-based



VAN DE VYVER APARTMENT HOMES

701 N. 1st St.

New Construction: 3 buildings for mixed-income and mixed-infill development, 82 mixed-income apartments, 36 affordable units, and 6,000 SF retail space. Amenities include business center, fitness center, bike storage, dog wash station, outdoor patio, and community room.



THE ROSA

744 N. 2nd St.

New Construction: 4-story building, 72 homes for low-income senior apartments, outdoor patio space, business center, arts and craft room, fitness center, and multi-purpose room.

Completion: 2020

Total Investment: \$30M

Developer: Enterprise Community Development, Maryland-based



THE PENNY AT JACKSON WARD

2 W. Marshall St.

New Construction: 6-story mixed-use development, 166 luxury apartments, courtyard with pool, fitness center, restaurant, and structured parking with 158 spaces.

Completion: 2019

Total Investment: not disclosed

Developer: SNP Properties, Richmond-based

Photo by Rocket Pop



BROOK AND WEST MARSHALL INTERSECTION REDESIGNED

The intersection of Brook Road and West Marshall Street was transformed with three placemaking projects consisting of a custom-designed parklet, pedestrian plaza, and intersection mural designed to slow down traffic. The redesigned area provides space for community gatherings and art appreciation.

The project was funded by Bloomberg Philanthropies, the City's Public Art Commission, and Venture Richmond. City of Richmond staff from Planning and Development Review, the Department of Public Works, the Department of Public Utilities and the Public Art Commission worked alongside Venture Richmond to make the project possible. Additional project partners include ART 180, Big Secret, CB Chandler Construction, Cite Design, Gallery5, LaDIFF, Richmond Toolbank, Vanderbilt Properties, and Walter Parks Architects.



On the Horizon

CAMEO HOUSE

30 W. Jackson St.

New Construction: 3-story building, 76,500 SF, 67 apartments for low-income households making 30-60% of the average household income (one-, two-, and three-bedrooms), community space, rooftop garden, all units with balconies, energy efficiencies, bike storage, healthy indoor air quality, playground, and off-street parking.

Completion: 2022

Total Investment: \$17M

Developer: Better Housing Coalition, *Richmond-based*



Arts District | Monroe Ward

THE EDGAR AT LINDEN ROW

114 E. Franklin St.

Historic Renovation: 3-story building, 8,000 SF house, 11 apartments (studio and one-bedroom).

Completion: 2021

Total Investment: \$2M

Developer: Douglas Development Corp., Richmond/Washington, D.C.-based



ONE CANAL

118 S. 1st St.

New Construction: 7-story, 138 apartments (one- and two-bedrooms), 2,500 SF street-level commercial, 93 structured parking spaces.

Completion: 2022

Total Investment: \$35M

Developer: Bank Street Advisors, Richmond-based



YWCA

6 N. 5th St.

Historic Renovation: 4-story building, 15,430 SF, full interior renovation, infilling portion of existing track above gym to create additional program floor space, restoration of historic elements, and new handicap lifts to improve accessibility.

Completion: 2021

Total Investment: not disclosed

Developer: YWCA, Richmond-based

Capitol Square

CAPITOL SQUARE ENHANCEMENTS

901 E. Broad St.

New construction: 14-story above ground, one below; 430,000 SF, General Assembly Building (GAB) connected by a tunnel to a 500-vehicle parking deck at 801 E. Broad and by another tunnel to the underground Capitol extension. Four floors are for public spaces, cafeteria, and meeting rooms and the rest are for legislative and staff offices. Historic preservation of the 1912 façade of the Life Insurance Company of Virginia, formerly Richmond Freedman's Bank, is being incorporated into the new building.

Phased Completion: 2022 (building) and 2023 (tunnel to building).

Renovations: Old City Hall (National Historic Landmark) and Morson's Row (National Register of Historic Places) are undergoing extensive renovations as well as renovating the Ferguson Building on the east end of Capitol Square to be used as a K9 training facility for the Division of Capitol Police.

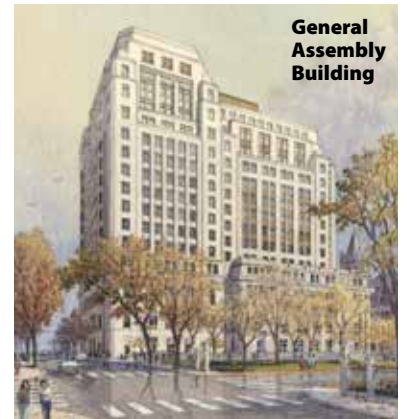
Completion: 2022

Enhancements: new vehicular gate, as well as additional security features including a new security post, added to North Drive and beautification on the 9th Street east sidewalk adjacent to Capitol Square, including a new sidewalk.

Completion: 2021

Total Investment: \$300M+

Developer: Commonwealth of Virginia



BioTech



DOWNTOWN CAMPUS – REYNOLDS COMMUNITY COLLEGE

700 E. Jackson St.

Renovation: 18,000 SF, state-of-the-art instructional laboratories, including a simulated operating room and nursing simulation center, interdisciplinary anatomy and physiology lab housing Anatomage tables and SynDavers, technology and cybersecurity hub, and HVAC, Electrical and Plumbing Skilled Trades lab.

Completion: 2022

Total Investment: \$2M+

Developer: Reynolds Community College, Richmond-based

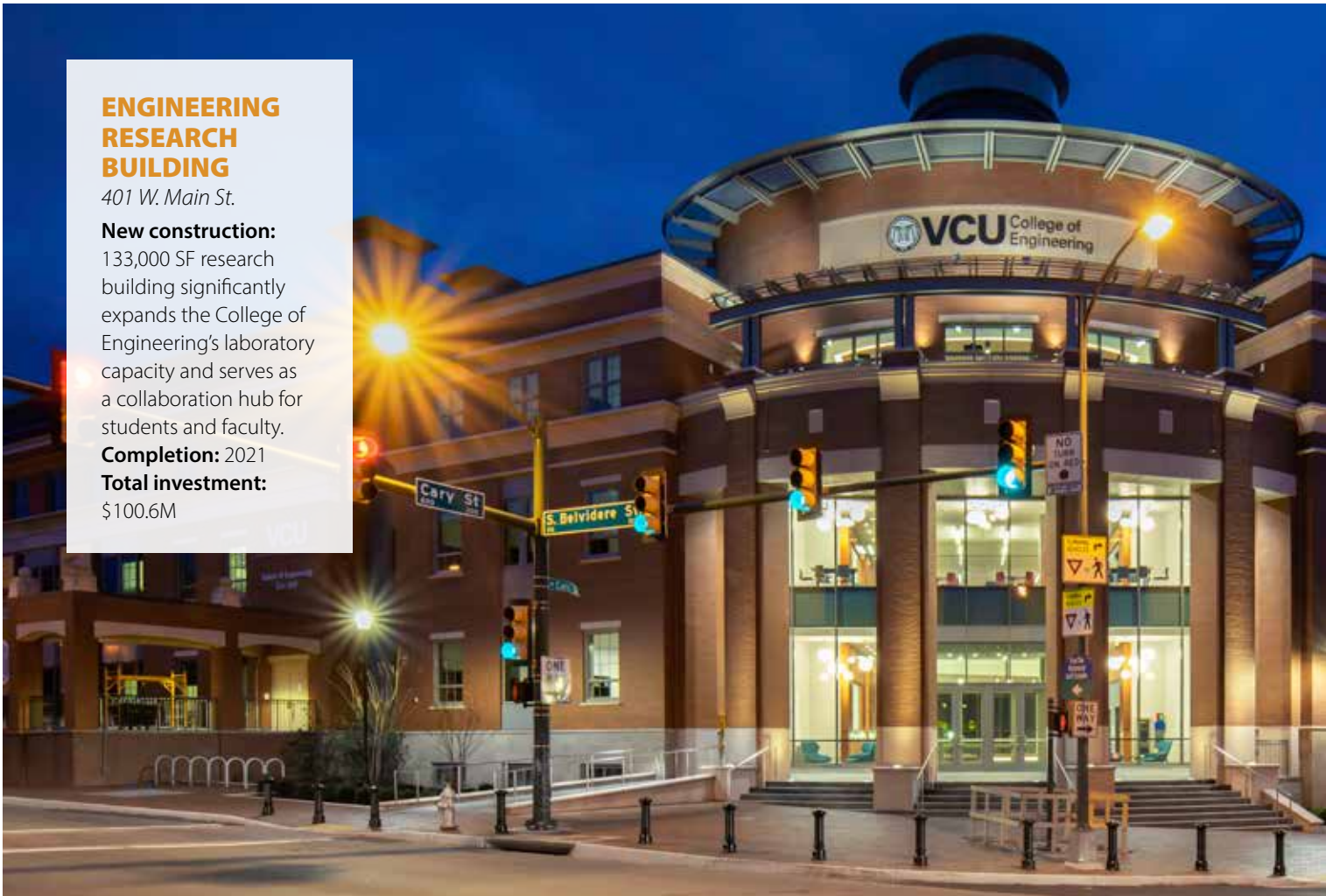
ENGINEERING RESEARCH BUILDING

401 W. Main St.

New construction:
133,000 SF research building significantly expands the College of Engineering's laboratory capacity and serves as a collaboration hub for students and faculty.

Completion: 2021

Total investment:
\$100.6M



COLLEGE OF HEALTH PROFESSIONS BUILDING

900 E. Leigh St.

New construction:
8-story, 154,000 SF building includes classrooms, study areas, an auditorium, a patio, a "smart apartment" and an anesthesia simulation suite. It is LEED Silver certified.

Completion: 2019

Total investment:
\$87.3M



STEM BUILDING

805 W. Franklin St.

New construction: 168,000 SF Science, Technology, Engineering and Mathematics (STEM) Building will provide modern teaching labs and classrooms for the College of Humanities and Sciences.

Completion: 2023

Total Investment: \$124M



VCU COLLEGE OF ENGINEERING MAKER GARAGE

12 W. Cary St.

Rehabilitation: 4,000 SF with state-of-the-art traditional and advanced manufacturing capabilities for faculty and students.

Completion: 2019



SCOTT HOUSE

909 W. Franklin St.

Renovation: The 1911 Scott House, 3-story, 18,746 SF, Beaux Arts style mansion that is listed in the National Register of Historic Places. The renovated interior provides multifunctional space to host university and visiting groups on the main floor as well as administrative and meeting spaces on the second and third floors.

Completion: 2020

Total investment: \$7M



On the Horizon

VCU HEALTH MIXED-USE DEVELOPMENT

510 N. 10th St.

Demolition: City Public Safety Building block.

New Construction: 20-story, 500,000 SF mixed-use tower, 90,000 SF class A office, 1,200 structured parking spaces; 150,000 SF for administrative and office space for VCU Health, provide new facilities for two local non-profits, The Doorways will have 125,000 SF and 145 guest rooms, Ronald McDonald House Charities of Richmond will have 65,000 SF and 60 guest rooms, 35,000 SF for childcare for VCU employees with 20% of the slots for city residents, 20,000 SF for street-level retail, and the reconnection of Clay St. between 9th and 10th streets. Developers have agreed to at least 40% minority participation for constructions and operations of the building.

Construction begins: 2022

Completion: 2024

Total Investment: \$325M

Developer: Capital City Partners LLC, Richmond/Northern Virginia-based



INPATIENT CHILDREN'S HOSPITAL — CHILDREN'S HOSPITAL OF RICHMOND AT VCU

1001 E. Marshall St.

New construction: 16-story, 500,000 SF, state-of-the-art inpatient facility includes 72 private inpatient beds, all private rooms, emergency department, Level I pediatric trauma center, helipad and convenient parking in the building.

Completion: 2023

Total Investment: \$400M+

ADULT OUTPATIENT PAVILION

1001 E. Leigh Street

New construction: 17-story, 615,000 SF building and a parking deck with more than 1,000 spaces. Most of VCU Massey Cancer Center's outpatient services provided

downtown will be consolidated in the new building, including medical, surgical and radiation oncology clinics and oncology infusion. The new pavilion will also house medicine infusion, women's health services and a majority of the specialty outpatient clinics currently located at VCU Health's Ambulatory Care Center, Nelson Clinic and North Hospital. Also included are an on-site laboratory, pharmacy and medical imaging service.

Completion: 2021

Total Investment: \$383.9M





MEET THE FACES OF YOUR DOWNTOWN

Downtown Richmond is not only home to our historic state Capitol, the Federal Reserve Bank of Richmond and major corporations, but also to hundreds of small businesses, non-profits and cultural institutions. Most of our small businesses have survived COVID and many have reinvented themselves. As we see the business and leisure travel markets rebound, and weddings and events coming back stronger than ever, we are happy to see more and more visitors Downtown. Combined with employees who are returning to offices, all of this means more people who are supporting our restaurants and small businesses that make up our vibrant and thriving Downtown.



We hope you will visit Downtown Richmond soon and explore our galleries, restaurants, shops, hotels, attractions, and other small businesses. The business owners are our friends and neighbors. And they are the faces of your Capital city.

#MeetMeDowntown



TODAY, WE'RE LIVING IN THE CREATIVE AGE.

An age where success is determined not by physical assets but by intellectual capital — by the ability to challenge conventional wisdom, envision never before-seen possibilities, and bring them to life.

Just as creativity is the fuel for individual achievement, it is also the key ingredient for a successful city.

Today's creative city attracts innovative people and businesses with new experiences and ideas in every aspect of personal and professional life.

It is Richmond.

It is RVA.

RVA has a commitment to challenging convention, a rich history of ideas and an environment that helps make it happen.

RVA has an authentic history of innovation and creativity. This is the city where Thomas Jefferson wrote a statute guaranteeing religious freedom, Maggie Walker (a child of slavery) became the country's first female bank president, Patrick Henry declared liberty or death, Bill "Bojangles" Robinson took dancing to new heights, and Arthur Ashe changed tennis forever.

The story of our past, our present and our future is the story of creativity in action. And that creativity is rooted in **RVA Downtown.**

on the cover:

Common House Richmond

cover photo by Jay Paul

Interior photos and images provided by Jay Paul and building developers



PRODUCED BY:



SUPPORTED BY:



CITY CENTER

Richmond, VA

Appendix C

City Center Innovation District Small Area Plan

rva.gov/citycenter

City Center Innovation District

SMALL AREA PLAN



Acknowledgments

This document reflects the consensus reached by the community on guiding the future growth of the City Center area. The individuals listed here are elected officials, commission members, and City planning staff. The content in this plan arose from the time, attention, expertise, and passion of many people, beyond those listed here.

City Leadership

Mayor Levar M. Stoney

**J.E. Lincoln Saunders,
Chief Administrative
Officer**

**Sharon Ebert, Deputy
CAO for Economic
Development, and
Planning**

City Council

Cynthia I. Newbille
Council President
7th District

Ellen F. Robertson
Council Vice-President
6th District

Andreas D. Addison
1st District
Katherine Jordan
2nd District
Ann-Frances Lambert
3rd District
Kristin Nye Larson
4th District
Stephanie A. Lynch
5th District
Reva M. Trammell
8th District
Michael J. Jones
9th District

City Planning Commission

Rodney M. Poole, Chair
Melvin Law, Vice Chair
Andreas D. Addison
Max Hepp-Buchanan
Elizabeth Greenfield
Vik Murthy
Burt Pinnock
J.E. Lincoln Saunders
John Thompson

Dept. of Planning and Development Review Staff

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Marianne Pitts*
Yessenia Revilla
Emily Routman (AECOM
contractor)
AECOM landscape
architects provided
illustrations in the plan
*staff transitioned to
new role during the
process

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Executive Summary

City Center is the right place at the right time to become Richmond's Life Sciences Innovation District.

The vision for City Center is to become the engine for expanding Greater Richmond's life sciences¹ industries. City Center will be the place to live, learn, collaborate, create, and develop new life science businesses in a high density, walkable, urban full-service environment that includes multi-modal transportation options to city and regional neighborhoods and job centers.

Right Place

As defined by Bruce Katz and Julie Wagner, innovation districts “are geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators, and accelerators. They are also physically compact, transit-accessible, and technically-wired and offer mixed-use housing, office, and retail.”² Today, Richmond's City Center is home to three life science-focused anchor institutions—Virginia Commonwealth University, VA Bio+Tech Park, and Reynolds Community College. The hardest element of creating an innovation district is having strong educational institutions and incubators in place. City Center has those anchors and strong partnerships with research, workforce development, and business communities.

¹ Life sciences is defined as “the sciences concerned with living organisms,” including biology, bioinformatics, physiology, biochemistry, and many more sub-topics.

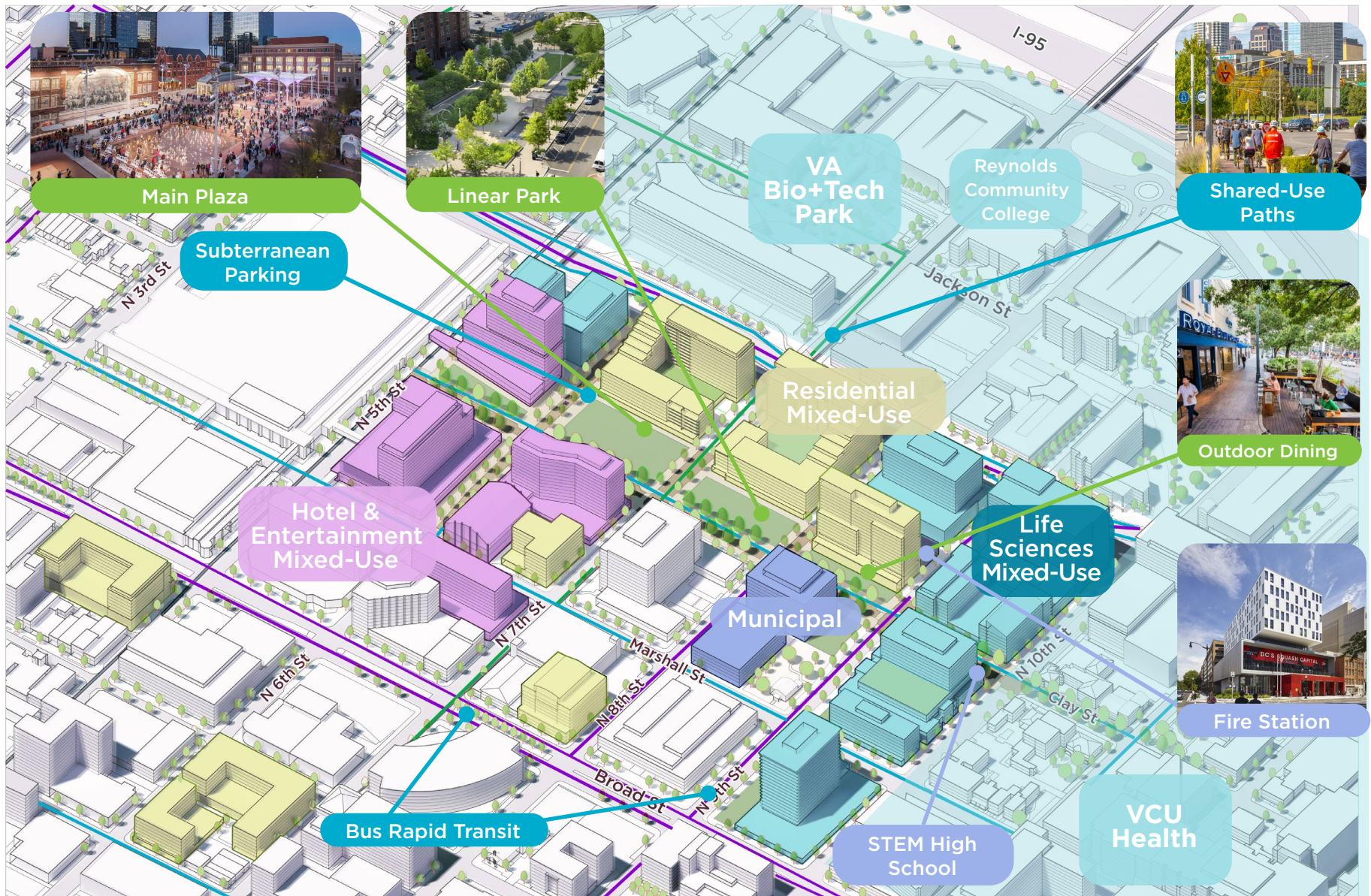
² Bruce Katz and Julie Wagner, *The Rise of Innovation Districts: A New Geography of Innovation in America*, The Brookings Institution, May 2014

City Center is already physically compact, transit-accessible, and technically-wired. City Center is adjacent to several strong and up-and-coming neighborhoods in Downtown. Surrounded by Jackson Ward, VCU Health, VA Bio+Tech Park, the State Capitol, Monroe Ward, and the Financial District, City Center is essentially a natural hub just waiting to connect life science, educational, governmental, and R&D institutions together. Further, with the east-west Pulse Bus Rapid Transit (BRT) system that runs along the City's primary commercial corridor, Broad Street, several high frequency local bus routes, a new north-south BRT, and Virginia's new Ashland to Petersburg Fall Line Bike Trail in the planning stages to pass through Downtown, City Center is a natural nexus

Why Innovation Districts Matter

1	Leverage distinct advantages	Further the ability of cities and metro areas to grow jobs in ways that both align with disruptive forces in the economy and leverage their distinct economic position.
2	Empower entrepreneurs	Empower entrepreneurs as a key vehicle for economic growth and job creation.
3	Grow better jobs	Grow better and more accessible jobs at a time of rising poverty and social inequality.
4	Reduce impact on climate	Reduce carbon emissions and drive denser residential and employment patterns at a time of growing concern with environmentally unsustainable development.
5	Raise city revenues	Help cities raise revenues and repair their balance sheets at a time when federal resources are diminishing and many state governments are adrift.

Source: Bruce Katz and Julie Wagner, *The Rise of Innovation Districts: A New Geography of Innovation in America*, The Brookings Institution, May 2014



City Center Innovation District

The City Center Innovation District will become the engine for expanding Greater Richmond's life sciences industries. City Center will be the place to live, learn, collaborate, create and develop new life science businesses in a high density, walkable, urban full-service environment that includes multi-modal transportation options to city and regional neighborhoods and job centers.

Note: The conceptual massing diagram illustrates the potential shape and scale of buildings and open space; however as these areas develop, the exact design and scale of the buildings and spaces may be different from what is depicted in this conceptual illustration. The exact location of specific uses may also adjust overtime.

where residents, researchers, entrepreneurs and workers can access multi-modal transit options.

However, today the area lacks housing, neighborhood retail services, restaurants, and much needed wet lab and flex office spaces. The opportunity to create an Innovation District in Richmond's City Center lies in the nearly 26 acres of government-owned land that are either vacant or obsolete located between several strong anchor institutions. Through public-private partnerships this land can be transformed into new mixed-income housing, laboratories, office and retail spaces as an Innovation District that will provide opportunities for all Richmonders.

Right Time

City Center's Life Sciences cluster has been over 175 years in the making. The core life science anchor institution in the Commonwealth of Virginia, the Medical College of Virginia (now known as VCU Health), was established in the City Center area in 1844. Today VCU Health is a top life sciences research center, medical school, and level 1 trauma center. VCU Health continues to build and renovate buildings to accommodate its exceptional growth. Reynolds Community College has had a downtown campus for over 40 years and continues to provide one and two-year occupational and technical programs in a number of allied health, business, and community service areas. The VA Bio+Tech Park was incorporated in 1992 and opened in 1995. Today the Park is home to nearly 70 companies, research institutes, and state/federal laboratories. The VA Bio+Tech Park, Reynolds, and VCU Health have been focused on building spaces for education, innovation, and networking focused on life science industries.

The City closed the Richmond Coliseum in 2019 and owns nearly 26 acres of vacant or obsolete sites and buildings in City Center. In

the 1940s/50s City Center was home to almost 2,000 households and dozens of retail stores and restaurants, and is now home to zero. Today, without any residents, the City Center area is only inhabited from 9-to-5 by office workers and individuals seeking City services. Large, un-activated ground floors, the lack of retail and restaurants, and the absence of public amenities add to the hostility of the area. Now is the time for the City to round out the innovative community that the Bio+Tech Park, VCU Health, and Reynolds Community College have been fostering by providing places for people to live and play within the City Center area.

The Plan

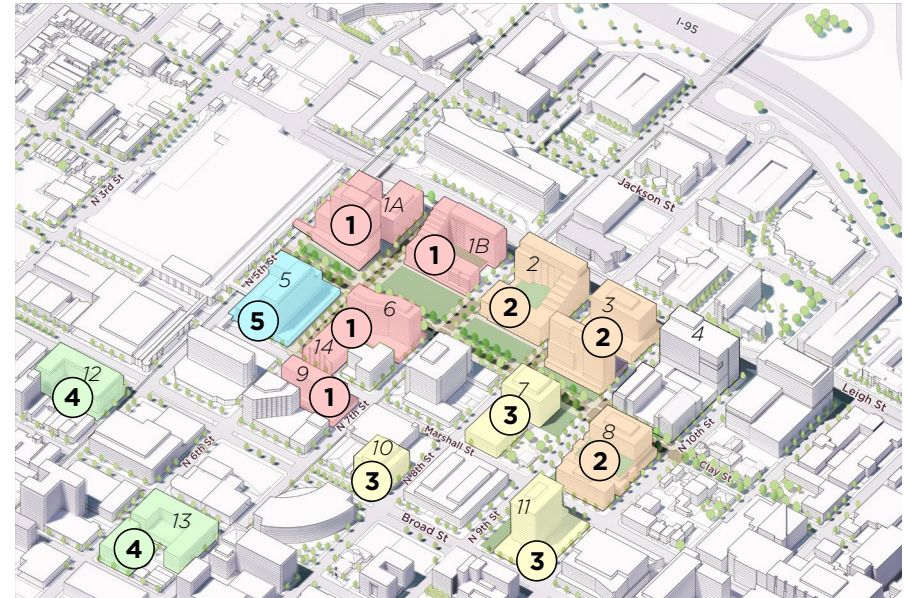
The City Center Plan outlines the strategies to become Richmond's Life Sciences Innovation District. By consolidating City government functions and transferring parcels from public to private ownership, the City can use the City Center Plan as a tool to build an innovation district downtown. Mixed-use residential buildings can potentially bring thousands of residents back to the area and provide places for life science workers to live near work. New shared-use paths, bike lanes, ample green space, and activated ground floor uses can make City Center vibrant and inviting to residents, visitors, and other Richmonders. Hotel and entertainment uses can help foster tourism and create added value for patrons of the Greater Richmond Convention Center as well as Innovation District. Additional space for biotech & life sciences companies can provide expansion opportunities for this growing sector and help continue to place Richmond at the forefront of innovation. Additionally, including a STEM-focused high school can provide opportunities for Richmond students to grow into biotech careers. Overall, the City Center Plan is an essential step in establishing City Center as the engine of the Richmond Region's growing life science industries.

Implementation

Big Moves: The City Center Plan outlines many goals and recommendations to create a Life Sciences Innovation District. These three big moves are critical next steps to implement in the next 3 to 5 years to implement the plan's vision:

- **Create an innovation zoning district:** rezone City Center to align with the innovation vision by allowing mixed-uses including residential, ground floor activation, and unlimited height and density.
- **Reduce the municipal footprint:** Redevelop city-owned properties that are vacant and explore options for renovating, replacing, or relocating city functions to reduce the municipal footprint In City Center so that the Innovation District may grow and City functions can operate more effectively in improved space.
- **Expand education offerings:** develop a high tech high school and establish a Center City campus for higher education collaboration.

Phasing: The City plans to issue solicitations for development teams to assist the City in implementing the vision for City Center. The proposed phasing of solicitations for city-owned properties are shown in the phasing map.



Phasing Map

Note: The conceptual massing diagram illustrates the potential shape and scale of buildings and open space; however as these areas develop, the exact design and scale of the buildings and spaces may be different from what is depicted in this conceptual illustration.

Introduction

Purpose

The City Center Small Area Plan outlines a strategy for redeveloping vacant and under-utilized parcels in Downtown Richmond, which are predominantly City-owned. The Plan describes the vision, guiding principles, and strategies for the City Center area in order to create a more equitable, sustainable, and beautiful Downtown in alignment with *Richmond 300: A Guide for Growth* and the Pulse Corridor Plan.

The Dept. of Planning and Development Review (PDR) created the City Center Plan in response to City Council Resolution 2020-R009, with the following objectives:

- Engage the Richmond community to identify the key elements that must be located in the primary study area and that shall be included in future solicitations.
- Set the stage for potential developers to feel excited about responding to a solicitation by gaining general public consensus and thereby minimizing developer risk.
- Guide the redevelopment of Downtown to establish a mixed-use destination that drives activity outside of typical business hours and adds to the Downtown tax base.
- Leverage adjacencies by connecting with the Convention Center, VCU Health, and the VA Bio+Tech Park.
- Build strong connections with adjacent neighborhoods including Jackson Ward, Monroe Ward, Gilpin, and Shockoe Bottom.
- Incorporate the City Center Small Area Plan into the *Richmond 300: A Guide for Growth* master plan document.

Study Area

City Center is the name of study area, which is generally the area from E. Franklin Street to E. Leigh Street and from N. 10th to N. 5th Streets in Downtown Richmond. The City Center area is part of Downtown Richmond, Virginia and bounded by VCU Health/VA Bio+Tech Park, the State Capitol, Monroe Ward, and Jackson Ward, as shown in Figure 1. The focus of the City Center planning effort is on the City and RRHA properties that are vacant and/or underutilized in the City Center area, approximately 26.2 acres in total as shown in Figure 2 and Table 1.

Plan Overview

The City Center Small Area Plan is structured in 3 major sections. The first section presents the existing conditions and history of the study area. The second section outlines vision for the City Center Innovation District and provides goals, objectives, and recommendations for achieving that vision. The third section outlines implementation steps to implement the plan.

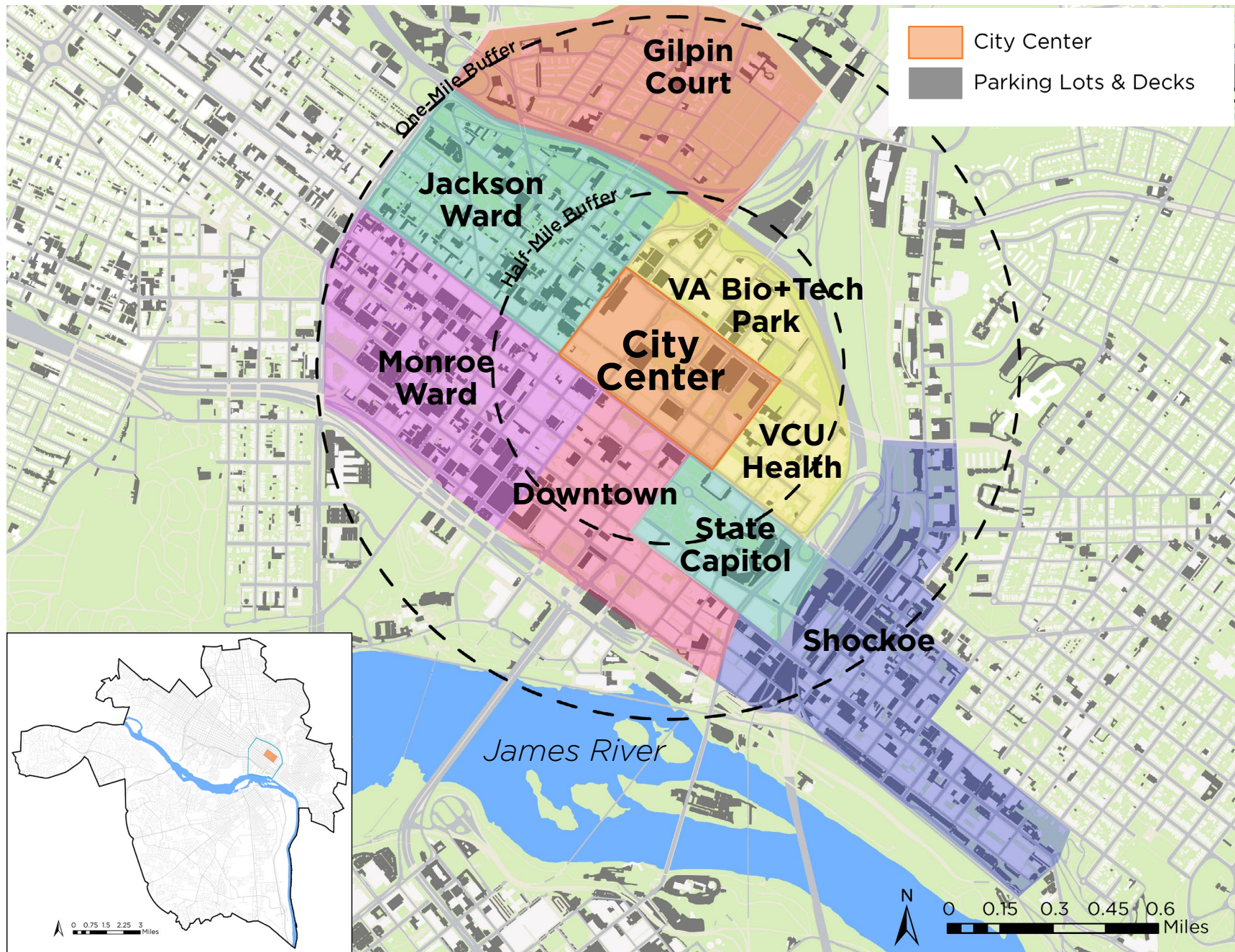


FIGURE 1 // City Center Context Map

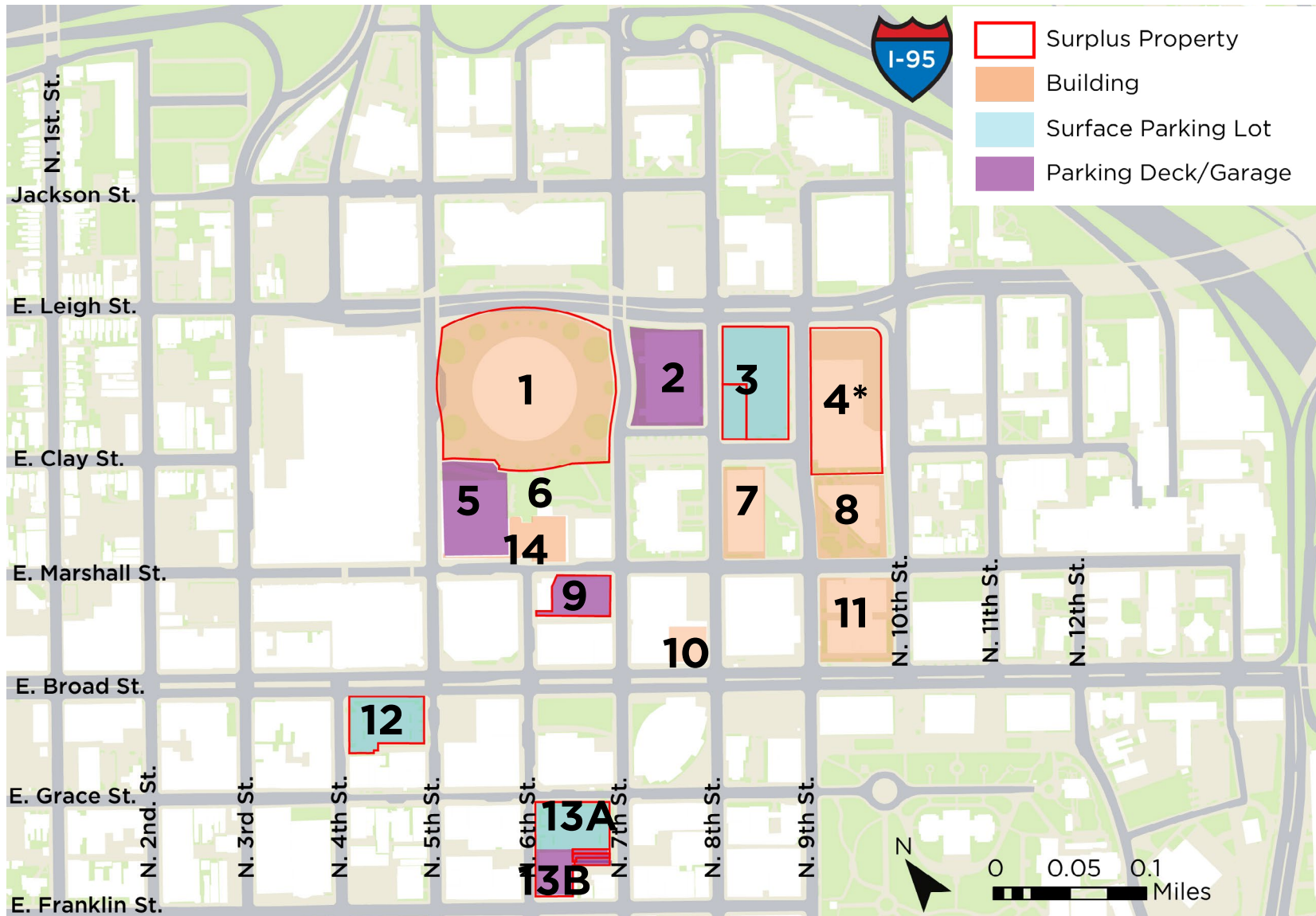


FIGURE 2 // City- and RRHA-Owned Parcels in City Center

**The Public Safety Building parcel was sold to a private developer in August 2021 for redevelopment. As of November 2021, the building still stands. It will still be referenced throughout the plan, but it is no longer a City of Richmond property.*

TABLE 1 // City- and RRHA-Owned Parcels in City Center

Label	Parcel Name	Ownership/Status	Parcel Acreage	Surplus Property ¹	Condition Rating ²	Maintenance Cost ³
1	Coliseum	COR/Vacant	7.4	x	Poor	Not maintained
2	Coliseum Parking Deck	COR/In Use	1.9		Good	\$1.3M
3	9th/Clay Surface Parking Lot	COR/In Use	2.1	x	Fair	N/A
4	Public Safety Building ⁴	Sold to private developer in summer 2021	3.0	x	Critical	\$20.97M
5	5th/Marshall Parking Garage	COR/In Use	1.6		Good	\$1.5M
6	Coliseum Public Open Space	RRHA/In Use	1.0		Poor	N/A
7	John Marshall Courts Building	COR/In Use	1.5		Poor	\$18.7M
8	Social Services Building	COR/In Use	1.6		Poor	\$4.5M
9	6th/Marshall Parking Garage	COR/In Use	0.8	x	Critical	\$7M
10	Theater Row Building	COR/In Use	0.4	x	Poor	\$11.2M
11	City Hall	COR/In Use	1.8	x	Poor	\$50.5M
12	4th/Broad Surface Parking Lot	COR/In Use	1.1		Good	N/A
13A	6th/Grace Surface Parking Lot	COR/In Use	1.0	x	Good	N/A
13B	6th/Franklin Parking Garage	COR/Vacant	0.5		Critical	Not maintained
14	Blues Armory Building	RRHA/Vacant	0.5		Poor	Not maintained

1: Properties surplused by City Council via Res. No. 2021-R024 on April 26, 2021.

2: Condition rating provided by Department of Public Works.

3: Cost of immediate maintenance provided by Department of Public Works.

4: The Public Safety Building was sold to a private developer in August 2021. It will be referenced in this plan, but is no longer a City of Richmond property.

See Appendix for summary of building conditions.

Process

PDR developed the Small Area Plan over an 18-month period that included internal meetings with City staff and leadership, three public meetings, two public surveys, and several focus group interviews. At the beginning of the plan development process, the idea of including a new or renovated arena was part of the development program. However, in December 2020, Henrico County announced that they are going to build an arena-anchored project; therefore, the City removed the arena concept from the City Center program.

Phase 1: Priorities and Preferences

During a virtual workshop in June 2020, the City shared a series of examples of revitalized downtowns with and without arenas. The survey results showed that the community generally supported a set of baseline elements (open space, office, mixed-income residential, multi-modal transportation, and gridded street network), neighborhood amenities (restaurants, cafes, grocery store, retail, and services), and community benefits (retail/office for local businesses, public open space, and equity-ownership by minorities). The survey results also showed general support for an arena, strong support for a movie theater, and little support for a resort casino in the area.

Phase 2: Framework Alternatives

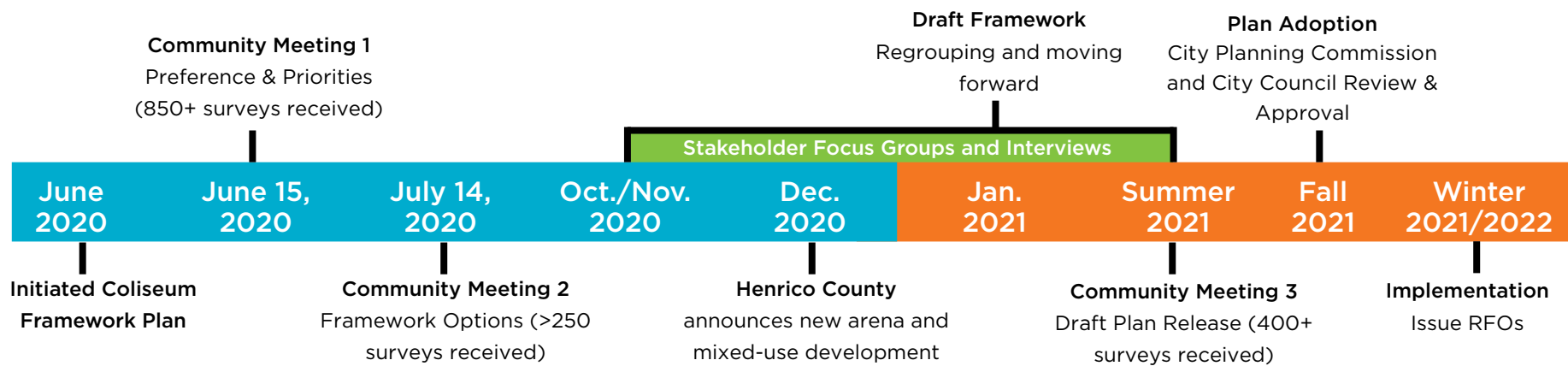
During a second virtual workshop and survey in July 2020, the City shared 3 framework alternatives that located the arena and public open space in various configurations and included recommendations for relocating City functions. The survey results and conversation during the workshop confirmed strong support for a mixed-use development and open space. Other elements that continued to need further discussion included the relocation of City government uses, the bus transfer facility, and the arena.

Phase 3: Stakeholder Interviews

From September to November 2020, PDR conducted over 10 group interviews with property owners, non-profit organizations, community groups, elected officials, City staff, and other stakeholders with interest in the City Center area. During those interviews, PDR heard that a lot of residential units need to be added to the area to support businesses and that the housing should be at various price levels and provide rental and ownership options. Interviewees stated that flexible public open space and strong connections to adjacent neighborhoods are essential.

Phase 4: Draft Plan

From December 2020 to May 2021, City staff developed the draft City Center Small Area Plan and released the plan for public review and comment in May 2021. The plan was revised and presented for adoption in late 2021.



History

Today City Center is completely unrecognizable from its land use and urban form 100 years ago (Figure 3). Annexed by the City in the late 18th and early 19th century, the area blossomed due to its proximity to important buildings like the State Capitol. Broad Street soon became the City's most critical commercial center – especially after the burning of Main Street during the Civil War and as it developed into the central corridor for the streetcar system implemented in the late 1880s.

Post-Reconstruction Era, “Jackson Ward” was created as a political boundary meant to neutralize the new voting power of the recently-emancipated Blacks. Jackson Ward - located generally west of N. 3rd Street - and its surrounding areas, over the next few decades, became a thriving center for Black businesses and entertainment due to events like the establishment of Maggie Walker's Consolidated Bank & Trust and the opening of the Hippodrome Theater. As segregation and Jim Crow policies expanded, Broad Street became an entertainment hub for white Richmonders, especially from N. 7th to N. 9th Streets – coined “Theater Row.” Department stores, notably Thalhimier's and Miller & Rhoads, were the cornerstone of Downtown retail throughout the 20th Century.

As the city's development expanded further from the original Downtown areas, white residents moving to the periphery, known as “white flight,” became the norm. From the turn of the century until the 1950s, Downtown's racial composition shifted from majority-white to majority-black. Nevertheless, the development of the City's first Master Plan, the creation of all-Black public housing, and the construction of the Richmond-Petersburg Turnpike (now I-95) all had a hand in displacing thousands of Black residents and destroying their homes within and adjacent to City Center. Demand for parking in Downtown increased with the rise of the automobile and continued white flight to Henrico and Chesterfield Counties; many buildings, such as the 6th Street Market and John Marshall High School's track field, as well as homes and businesses,

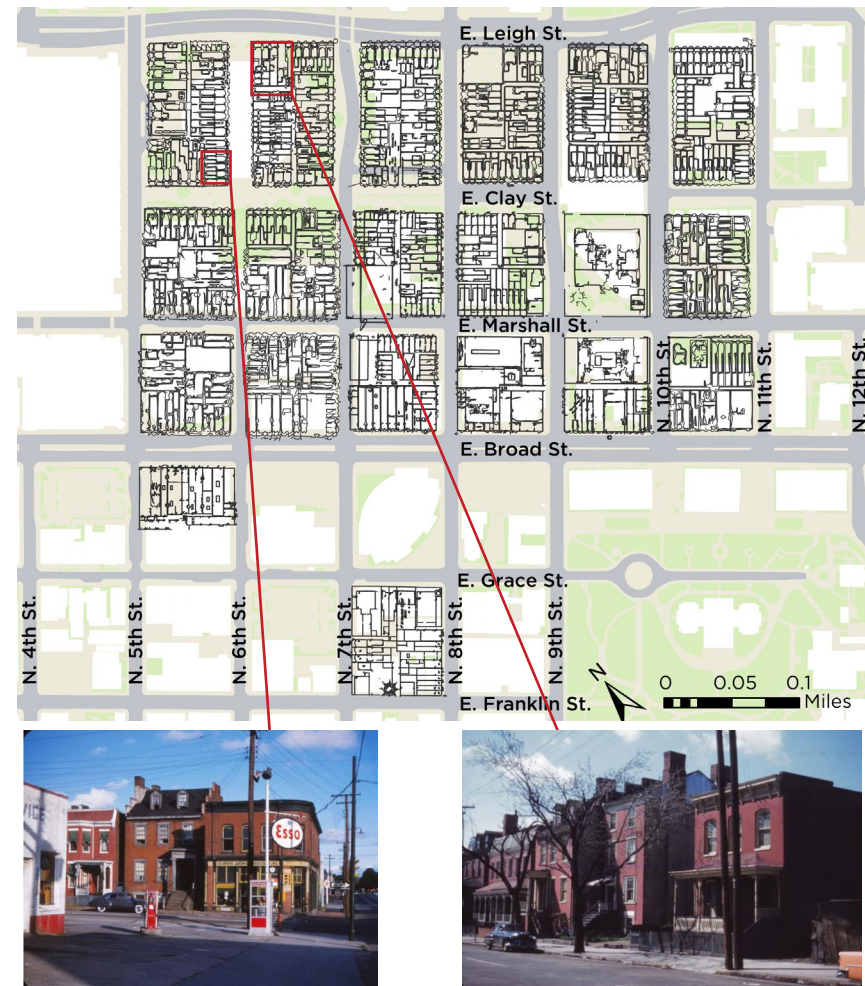


FIGURE 3 // 1924 Block Layout and 1955 Site Photographs

Source: 1924 Sanborn Insurance Maps (Library of Virginia); The Valentine Museum

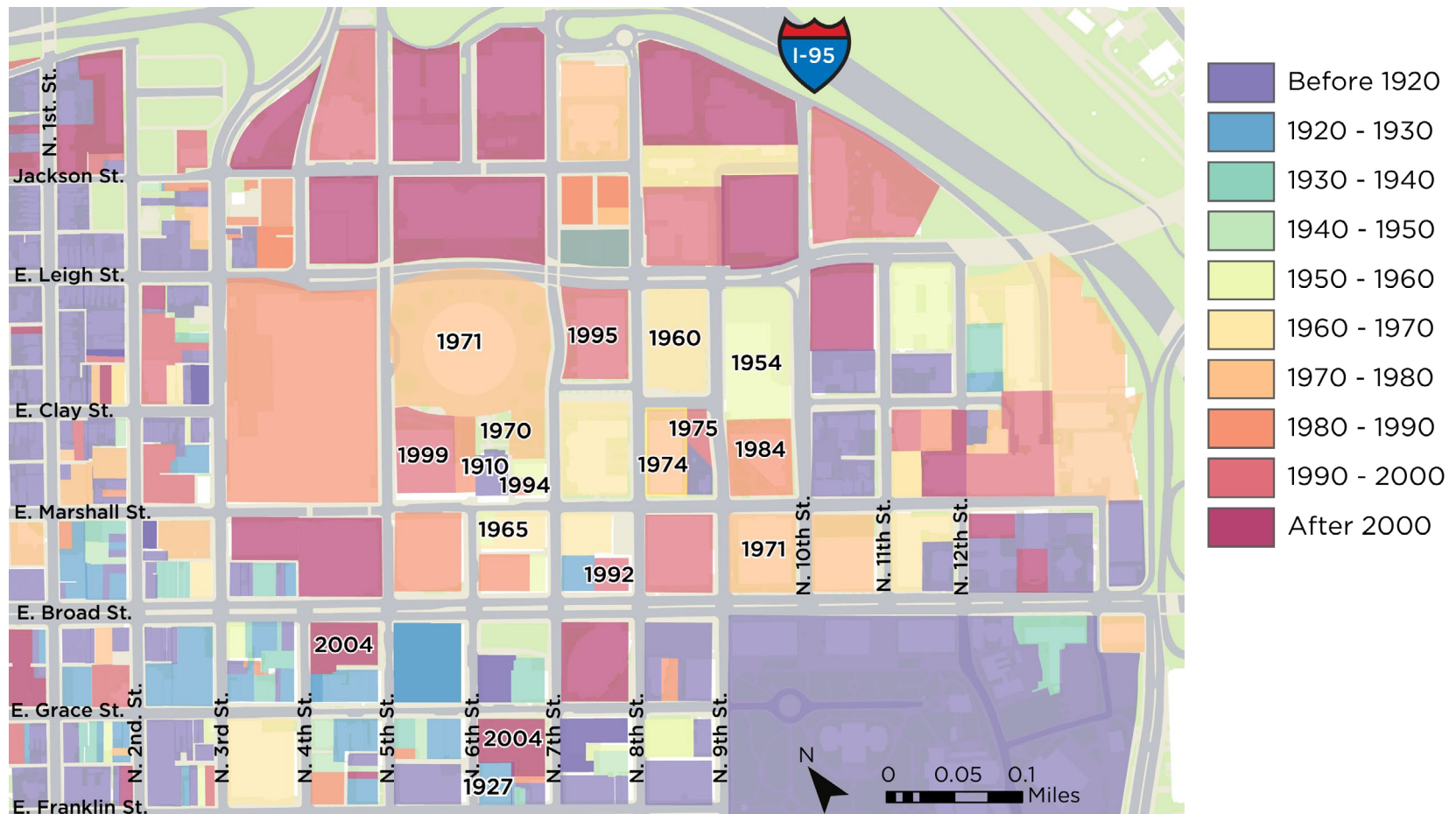


FIGURE 4 // Year of Construction for Existing Buildings

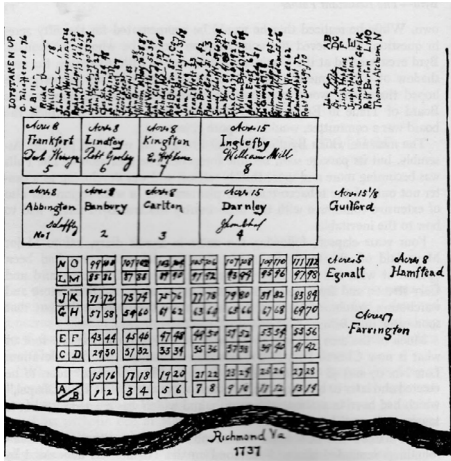
Source: City of Richmond Assessor's Office

were converted into parking garages or demolished and turned into surface parking lots to serve the Downtown commuters and customers.

The growing pace of white flight to the counties had increasingly negative economic impacts for Downtown and the city as a whole. As Henrico and Chesterfield's populations boomed, politicians and planners in Richmond attempted strategies to regain prominence and population, such as the 1970 Chesterfield annexation, the building of the Coliseum in 1971, a new 6th Street Marketplace in 1985, and the Convention Center in 1986 (Figure 4). Ultimately, City Center & Richmond suffered in the late decades of the 20th Century and into the 2000s. Over the past century, communities, homes, and residents were displaced and replaced with

large, non-residential buildings and a Downtown that would only be inhabited from "9 to 5."

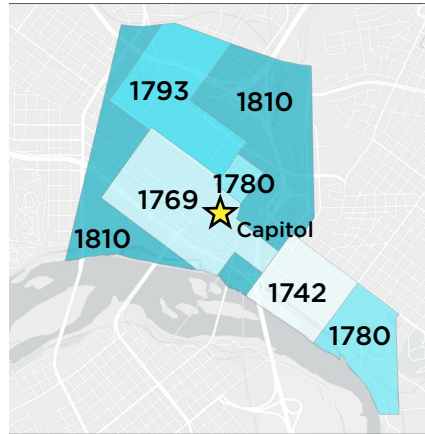
Major Downtown Richmond Milestones



1737 Shockoe Plat

1737

Richmond is founded and the city is platted by Major William Mayo for William Byrd II. The streets and blocks run parallel to the James River and encompass an area of only 0.23 square miles.



Annexations

1742

King George II grants a charter to William Byrd II to establish Richmond as a town.

1769

Areas west of the original town boundaries are annexed, going as far west as today's 1st Street.

1788

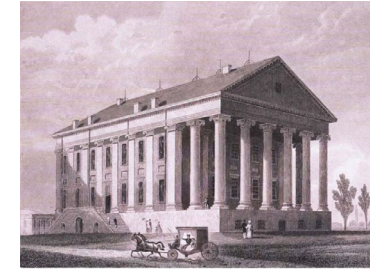
John Marshall House is built (N. 9th and E. Marshall). Marshall lives there until his death in 1835. Today, it's one of the last remaining structures in Downtown built in the 18th century.



John Marshall House

1792

The Virginia Capitol building is completed.



Virginia State Capitol

1782

Richmond is incorporated as a city with a population of 1,800 - half of whom are enslaved people or free Africans.

1780

The state capitol is moved from Williamsburg to Richmond.

The area just North of the Capitol is annexed.

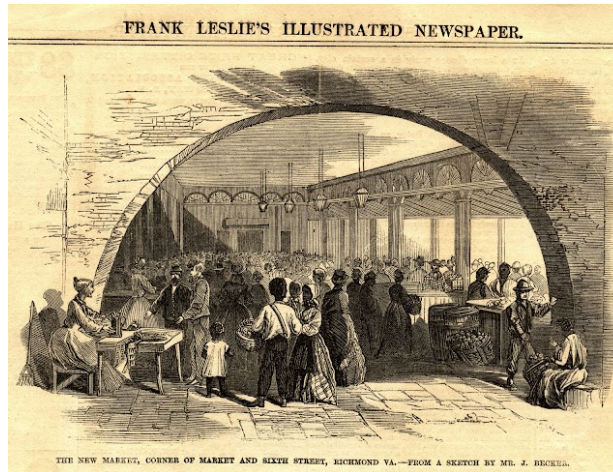
1793

Much of present-day Jackson Ward and Gilpin Court are annexed, generally Monroe to N. 9th above E. Broad.

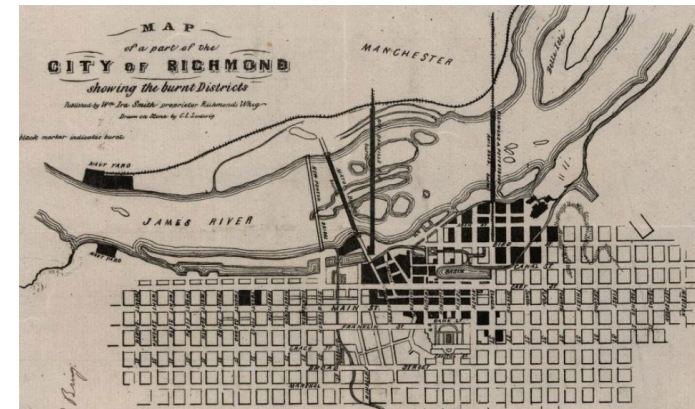
After the success of the 17th Street Marketplace, the City unsuccessfully attempts to establish a second market, Shockoe Market Hall, at E. Broad and 12th.

1810

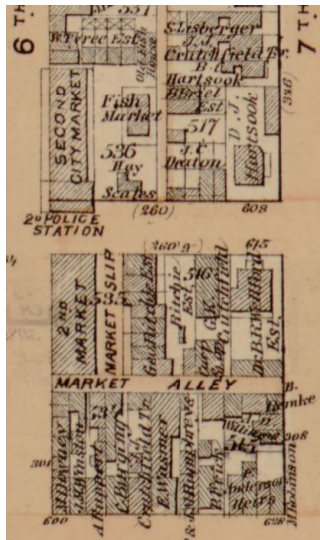
Richmond annexes a little under 1 square mile from Henrico, including much of present-day Downtown.



New Market



Areas burnt in Confederate Evacuation



Market at N. 6th and E. Marshall

1816

A "New" or "Second" market is established at the southeast corner of N. 6th and E. Marshall.

1834

The Richmond, Fredericksburg & Potomac Railroad becomes the first railroad to enter the City with a station located at N. 8th and E. Broad Streets.

The Second Market is expanded across E. Marshall Street. It becomes the largest market in Richmond by the end of the 19th Century.

1844

The Medical Department of Hampden-Sydney College (now part of VCU Health) moves into its first building, the Egyptian Building (E. Marshall and College St.)



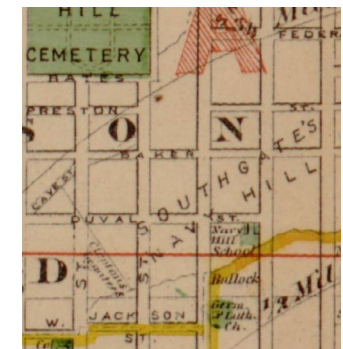
Egyptian Building

1854

Southgate Farm is subdivided and dozens of lots are sold between N. 3rd Street and N. 6th Street, north of Jackson Street. This area becomes mainly inhabited by German immigrants and later, black residents. It's then known as "Navy Hill" to honor the soldiers of the War of 1812.

1845

H Street is renamed Broad Street, as it had become a place of convergence for the major north-south and east-west streets in the region with its unusual width.



Map showing original Navy Hill

1865

Much of the Main Street commercial corridor is burned in a fire set by Confederate Troops evacuating the City at the end of the Civil War. Consequently, the Broad Street corridor, which included the 6th Street Market, becomes the premiere commercial core.

1867

Sixth Mount Zion Baptist Church is organized by Rev. John Jasper and moves to its current site on Duval Street in 1869. The present church is built in 1887. The site was threatened by the construction of the Richmond-Petersburg Turnpike in the 1950s, but was saved due to Rev. Jasper's fame. Today, it's the only building remaining on the north side of Duval Street.



Sixth Mount Zion Baptist Church

The streetcar helped create neighborhoods further from Downtown that carried racial deed restrictions. By the mid-1920's, black residents had taken over older, formerly-white areas in Downtown.



Streetcar on Broad Street

1869

Richmond Public Schools are created. Navy Hill School (N. 6th and Duval) had unofficially been operating as a school for Black children with Black teachers before this date. For many years, Navy Hill School was the only school in the city with Black faculty.

Miller, Rhoads, and Gerhart (later Miller & Rhoads Department Store) opens at 509 E. Broad.

1888

1871

Jackson Ward is created in an attempt to contain and neutralize the voting power of Richmond's recently emancipated Black population, leading to increased racial empowerment. Though it was thought to be originally named for Stonewall Jackson, the sesquicentennial celebration in 2021 re-contextualized the neighborhood by honoring Giles B. Jackson, a black resident of Jackson Ward who was born enslaved but later became the first black person to practice law before the Supreme Court of Virginia, among other achievements.

1889

Streetcar system is implemented, connecting Richmonders further from Downtown. Broad Street was the center of the elaborate streetcar network.



Hippodrome Theater

1914

The Hippodrome Theater (N. 2nd and E. Leigh) opens as a vaudeville and movie theater for Black performers, later becoming a celebrated musical locale attracting legendary greats, such as Ella Fitzgerald, Louis Armstrong, and Duke Ellington. It becomes an anchor for entertainment in Jackson Ward.

1890

By 1890, Richmond's development had shifted westward to the point where Broad Street replaced Main Street as the main corridor for commercial activity.



Theater Row

1910

Blues Armory is built as the headquarter for the Richmond Light Infantry Blues – one of the nation's most historic military units. It served as a multi-level building that housed a public market at the bottom floor.

1909

John Marshall High School (N. 8th and E. Marshall) is opened. The building is demolished in 1961.

1906

The General Assembly mandates segregation on public transit.

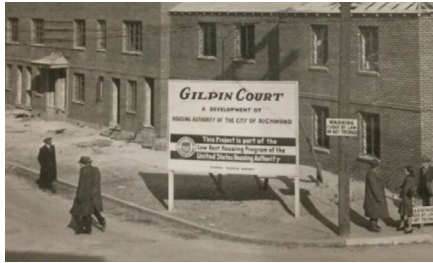
1905

Maggie L. Walker founds Consolidated Bank & Trust (N. 1st and E. Marshall), the oldest surviving Black-operated bank in the U.S. She becomes the first woman bank president.

1904

After the Virginia Passenger and Power Company announces that it would segregate streetcars, the Richmond Streetcar Boycott begins & lasts until 1906.

During the early 20th Century, the north side of E. Broad between N. 7th and N. 9th Streets developed into "Theater Row," with notable theaters like The Bijou, The National, and The Colonial Theater. This area became a hub for entertainment such as movies and live performances.



Gilpin Court

Jackson Ward was known as “Black Wall Street” and “Harlem of the South” due to the thriving Black businesses and entertainment venues. During its heyday from the 1920s through the 1940s, it was one of the most active and well-known centers of African-American life throughout the U.S., and the hub of black professional and entrepreneurial activities in the city and the state.

1922

Thalhimer's moves to its final location on E. Broad between N. 6th and N. 7th.

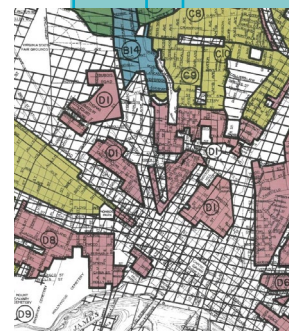
The National Theater is built at N. 7th and E. Broad.

1920

1930

1937

The Home Owner's Loan Corporation creates “residential security maps” detailing areas where the federal government should and should not give home loans. The consequences led to the phenomenon of ‘redlining,’ where black-majority areas were denied loans.



Redlining Map

1940

1940

Richmond Housing Authority (now called the Richmond Redevelopment and Housing Authority) is established through a New Deal program.

1942

St. Louis planning consultant Harland Bartholomew is tasked with overhauling the City's Zoning Ordinance. He creates specific districts for large single-family homes, known as exclusionary zoning. The majority-black areas in Downtown are surrounded by Industrial Zoning.

1943

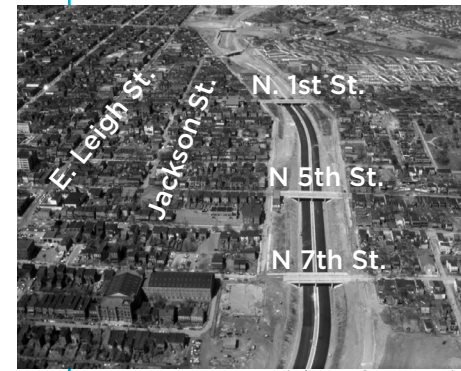
The first public housing project in Richmond, Gilpin Court, starts construction in the area formerly known as “Apostle Town.” Because it was funded by the federal government, wartime efforts meant that the new housing would only allow defense workers. Only 25 of the original residents of this area qualified to live here, displacing hundreds of Black Richmonders.

1946

The first citywide, long-range Master Plan for the City of Richmond is completed by Harland Bartholomew and adopted by the Planning Commission and City Council.

1957

Construction of the Richmond-Petersburg Turnpike (now part of I-95) is complete and Jackson Ward, a historically Black neighborhood, is divided by a major highway – resulting in the demolition of a significant portion of the neighborhood. The project displaced 10% of the city's Black population at the time.



Highway Construction

Downtown Population:
28,329*

27,335

1948

The streetcars cease operation and many are burned and replaced with buses.

1950

The first 10 professional Black firefighters are hired by the City to work at Engine Company No. 9 Fire Station (N. 5th and Jackson).

1950

17,547

1960

1960

John Marshall High School is closed. The site becomes a Federal building. The athletic fields are turned into a surface parking lot (N. 8th/E. Leigh).

1965

Navy Hill School is closed.

1964

The 6th St. Marketplace is replaced with a parking garage.

**Census tracts generally between Belvidere to the west, train tracks N. of Gilpin to the north, James River to the south, and I-95 to the east*

After World War II, the ubiquity of the automobile and federal loan programs fuel white flight to the suburbs, causing an influx of black residents in those formerly-white areas.

1968

Engine Company No. 9 Fire Station is demolished.



Construction of Convention Center

1971

City Hall is built at N. 9th and E. Broad.

The 13,000-seat Coliseum was completed, stretching 2 city blocks. It was in operation until 2018.

1976

The Blues Armory is listed on the National Register of Historic Places.

1977

Henry L. Marsh becomes the first black mayor of Richmond, and 5 of 9 City Council seats are won by Black Richmonders.

1982

Richmond Renaissance, a bi-racial non-profit, is founded to foster economic development in Downtown.



Closing of Thalheimer's

1985

The ground floor of the Blues Armory is converted to retail and restaurant space for the 6th Street Marketplace (N. 6th, E. Clay St., E. Marshall St.).



Opening of 6th Street Marketplace

1986

The Richmond Convention Center is built (E. Marshall, N. 4th, and N. 5th Streets).

1990

Miller & Rhoads Dept. Store closes its doors.

1992

Thalheimer's Dept. Store closes its doors.

1995

VA Bio+Tech Park opens, eventually housing public and private life sciences companies, research institutes, and state and national medical laboratories.

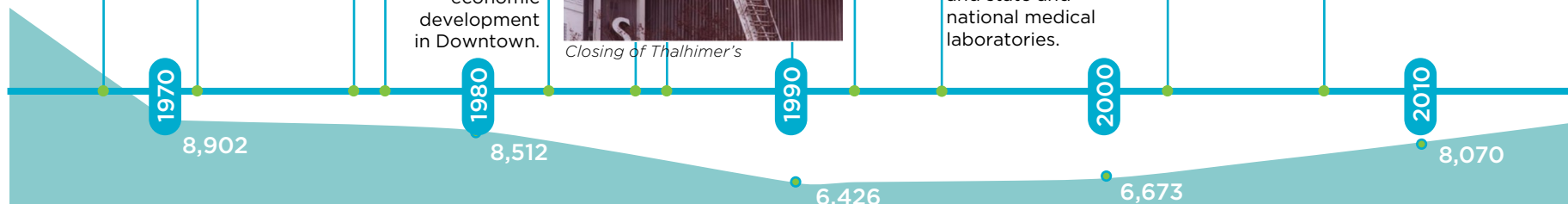
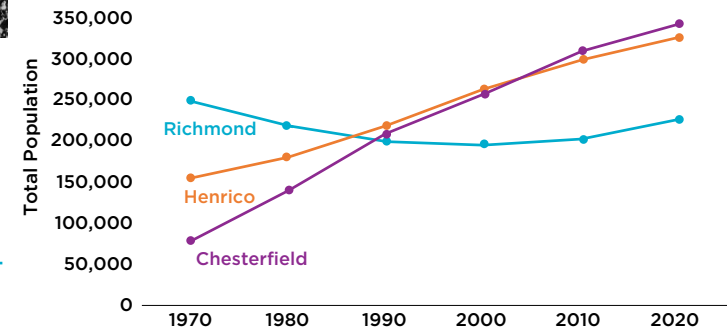
2003

The Greater Richmond Convention Center is expanded, now spanning 6 blocks.

2007

The 6th Street Marketplace closes.

After the 1970 annexation, Richmond's population began to decline as Henrico and Chesterfield's populations skyrocketed over the next several decades. Directly related to the population decline was the City's tax revenue and the decline of Downtown itself. Only recently has Richmond seen a resurgence in population.



Existing Conditions

Demographics

For the purposes of this plan, Downtown includes Census Tracts 302 and 305 (Figure 7, Figure 8, Figure 9). Downtown has had a recent resurgence in population since its lowest point in 1990. Today, almost all of the population in Downtown lives west of N. 4th Street. A large portion of the Downtown population in Monroe Ward is likely VCU students, since the Monroe Park Campus is adjacent to the western boundary. From 2000 to 2019, the share of people ages 18-34 increased from 50.8% to 73.2% (Figure 6). In the block group that includes Jackson Ward (E. Broad, N. 3rd, N. Belvidere, I-95), non-Hispanic white is the minority. However, an increase in the non-Hispanic white population has been the trend in Downtown overall since 2000 (Figure 5). Asians are overrepresented in Downtown, compared to the Richmond City share of Asians (2.1%). Educational attainment throughout Downtown has also increased since 2000. For the first time, the majority of adults over 25 in Downtown had at least a Bachelor's degree in 2019.

FIGURE 5 // Race and Ethnicity in Downtown, 2000-2019

Source: American Community Survey 5-Year Estimates (2014-2019); Census 2000, 2010

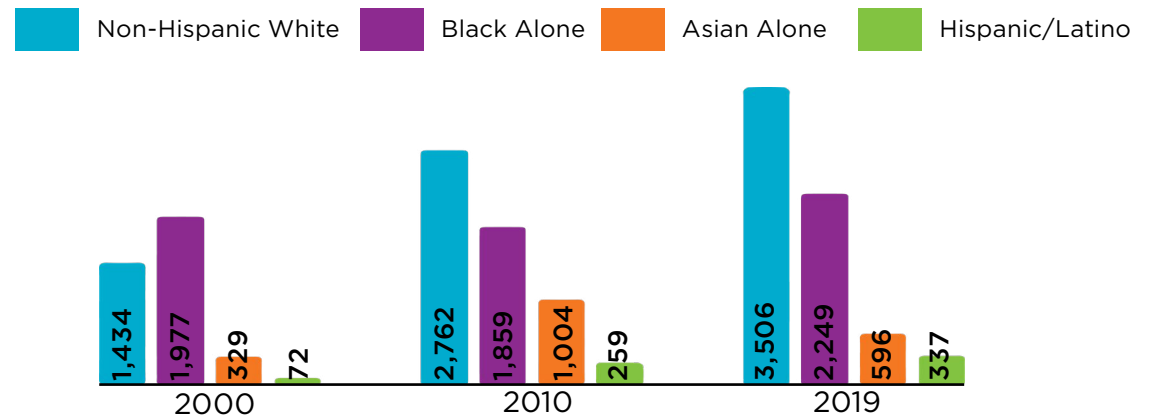
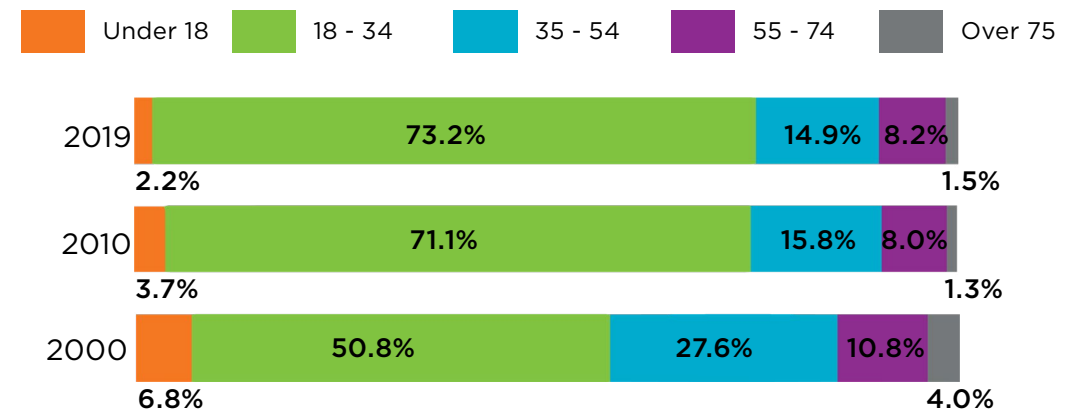


FIGURE 6 // Age Breakdown in Downtown, 2000-2019

Source: American Community Survey 5-Year Estimates (2014-2019); Census 2000, 2010



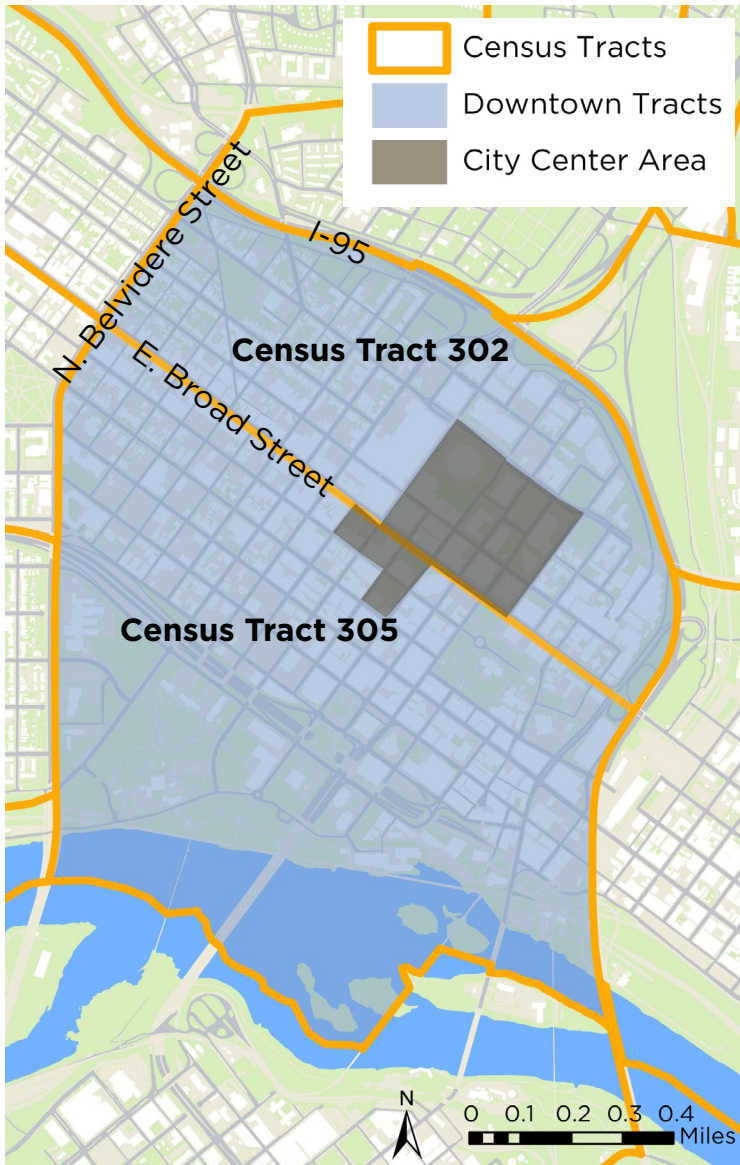


FIGURE 7 // **Census Tract Map**

FIGURE 8 // **Selected Demographic Indicators for Tract 302, 2000-2019**

Source: American Community Survey 5-Year Estimates (2014-2019); Census 2000, 2010

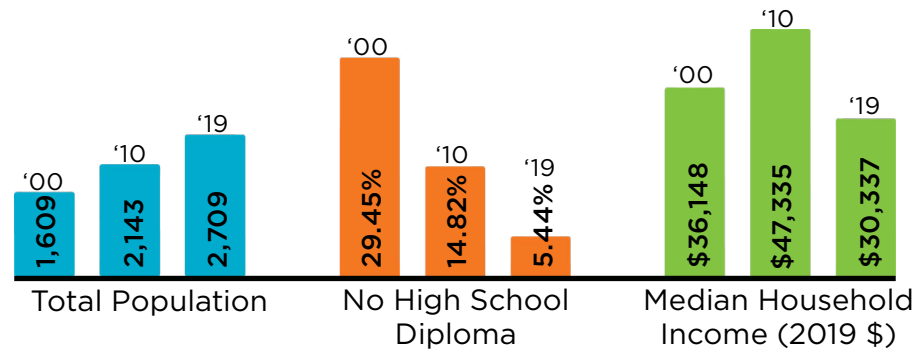
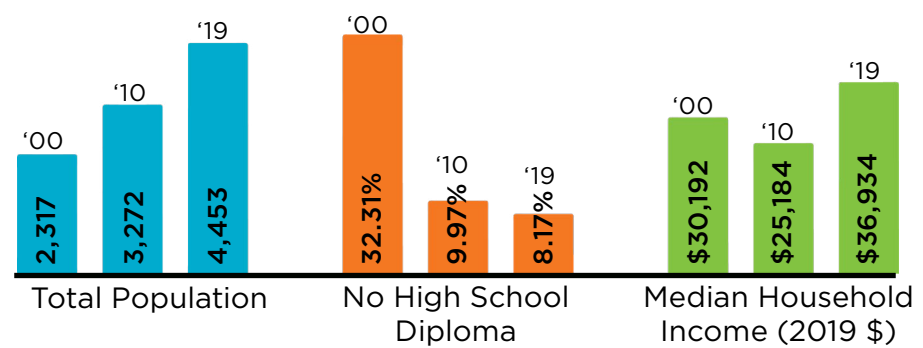


FIGURE 9 // **Selected Demographic Indicators for Tract 305, 2000-2019**

Source: American Community Survey 5-Year Estimates (2014-2019); Census 2000, 2010



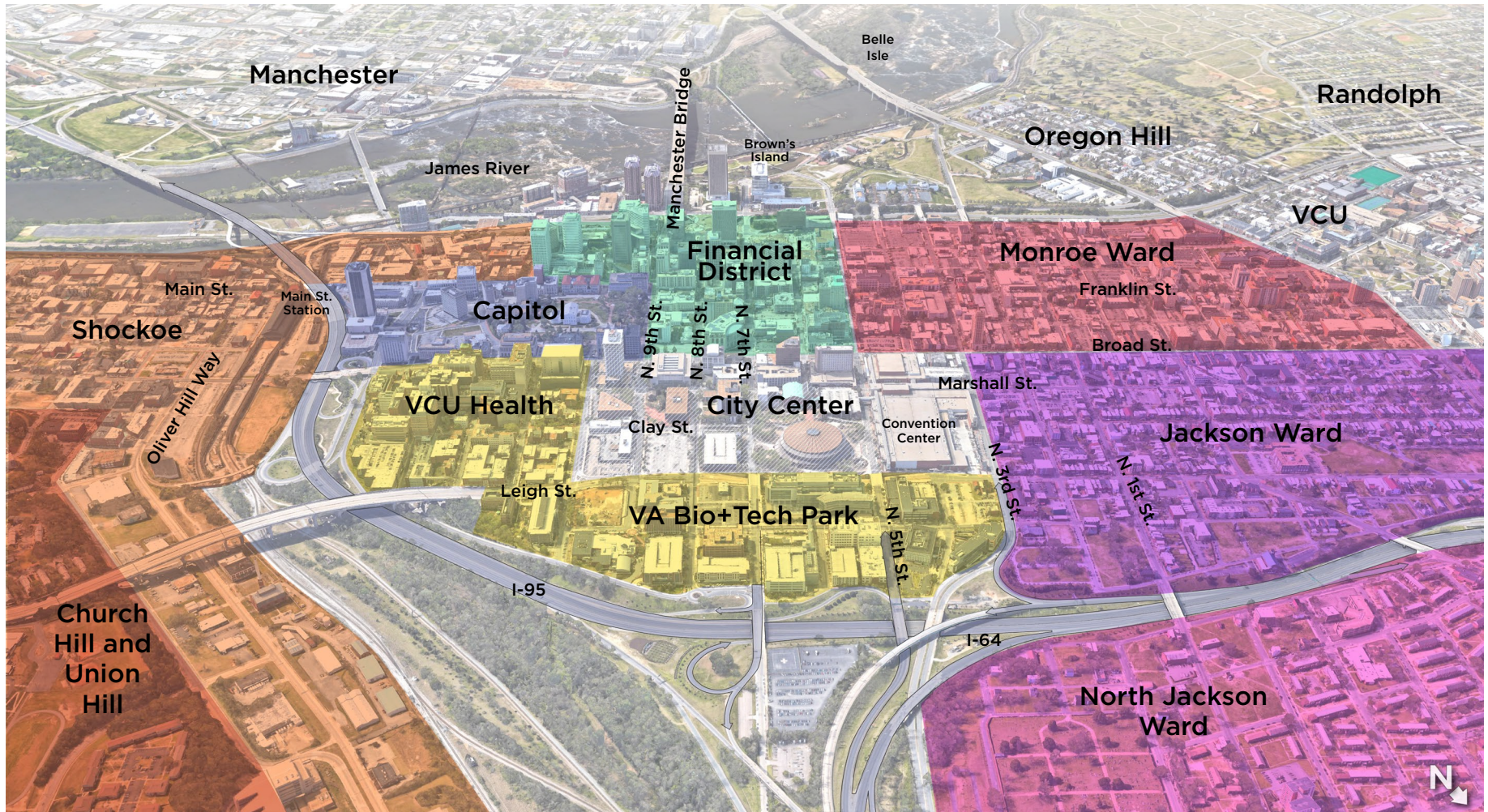


FIGURE 10 // **Adjoining Neighborhoods Map**

Adjoining Neighborhoods

City Center is a void surrounded by established neighborhoods (Figure 10). To the west of the Convention Center is historic Jackson Ward and Gilpin Court north of I-95/64. To the south is the State Capitol and other State government buildings, and further west is Monroe Ward. To the east is VA Bio+Tech Park

and the VCU Health campus. Beyond I-95 is Shockoe Bottom, and further east is Church Hill and Union Hill.

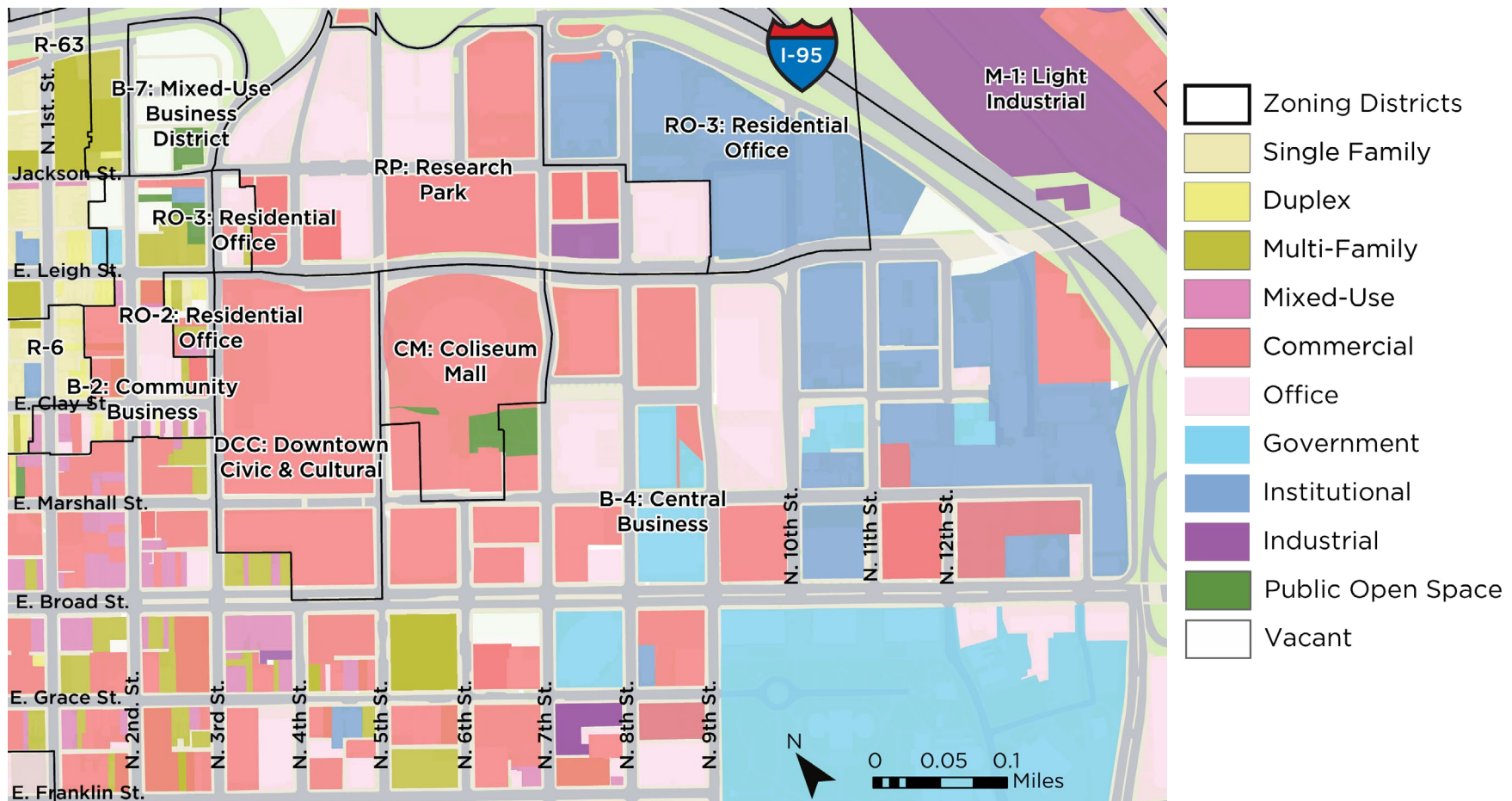


FIGURE 11 // Current Land Use & Zoning

Source: City of Richmond Appraisal Office

Current Land Use & Zoning

Land uses in this area are mostly commercial, government, and office (Figure 11). The area lacks residential uses, so it is mostly uninhabited outside of typical work hours. There are notable local, state, and federal government uses, including City Hall, the State Capitol, and federal office buildings. Several of the parcels have surface parking lots or parking decks. The Richmond Coliseum, closed since December 2018, is vacant. The Coliseum has its own

Coliseum Mall [CM] zoning district, and the Convention Center is within the Downtown Cultural and Civic [DCC] zoning district. The rest of Downtown, south of E. Leigh Street, is zoned B-4: Central Business. The surrounding areas have less intense Residential Office [RO] and Community Business [B-2] zoning. Some of the Biotech buildings north of E. Leigh are zoned Research Park [RP].

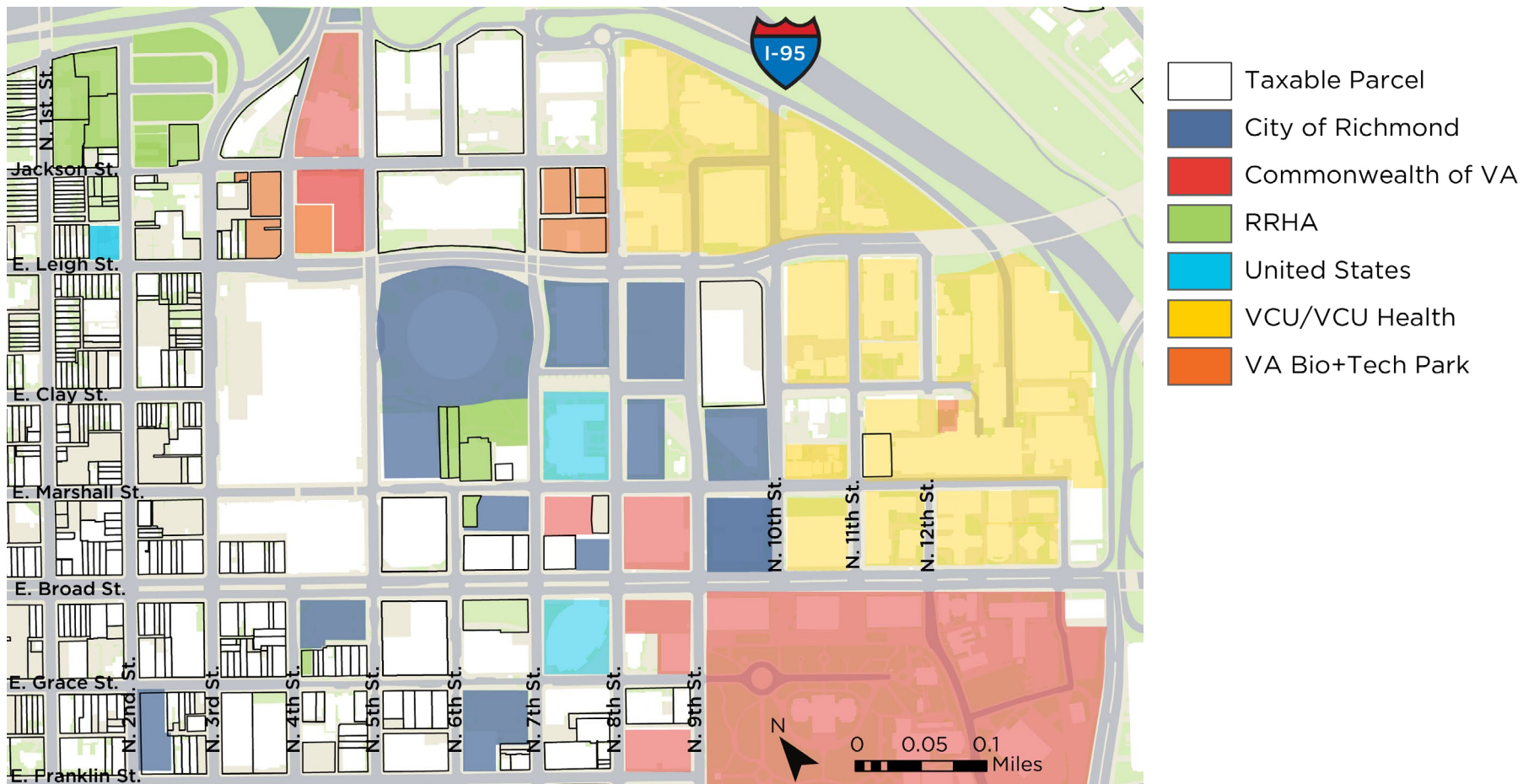


FIGURE 12 // Ownership and Taxable Status

Major Tenants

Most of the parcels in the area are tax-exempt because they are owned by the city, state, or federal government (Figure 12). The most notable owner is the City of Richmond, controlling the majority of parcels between N. 5th, E. Broad, N. 10th, and E. Leigh Streets. The Commonwealth of Virginia owns the Library of Virginia and a State-owned parking deck. Meanwhile, VCU Health owns most of the parcels east of N. 10th Street. VA Bio+Tech Park owns a handful of parcels north of E. Leigh. The IRS building

and the U.S. District Court are federally-owned. The Richmond Redevelopment and Housing Authority (RRHA) owns six parcels south of the Coliseum, including the Blues Armory, none of which are tax-exempt. Other privately-owned parcels include the Marriott Hotel and a few other LLCs.

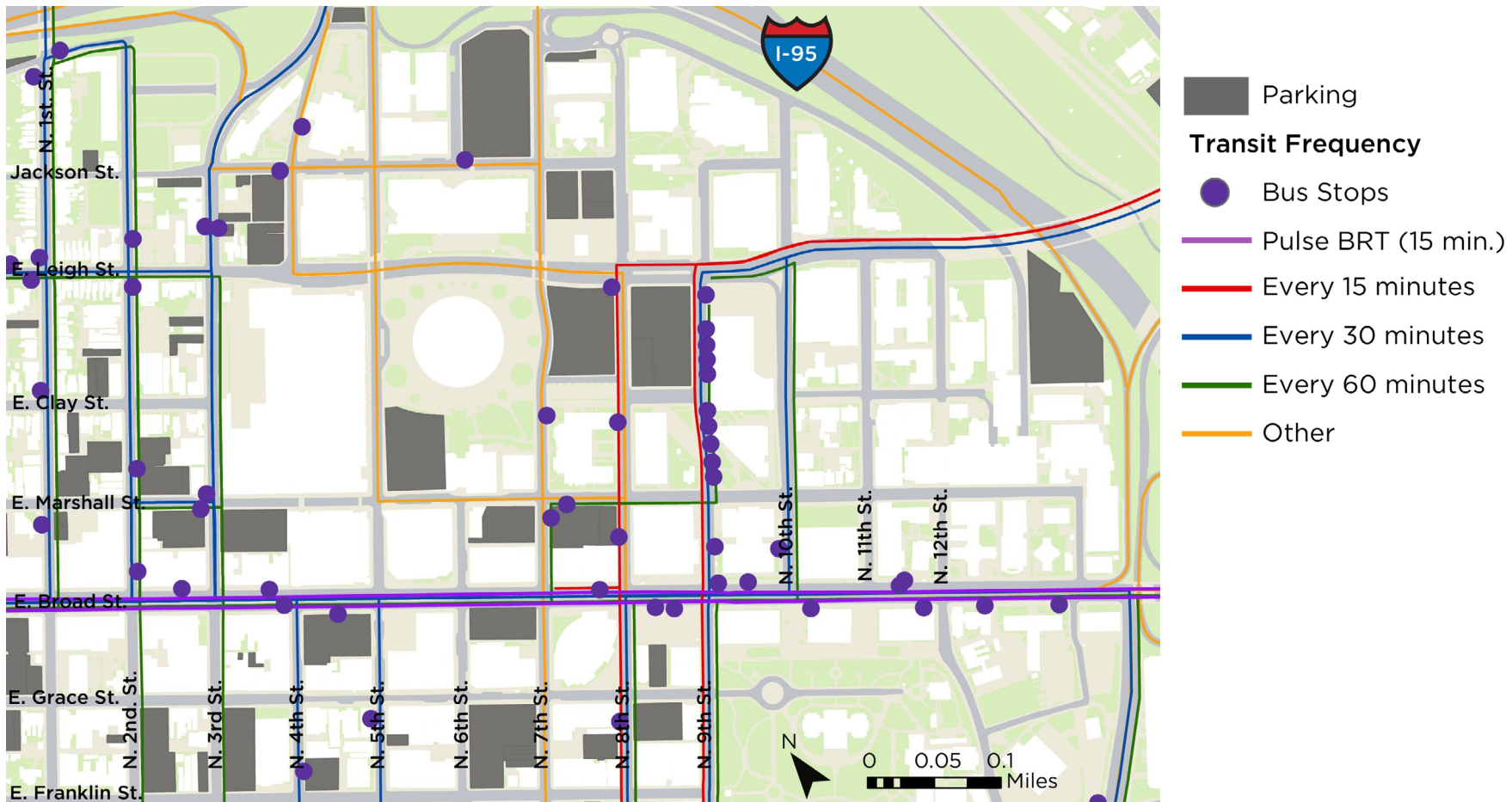


FIGURE 13 // Transit Infrastructure

Transit Infrastructure Network

Although the area is next to walkable neighborhoods, there are many barriers to walkability in the area. I-64/95 is a barrier to the north and east; extreme changes in elevation south and east may inhibit some pedestrians. The ‘superblocks’ created by the Coliseum and Convention Center act as a barrier as well. Grade changes adjacent to the Coliseum on E. Leigh Street and E. Clay Street make walking on those streets uninviting and/or unsafe. Pedestrian and bike amenities are lacking in this area. With the

lack of greenspace and abundance of surface parking lots and other impermeable surfaces, walking in the heat can be unpleasant and even hazardous for vulnerable populations.

This area sits at the convergence of many Greater Richmond Transit Company (GRTC) bus routes, including the Pulse Bus Rapid Transit line. N. 8th, N. 9th, and N. 10th Streets all have multiple GRTC routes (Figure 13).

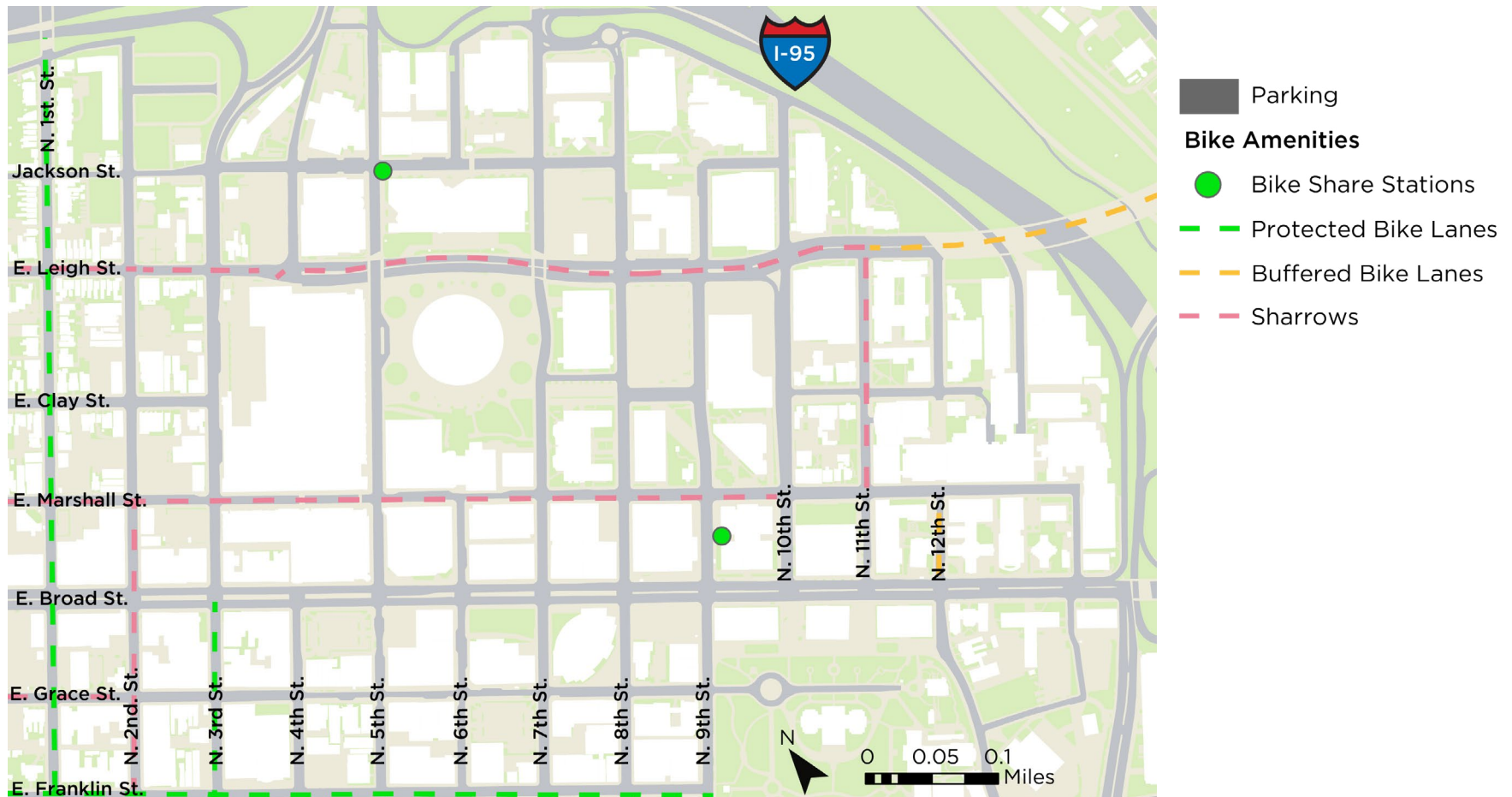


FIGURE 14 // **Bicycle Infrastructure**

Bicycle Infrastructure Network

Even as central core of Downtown Richmond, City Center's bicycle infrastructure can feel as if it doesn't provide enough for bikers. Franklin Street has continuous protected bike lanes from N. Belvidere to the State Capitol at N. 9th Street, and as does N. 3rd Street from E. Franklin to E. Broad Street. There are buffered bike lanes on the MLK Bridge which connects to E. Leigh Street at N. 11th Street and goes over I-95 to Union Hill, as well as on N. 12th Street from E. Broad to E. Marshall Street. Otherwise, the other

bike infrastructure in this area is sharrows: going south on N. 2nd Street; going north on N. 11th Street; going west on E. Leigh Street; and going east on E. Marshall Street. There are a couple of bike share stations located at the N. 9th Street entrance at City Hall and at VA Bio+Tech Park on N. 5th Street.

Existing Plans

Pulse Corridor Plan (2017)

The Pulse Corridor Plan directs future development at key nodes along the Pulse Bus Rapid Transit line. City Center is located in the Government Center Station Area which the plan envisions to evolve into a 24-hour neighborhood with “new development that matches the intensity of existing buildings but also includes active ground floor uses that enliven the sidewalks, and creates real opportunity to more fully engage the Virginia Biotechnology Research Park and VCU Health campuses with the balance of Downtown.” The station area recommendations for the Government Center Station Area and the other Downtown Station Areas include:

- **SA.40:** Develop a small area plan for the opportunity area around the VCU Medical Center, the Virginia Biotechnology Research Park, Blues Armory, the Coliseum, and City-owned land. Include VCU Health and the Virginia Biotechnology Research Park in the planning process. Explore public-private/non-profit partnerships to redevelop properties to make the area a dynamic live-work environment.
- **SA.44:** Reconnect the street grid as opportunities present themselves in order to establish a more fine-grained street pattern, while preserving the existing gridded street network by not closing any additional streets in the Downtown core.
- **SA.45:** Using City-owned lots, especially in the opportunity area around the Coliseum and the lot across from the Convention Center, develop affordable housing with a mix of uses.

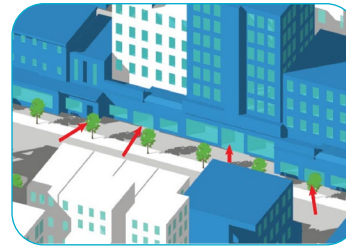
- **SA.46:** Continue to develop the Virginia Biotechnology Research Park area by attracting biotech companies to the Biotech Research Park.



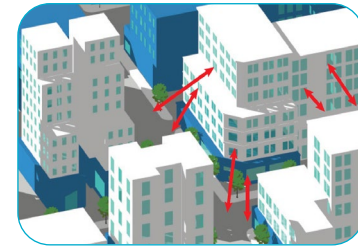
Hold the Corner



Appropriate Setbacks/Stepbacks



Entrance Faces the Street



Transparency



Façade Articulation



Screened Parking/Services

FIGURE 15 // Six Form Elements from Pulse Plan

Richmond 300: A Guide for Growth (2020)

Richmond 300: A Guide for Growth is a plan to create a more equitable, sustainable, and beautiful future for all Richmonders; so that when Richmond celebrates its 300th birthday in 2037, Richmonders can collectively see how equity- and sustainability-centered actions resulted in a beautiful city where all Richmonders thrive. The Department of Planning and Development Review (PDR) developed this new citywide Master Plan with extensive community engagement to plan for and guide Richmond's future growth. Richmond 300 includes five topic visions that will guide how the city should physically grow over the next 20 years. The Guiding Principles for the City Center Plan are based on these topic visions:



High-Quality Places: Richmond is a well-designed city of communities interconnected by a network of Nodes, public facilities, and open spaces providing services to residents, businesses, and visitors.



Equitable Transportation: Richmond prioritizes the movement of people over the movement of vehicles through a safe, reliable, equitable, and sustainable transportation network.



Diverse Economy: Richmond is home to a variety of businesses and industries that offer opportunities for quality employment and capital investment.



Inclusive Housing: Richmond is a city where all people can access quality housing choices.



Thriving Environment: Richmond is a sustainable and resilient city with healthy air, clean water and a flourishing ecosystem.

Richmond 300 identifies five Priority Growth Nodes where the City is encouraging the most significant growth in population and development over the next 20 years. City Center is located within the Downtown Core Node. The Primary Next Steps for achieving the vision for this node from *Richmond 300* include:

- **Coliseum Plan:** Develop the Coliseum Area Framework Plan with community engagement.
- **Coliseum Redevelopment:** Create and issue a Request for Proposals for the Coliseum area using the guidance from the Coliseum Area Framework Plan to reposition City-owned assets into revenue-generating properties.
- **Life Sciences Cluster:** Market and expand growth opportunities for life science-focused businesses and supporting entities clustered near VA Bio+Tech Park and VCU Health (Goal 11).
- **Downtown Marketing & Services:** Continue to market Downtown as the cultural, business, government, and recreation destination of the Richmond Region and support cleaning, event, and placemaking services throughout Downtown.
- **Non-Car Connectivity:** Improve non-car connectivity by encouraging urban design that promotes walking, continuing to improve transit access, and developing on-street bike facilities and greenways to Jackson Ward, the Riverfront (per the Riverfront Plan), Church Hill, and other areas.

Future Land Use

Richmond 300: A Guide for Growth includes the Future Land Use of areas throughout the city. Future land use designations are both visionary and strategic, and include language about how the area should look and feel in the future, but do not specify what an owner can or cannot legally do with their property. Figure 18 shows the Future Land Use designations in and around City Center. Most of the City Center Area is designated as Downtown Mixed-Use.

Downtown Mixed-Use

Central business district of the Richmond region features high-density development with office buildings, residential buildings, and a mix of complementary uses, including regional destinations in a highly-walkable urban environment.

Development Style: Higher-density pedestrian- and transit-oriented development encouraged on vacant or underutilized sites. Historic buildings are adapted for new uses. Future development should be urban in form and may be of larger scale than existing context. Plazas and setbacks create an engaging street life. Many buildings are vertically mixed-use. New developments continue or introduce a gridded street pattern to increase connectivity.

Ground Floor: Ground floor uses engage with and enliven the street. Monolithic walls are discouraged, while windows, doors, storefronts, and other features that allow transparency and interaction between building and street are encouraged. Active commercial ground floor uses required on street-oriented commercial frontages.

Mobility: Pedestrian, bicycle, and transit access are prioritized and accommodated. Bike parking is provided. Driveway entrances are required to be off alleys whenever possible; new driveways are prohibited on priority and principal street frontages. Surface

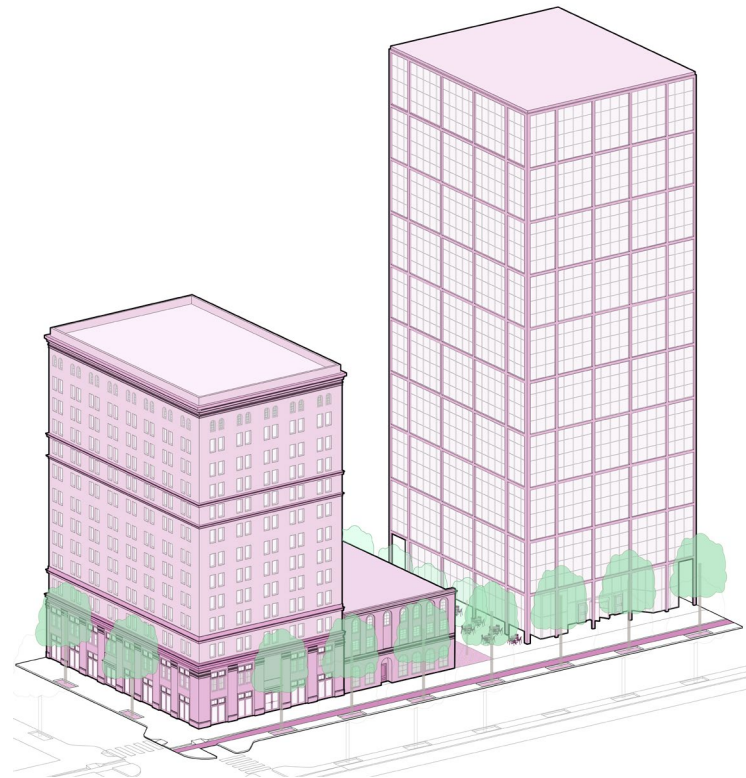


FIGURE 17 // Downtown Mixed-Use Diagram



FIGURE 16 // Downtown Mixed-Use Perspective

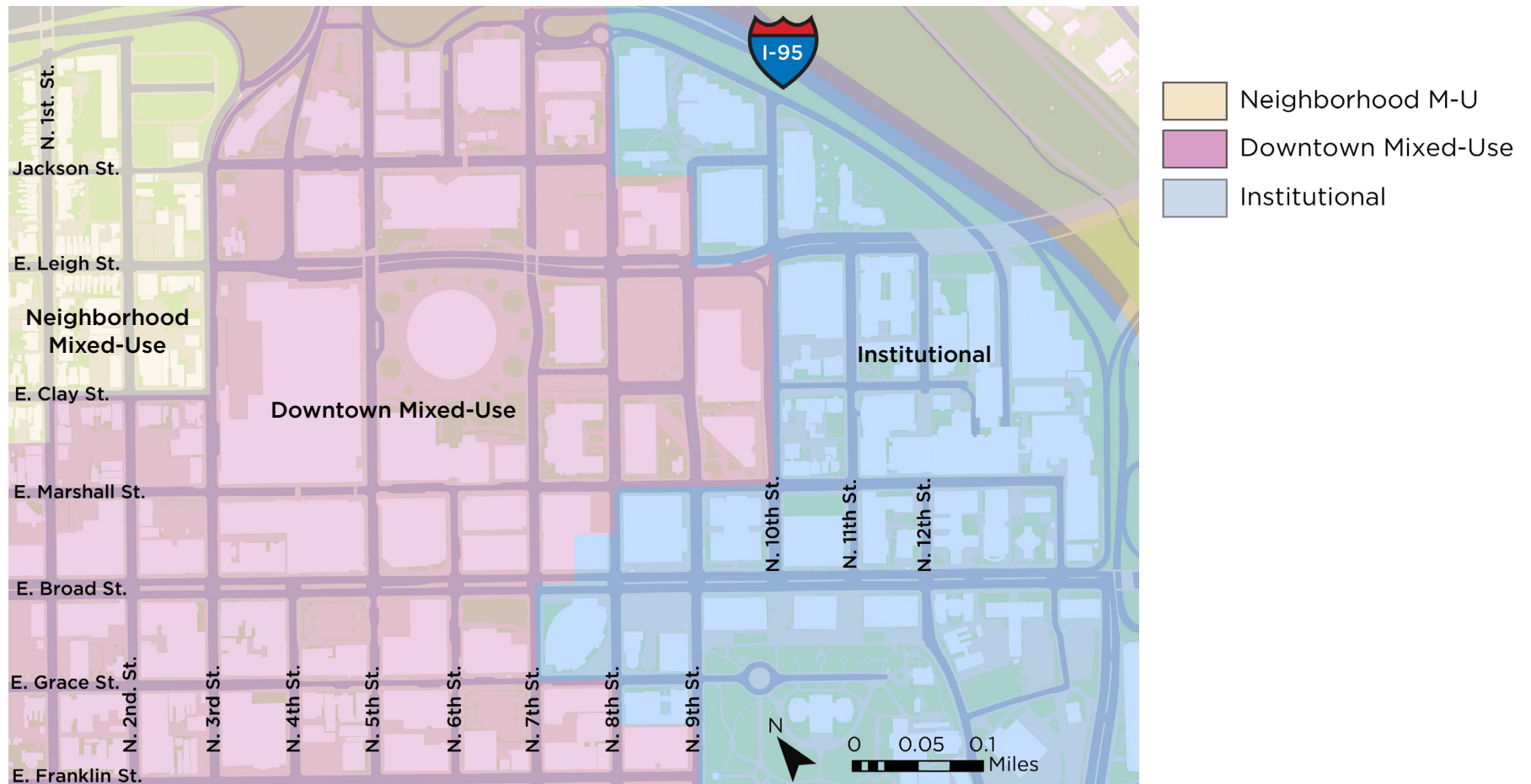


FIGURE 18 // Future Land Use Map

parking is prohibited as a principal use. Parking requirements are substantially less in these areas than other areas of the City and are largely eliminated.

Intensity: Buildings typically a minimum height of five stories.

Primary Use: Retail/office/personal service, multi-family residential, cultural, institutional, government, and open space.

Vision and Guiding Principles

City Center is the right place at the right time to become Richmond's Life Sciences Innovation District.

The vision for City Center is to become the engine for expanding Greater Richmond's life sciences industries. City Center will be the place to live, learn, collaborate, create, and develop new life science businesses in a high density, walkable, urban full-service environment that includes multi-modal transportation options to city and regional neighborhoods and job centers (see Figure 19).

Guiding Principles

- **Making City Center a High-Quality Place:** Intentionally redevelop City-owned properties within City Center to create a walkable, beautiful, and distinctive Innovation District with high standards of urban design. Establish a series of connected public open spaces that enrich and enliven City Center. Integrate a diverse mix of uses to complement the surrounding context and incorporate activated ground floors to enliven the area.
- **Connecting with Safe & Equitable Transportation:** Prioritize the movement of people over the movement of vehicles through a safe, reliable, equitable, and sustainable transportation network, promoting easier and safer access to and through the City Center. Seamlessly connect City Center to Richmond neighborhoods and other nearby attractions through enhanced pedestrian, bike, transit, and vehicular access and connectivity.
- **Diversifying City Center's Economy:** Diversify City Center's economic portfolio from primarily government uses to uses that leverage the adjacent educational institutions and VA Bio+Tech Park to create an Innovation District where these anchor institutions connect with start-ups, business incubators, accelerators, and other life science institutions. Enhance and complement existing tourist attractions through the development of hotels and entertainment venues. Provide opportunities for local, small, and minority-owned business to be a part of the redevelopment of City Center.
- **Creating Inclusive Housing Options:** Leverage City-owned properties in the City Center Innovation District to expand the availability of housing options at all income levels, increasing the number of dwellings Downtown to bring people closer to jobs and frequent transit.
- **Stimulating a Thriving Environment:** Develop City Center as a sustainable and resilient Innovation District with a built environment that enhances and protects natural assets. Reduce air and water pollution through green transportation, building and infrastructure design, and construction methods. Ensure that residents have equitable access to nature and a healthy community by increasing the tree canopy, greenspace, and access to healthy foods.

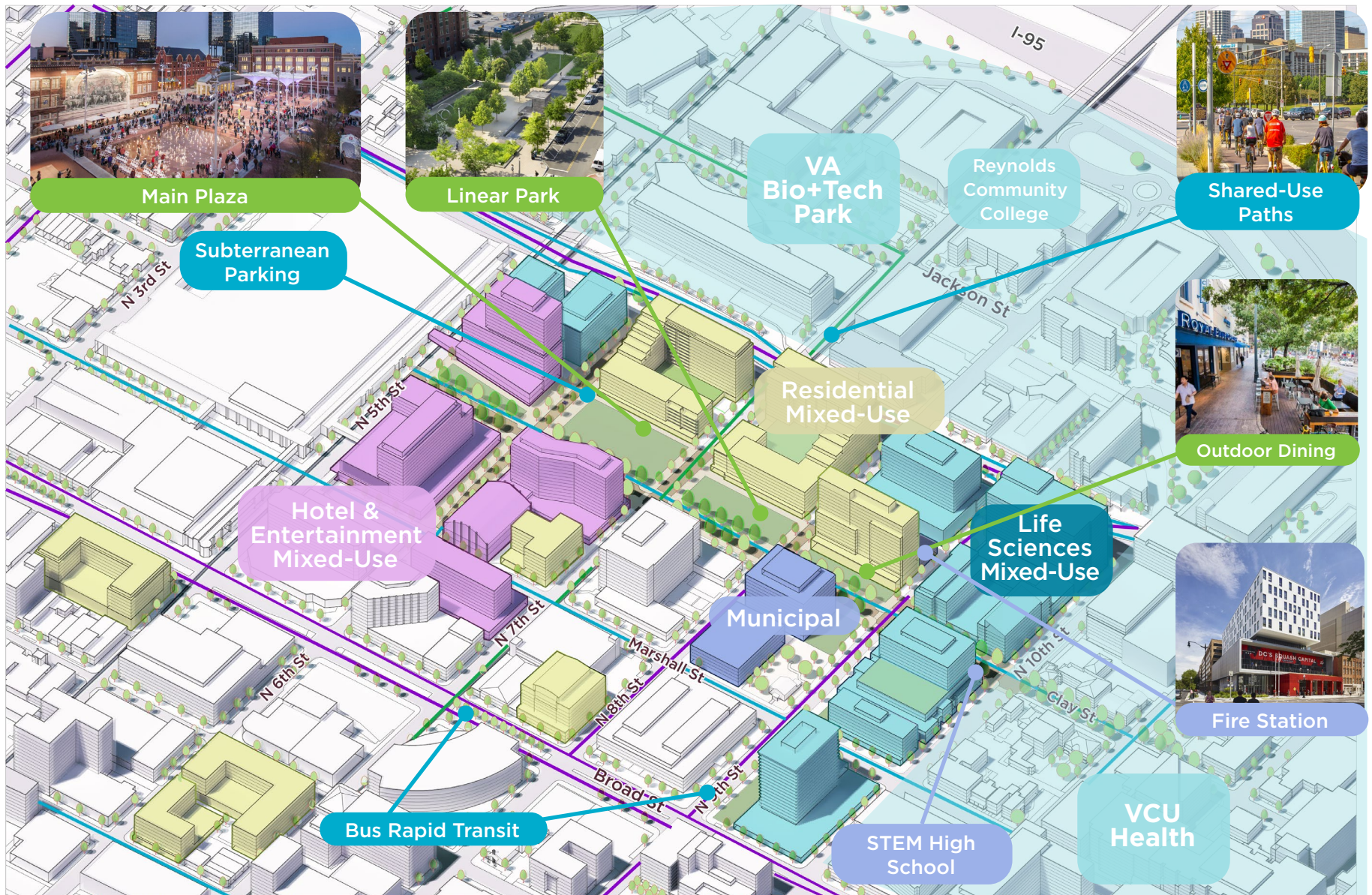


FIGURE 19 // City Center Innovation District Conceptual Map

Note: The conceptual massing diagram illustrates the potential shape and scale of buildings and open space; however as these areas develop, the exact design and scale of the buildings and spaces may be different from what is depicted in this conceptual illustration. The exact location of specific uses may also adjust overtime.

Plan Overview

The City Center Innovation District Plan proposes a series of development clusters. These are meant to guide future development in creating a mixed-use Innovation District. The exact location of future uses within City Center will most likely change as the implementation of the plan evolves.

Development Clusters

Hotel & Entertainment: Situated adjacent to the eastern edge of the Greater Richmond Convention Center, the Hotel and Entertainment Cluster includes the development of over 800 hotel rooms (Figure 20). A Headquarters Hotel could locate on Block 1A and connect directly into the Convention Center and include active ground floor uses to engage with the open space. While the existing parking garages on Blocks 5 and 9 may remain in the near-term, these present opportunities for additional hotel and mixed-use development. Block 6 can accommodate several mixed-use buildings in addition to rehabilitating the Blues Armory Building. This cluster could incorporate other entertainment venues including a movie theater, performances spaces, and art galleries. All buildings should include active ground floor uses including retail and restaurants. Buildings should engage with the adjacent streets and open spaces to enhance the pedestrian environment.

Residential: City Center's redevelopment could include over 2,000 residential units with neighborhood amenities including a grocery store. Block 2 should be developed with mixed-use buildings to serve the residents and employees within City Center and the surrounding neighborhoods.

Life Sciences and Office: City Center will become an Innovation District to encourage the growth of entrepreneurship, creativity, and innovation, specifically in the Life Science fields. The Life Science and Office Cluster benefits from proximities to Reynolds Community College, VCU Health, and the VA Bio+Tech Park with mixed-use office buildings being shown near the edges of City Center in Blocks 4 and 8. This cluster also includes a public high school on Block 8 which could build partnerships with adjacent higher education institutions and life science anchors.

Municipal: City functions in City Center are consolidated into a site within City Center or elsewhere. A new STEM high school can be located within a mixed-use building within any of the development clusters. A fire station to serve Downtown can be included within a mixed-use building within any of the development clusters.

Networks

Street Network: City Center has a gridded street network through the reintroduction of N. 6th Street from E. Broad Street to a new connector road parallel to E. Leigh Street and E. Clay Street from N. 10th Street to N. 5th Street.

Bicycle Network: Introduce bike lanes on E. Leigh, E. Clay, and E. Marshall Streets. The Fall Line Trail, a 43-mile shared-use path, connects City Center to Ashland & Petersburg and travels down Jackson and 7th Streets.

Transit Network: Continue to support transit infrastructure throughout City Center.

Open Space Network: Develop open spaces of varying scales on E. Clay Street and N. 9th Street.

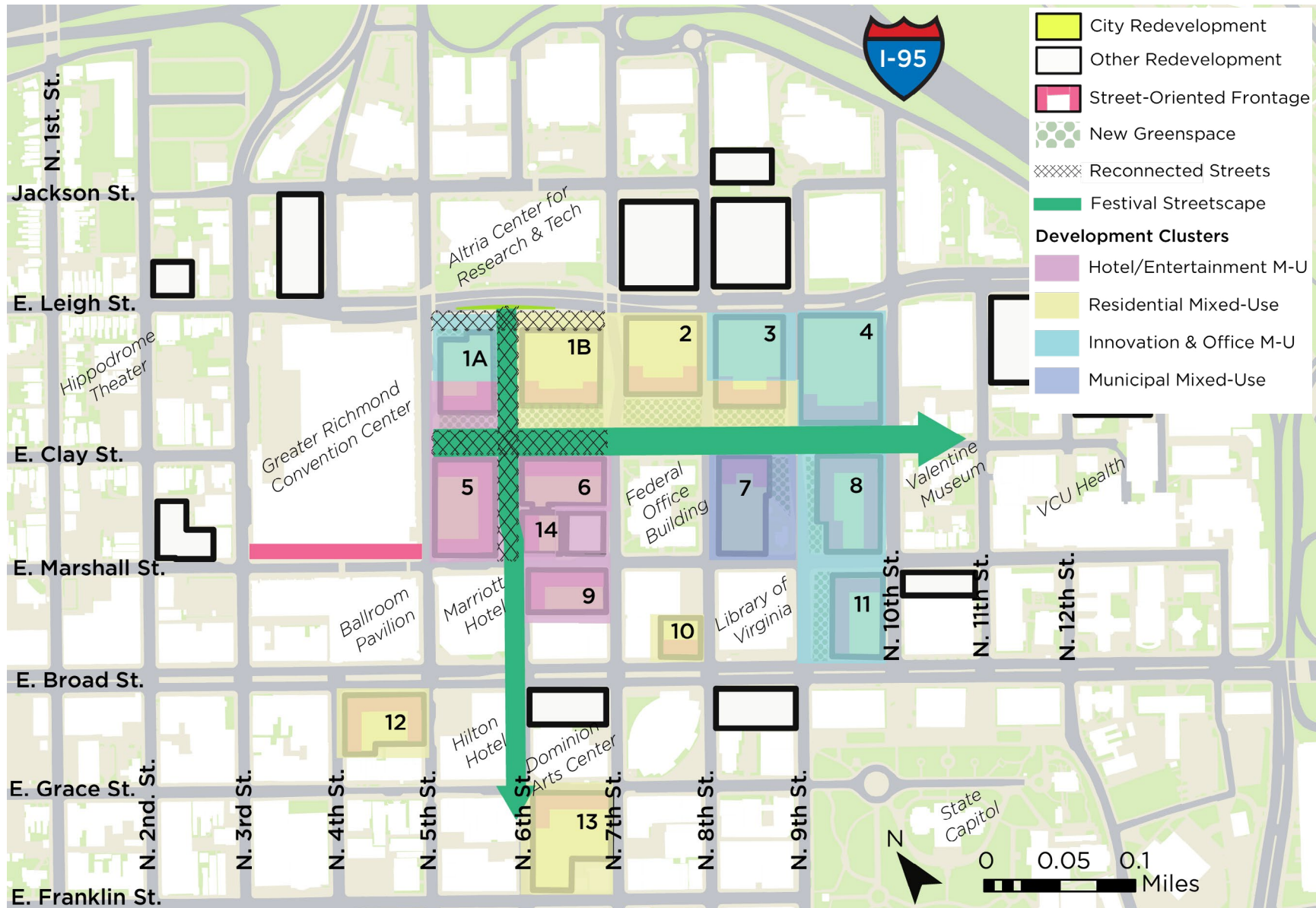


FIGURE 20 // Site Plan with Potential Development Clusters

High-Quality Places

Guiding Principles: Intentionally redevelop City-owned properties within City Center to create a walkable, beautiful, and distinctive Innovation District with high standards of urban design. Establish a series of connected public open spaces that enrich and enliven City Center. Integrate a diverse mix of uses to complement the surrounding context and incorporate activated ground floors to enliven the area.

Goal 1: City-Owned Assets

Efficiently manage City-owned land and facilities.

City Center is home to multiple City-owned assets including City Hall, the John Marshall Courts Building, the Richmond Coliseum, the 730 Building, Marshall Plaza, and multiple parking lots and garages (Figure 21). While some civic uses will remain in the area, other uses will be relocated or eliminated to allow for the redevelopment of the parcels by private parties. The majority of the City-owned structures have significant maintenance issues and continued maintenance to prolong their useful life is not appropriate (Figure 2 and Appendix A).

Objective: Utilize a real estate management and disposition strategy, prioritizing increasing jobs, housing, access to parks, and other basic needs of low-income and traditionally marginalized communities. (See the Equitable Development Benefits for specific goals for private development on City-owned land).

Strategies:

- a. Continue to study the needs of City functions in this area following the release of the Department of Public Works Facilities Plan.
- b. **John Marshall Courts Building:** Explore options for a new Courts Building, including a major renovation of the existing building, rebuilding another Courts Building on the same parcel, or relocating the Courts Building elsewhere.
- c. **City Hall:** Explore options for City Hall, including a major renovation of the existing building, rebuilding another City Hall on the same parcel, or relocating City Hall elsewhere. Evaluate which City services and offices need to be located in the new City Hall building and which uses can be located elsewhere. Design City Hall to be welcoming to citizens and engage with the street. Explore incorporating amenities in to complement transit users, bicyclists, and pedestrians.
- d. **Richmond Coliseum:** Demolish the Coliseum, re-establishing the street network and city blocks that existed prior to the 1970s. Private development on the Coliseum site expand the Innovation District offerings and include significant open space.
- e. **Theater Row Building (730 E. Broad Street):** Evaluate the needs of existing City uses and potentially relocate to a centralized City Hall building and/or off-site locations to allow for the redevelopment and adaptive reuse of this building, with preservation of the building's historic facade. The Historic Richmond Foundation holds a conservation easement on this building.
- f. **Department of Social Services Building:** The City's social service delivery model is moving towards providing services within the communities they serve, and therefore a centralized DSS building at this site may no longer be needed. Some DSS services could be relocated to the City Hall building and in locations throughout the City. Private development on this site

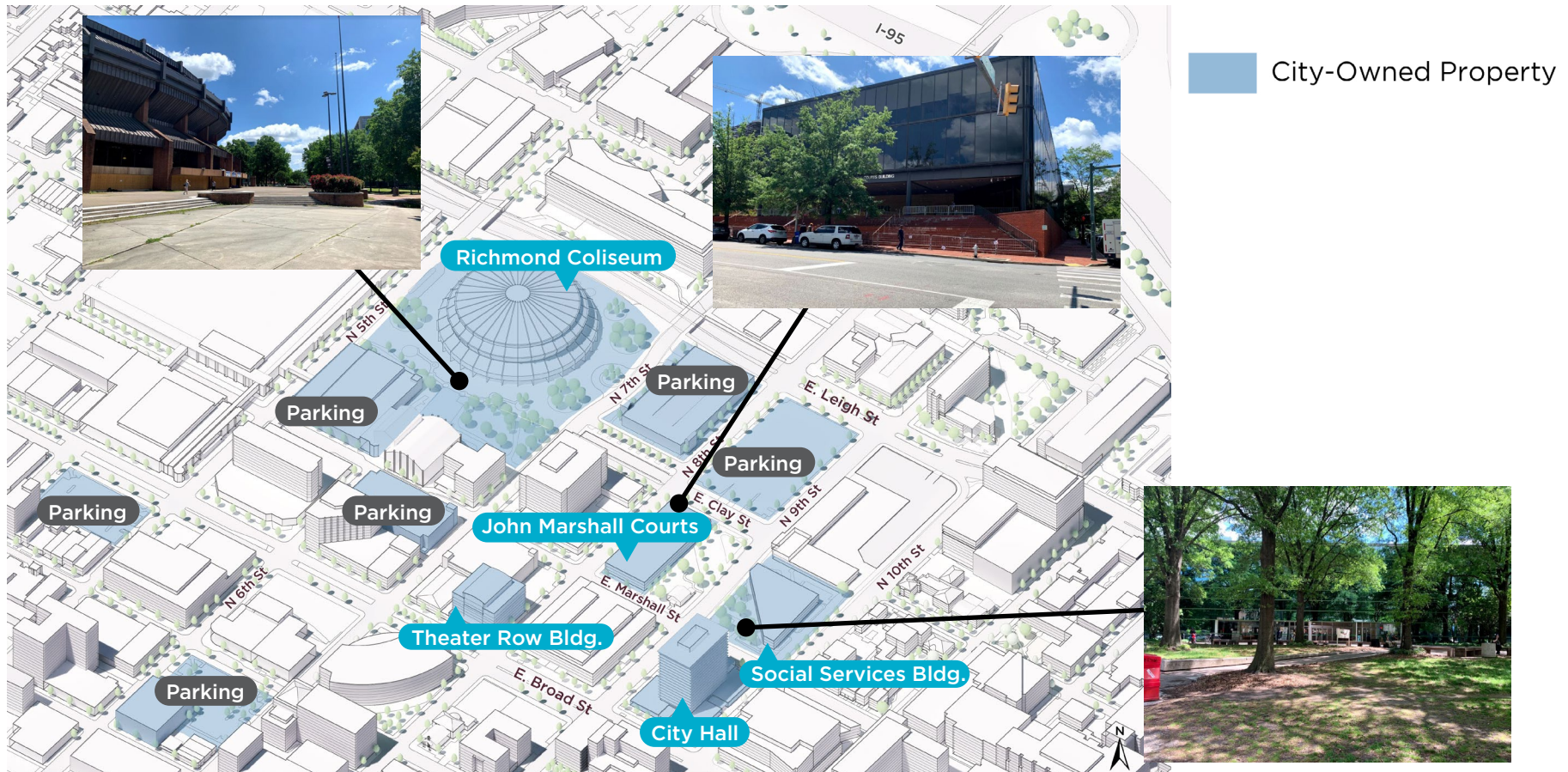


FIGURE 21 // Existing Conditions

should expand the Innovation District offerings and potentially include municipal uses as well.

- g. **Parking Lots:** Redevelop City-owned surface parking lots and parking decks to a higher and better use, while also providing multi-modal transportation options.
- h. **New Fire Station:** According to the Richmond Fire Department, “a new fire station in the center of Downtown along with a fire headquarters is needed.” To meet the demands of the increased population Downtown, a new fire station should be included in the redevelopment of City Center. At the request of the Fire

Department, it should have access to primary through-streets. This station does not need to be a standalone use and can be included in a mixed-use building.

- i. **New STEM High School:** City Center has robust post-secondary options. A STEM-focused high school within City Center Innovation District will create pathways for Richmond students to enter tech & life science careers.

Goal 2: Open Space

Define the area with great public open spaces.

Currently, City Center's public open spaces are not activated and lack trees, plantings, and other green space. While Festival Park hosted Friday Night Cheers and other events when the Coliseum and 6th Street Marketplace were active destinations, today it sits vacant. The open space near the John Marshall Courts Building is composed of hardscaping and limited vegetation. The City Center Plan proposes to create open spaces of various scales adjacent to active uses (Figure 22). These public spaces will provide various destinations for residents, visitors, and Downtown workers.

Objective: Increase neighborhood and citywide access to, and through, with a well-designed network of open spaces within City Center which provide destinations for City Center residents and visitors.

Strategies:

- a. Establish a series of connected public open spaces that enrich and enliven City Center. Program the open spaces with events throughout the year. Incorporate elements such as electrical outlets to support food trucks, playgrounds, fountains, and street furniture to make each of the spaces unique. The plan proposes three forms of open space:
 - **Large Signature Open Space:** accommodates citywide and community events (See Figure 22).
 - **Linear Open Space:** provides neighborhood amenities and regional destinations including areas for civic engagement, playgrounds, engaging public art, outdoor dining, and recreational amenities.

- **Smaller Open Spaces:** provides opportunities for outdoor dining and interaction with the adjacent ground floor commercial uses. These open spaces provide visual connectivity into the City Center from major intersections including N. 5th and E. Clay Streets and N. 9th and E. Broad Streets.
- b. Make flexible open spaces, such as festival streets, that draw residents and visitors to City Center through programming initiatives. Develop E. Clay Street and N. 6th Street as festival streets which can be temporarily closed to vehicular traffic to allow for incorporation of these streets in the adjacent open spaces.

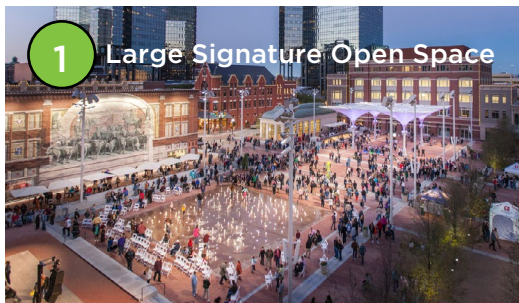
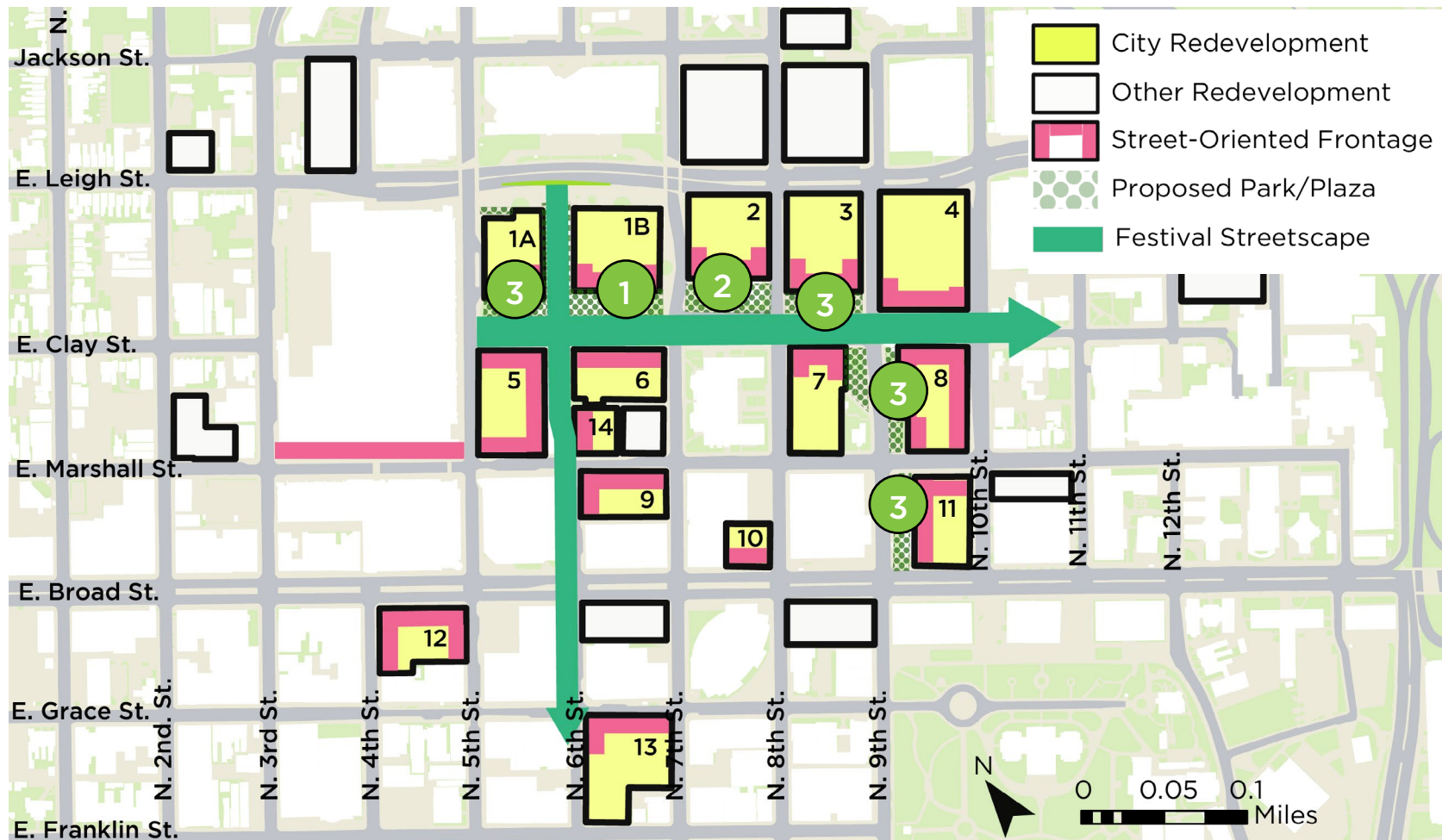
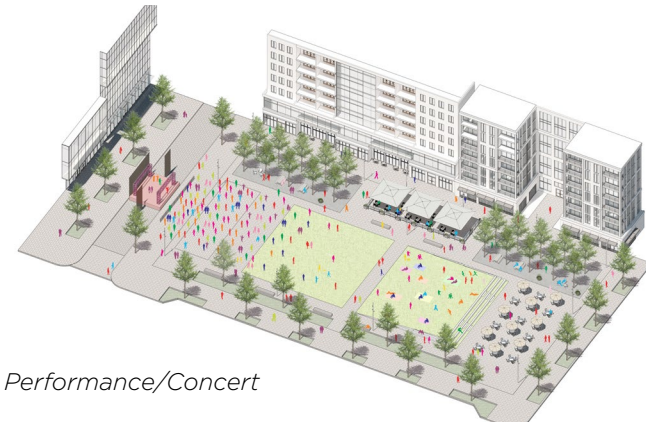


FIGURE 22 // Green Space

Signature Open Space

The main plaza at the intersection of N. 6th and E. Clay Streets can be programmed for various activities and serve as a citywide convening space. The space can host concerts, festivals, outdoor movies, and holiday events including ice skating and tree lighting. The park also is active with everyday uses such as outdoor dining through movable seating, active and passive recreation, and amenities for families including water features and playgrounds. The main plaza can also host events programmed by the Convention Center to expand their offerings to potential conference organizers.



Outdoor Performance/Concert



Ice Skating Rink

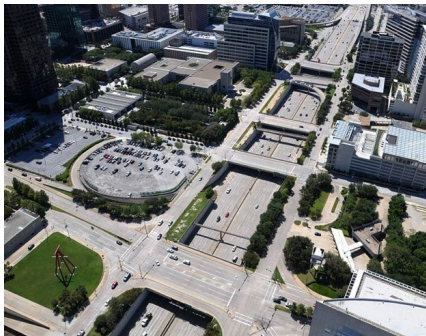


Everyday Use

Public Open Space as a Destination

85% of U.S. residents identify proximity to parks, playgrounds, open space, or recreation centers as an important factor in their decision of where to live, and high-quality parks are one of the top factors that businesses cite in relocation decisions. When there is investment in equitable access to parks and open space, it can boost economic development, improve community health and wellness, and enhance adjacent projects' financial success. The following two examples show large public-private investments in public open space that replaced neglected areas in their cities, which used placemaking to create public open spaces that are worthy of their own destination.

Klyde Warren Park (Dallas, TX)



Built on an overpass in the Central Core of Dallas in 2012, Klyde Warren Park is a 5.2-acre urban greenspace that transformed Downtown Dallas and is now one of the most visited attractions in the region. Klyde Warren is highly programmed, hosting 1,300 events annually. The Park is projected to generate \$312 million in economic development, \$13 million in tax revenue, and has more than 1 million annual visitors. Klyde Warren Park hosts food trucks, a children's playground, a dog park, dining facilities, and numerous active and passive spaces.

Canal Park (Washington DC)



Located in the Navy Yard neighborhood, Canal Park is a 3-acre linear greenspace that replaced a city-owned school bus facility lot in 2012. The Park hosts a weekly farmers market, movie nights, an ice skating rink, and has become a key focal point of activity in the city. This public-private investment has enhanced the value of adjacent properties, which now overlook a valuable and vibrant public amenity, and has been a catalyst for the broader revitalization of the Navy Yard neighborhood. Canal Park gets around 28,000 visitors annually and has increased the perceptions of cleanliness and safety in the area by 200% since it opened.

Goal 3: Zoning & Urban Design

Create a distinctive neighborhood with high-quality design and activated streets.

Zoning is the legal framework that guides how property owners may develop their land. Urban design refers to how the built environment looks and feels, how buildings relate to one another, and how the “public realm” (streets, sidewalks, parks, etc.) enables such uses to function. Currently, most buildings within City Center have limited engagement with the public realm due to lack of good building design and active ground floor engagement. Zoning can create requirements to help foster a new dynamic neighborhood (Figure 23).

Objective: Develop City Center into a high-quality, distinctive, well-designed, walkable neighborhood.

Strategies:

- a. Develop a new zoning district for City Center that supports the development of uses that support the life sciences innovation district and create a walkable urban realm. Explore creating one zoning district for all the properties from I-95/I-64 to E. Broad Street and N. 5th Street. Currently these areas are zoned RP, RO-3, CM, and B-4.
- b. On development sites that encompass most of a city block or block frontage, require multiple buildings and/or façade articulation to increase visual interest, require massing that is responsive to the human scale, and include pedestrian through-block connections through super blocks.
- c. Require buildings to meet the six design elements outlined in the Pulse Corridor Plan: Hold the Corner, Appropriate Setbacks/Stepbacks, Entrances Face the Street, Transparency, Façade Articulation, and Screened Parking/Services (Figure 15).
- d. Require the podiums of tall buildings to reflect the human scale, with design elements and active uses on the ground level.

- e. Develop public art projects to elevate City Center’s unique character and history through creative placemaking.
- f. Implement public realm standards to include shade trees, bike parking, bike share, signage, public art, screened parking, street furniture, pedestrian-level lighting, and other elements in the public right-of-way that enhance placemaking and walkability.

Goal 4: Adjacent Neighborhoods

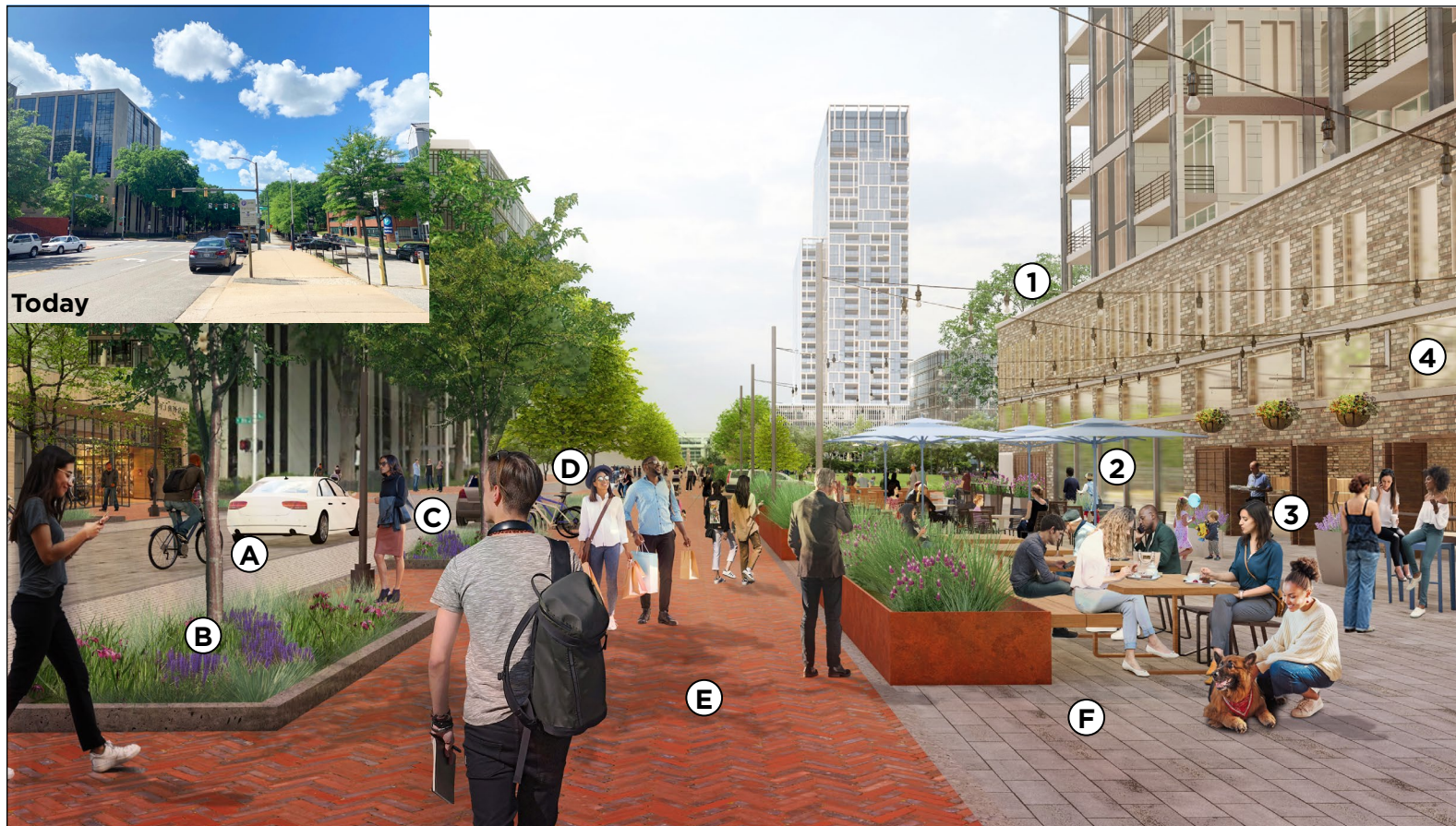
Connect to and support adjacent neighborhoods.

The redevelopment of City Center must enhance connections to adjacent neighborhoods and support the growth and development of those areas of the city.

Objective: Connect City Center to adjacent neighborhoods through infrastructure, land use, signage, and marketing.

Strategies:

- a. Explore improvements to the Leigh Street viaduct bridge to improve the pedestrian and cyclist experience to and from Church Hill.
- b. Explore opportunities to improve pedestrian access to and from Shockoe along Broad Street.
- c. Implement strategies in *Richmond 300* focused on Jackson Ward, Monroe Ward, and Shockoe, including, but not limited to developing a community-led small area plan for Jackson Ward (including Historic Jackson Ward, the transformation of Gilpin Court, and North Jackson Ward), developing a feasibility study to explore ways to reconnect Jackson Ward over the I-95/I-64 highway, developing the Fall Line Trail through Monroe Ward and identifying areas of park space within Monroe Ward, and developing the Shockoe Small Area Plan.
- d. Identify further opportunities to strengthen the connections between City Center and its adjacent neighborhoods.



Responsibilities of the Public Realm:

- (A)** Thoroughfares designed for vehicle speeds below 25 mph for a sense of comfort and safety.
- (B)** Sidewalks shaded with street trees.
- (C)** On-street parking serves as a buffer for people walking and dining, helps reduce vehicle speeds, and provides convenient parking for shoppers and guests.
- (D)** Defined “Furnishing Zone” allowing placement of trees, bicycle parking, parking meters, street lights, and other streetscape elements.
- (E)** Walkways are wide enough to allow at least two people to walk side-by-side comfortably.
- (F)** Encourage outdoor dining so long as an adequate walkway width is maintained.

Responsibilities of the Private Realm:

- (1)** Location of all off-street parking, both surface and structure, screened from street view.
- (2)** Shopfronts maximize transparency with clear windows.
- (3)** Main building entries face the sidewalk to increase activity on the street.
- (4)** A sufficient amount of openings facing the street, such as windows and doors, create interest and enhance security.

FIGURE 23 // Rendering of north side of E. Clay Street between N. 8th and N. 9th, facing west

Final November 2021

Goal 5: Historic Preservation

Preserve and enhance historic and cultural resources.

The City Center area is home to several historic structures that should be protected while allowing for adaptive reuse of structures and growth within City Center (Figure 24). Efforts must be made to protect these historic resources while allowing for the adaptive reuse of structures and growth within City Center. Connections to historic resources within City Center and other parts of Downtown should be prioritized.

Objective: Support growth that preserves the historical urban fabric and enhances understanding of City Center's multifaceted past.

Strategies:

- a. Preserve culturally, historically, and architecturally significant buildings, sites, and structures in City Center.
- b. Rehabilitate the Blues Armory, utilizing preservation best practices to accommodate new uses that expand Innovation District offerings.
- c. Preserve the facade on the N. 6th and E. Franklin St. parking garage.
- d. Utilize open space along N. 9th Street near John Marshall House to complement the historic resource. John Marshall House should remain as a cultural asset within City Center. Design new structures on the parcel adjacent to John Marshall House to complement the historic asset.
- e. Connect City Center to cultural and historic resources throughout Downtown through wayfinding and strong streetscapes.

- f. Broaden the constituency for historic preservation by more equally representing, preserving, and sharing the sites related to traditionally underrepresented groups, such as Blacks, who were displaced from this area in the mid- to late-20th Century.



Blues Armory



John Marshall House

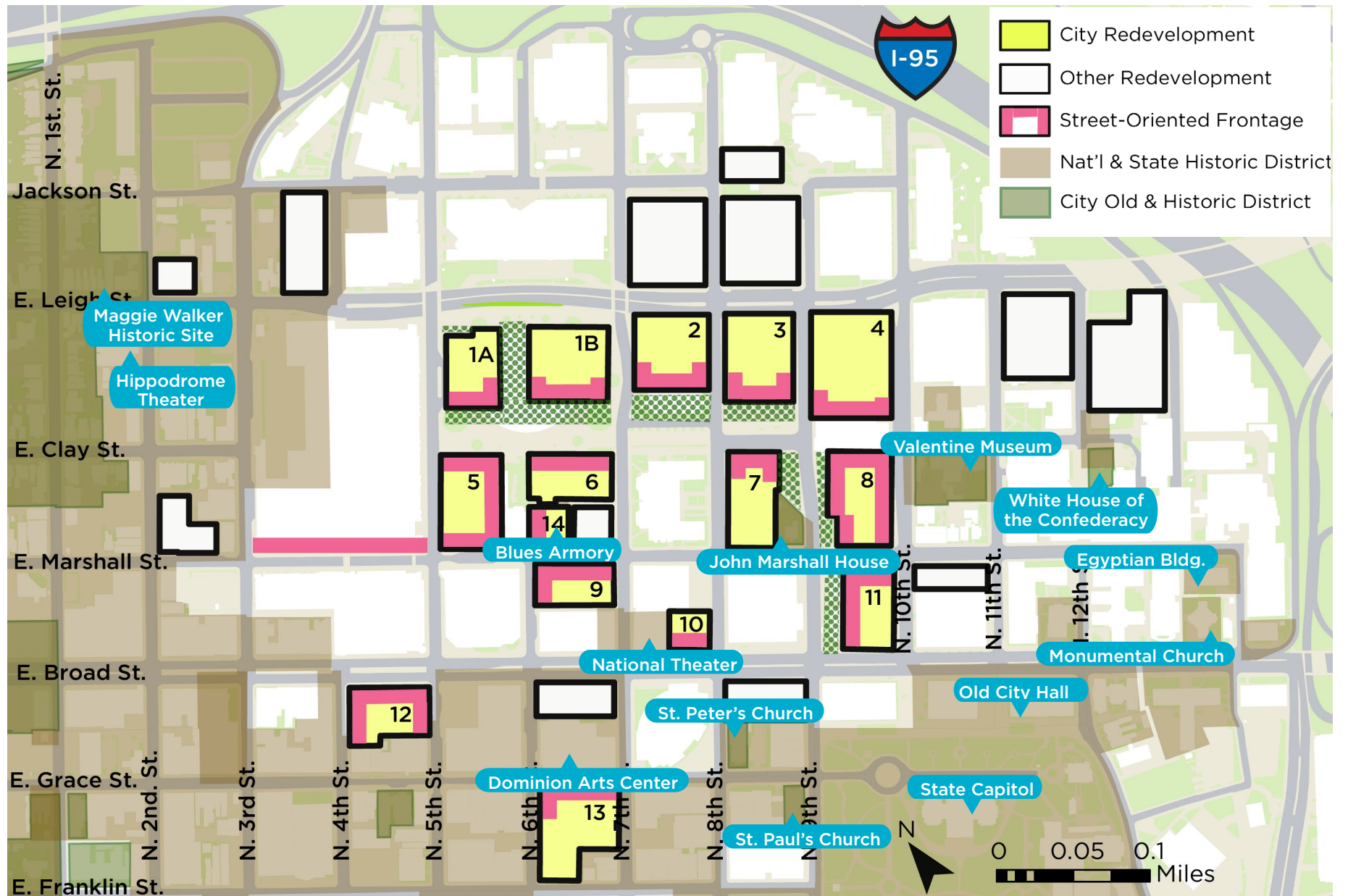


FIGURE 24 // Historic Sites

Source: City of Richmond GIS

Equitable Transportation

Guiding Principles: Prioritize the movement of people over the movement of vehicles through a safe, reliable, equitable, and sustainable transportation network, promoting easier and safer access to and through the City Center Innovation District. Seamlessly connect City Center to Richmond neighborhoods and other nearby attractions through enhanced pedestrian, bike, transit, and vehicular access and connectivity.

Goal 6: Pedestrian and Bicyclist Experience

Enhance access and safety.

Objective: Improve the pedestrian experience throughout City Center by improving sidewalks and improving pedestrian crossing and streetscapes for all ages and abilities.

Strategies:

- a. Require developers to construct sidewalks as a part of development projects per the Better Streets Manual to include a clear width travel way, a building frontage zone, and a furniture or buffer zone.
- b. Require developers to design and build projects to provide and maintain street trees on both sides of at least 60% of new and existing streets within the project (and on the project side of bordering streets) or to provide and maintain trees that supply shade over at least 40% of the length of sidewalks on streets within or contiguous to the project within ten years of installation.
- c. Improve street furniture, plant shade trees, and install pedestrian-level lights and other streetscape improvements.
- d. Create a festival street on E. Clay and N. 6th Streets that can be closed to vehicles on certain occasions.

Objective: Expand and improve on-street networks and amenities serving bicyclists and other non-motorized vehicle users.

Strategies:

- a. Expand, improve, and maintain on-street bike connections, prioritizing the creation of separated or buffered bike lanes on E. Leigh, E. Clay, and E. Marshall Streets, including the Fall Line Trail shared-use path on N. 7th Street (Figure 25).
- b. Expand the bike sharing program to include more stations within City Center.
- c. Install amenities (e.g., shelters, benches, parking, maintenance tools, restrooms, water fountains with bottle-refill stations) through City Center.
- d. Require secure and easily accessible short-term and long-term bicycle parking and storage facilities within new development projects.

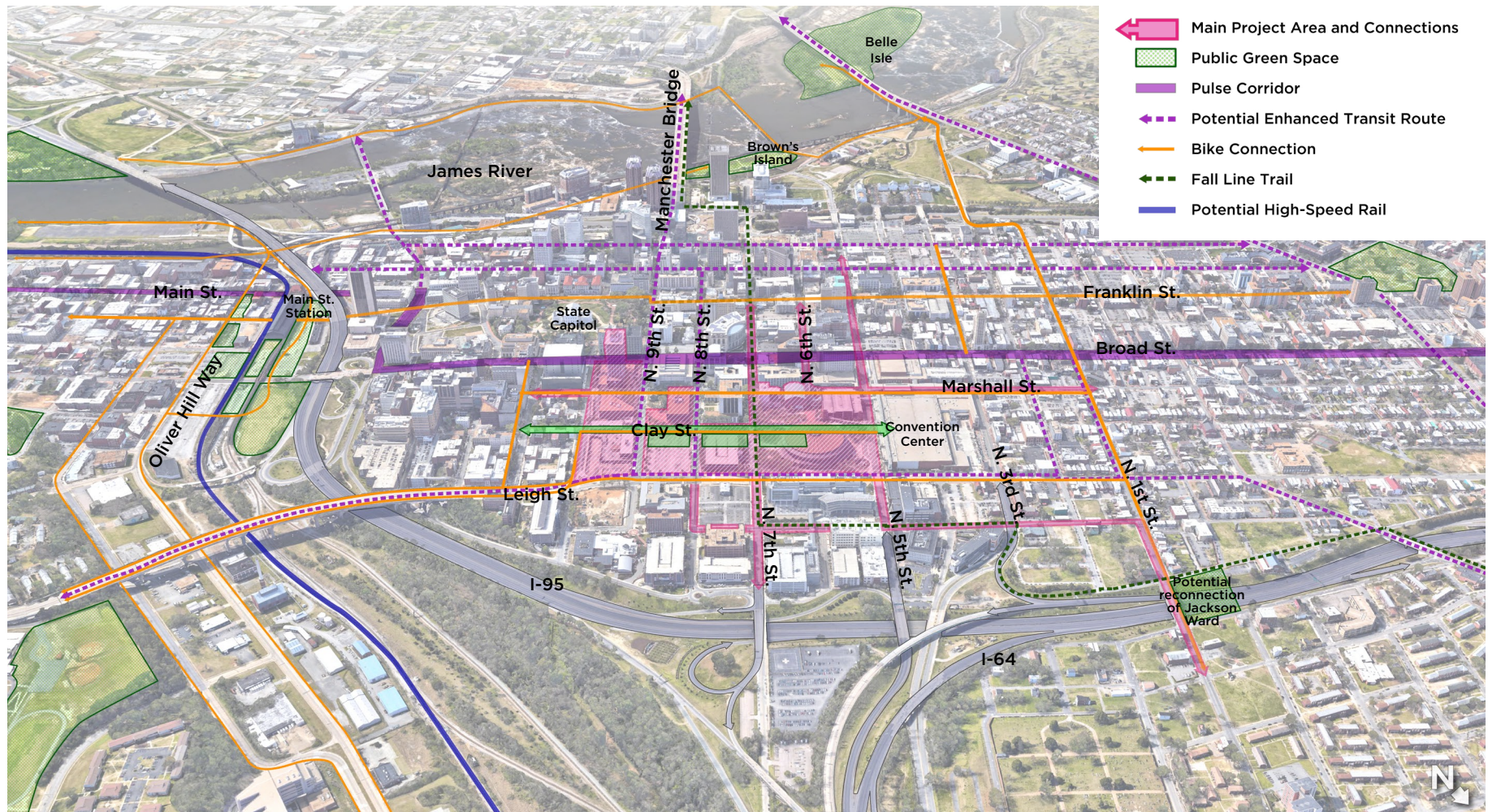


FIGURE 25 // Neighborhood Connections

Goal 7: Transit

Develop a connected, multimodal destination.

GRTC has been pursuing the creation of a permanent multi-modal Transportation Terminal for the past two decades (Figure 26).

Objective: Continue to provide robust transit service to City center, improve the performance of the transit system, expand transit access, and provide amenities and destinations for riders.

Strategies:

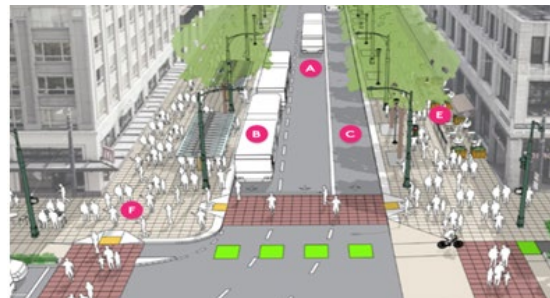
- Explore developing a transit mall along N. 8th Street, N. 9th Street, and/or E. Marshall Street to include dedicated bus bays and improved transit stop amenities such as shelters, benches, trash cans, and bike parking. Additional complementary amenities such as restrooms and ticket sales may be included in the adjacent existing and new development.
- Improve and maintain bus stops with amenities such as shelters, benches, trash cans, and bike parking.
- With community input, develop a North-South Bus Rapid Transit route.



Nicollet St. Transit Mall, Minneapolis



16th St. Transit Mall, Denver



Third Ave. Transit Mall, Seattle

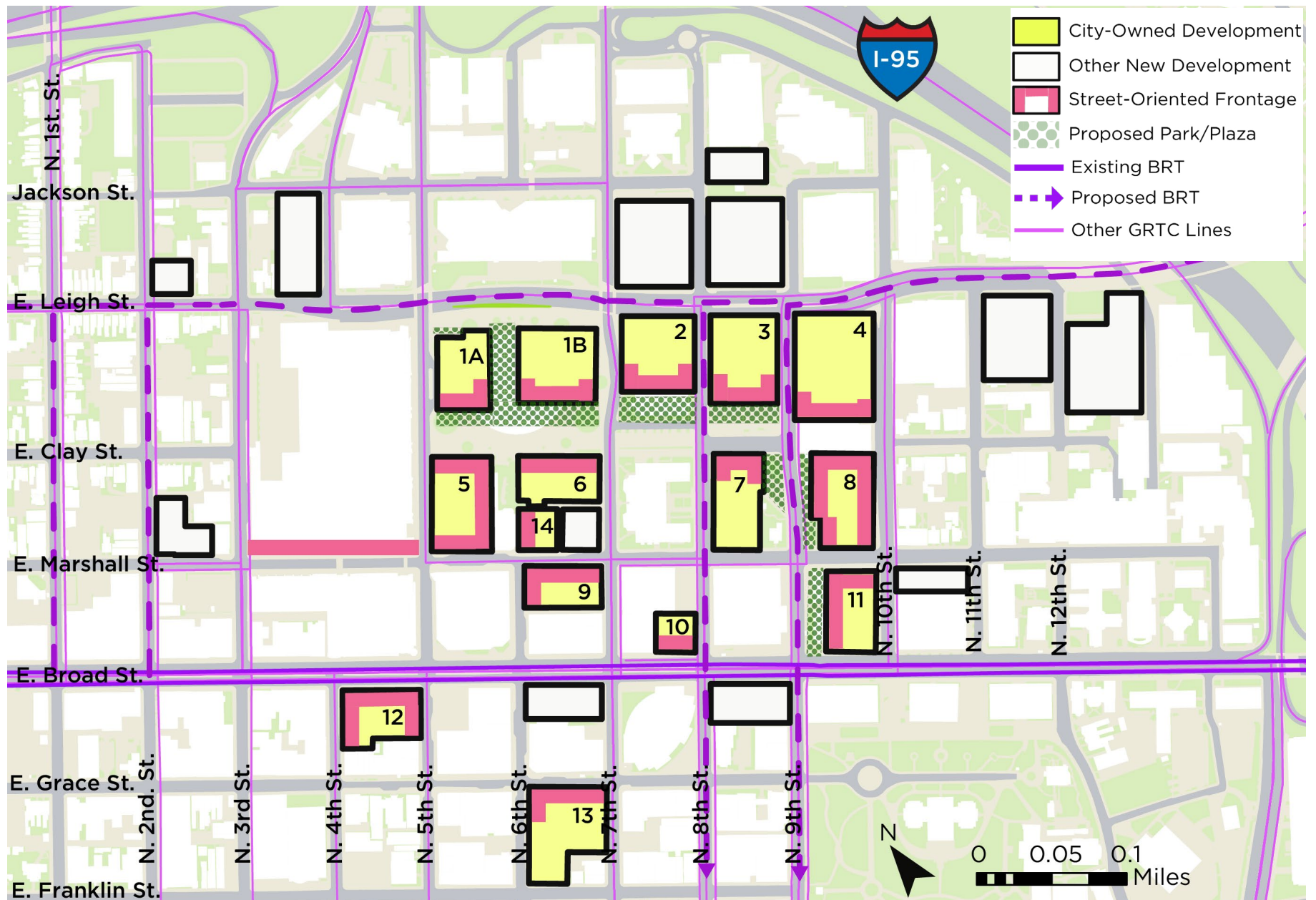


FIGURE 26 // Transit Network

Goal 8: Streets and Connections

Reconnect the urban grid.

Objective: Strengthen the street network in City Center by preventing superblocks and encouraging gridded street networks to knit together the surrounding neighborhoods. During rezoning of the properties, include priority frontage and street-oriented commercial frontage designations where appropriate to foster a walkable urban environment.

Strategies:

- a. Reconnect N. 6th Street from E. Leigh Street to E. Broad Street.
- b. Reconfigure E. Clay Street to bring it to grade between N. 5th and N. 7th Streets and reconnect the street between N. 9th and N. 10th Streets. Design E. Clay Street with festival street features such as a curbless right-of-way that uses bollards and paving to differentiate pedestrian and vehicular areas.
- c. Construct a street parallel to E. Leigh Street to connect N. 5th and N. 7th Street while allowing E. Leigh Street to remain below grade to provide access to parking beneath the development at the existing Coliseum site.
- d. During the rezoning process, identify the street frontages that should have priority street frontage and street-oriented commercial frontage designations.

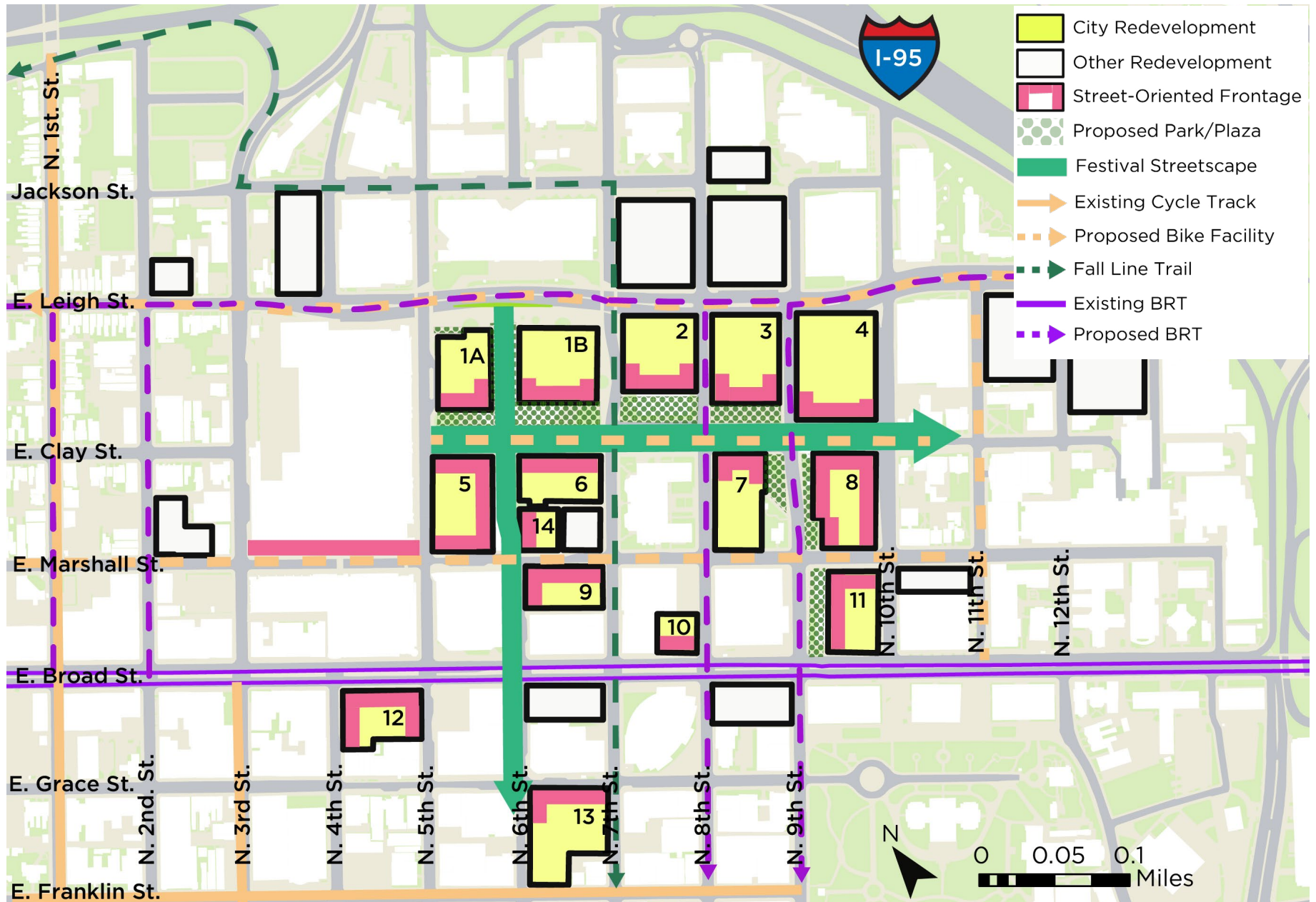


FIGURE 27 // Proposed Connections & Enhancements

Goal 9: Parking

Implement innovative parking solutions.

Objective: Implement parking strategies that effectively manage supply and demand of parking in City Center and limit the development of surface parking lots.

Strategies:

- a. Demolish the Coliseum and use the Coliseum pit as subterranean parking that is accessed from E. Leigh Street (Figure 28).
- b. Determine the need for City-owned parking decks/surface parking lots in the near-, mid-, or long-term, and prioritize the redevelopment of surface parking lots.
- c. Discourage the creation of new surface parking lots or parking garages in City Center. Surface parking lots are prohibited in the current Zoning district.
- d. Encourage the development of innovative parking solutions including automated parking decks to minimize the square footage required to store vehicles.
- e. Encourage any new parking garages to incorporate other wrapped, activated uses.
- f. Encourage the shared use of parking by requiring the developers of City-owned parcels to make all appropriate parking on their project site available to the public for parking after standard business hours (weekday evenings after 6:00 p.m., weekends, and all legal holidays) until 12:00 midnight or until the close of business of retail operations, whichever is later.

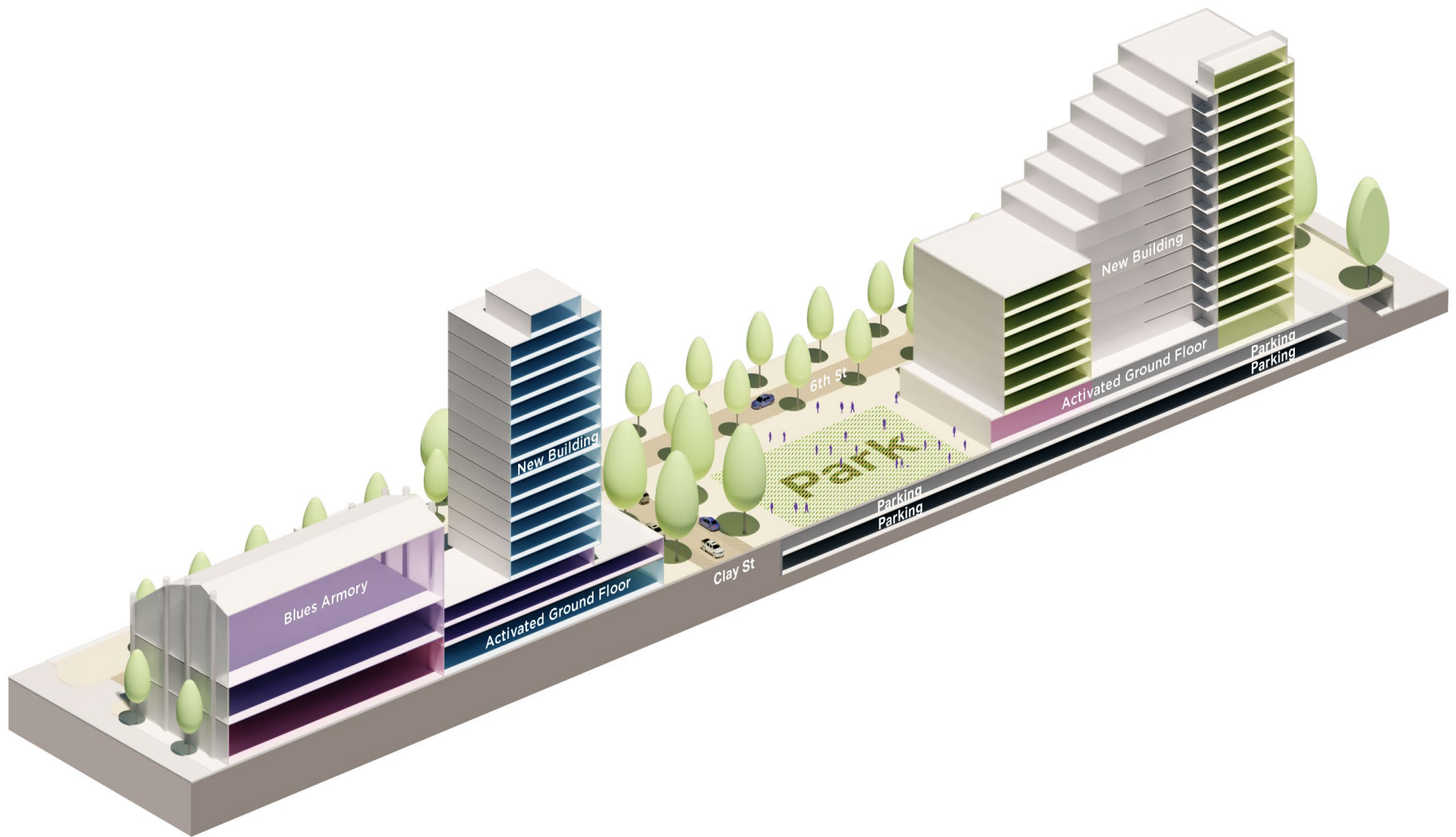


FIGURE 28 // 3D Section through the Coliseum Site

Conceptual cross-section between E. Leigh, E. Marshall, N. 6th and N. 7th showing underground parking where the Coliseum is currently located.

Diverse Economy

Guiding Principles: Diversify City Center's economic portfolio from primarily government uses to uses that leverage the adjacent educational institutions and VA Bio+Tech Park to create an Innovation District where these anchor institutions connect with start-ups, business incubators, accelerators, and other life science institutions. Enhance and complement existing tourist attractions through the development of hotels and entertainment venues. Provide opportunities for local, small, and minority-owned business to be a part of the redevelopment of City Center.

Goal 10: Life Science Innovation District

Cluster and connect Life Science innovation.

Objective: Attract additional life science-focused industries, start-ups, and entrepreneurs to spur job creation Downtown through establishment of an Innovation District.

Strategies:

- a. Encourage the expansion of uses that support the Life Sciences Innovation District on existing City-owned property adjacent to the VCU Health and VA Bio+Tech Park to facility the sharing of ideas and open innovation.
- b. Develop marketing materials for City Center, highlighting the area as an Innovation District with employment and educational opportunities as well as offering housing, open space, and retail in a transit-accessible location.
- c. Explore opportunities to develop a public STEM high school within City Center that will build partnerships with adjacent higher education institutions including Reynolds Community College, VCU Health, Virginia Union University, the University of Richmond, and life science anchors.
- d. Develop a City Center Campus to foster cooperative learning and research between post-secondary schools.

- e. Extend innovation programming to other parts of the city.
- f. Explore the creation of a Technology Zone and other new economic incentives to encourage the creation of an Innovation District.

Goal 11: Tourism

Connect and enhance tourist destinations.

Objective: Develop tourism and attractions in City Center to further increase tourism in Downtown as a whole, elevating Richmond's image and continuing to delight existing and future residents, employees, and visitors.

Strategies:

- a. Encourage the development of hotel rooms in City Center including a Headquarter Hotel within walking distance of the Convention Center.
- b. Develop City Center as a unique destination through creative placemaking and branding.
- c. Create more cultural, art, and entertainment destinations of varying sizes to attract acts and visitors, leveraging nearby assets like The National, Hippodrome, Dominion Energy Center, and the Convention Center.

- d. Expand wayfinding signage throughout City Center, connecting City Center to other attractions throughout Downtown.

Goal 12: Business and Job Opportunity

Expand access to business opportunities.

Objective: Implement equitable economic development strategies to expand business and job inclusivity and opportunity.

Strategies:

- a. For projects on City-owned property, provide opportunities for local, minority-owned, and emerging small business employment and growth and follow the Equitable Development Benefits outlined in the Implementation section of this plan.
- b. Encourage a range of employment opportunities that provide on-the-job training and facilitate upward mobility through investment in workforce development initiatives and collaboration with employers to create a pipeline of employees for existing and future positions.
- c. Support existing small businesses.
- d. Explore the establishment of a Community Equity Fund, which could require developers to use their funds in order to support the technical assistance and training needed to help minority businesses be eligible for employment and business opportunities.

Inclusive Housing

Guiding Principles: Leverage City-owned properties in the City Center Innovation District to expand the availability of housing options at all income levels, increasing the number of dwellings Downtown to bring people closer to jobs and frequent transit.

Goal 13: Housing

Create housing options for all in City Center.

Currently, there are no housing units within City Center. The City Center Plan prioritizes developing residential units in this transit- and job-accessible neighborhood. With its Downtown location, City Center can accommodate dense residential and mixed-use developments. City Center should provide a diverse housing stock and become a mixed-income neighborhood with both rental and homeownership opportunities.

Objective: Expand the availability of housing options Downtown at all income levels through the development of a mixed-income neighborhood in City Center.

Strategies:

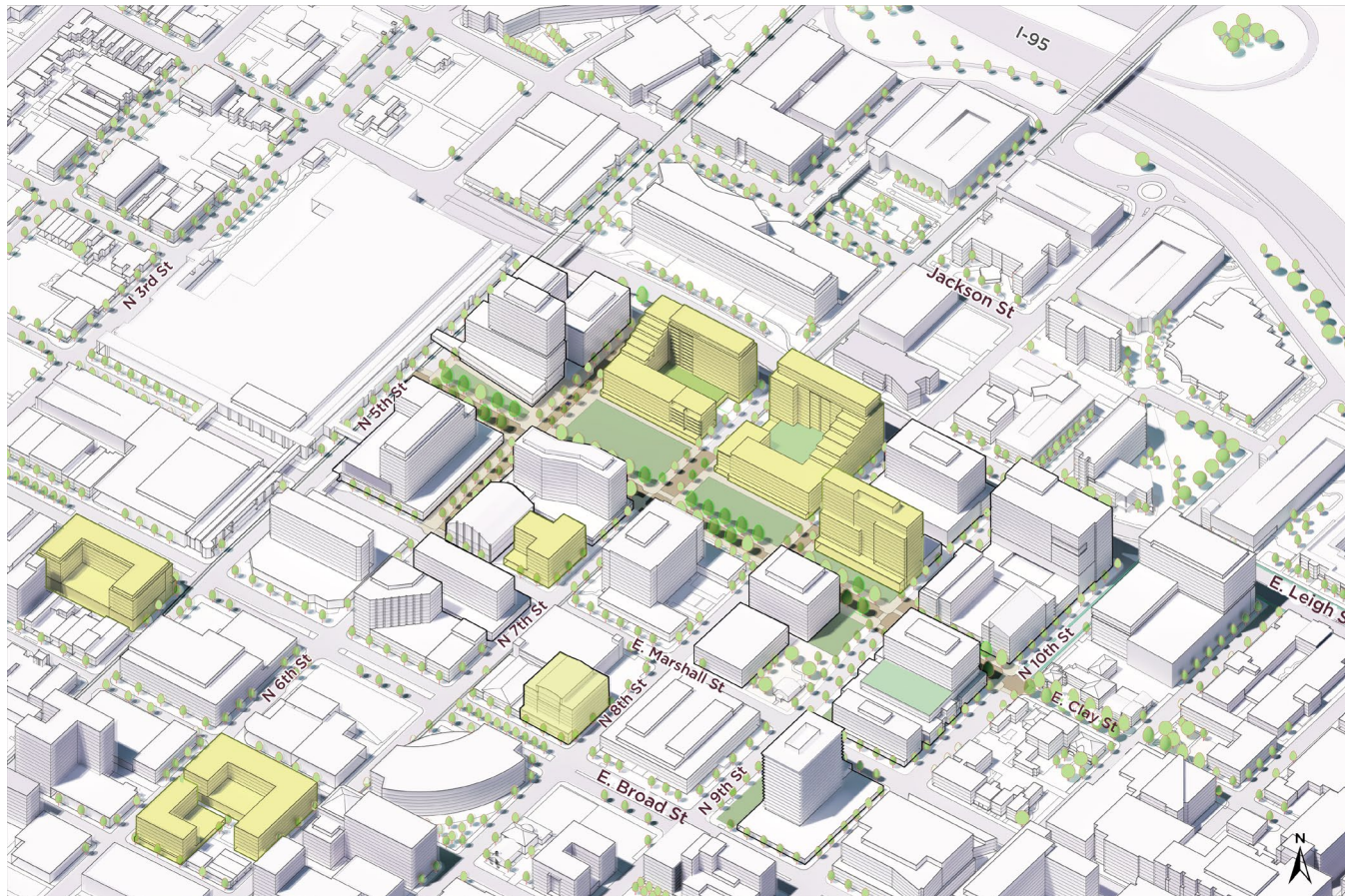
- Encourage the development of a mixed-income neighborhood with varied housing types throughout the City Center. These housing types need not be included in the same building but may be developed in multiple projects throughout City Center.
- Encourage the creation of housing affordable to households earning incomes at or below 60 percent of the area median income (AMI), with the goal of having at least 20% of the total units created on City-owned land at or below 60% AMI and for-sale units for households between 60% and 80% AMI (see Table 2).
- Explore the creation of an affordable housing tax-increment

finance (TIF) zone for land in City Center and direct the future incremental tax revenue funds from the TIF to the Affordable Housing Trust Fund for funding mixed-income projects within the TIF zone.

- Through the disposition of publicly owned parcels, seek to develop these types of housing products: supportive housing, ownership products (e.g. cooperative housing), market-rate housing, and workforce housing.

TABLE 2 // Example Affordable Housing Split in City Center

Type of Housing	Rental	Home Ownership	Total
Percentage Split	65%	35%	2,000
Proposed # of units	1,300	700	2,000
Affordable to households earning between 60-80% AMI	130	175	305
Affordable to households earning between 30-60% AMI	260	0	260
Affordable to households earning below 30% AMI	130	0	130
Total affordable units	520	175	695
Percentage affordable	40%	25%	35%
Total market rate units	780	525	1,305
Percentage market rate	60%	75%	65%



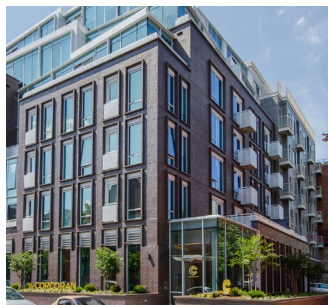
Potential Residential

FIGURE 29 // Housing Opportunities

Note: The conceptual massing diagram illustrates the potential shape and scale of buildings and open space; however as these areas develop, the exact design and scale of the buildings and spaces may be different from what is depicted in this conceptual illustration.



Mixed-Use Apartments in Amsterdam



Mixed-Use Apartments, DC



Converted Theater Apartments, Queens



Mixed-Use Fire Station/Apts., DC

Thriving Environment

Guiding Principles: Develop City Center as a sustainable and resilient Innovation District with a built environment that enhances and protects natural assets. Reduce air and water pollution through green transportation, building and infrastructure design and construction methods. Ensure that residents have equitable access to nature and a healthy community by increasing the tree canopy, greenspace, and access to healthy foods.

Goal 14: Clean Air

Objective: Improve air quality within the city by reducing and/or offsetting greenhouse gas emissions through the design and development of City Center (Figure 30).

Strategies:

- a. Reduce air pollution related to transportation by increasing the number of residents in City Center, improving walking, biking, and transit infrastructure, and creating opportunities for electric vehicle charging stations.
- b. For development on City-owned land:
 - Require projects to earn the prerequisites and credits needed to achieve the appropriate LEED Silver certification (Neighborhood Development, etc.) using the LEED green building rating system.

- Require plans for diverting from landfill disposal the demolition, construction, and land clearing debris generated by the development projects, to include recycling and/or reuse of waste generated during demolition and/or construction.

Goal 15: Clean Water

Objective: Establish and expand green stormwater infrastructure in City Center.

Strategies:

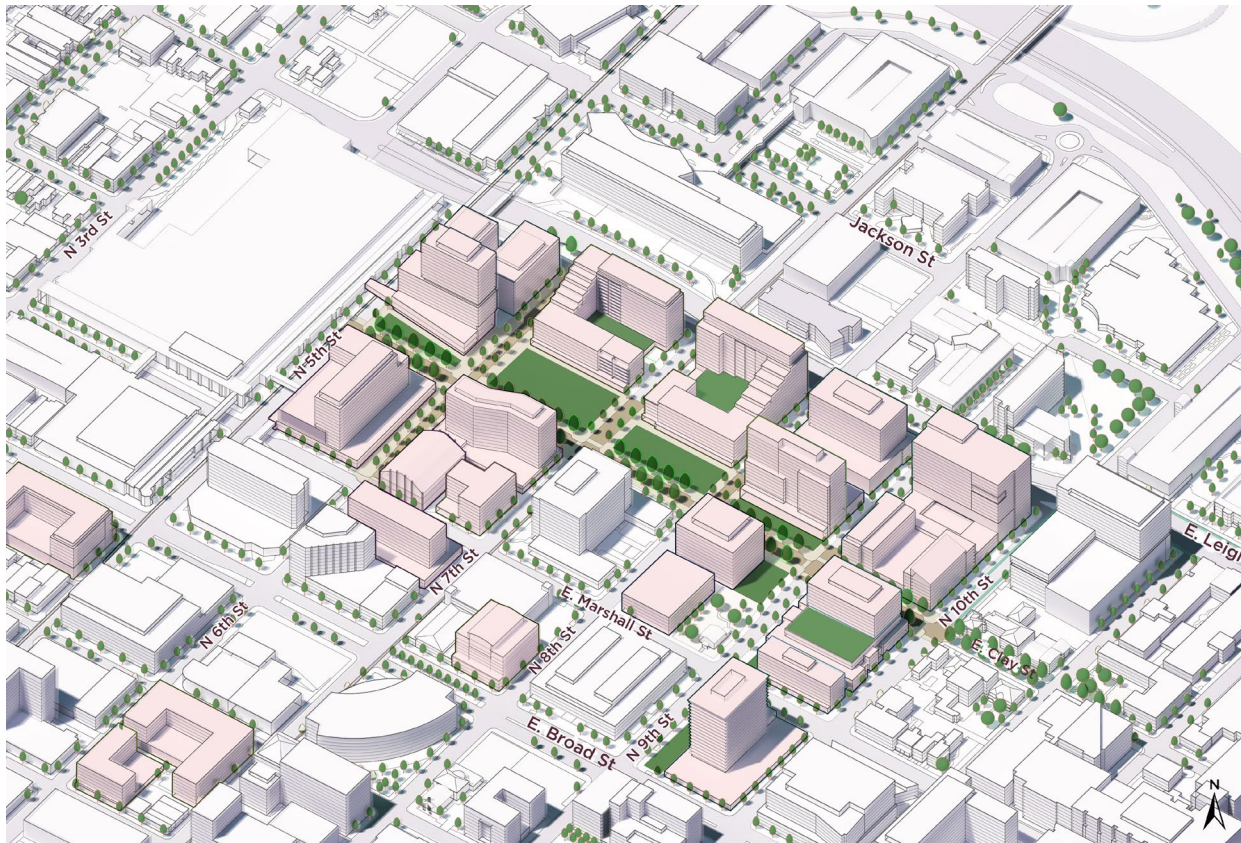
- a. Include green infrastructure in the development of new open space and rights-of way.
- b. Reduce litter in City Center by encouraging more trash/recycling receptacles and more frequent cleaning/management of areas with a lot of litter so that litter does not flow into city waterways.

Goal 16: Resilient and Healthy Communities

Objective: Develop City Center as a resilient community that is able to efficiently adapt to the effects of climate change.

Strategies:

- a. Explore developing City Center as an eco-district.
- b. Create a public greenspace network and require greenspace to be included as a part of private developments.
- c. Increase the tree canopy in City Center by requiring street trees as a part of development on City-owned parcels.
- d. Encourage redevelopment of City-owned or private surface parking lots and parking garages into mixed-use developments and/or park areas.



 Potential Greenspace

FIGURE 30 // Thriving Environment

Note: The conceptual massing diagram illustrates the potential shape and scale of buildings and open space; however as these areas develop, the exact design and scale of the buildings and spaces may be different from what is depicted in this conceptual illustration.

Goal 17: Access to Healthy Foods

Residents of Downtown and the surrounding neighborhoods including Jackson Ward have expressed the desire for a grocery store. While a traditional suburban grocery store may not work in City Center, the increased residential population proposed in this plan would make City Center a more desirable market for a grocery store which could locate within a mixed-use development.

Objective: Expand access to the local healthy food system.

Strategies:

- Encourage the development of a grocery store within City Center through the development of substantial residential population.
- Encourage the development of a food hall as a part of the redevelopment of City Center to serve both residents and visitors to the area.
- Explore opportunities for alternative models of grocery stores including member-owned food co-ops.

Implementation

Once adopted, the City Center Innovation District Small Area Plan will become part of the citywide Master Plan, *Richmond 300: A Guide for Growth*. The general recommendations, objectives and goals outlined in *Richmond 300* are still relevant at this scale. However, this City Center Plan provides a finer grain vision and next steps for redeveloping this portion of Downtown. The implementation section of this plan outlines 3 big moves, a phasing strategy, and a series of equitable development goals to move the vision for City Center forward over the next 3 to 5 years.

Big Moves

The City Center Plan outlines many goals and recommendations to create a Life Sciences Innovation District. The three big moves listed here are critical next steps to implement in the next 3 to 5 years to implement the plan's vision. Each big move includes the following elements:

- Big Move name
- Description
- Key benefits
- Description of how the Big Move advances equity, sustainability, and beauty
- Alignment with City Center Innovation District goals and objectives
- Actions that may be implemented to further the Big Move

- Type of actions:
 - Legislative: actions that result in a new ordinance for City Council to adopt
 - Administrative: actions that City staff can undertake as part of their regular duties
- Time Frame for implementation is shown using the City's Fiscal Year (FY) which runs July to June:
 - FY23 = July 2022-June 2023
 - FY24 = July 2023-June 2024
 - FY25 = July 2024-June 2025
 - FY26 = July 2025-June 2026
 - FY27 = July 2026-June 2027

Create an innovation zoning district

Rezone City Center to align with the innovation vision by allowing mixed-uses including residential, ground floor activation, and unlimited height and density.

Description: The Zoning Ordinance is a legal document that outlines what property owners may build on their land and how the building and site must be designed. The current Zoning Ordinance was primarily written in 1976, but has been amended over the past several decades. Most of the property within the City Center area is zoned B-4: Central Business, RP: Research Park, CM: Coliseum Mall, and RO-3: Residential Office. The Coliseum district and the Technology Park district do not permit residential uses by right.

Key Benefits: The benefits of rezoning include, but are not limited to the following. Rezoning the property will position the land to become the mixed-use innovation district outlined in the vision of the plan. Rezoning can allow uses not permitted today, such as residential uses, which are key elements in fostering a vibrant innovation district. The rezoning can include form-based elements that help support a walkable urban environment, thereby promoting multimodal transportation options and creating an engaging street. The rezoning can also include open space provisions that ensure there is adequate open space included within the development footprint.

Actions Steps May Include	Type	Plan Reference	Lead	Time Frame
City Planning Commission issues a resolution of intent to rezone the area, which officially commences the rezoning process that includes community meetings and concludes with City Council adopting the new zoning ordinance.	Legislative	Goal 3: Urban Design & Zoning	PDR	FY23-24

Reduce the municipal footprint

Redevelop city-owned properties that are vacant and explore options for renovating, replacing, or relocating city functions to reduce the municipal footprint in City Center so that the Innovation District may grow and City functions can operate more effectively in improved space.

Description: The City owns over 23 acres of land in the City Center area. The facilities on nearly 16 acres of City-owned land are in

poor or critical condition. This Big Move calls for examining the physical spaces that City staff work in City Center and making recommendations for realigning City functions into improved work spaces.

Key Benefits: In order to realize the potential of City Center to tie together the strong anchors institutions in downtown, the City needs to reposition its property and support the introduction of uses that expand the Innovation District offerings. Many City functions are occurring in buildings that need significant renovation in order to support City functions and staff. By consolidating City functions and reducing the City's land holdings downtown, the City can focus its municipal capital expenditures on fewer, consolidated facilities that are new and/or newly renovated, while also turning non-taxable land into tax-generating properties that expand the Innovation District offerings.

Actions Steps May Include	Type	Plan Reference	Lead	Time Frame
Launch process to find development partners to redevelop City-owned properties into uses that support the life sciences innovation district (see proposed phasing and equitable development goals)	Administrative	Goal 1: City-owned Facilities	PDR, DED	FY23-24+
Complete a space needs assessment of City functions and develop a facilities plan.	Administrative	Goal 1: City-owned Facilities	DPW	FY23

Expand education offerings

Develop a high tech high school and establish a Center City campus for higher education collaboration.

Description: Today City Center is home to Reynolds Community College and VCU Health, two anchor institutions that have been educating the future generations of leaders in the life sciences profession in Downtown Richmond for over 40 years and 180 years, respectively. Workforce development and education opportunities are critical to creating a pipeline of talent to be employed by companies that City seeks to grow, maintain and attract to the City Center Innovation District. The City and educational partners can expand the educational offerings in City Center to include secondary education and other post-secondary institutions.

Key Benefits: Educating high school students in a high school located within the bustling City Center Innovation District invites students into the excitement of life sciences and high technology careers. The City and partners can program spaces and curate events to connect students to businesses and employees in the Innovation District and inspire students to enter life science careers. The proximity of Reynolds Community College and VCU Monroe Park campus, just a short ride on the Pulse BRT, provide easy access for high school students to enroll in higher-education courses while still in high school. City Center is already home to the medical school at VCU and Reynolds; however, there is opportunity to encourage the University of Richmond and Virginia Union University to open outposts in City Center that could focus education and research in topics that align with the innovation district. City Center could also be home to outposts of other

Virginia universities that do not have locations in the City of Richmond.

Actions Steps May Include	Type	Plan Reference	Lead	Time Frame
Convene secondary school partners to explore options for developing a high school downtown.	Administrative	Goal 1, Goal 10	Office for Children and Families, PDR, DED	FY23
Convene post-secondary schools partners to discuss programming and space needs in City Center	Administrative	Goal 10	PDR, DED	FY23

Phasing

Given the size and breadth of the City Center development program, this plan suggests the following phasing to guide the development of City- and RRHA-owned parcels, as shown in Figure 31. Parcel 4, formerly the Public Safety Building, is currently being redeveloped; redevelopment includes the demolition of the Public Safety Building and development of a mixed-use complex including an office tower, Ronald McDonald House, Doorways facility, childcare center, structured parking, and the reconnection of E. Clay Street from N. 9th to N. 10th Street.

Any of the phases may include the creation of a public high school that may be part of a mixed-use facility and/or the creation of a new fire station that may be incorporated into a mixed-use facility.

Phase 1

The first phase of the redevelopment of City Center comprises of the following actions: demolition of the Coliseum and 7th and Marshall Parking Garage; adaptive reuse of the Blues Armory; creation of new greenspace; and redevelopment of Parcels 1A, 1B, 6, and 9. The area is envisioned as an entertainment, residential, and office complex surrounding the main plaza and linear park. Phase 1 also includes the reconnection of E. Clay Street from N. 5th to N. 8th Street, the reintroduction of N. 6th Street from E. Marshall to a new street running at-grade parallel to E. Leigh Street (which will remain as is).

Phase 2

The second phase includes the redevelopment of the Coliseum Parking Deck, 8th & Clay Surface Parking Lot, and Social Services Building. The redevelopment of these parcels should include mixed-use multi-family, with a mix of tenure and affordability. The parcels may also include office and retail uses as driven by market demand.

Phase 3

The third phase of City Center concerns the municipal buildings in the area, including City Hall, the John Marshall Courts Building, and the Theater Row Building. This phase will include the consolidation of City functions, potential public to private conversion of parcel(s), and redevelopment of parcels with adaptive reuse of the Theater Row Building. This phase may include the creation of a public high school as one of the municipal functions.

Phase 4

The fourth phase includes the redevelopment of the Broad/4th Surface Parking Lot, 6th/Grace Surface Parking Lot, and adaptive reuse of the 6th/Franklin Parking Deck. These two parcels could potentially become mixed-use residential buildings.

Phase 5

The fifth phase is the redevelopment of Parcel 5, the 5th/Marshall Parking Garage.

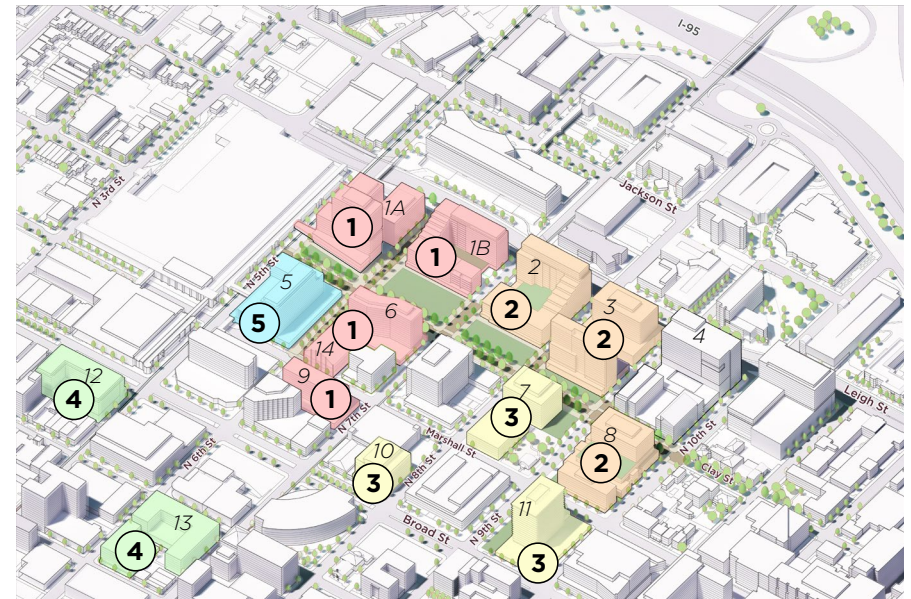


FIGURE 31 // Phasing Map

Note: The conceptual massing diagram illustrates the potential shape and scale of buildings and open space; however as these areas develop, the exact design and scale of the buildings and spaces may be different from what is depicted in this conceptual illustration.

Equitable Development Benefits

As the City works with the private sector to redevelop City-owned land, the City should consider including the following benefits into development agreements. The exact benefits will vary depending on the parcels that are redeveloped and the proposed development program. For instance not all projects will include residential units and not all residential buildings need to be mixed-income; however, the development of City Center should include at least 20% of the total units affordable to people earning 60% or less of the area median income.

Employment

- Commitment to pay workers a minimum of \$15/hour or the prevailing wage rate for the City of Richmond.
- Participate in and provide apprenticeship programs.
- Require health insurance and retirement benefits for all full-time employees.
- Create job training and workforce development programs.
- Coordinate job fairs and training programs with the City's Office of Community Wealth Building to seek to employ and train Richmond residents.

Business Participation

- For construction, achieve a goal of at least 40% minority business enterprise participation.
- Give local community businesses and minority businesses preference when hiring consultants, contractors, and developers, and when seeking tenants for retail and office space.

Ownership and Wealth Creation

- Create a community wealth building fund that permits community members to make smaller dollar investments up to 5% of the total project value to build wealth and ownership in the project from the community and/or surrounding neighborhoods.
- Develop for-sale housing affordable to households earning between 60% and 80% of the area median income, potentially introducing cooperative housing models to the City Center area.
- Develop at least 20% of rental housing affordable to households earning at or below 60% of the area median income.

Site and Building Design

- Design buildings to be high-performing and energy-efficient buildings, using programs such as LEED Silver Standards as a benchmark.
- Utilize permeable pavers and other green infrastructure to minimize stormwater runoff.
- Reduce the heat island effect by planting shade trees and utilizing building materials with low albedo ratings.
- Develop on-site renewable energy.
- Create a combined heat energy district.

Transportation and Public Realm

- Provide on-site electric vehicle charging stations.
- Provide indoor bike parking and bicyclist changing/showering facilities.

- Improve the right-of-way and design buildings to create excellent urban design to support walking and access for all ages and abilities.
- If on-site parking is provided, enter parking sharing agreements with adjacent users.
- Where indicated, provide open spaces per the City Center Small Area Plan and develop the design for the open space with public input.

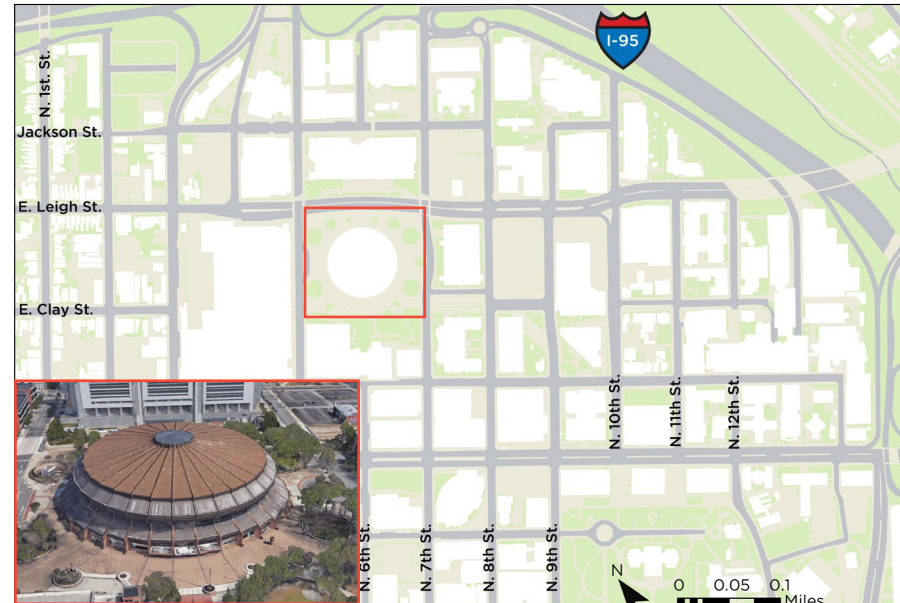
Municipal

- Explore options for City Hall, including renovating the existing building, building a new facility on the same parcel, or moving into a new building in a different parcel.
- Develop a new fire station integrated into a mixed-use facility.
- Develop a public high school that focuses on life sciences and high technology career training.

Appendix: Condition of City-Owned Facilities

Coliseum

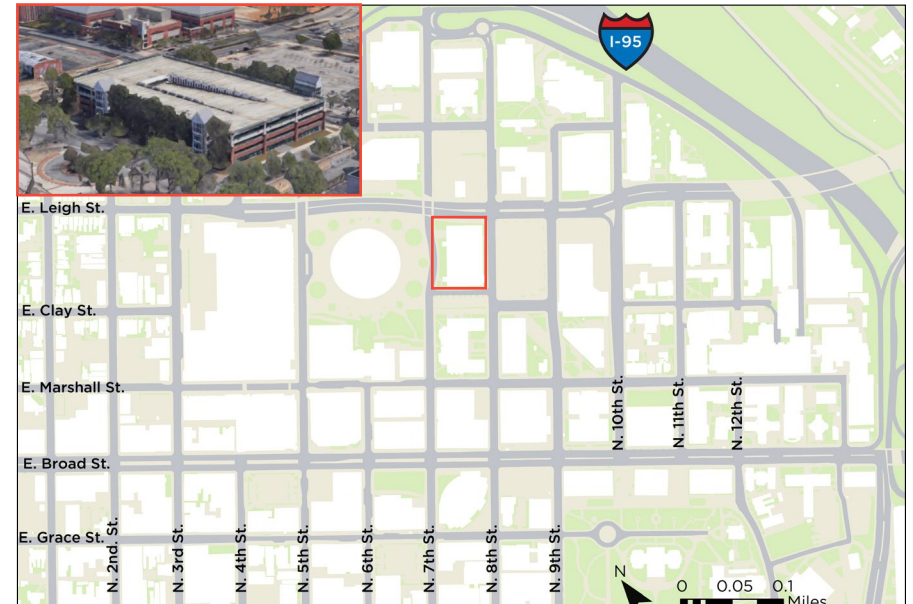
The Richmond Coliseum was built in 1971 as a public venture funded by the City of Richmond to revitalize Downtown. Its construction disconnected N. 6th and E. Clay Streets from the street grid and displaced dozens of predominantly Black homes. It was used for concerts, various sports events, political rallies, and more, with a total capacity of more than 13,000 seats. However, the Coliseum has been closed since 2018. The public debt for the Coliseum is yet to be paid off, and this 7-acre parcel continues to sit vacant and is unable to be taxed.



Property Address	601 E. Leigh Street
Year Built	1971
Parcel Owner	City of Richmond
Current Tenant(s)	None
Land Value (2021)	\$12.3M
Building Value (2021)	\$37.9M
Immediate Deferred Maintenance Cost	Not actively maintained
Building Condition Rating	Poor

Coliseum Parking Deck

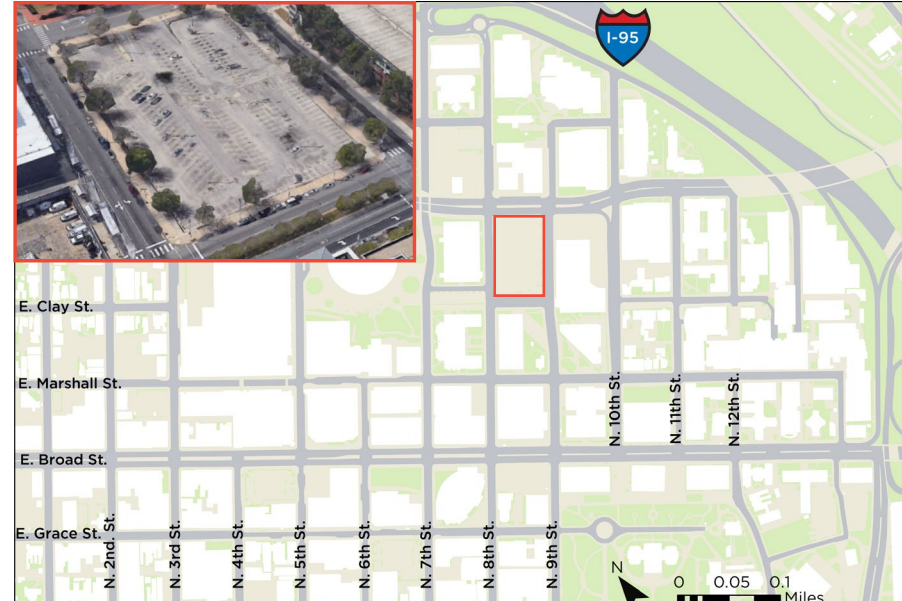
The Coliseum Parking Deck, located to the east of the Coliseum, was built in 1992. It was originally built to provide parking for state employees as well as public parking. This parcel once held a small parking garage and was later turned into a surface parking lot when the Coliseum was built in the 1970s.



Property Address	501 N. 7th St.
Year Built	1992
Parcel Owner	City of Richmond
Parking Capacity	921
Land Value (2021)	\$3.5M
Building Value (2021)	\$11.9M
Immediate Deferred Maintenance Cost	\$1.3M
Building Condition Rating	Good

8th/Clay Surface Lot

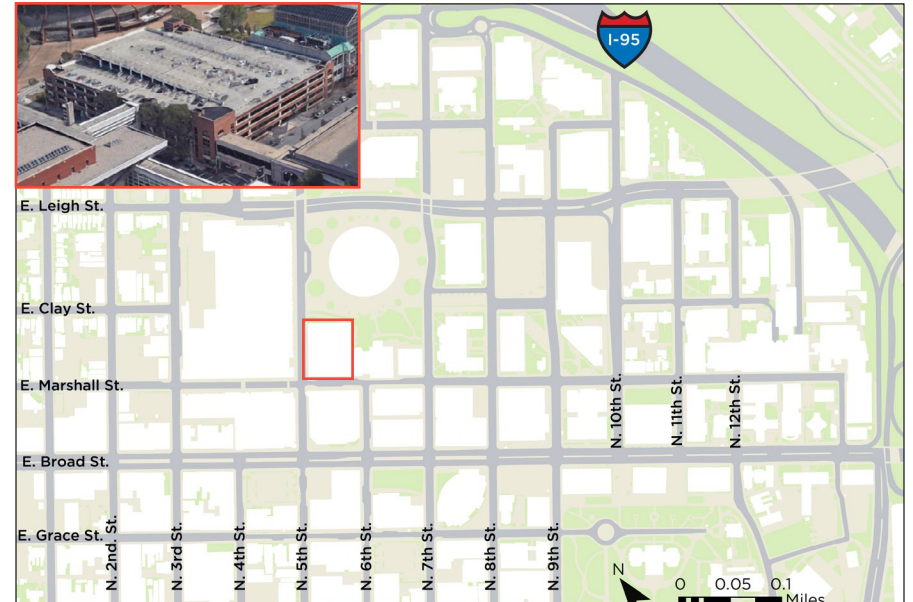
The 8th and Clay surface parking lot was built in 1960. The parcel was once a track & field for John Marshall High School, which was located where the John Marshall Courts Building is now. This parking lot is reserved partially for City employees, and partially for public, including those who are visiting the John Marshall Courts or City Hall. As of October 2021, the lot is slated to become a temporary GRTC Transfer Plaza.



Property Address	800 E. Clay Street
Year Built	1960
Parcel Owner	City of Richmond
Parking Capacity	277
Land Value (2021)	\$3.1M
Building Value (2021)	\$111K
Immediate Deferred Maintenance Cost	N/A
Building Condition Rating	Fair

5th/Marshall Parking Deck

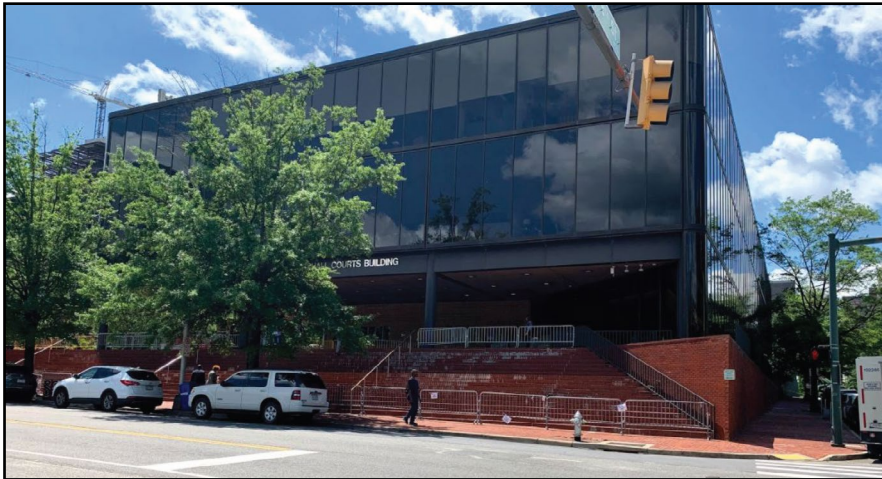
The parking deck at N. 5th and E. Marshall Streets was built in 1985. It has skybridge connections across N. 5th to the Greater Richmond Convention Center and across E. Marshall to the Marriott Hotel. Today, it currently provides parking for Convention Center attendees, Marriott Hotel guests, as well as other public parking.



Property Address	500 E. Marshall St.
Year Built	1985
Parcel Owner	City of Richmond
Parking Capacity	1,000
Land Value (2021)	\$2.1M
Building Value (2021)	\$12.2M
Immediate Deferred Maintenance Cost	\$1.5M
Building Condition Rating	Good

John Marshall Courts Building

Built in 1976, the John Marshall Courts building is a 4-story building that serves as the main hub for City of Richmond courts. The building sits on the same block as the historic John Marshall House, which is a National Historic Landmark. The Courts parcel includes a large plaza that fronts N. 9th Street. Richmond City Judges have expressed the need for a new court facility for the City, both due to maintenance problems and security issues.



Property Address	400 N. 9th Street
Year Built	1976
Parcel Owner	City of Richmond
Current Tenant(s)	City Courts
Land Value (2021)	\$2.1M
Building Value (2021)	\$10.2M
Immediate Deferred Maintenance Cost	\$18.7M
Building Condition Rating	Poor

Social Services Building

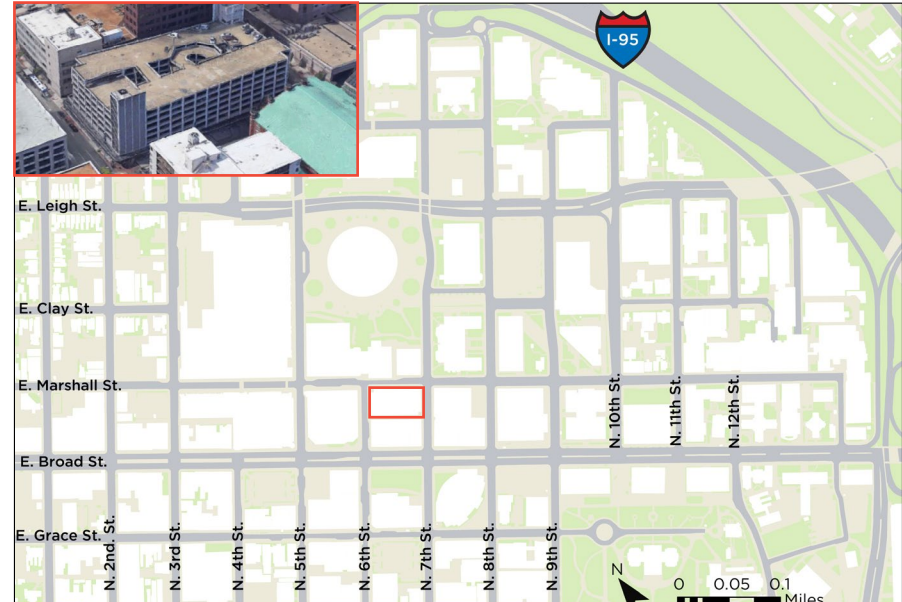
The Social Services Building, also known as Marshall Plaza, was built in 1984 with 3 stories and below-grade parking. The parcel includes Marshall Plaza, a small plaza that is some of the only existing greenspace in City Center today. Though the City of Richmond Department of Social Services currently operates here, the City is reassessing the space needs of the Social Services Department.



Property Address	900 E. Marshall Street
Year Built	1984
Parcel Owner	City of Richmond
Current Tenant(s)	Department of Social Services
Land Value (2021)	\$2.9M
Building Value (2021)	\$10.5M
Immediate Deferred Maintenance Cost	\$4.5M
Building Condition Rating	Poor

7th/Marshall Deck

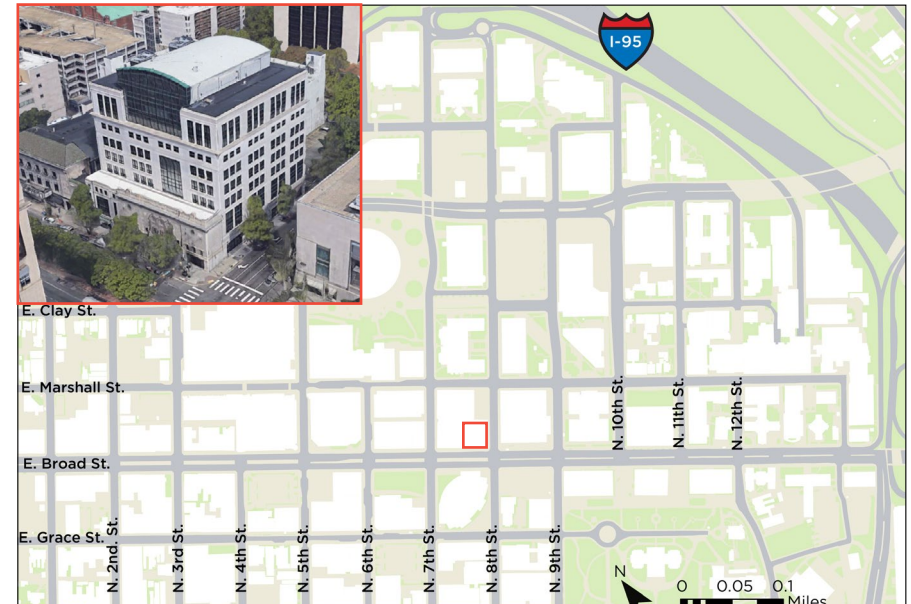
Built in 1965, the parking deck at N. 7th and E. Marshall Streets was created to cater to retail consumers. Today, it is in critical condition.



Property Address	607 E. Marshall St.
Year Built	1965
Parcel Owner	City of Richmond
Parking Capacity	620
Land Value (2021)	\$1.6M
Building Value (2021)	\$5.6M
Immediate Deferred Maintenance Cost	\$7M
Building Condition Rating	Critical

Theater Row Building

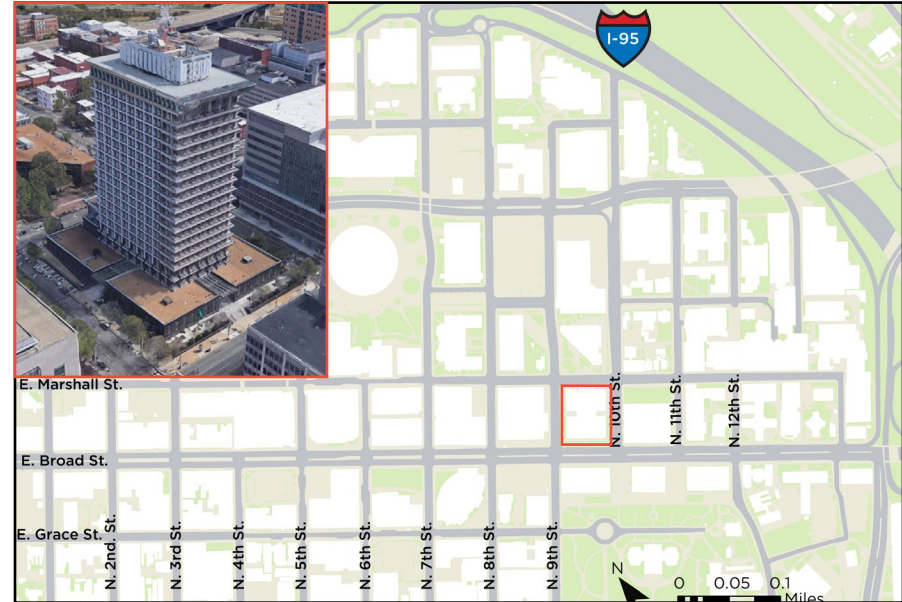
The Theater Row Building, also known as the 730 Broad Building, is on the block of E. Broad Street once known as “Theater Row.” The building utilizes the façade of the historic Colonial Theater – Historic Richmond Foundation has a preservation easement on it. The historic façade was built in 1921, but the 9-floor office building was built in 1992. Today, there are several public and private tenants in the building. Some of the users include City of Richmond Department of Public Utilities and Department of Social Services, VCU, and Virginia Credit Union.



Property Address	730 E. Broad Street
Year Built	1992
Parcel Owner	City of Richmond
Current Tenant(s)	DPU, DSS, Virginia Credit Union, others
Land Value (2021)	\$2.1M
Building Value (2021)	\$10.2M
Immediate Deferred Maintenance Cost	\$18.7M
Building Condition Rating	Poor

City Hall

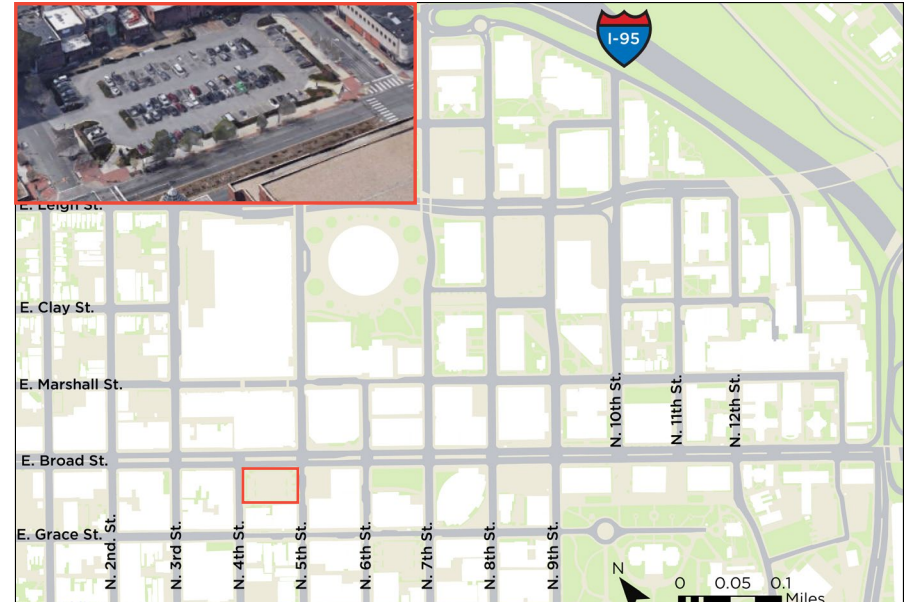
City Hall, built in 1971, is the Seat of Government and central hub of operations for the City of Richmond and Richmond Public Schools. The building is 22 floors with 3 floors of underground parking. Most of the building is used as office space for City employees, but also is used as a place for several public-facing functions like City Council meetings, voter registration, zoning appeals, and more. A recent Facility Condition Assessment of City Hall found that there are critical maintenance problems, especially with HVAC and electrical. Further, today's security risks are far greater than they were when the building was built; a security assessment was recently completed, and there have been multiple security enhancements made to secure the building.



Property Address	900 E. Broad Street
Year Built	1971
Parcel Owner	City of Richmond
Current Tenant(s)	City of Richmond employees, RPS
Land Value (2021)	\$6.4M
Building Value (2021)	\$57.5M
Immediate Deferred Maintenance Cost	\$50.5M
Building Condition Rating	Poor

4th/Broad Lot

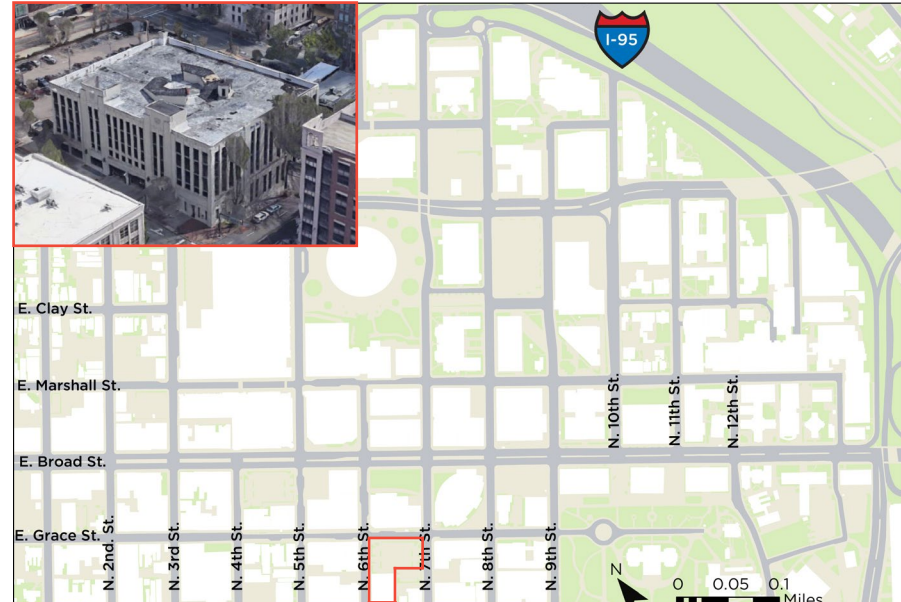
The surface parking lot at N. 4th and E. Broad Streets was created in 2004, replacing the vacant G.C. Murphy Co. building. The parking lot was constructed as part of a Downtown redevelopment effort. It is now used for public parking.



Property Address	401 E. Broad St.
Year Built	2004
Parcel Owner	City of Richmond
Parking Capacity	117
Land Value (2021)	\$3.0M
Building Value (2021)	\$76K
Immediate Deferred Maintenance Cost	N/A
Building Condition Rating	Good

Franklin/6th Parking Deck & Surface Lot

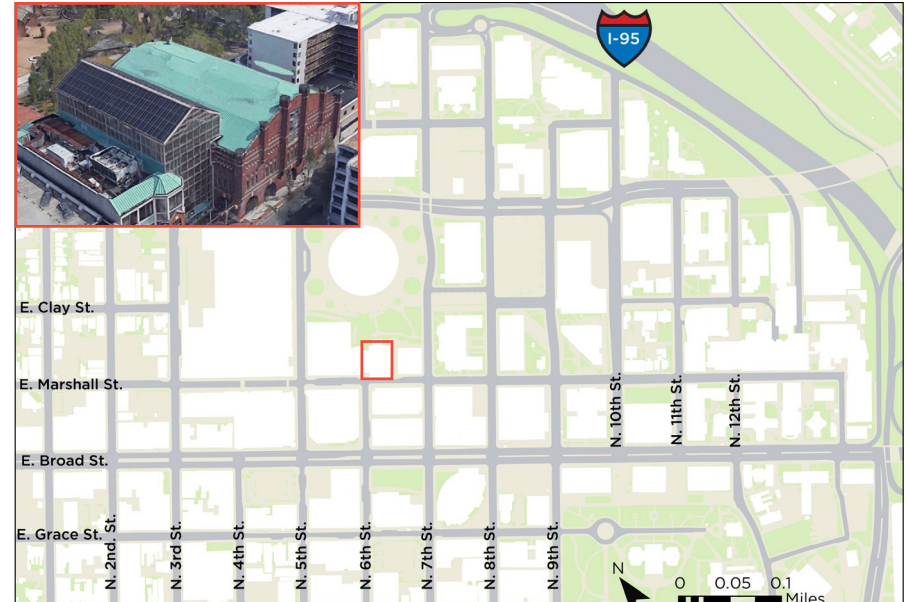
The parking garage on the corner of E. Franklin and N. 6th Streets was the first parking garage built in Downtown as a response to the early 20th Century automobile boom. The 7-story structure was completed in 1927. Today, the deck is functionally obsolete because modern-day cars are too large to travel up the helix to higher floors. Because only the first floor can be utilized for public parking, this parking deck is estimated to lose more than \$100,000 in annual parking revenue for the City as compared to the maintenance costs. Future development on this parcel should attempt to retain the historic façade of the deck. The surface parking lot facing E. Grace was built in 2004, replacing the Atlantic Life Building.



Property Address	609 E. Grace Street
Year Built	1927 (deck); 2004 (lot)
Parcel Owner	City of Richmond
Parking Capacity	96 (deck); 124 (lot)
Land Value (2021)	\$3.5M
Building Value (2021)	\$2.8M
Immediate Deferred Maintenance Cost	Not maintained
Building Condition Rating	Poor (deck); Good (lot)

Blues Armory

The Blues Armory was built in 1910 to be the headquarters of the Richmond Light Infantry Blues, one of the nation's most historic military units. The ground floor was once used as a food market, once a part of the 6th Street Marketplace, and the upper floors were secured to be used for military units. The 6th Street Marketplace closed and another armory was built in the 1960s; thus the Blues Armory was vacated. The Armory was designated as a National Historic Landmark in 1975. Part of the ground floor was re-fitted in the 1980s for the 6th Street Marketplace, a Downtown revitalization project, which was open until the early 2000s. Today, the Blues Armory is owned by Richmond Redevelopment and Housing Authority but is maintained as needed by the City of Richmond. Because of its vacant state, it is in poor condition. Any redevelopment of City Center should include the revitalization of the Blues Armory.



Property Address	601 E. Marshall Street
Year Built	1910
Parcel Owner	RRHA
Current Tenant(s)	None
Land Value (2021)	\$397K
Building Value (2021)	\$1.8M
Immediate Deferred Maintenance Cost	Not actively maintained
Building Condition Rating	Poor



RICHMOND PLANNING &
DEVELOPMENT REVIEW
PDR

CITY CENTER

Richmond, VA

Appendix D

Headquarter Hotel Needs Assessment –Updated Research



Greater
Richmond
Convention
Center

Headquarter Hotel Needs Assessment – Updated Research

HEADQUARTER HOTEL NEEDS ASSESSMENT FOR
THE RICHMOND CONVENTION INDUSTRY

Presented by CSL International
January 13, 2022



January 13, 2022

Mr. John F. Berry, Jr.
President & CEO
Richmond Region Tourism
401 N. 3rd Street
Richmond, VA 23219

Dear Mr. Berry:

Conventions, Sports & Leisure International (CSL) has completed an update to the Convention Center Futures Study for the Greater Richmond Convention Center from May 2017, specifically addressing the study's recommendation to seek a headquarter hotel adjacent to the Convention Center. The Study provides analysis and findings with respect the need for added headquarter hotel inventory to support Richmond Convention Center market capture, potential financing approaches, and comment on alternative locations for any future headquarter hotel development.

The attached report details our study process and key findings. We sincerely appreciate the assistance and cooperation we have been provided in the completion of this report and would be pleased to be of further assistance in the interpretation and application of our findings.

Very truly yours,

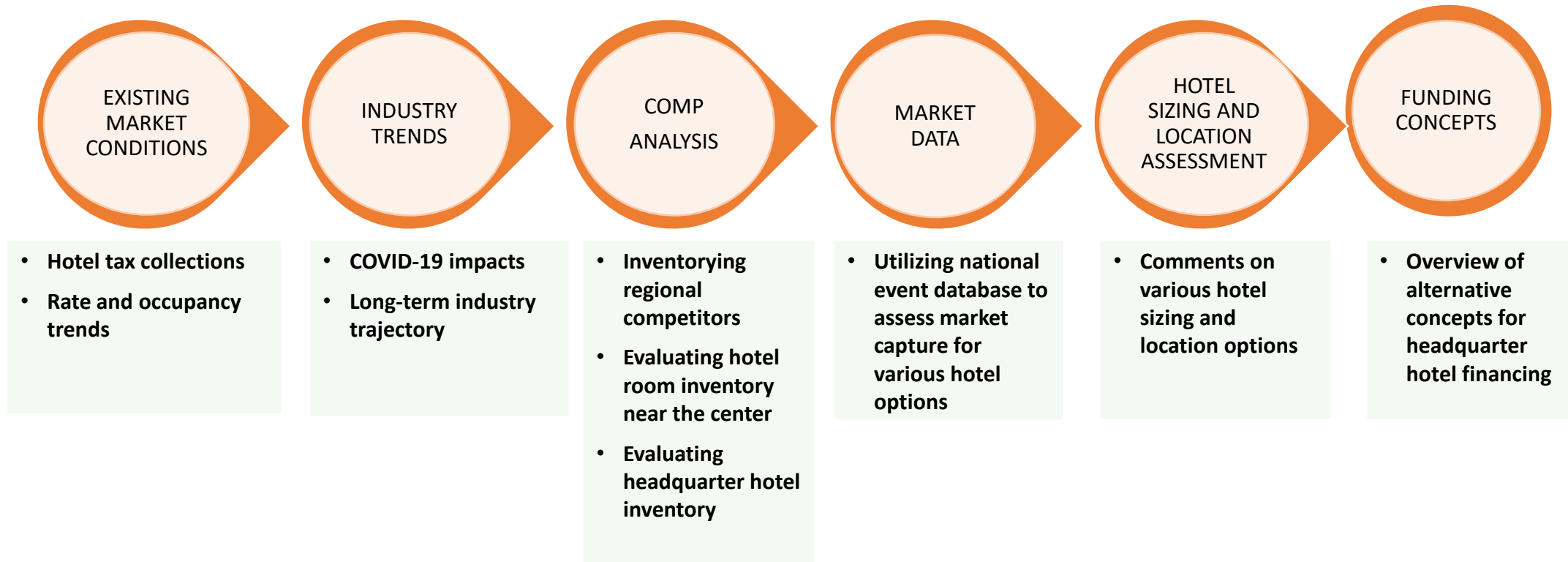
A handwritten signature in black ink that reads 'CSL International' in a cursive, flowing script.

CSL International

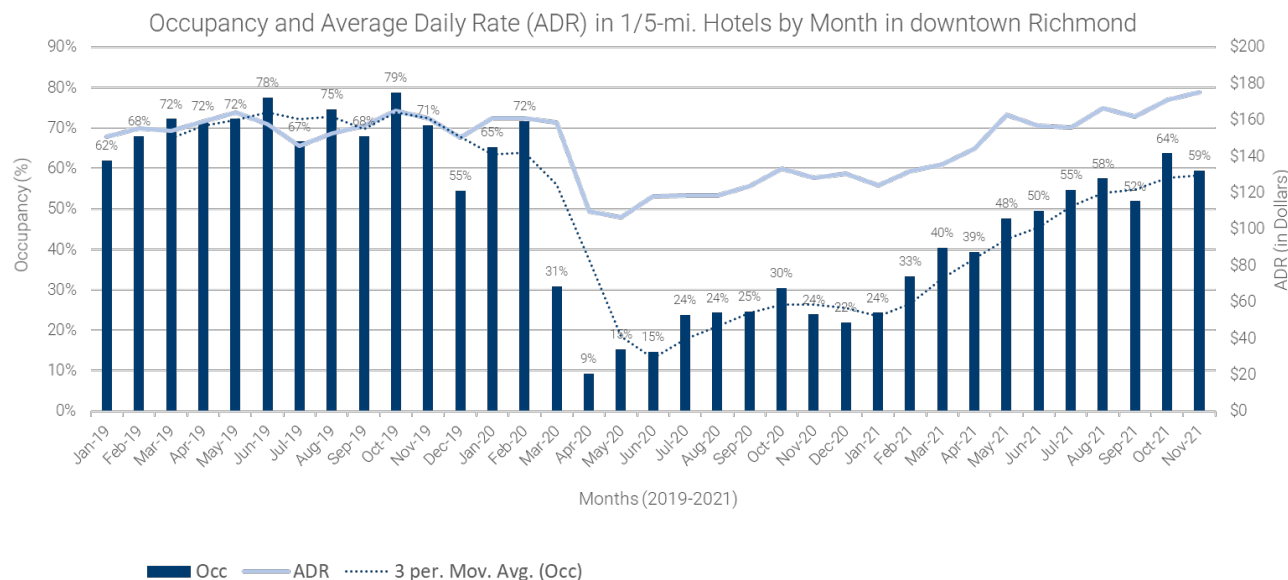
Convention center, hotel and surrounding visitor amenity activity continues nationally in both planning and development, even during the last several years of the pandemic. Richmond Regional Tourism is prudently undertaking regular assessments of existing project in the Richmond area, helping to strategically plan for needed future investment.

The focus on this assessment is on the potential need for added headquarter hotel inventory adjacent to the Greater Richmond Convention Center. The Study provides analysis and findings with respect to the need for added headquarter hotel inventory to support Convention Center market capture, potential financing approaches, and comment on alternative locations for any future headquarter hotel development.

The following areas of analysis have been undertaken in preparing this assessment.



The exhibit below depicts the change in occupancy rate and average daily rates (ADR) from the start of 2019 to almost the end of 2021. In normal circumstances the graph would exhibit far less digression, however the introduction of a global pandemic is reflected directly in the occupancy and average daily rate data. While much of the data may be unique due to that pandemic, the important result is how quickly the downtown Richmond hotel market is recovering.



Average Daily Rate
Average: \$146

Pre-Covid Average: \$157

Covid Year 1 Avg: \$125

Covid Year 2 Avg: \$158

Occupancy

Average: 49%

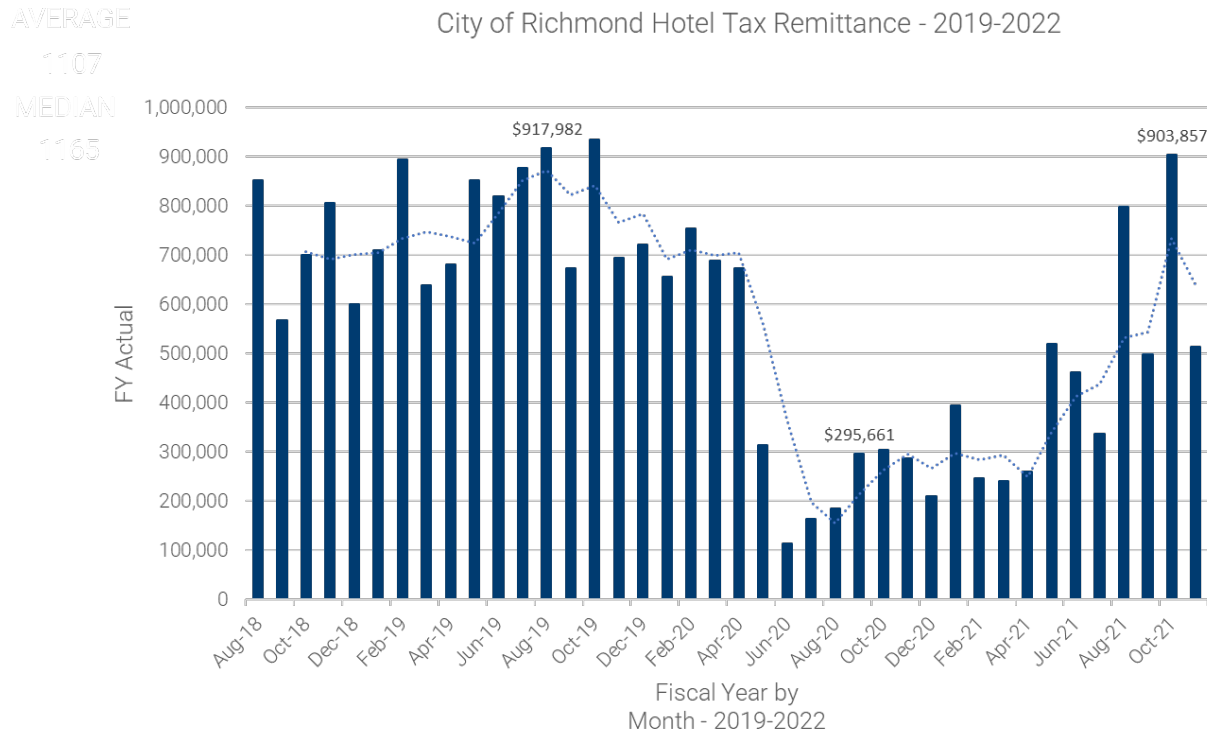
Pre-Covid Average: 70%

Covid Year 1 Avg: 23%

Covid Year 2 Avg: 52%

- Pre-COVID, downtown Richmond hotel occupancy rates were fairly high, often exceeding 70 percent on a monthly basis. Rates typically fluctuated between \$150 and \$170.
- With the first year of significant Covid impacts starting in March of 2020 and continuing through February of 2021, we see a drastic decline in both occupancy and ADR through June of 2020, with a modest monthly recovery during the remainder of Covid Year 1. For Covid Year 2, starting March 2021 and continuing to November 2021, we see a much more significant recovery, with occupancy reaching 60+ percent with average rates reaching above the pre-Covid average.
- The three-month trend line highlights the consistent upward trend in downtown Richmond hotel economics.

We have also reviewed the hotel tax remittance for the City of Richmond over the past 40 months. As with rate and occupancy data, the significant initial COVID impact is apparent, followed by an increasingly fast-paced recovery.



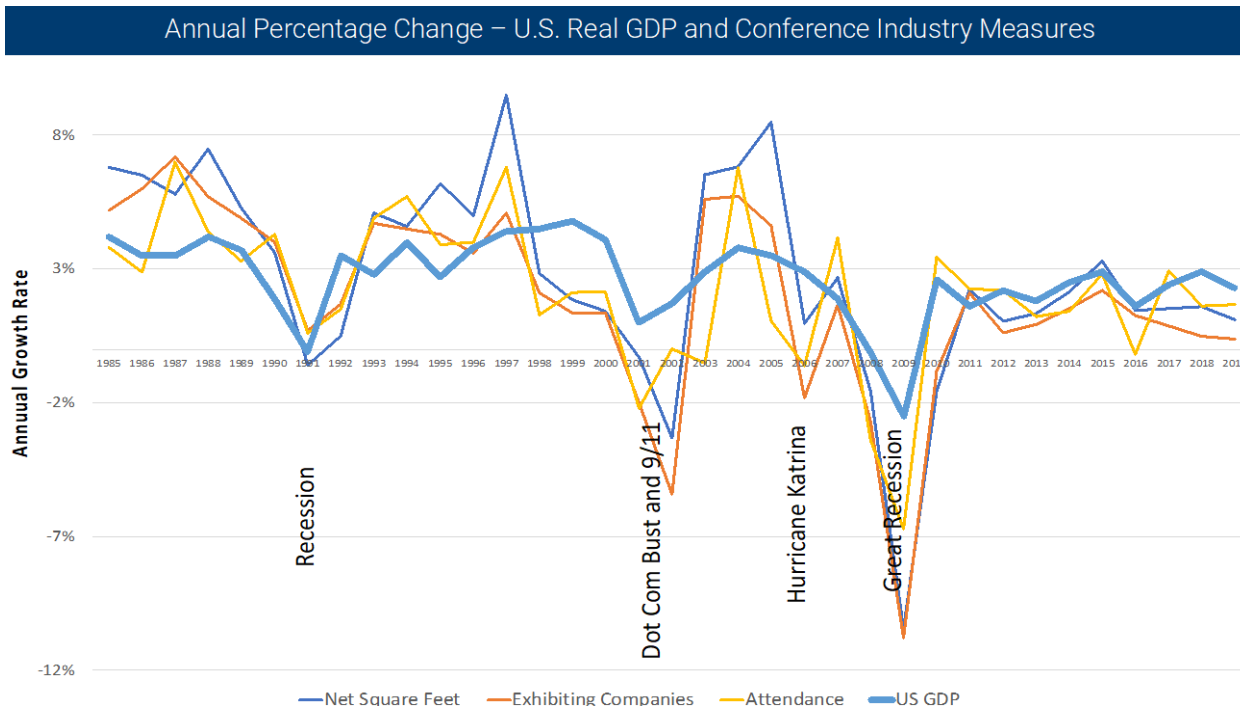
AVERAGE
569,110
MEDIAN
647,574

- Monthly remittance in October of 2021 nearly matched the 40-month high recorded in October of 2019, prior to the Pandemic.
- The pace of growth in collections has quickened since April of 2021.
- Given the importance of hotel tax remittance to many areas of the hospitality industry, including sales and marketing efforts and the funding of major event facilities, these growth statistics offer a measure of optimism for the long term.
- This is important to consider given the time lag between planning and opening a new headquarter hotel in Richmond.

The U.S. economy appeared to be on solid footing prior to the COVID-19 outbreak. An historical perspective focusing on changes to GDP growth relative to the national convention and meetings industry may be useful in assessing the longer-term impact of the COVID-19 pandemic. As outlined in the chart below, broad industry changes, characterized by retraction and expansion in exhibition, convention, conference, tradeshow and meeting demand have taken place during the past 35 years.

Given the parallels between GDP changes and changes in various measures of the convention and conference industry, we expect future industry growth to continue to mirror the overall health of the economy. With leading economists noting that the economy is now rebounding from COVID impacts, we can assume a rebound to the convention and conference sector over the next several years. This rebound has already begun in many markets, however recent virus variants may provide some set-backs to progress.

Longer term, potentially by the time the a new headquarter hotel is developed in Richmond, it is likely that COVID impacts will have fully dissipated, and that standard economy-driven fluctuations in the convention and conference industry will prevail.



The pandemic took a significant toll on the U.S. exhibition industry. As U.S. GDP decreased by over three percent in 2020, the exhibition industry's total attendance, square footage, and revenues decreased by nearly 80 percent due to the COVID-19 pandemic.

As previously noted, a gradual rebound has already started. As vaccinations of the U.S. population continue to progress, many planners and event facilities had been booking in-person events into early-2022, with plans to ramp up this activity through the spring and summer. While the new variant has dampened this momentum, we expect in person events to ramp up once the case load has subsided.

The CEIR total index is estimated to improve to 57 percent below 2019 performance, with a near return to normalcy by 2022 (only ten percent below 2019 performance). By 2023, the industry is expected to resume its growth beyond 2019 metrics.

Tier 1 Facility Trends – The Most Important Trends Accelerated by Pandemic



Virtual/Hybrid Events

Event planners interviewed by CSL in recent months suggest a significant interest in permanent turnkey production and broadcast facilities onsite at event venues to stream and produce content for events in real-time. Some facilities have already invested in technologies to accommodate virtual attendees. The Center in Detroit includes a 5,000-square foot broadcast studio that offers the technologies and services needed to create programming, live event webcasting, and large-scale program distribution, among other offerings. Centers in Baltimore and Houston are also being outfitted with enhanced broadcast/ production capabilities.



Outdoor Event Space

Even prior to the pandemic, event planners indicated an increasing demand for unique outdoor event space at their host sites. Popular conference/convention and large hotel facilities throughout the country offer terraces, patios, lawns, and pavilions to events for networking events or general sessions. Outdoor event space provides attendees with the opportunity to connect with the culture and feeling of a destination in a unique event setting while creating an additional selling point and source of revenue for centers and hotels. Hotel locations that allow for outdoor plaza/event functions would be desirable.



Walkable Destinations

As the competition to attract nationally rotating conventions has become increasingly intense, many facilities have begun to position themselves as “convention districts”. In this way, the value proposition for an event planner broadens beyond traditional event space and hotel criteria to include restaurant, retail, entertainment and transportation within walking distance of a convention and headquarter hotel facility.

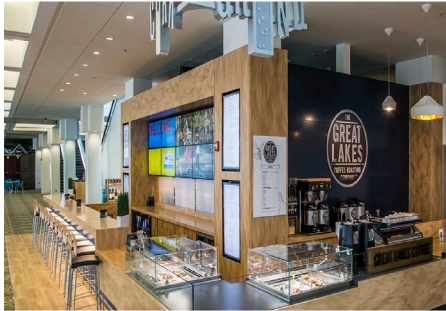
Convention hotel facilities located within vibrant mixed-use districts cater to this emerging event planner demand, and those that integrate with their surrounding dining, retail and entertainment environments are positioned to succeed in the post-COVID convention industry. Hotel locations that best access existing and planned entertainment would be desirable.

Tier 2 Facility Trends – Amenities Increasingly Preferred by Event Planners



Dynamic/Interactive Meeting Spaces

Planners are increasingly using larger, more versatile spaces for breakout sessions in both hotels and convention centers. These rooms range anywhere between 3,000 and 10,000 square feet and feature portable and modular furniture to accommodate a variety of programs. The Cantilever Room at the Henry B. Gonzalez Convention Center in San Antonio (TX) is often cited by event planners as an exemplary multipurpose space, and the Room's built-in A/V, movable furniture, and dual-purpose window/whiteboard help create a flexible and open environment for workshops, brainstorm sessions, and strategy meetings.



Unique and Authentic Food & Beverage

Recent trends in the food and beverage sector are more reflective of changing demographics and how conventions and meetings are being produced. The balance between standard sit-down banquets and more formal food options may be shifting towards the informal, and the ability of a headquarter hotel and center to offer more convenient “grab & go” or “pop-up” dining opportunities could become much more important in the future. Planners and attendees today are also preferring more trend forward amenities such as food trucks, and locally sourced offerings at pop-ups.



Engaging Pre-Function Areas

The Open Space Learning (OSL) concept challenges the traditional lecture or seminar-based formats that exist in most large hotels and convention centers. Planners are instead looking for unique and creative learning environments that can be constructed in lobbies, pre-function areas, atriums, etc. Many centers and large hotels have invested in portable and versatile furniture to create environments for small meetings and lectures, podcasts, and informal networking events.

Tier 3 Facility Trends – Other Trends to Monitor



Augmented and Virtual Reality

Augmented reality technologies allow for “shared experiences” among attendees. By using headsets or mobile technologies, attendees can be alerted by the same statistics or goals/waypoints in the real world while they attempt to complete a shared task. Beyond A/R, virtual reality enables professionals to share experiences in completely simulated environments by wearing headsets or other currently available technologies. These technologies and their applications are still evolving, but many conference and convention industry leaders envision multipurpose “black box” rooms (in hotels and centers) that will host completely immersive environments rendered as lifelike to its observers.



On Demand Micro Meetings

As Millennials and Gen-Z make up an increasing share of the convention and conference attendee base, event booking technologies have emerged that allow for app-based scheduling of breakout meeting spaces in a venue or hotel. ZenSpace has developed private, tech-enabled Smart Pods that can be rented on demand using an integrated mobile app. These spaces are outfitted with comfortable booth seating, tabletops, whiteboards, monitors, HDMI cables and phone charging stations. This allows planners to schedule their own impromptu, private meeting sessions.



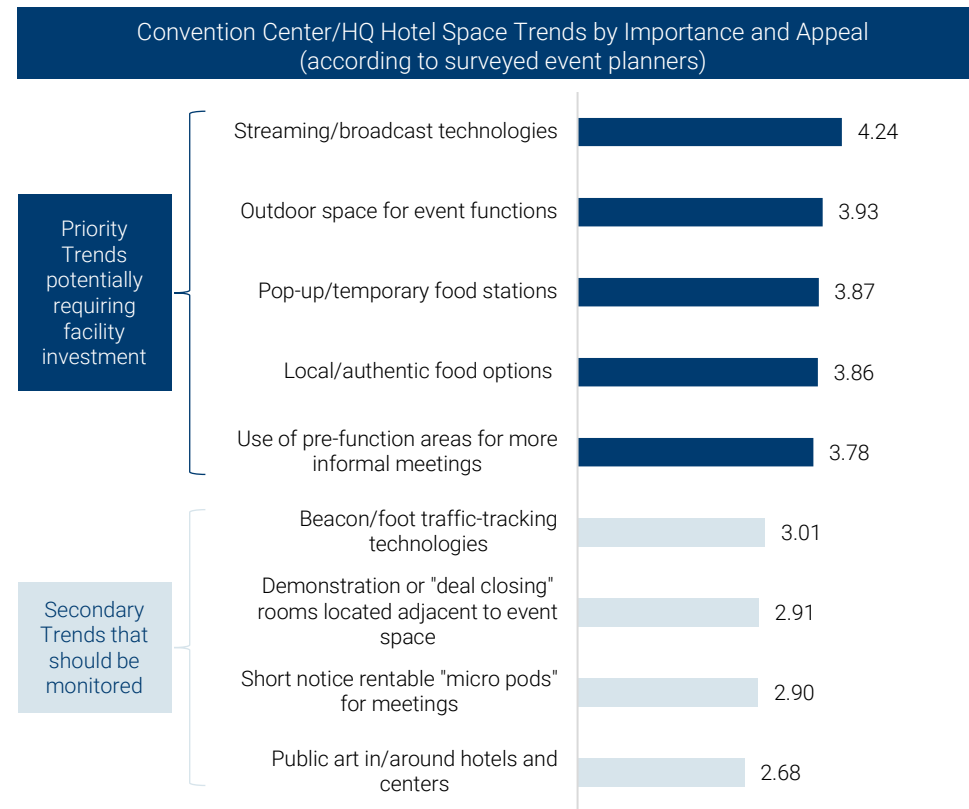
Other Trends

Other large hotel and convention center program and technology trends increasingly noted by event planners during interviews include:

- Public art
- Cyber cafes
- Digital signage and monitors throughout venue
- Natural lighting
- Casual furniture

To test the demand for each of the concepts presented on the previous pages, CSL recently collected survey input from nearly 90 planners of major national and regional conventions and conferences. Participating planners were asked to rate the importance and appeal of several different event facility/hotel trends on a scale of “1” to “5”, with “5” being the highest score. Their feedback is summarized in the below chart.

Trends that should be considered a high priority by the convention industry garnered scores of 3.75 or higher. As shown, streaming and broadcast technologies received a significantly high rating from planners, followed by outdoor event spaces, pop-up/temporary food stations, local and authentic food stations, and the use of pre-function areas for informal meetings. Trends that scored lower may not be a near-term priority but should still be considered important as part of any investment in the convention and headquarter hotel industry. These include demonstration rooms adjacent to event spaces, rentable micro pods, and public art in and around a headquarter hotel or center.



4 COMPARABLE MARKET ASSESSMENT

Another important metric to consider is the number of hotel properties required to accommodate the room blocks of sizeable non-local events. The exhibit below focuses on the total number of hotels required to supply 500, 1000, and 1,500 person room blocks (with a 65% room committability factor). This analysis allows us to assess overall desirability and marketability of existing room blocks in Richmond.

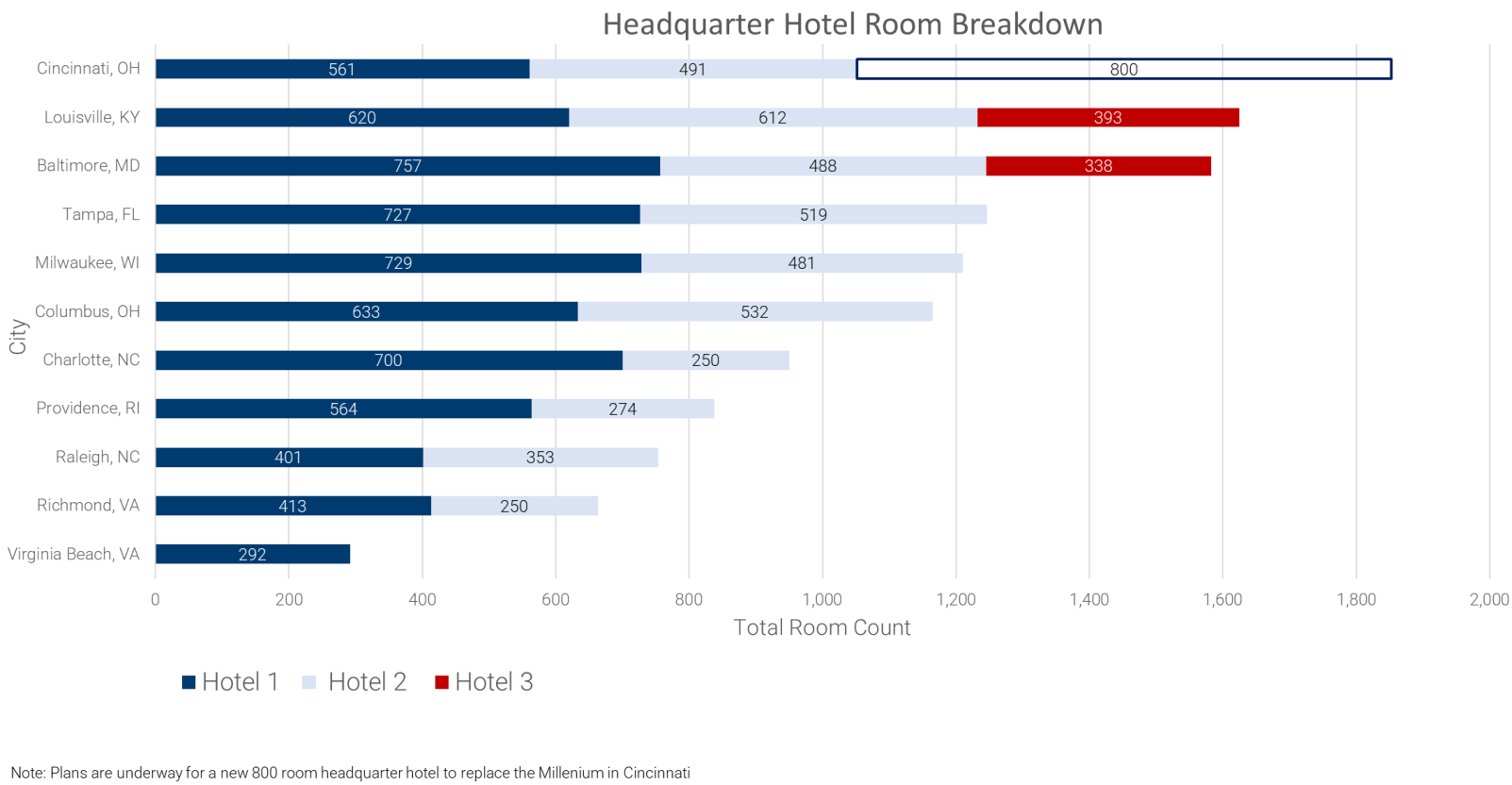
No. of Hotels Needed for Room Blocks (w/in 1/2 mile)			
	500	1000	1500
Louisville, KY	1	2	3
Baltimore, MD	2	3	4
Tampa, FL	2	3	7
Columbus, OH	2	3	7
Milwaukee, WI	2	4	7
Cincinnati, OH	2	4	7
Charlotte, NC	2	4	6
Providence, RI	2	5	12
Richmond, VA	3	8	-
Raleigh, NC	3	-	-
Virginia Beach, VA	-	-	-

Note: Analysis assumes a 65% hotel room committability factor.

- Excluding Virginia Beach (which has no headquarter hotel), Richmond ties for last out of 10 in hotels in terms of properties required to accommodate a 500 room block.
- Richmond also would need 8 hotels to accommodate a 1,000 person block, ranking last among the comparable market set.
- Assuming only hotels within ½ mile are considered, Richmond cannot currently accommodate a block of 1,500 committable rooms within one-half mile of the Center.
- Data suggest a comparable and competitive shortfall of hotel rooms supporting large event room blocks in downtown Richmond.

4 COMPARABLE MARKET ASSESSMENT

We have reviewed the headquarter hotel inventory within ten markets in comparison with the inventory in Richmond. These markets have generally been selected to highlight aspirational destinations that reflect the potential future convention performance in Richmond. In all cases, with the exception of Virginia Beach, the markets reviewed provided for at least two headquarter properties. For the purposes of this analysis the headquarter hotel property is defined as having at least 250 rooms with a location attached or adjacent to a convention center. Hotel inventory data and key findings are presented below.



- The average inventory of headquarter hotel rooms within the markets reviewed is 1,189 (excluding Virginia Beach).
- The inventory of headquarter hotel rooms in Richmond ranks 10th out of the 11 markets reviewed.
- The average room count of the headquarter hotels reviewed approximates 517 rooms.

4 COMPARABLE MARKET ASSESSMENT

The previous slide highlighted comparisons of total headquarter hotel inventory by market. It is also useful to assess headquarter hotel inventory relative to convention center space. In the following exhibit we present this analysis, measuring room inventory against both total event space and exhibit space. The resulting analysis allows us to measure the additional headquarter hotel room inventory required in Richmond to reach comparable market average rooms to space ratios.

Headquarter Hotel Rooms to Event and Exhibit Space Ratios

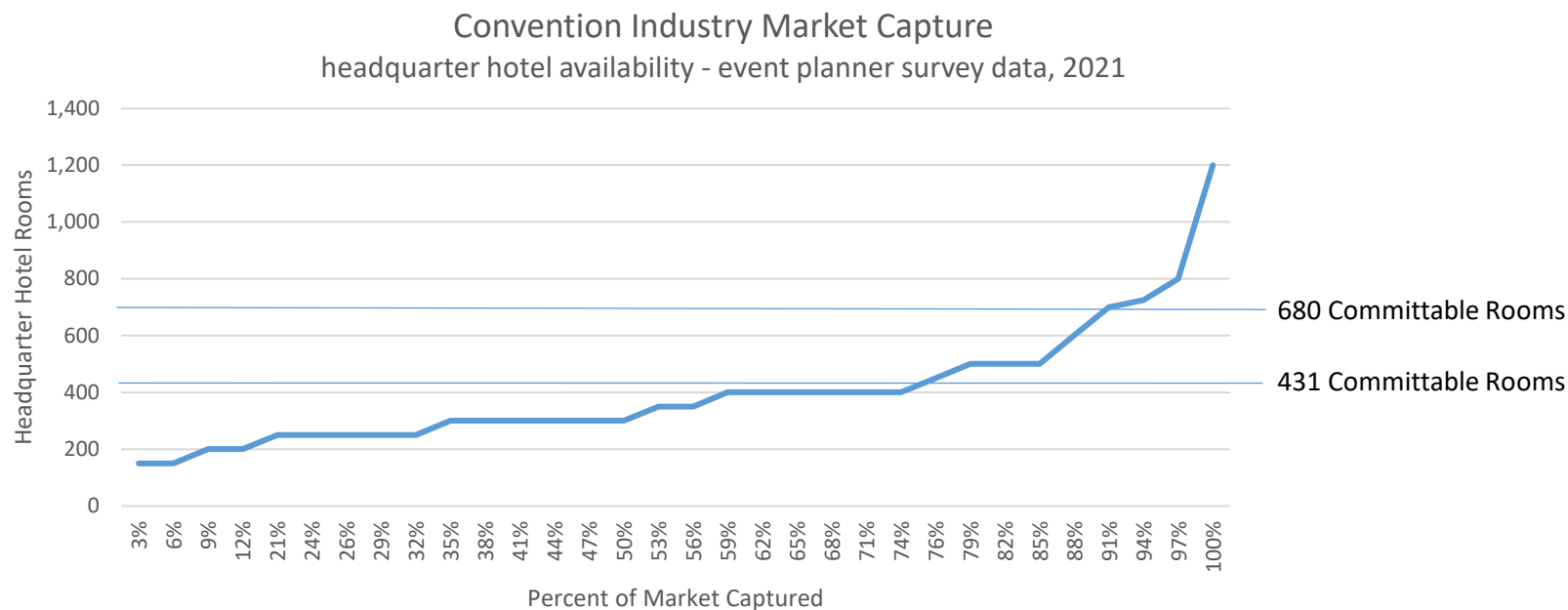
	Room Total	Total Event Space	Exhibit Space	HQ Rooms/ Event Space ¹	HQ Rooms/ Exhibit Space ¹
Columbus, OH	1,165	539,200	334,900	2.2	3.5
Charlotte, NC	950	412,500	280,000	2.3	3.4
Richmond, VA	663	257,300	178,200	2.6	3.7
Raleigh, NC	754	212,100	146,843	3.6	5.1
Baltimore, MD	1,583	407,200	300,000	3.9	5.3
Tampa, FL	1,246	278,700	200,000	4.5	6.2
Milwaukee, WI	1,210	265,800	188,695	4.6	6.4
Louisville, KY	1,625	298,400	200,100	5.4	8.1
Providence, RI	838	149,600	100,000	5.6	8.4
Cincinnati, OH	1,852	296,900	195,300	6.2	9.5
Wgt AVG Ratio of Headquarter Hotel to Facility Space				3.8	5.6
Comparable Venue AVG HQ Hotel Rooms Based on Space Ratios				981	997
Richmond Rooms Required to reach WGT AVG				318	334

Virginia Beach, VA has been excluded from averages due to a lack of Headquarter Hotel Inventory

¹ Headquarter Room Count/ Space * 1000

- Based on analysis of comparable headquarter hotel room count relative to event space, a new headquarter hotel with approximately 318 to 334 rooms would be required to reach comparable market averages.
- The results of this analysis reflect one approach to assessing Richmond headquarter hotel needs. Other analysis tools are presented later in this document to provide a more thorough assessment of headquarter hotel room inventory need.

CSL regularly conducts surveys of planners of national and regional conventions and tradeshow. We have used our most recent survey data to assess national event market capture given various headquarter hotel room totals. The event set included in the analysis requires from 25,000 square feet of exhibit space to the full capacity of the Center at 175,000 square feet.

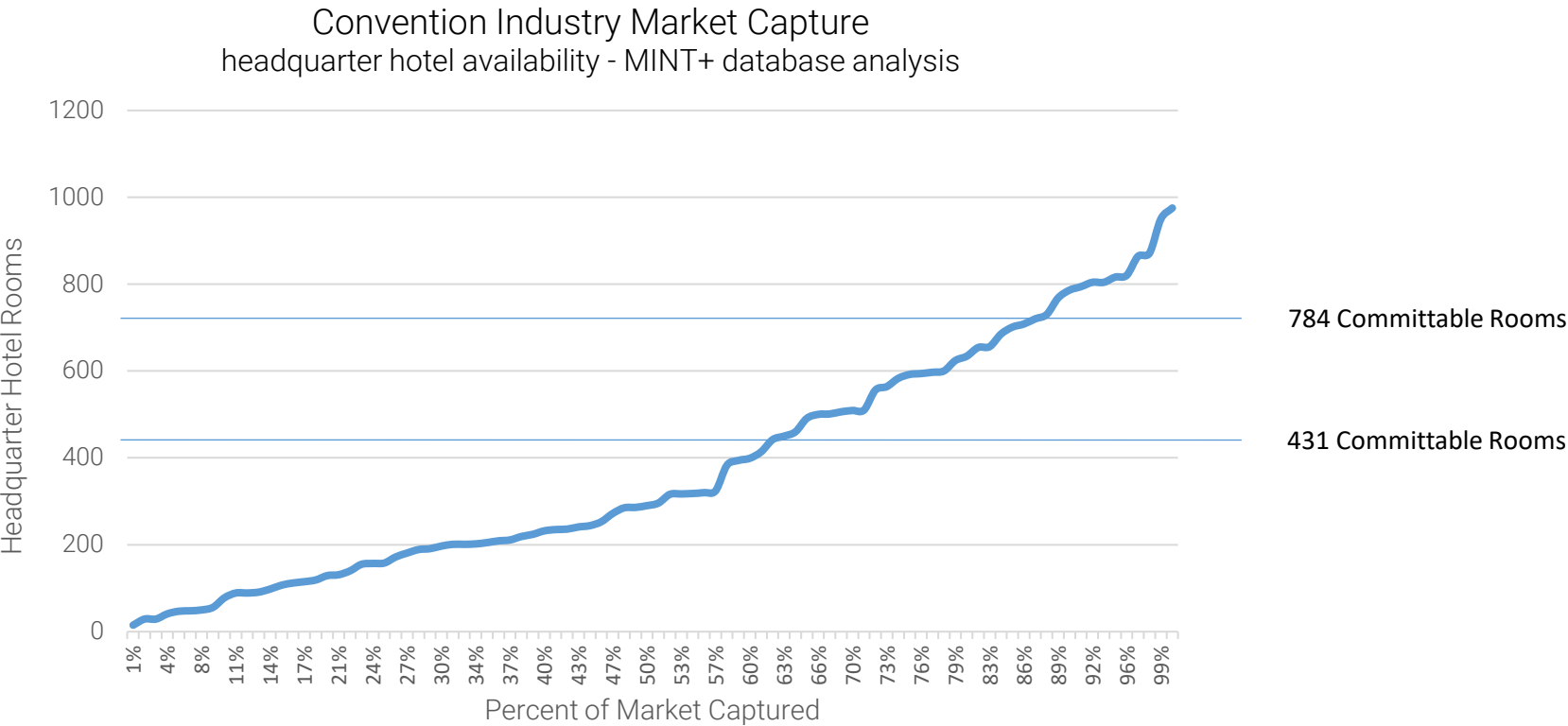


- The share of market captured with the 431 existing Richmond committable headquarter hotel inventory (assuming a 65 percent committability factor) approximates 75 percent.
- To reach 90 percent capture (a common target for sizing convention center space and hotel inventory), 630 committable headquarter rooms are necessary.
- Given assumed room committability, if a new headquarter hotel near the Convention Center were developed with 383 rooms, Richmond could achieve the 90 percent market capture under this analysis scenario.

5

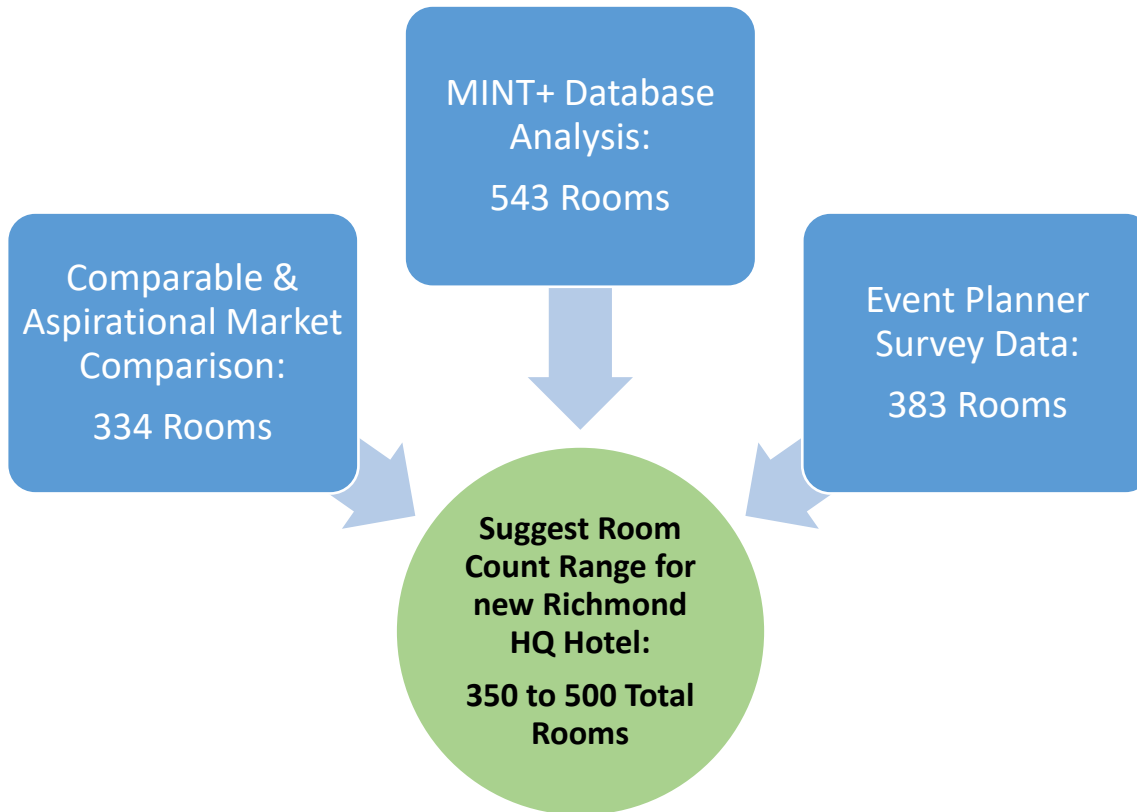
MARKET DATA

Destinations International maintains a significant database of convention and tradeshow event information for national and regional events. This information includes facility space use, total hotel room needs and headquarter hotel room needs. We have utilized the headquarter hotel room requirement data to form the analysis summarized below. Events included in this analysis required from 25,000 square feet of exhibit space to the full capacity of the Center at 175,000 square feet.



- The share of market captured with the 431 existing Richmond committable headquarter hotel inventory (assuming a 65 percent committability factor) approximates 60 percent.
- Data from the MINT+ database indicates that 784 committable headquarter hotel rooms would be required to accommodate 90 percent of the national market.
- Given assumed room committability, if a new headquarter hotel near the Convention Center were developed with 543 rooms, Richmond could achieve the 90 percent market capture under this analysis scenario.

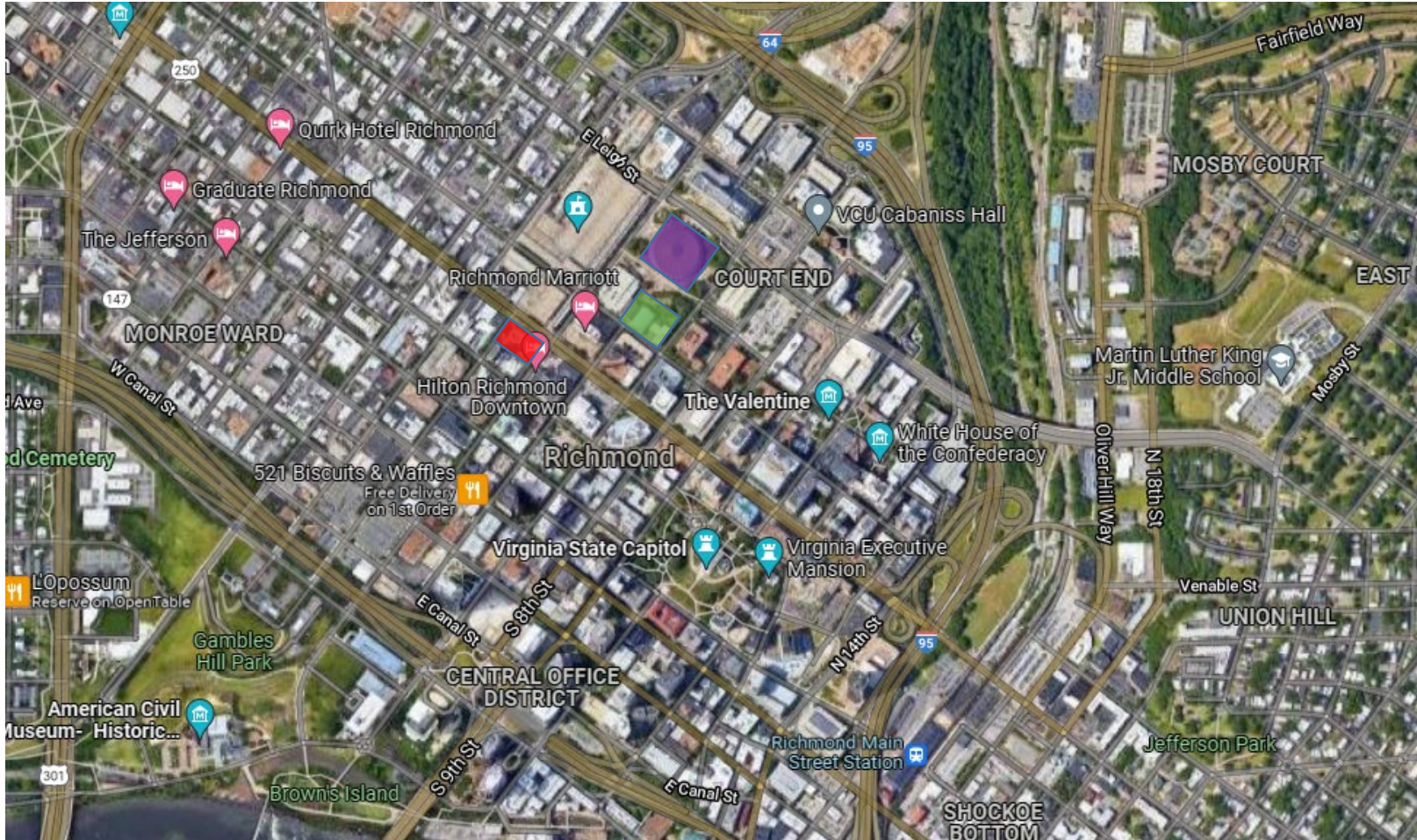
As part of this assessment, we have taken several approaches to measuring the adequacy of existing Richmond headquarter hotel inventory, and potential room increases needed to achieve parity with comparable and aspirational markets, and to reach desired share of market capture. The graphic below summarizes the particular room counts suggested by each of these analysis methods.



- As noted in the adjacent graphic, the various methods of analyzing potential headquarter hotel room count suggest a range of between 334 and 543 rooms.
- For planning purposes, we suggest a target room count for future Richmond headquarter hotel development that broadly ranges from 350 to 500 rooms.
- This assumes that an average of 65 percent of room inventory would be committed to large non-local Convention Center events.
- The new headquarter hotel would be developed with significant registration and lobby space, supporting meeting and ballroom space, and convenient (ideally connected) access to the Convention Center.
- Various models for funding headquarter hotel properties are discussed later in this assessment.

6 HOTEL SIZING AND LOCATION ASSESSMENT

We have reviewed each of the three proposed sites for a potential new headquarter hotel in Richmond. Each are located in close proximity to the Convention Center. These sites are highlighted below.



- Coliseum site located at 5th & Leigh Streets
- Surface parking lot at 5th & Broad streets
- Blues Armory incorporating the armory building along 6th & Marshall & Clay streets

6 HOTEL SIZING AND LOCATION ASSESSMENT

The broad strengths and weaknesses of each of the sites reviewed is presented below. More analysis as to site conditions, traffic, parking access, and other important factors will need to be conducted prior to final site selection.

Coliseum site located at 5th & Leigh Streets

Advantages:

- Sufficient size for headquarter hotel development.
- Ability to redevelop an underutilized site.
- Adjacent to the Convention Center.

Disadvantages:

- Furthest distance from downtown office core.
- Lack of frontage on major thoroughfare (i.e. Broad Street).

Surface parking lot at 5th & Broad streets

Advantages:

- Direct access onto Broad Street.
- Closest site to downtown office core.
- Adjacent to Convention Center entrance.
- Creates desired density on Broad Street.

Disadvantages:

- Smaller parcel size may create challenges to develop full program.

Blues Armory Site

Advantages:

- Sufficient size for headquarter hotel development.
- Ability to redevelop an underused asset.
- Potential for historic tax credits as part of project financing.
- Potential to create unique, iconic interior and exterior space with historic structures.
- Close proximity to Convention Center.

Disadvantages:

- Separated from Convention Center by parking garage.
- Development challenges incorporating existing historic structures.
- Lack of frontage on major thoroughfare (i.e. Broad Street).
- Truck access could be challenging.

6 HOTEL SIZING AND LOCATION ASSESSMENT

Any new headquarter hotel development will require significant ancillary event space, lobby/registration areas, back of house and other such space. We assume a branded property in the upper-upscale tier (Marriott, Hyatt, Hilton, Sheraton, Weston, Omni, etc.) Potential space program targets for a new headquarter hotel in Richmond are summarized below. These totals are conceptual, and will be modified by hotel developers and operators as planning and design takes place.

Total Keys	500	350
Room SF	175,000	122,500
Guest Rooms Circulation/Support	43,750	30,625
Ground Floor (Guest Services)	60,000	42,000
Second Floor (Meeting/Admin./Support)	60,000	42,000
Conference/Meeting Space	30,000	25,000
Dining/Kitchen/Pool/Fitness	55,000	40,000
Hotel Program	423,750	302,125

7 FUNDING CONCEPTS

The development of large headquarter hotel projects can carry a relatively high cost-per-key and a fairly long start-up period resulting in financial risk. Nationally, two broad models have been used to successfully fund large headquarter hotel development.

1. Public/Private Partnerships under which a private entity or entities builds, owns and operates the hotel. Given the size and cost structure for these hotels, the public sector is relied on to provide various supporting contributions, often in the form of land contribution (or low cost lease), development of parking to support the hotel, site-specific tax increment contribution (property, sales, TOT, etc.), and/or development of portions of the hotel meeting space.
2. Hotel ownership by a public non-profit entity with the capacity to issue tax exempt bonds. The lower cost of borrowing compared to private financing can address financing gaps that could exist between the cost to develop and the net operating income of the hotel.

Each of these models are discussed in further detail below.

Public/Private Partnership

- As noted above, this model involves private development, ownership and operation of the hotel, with financing support from the public sector in various ways.
- In exchange for this public support, it is common for the developer and public sector to negotiate a room block agreement allowing the public sector (typically through a CVB) to commit a large percentage of hotel rooms during agreed-on periods at a reasonable group room rate in order to attract high-impact, non-local events.

Advantages:

- Beyond zoning, entitlement, permitting, inspection and other typical public sector development initiatives, there will likely be little if any public sector interaction necessary in the planning, design and construction process.
- The required public sector up-front and/or on-going “subsidy”, if properly limited, defines extent of the city’s financial participation.
- The headquarter hotel development, if constructed and operated as planned, can achieve an important City economic development objective in terms of growing the convention and visitor industry.

7 FUNDING CONCEPTS

Disadvantages:

- The necessary public sector investment in the project (through land contribution, tax abatements, etc.) can cause challenges within the hotel community, particularly for those hotels owners that have not received prior subsidies. We note that the ability of a new headquarter hotel to potentially attract new large room night generating events would benefit hotels in the wider downtown region.
- There is little or no public sector control over elements of the business model such as service quality or facility maintenance.
- From a design perspective, there may be little ability for the public sector to introduce desirable public spaces, green space or other features.
- As with most privately developed and owned projects there would be no direct financial return, either from operations and eventual sale of the asset, accruing to the public sector.

Tax Exempt Hotel Financing Method

This financing method, often used for large headquarter hotels, involves an issuance of tax exempt debt by a not-for-profit Authority. The Authority would then own the asset, and contract with a property operations manager. Advantages and disadvantages of this method of funding are summarized below.

Advantages

- Given the lower interest rates on tax exempt debt as compared to the cost of capital for a private developer, the hotel NOI will go much further in financing the project.
- The lower cost of capital allows for more investment in the building program, potentially increasing the size and quality of the property.
- To the extent that project revenues exceed funding requirements, the resulting income distributions can be used by a public Authority for any lawful purpose whatsoever. After several years, the hotel project can be sold into the private sector.
- The Authority can best control the type of hotel constructed, ensuring the project coordinates with overall community economic development goals.

Disadvantages

- There are perception issues that have to be addressed when a public sector entity (non-profit corporation or authority) owns a hotel.
- Investors and credit rating agencies are likely to demand some type of guarantee on annual debt service. Even though the Authority will retain these revenues if operating projections are met, revenue streams sufficient to provide this guarantee will have to be identified.
- If the event of substantive, long term market deterioration, annual debt service guarantee will remain as long as the asset is owned by issuing entity.

7 FUNDING CONCEPTS

Next Steps

In the 2017 report issued by CSL, the general next steps that were to be considered as part of the process of securing a new headquarter hotel were summarized. These are re-summarized below.

The general process of hotel development can be initiated in the short term with development and issuance of a request for proposals or qualifications. However, the actual development process will likely be complex and challenging, with numerous issues to be addressed including site acquisition, site development, funding, room block agreements and other project aspects.

The costs for the initial RFP or RFQ issuance is modest, although the actual public sector cost to secure the development of a new convention hotel as part of a public/private partnership are undetermined at this point.

Numerous organizations should actively participate in the hotel planning and development process, with an extensive role for GRCC and leadership from RRT, the Economic Development Authority and Venture Richmond, as well as various city representatives. Certainly, there are other organizations that will contribute to the planning and development for each of these project areas.

CITY CENTER

Richmond, VA

Appendix E

Anticipated Minimum Community Benefits

COLISEUM PARCEL REDEVELOPMENT COOPERATION AGREEMENT

EXHIBIT B

Anticipated Minimum Community Benefits

(1) As it relates to community outreach and engagement:

- (i) Intentional and meaningful engagement of the residents living closest to the project and other community members likely to be most impacted by the project;
- (ii) Involvement of community members in the planning process in an effort to ensure the community's goals, objectives, priorities, and criteria for growth and reinvestment are considered in project planning;
- (iii) Inclusion of community members in the decision-making process for the project, such as by providing for community representation on a project advisory team or task force; and
- (iv) Ensuring that any significant change to the project's scope of work includes additional community engagement and discussion.

(2) As it relates to job creation and workforce development:

- (i) Placement of all advertisements for job opportunities through multiple media, including local print publications and social media outlets;
- (ii) Conduct job fairs and information sessions in each City Council district;
- (iii) Create ongoing hiring opportunities for students operated by the School Board of the City of Richmond through recruitment, training, and internship programs;
- (iv) Conduct outreach programs that target neighborhoods in the city with high poverty rates;
- (v) Give employment preference to qualified honorably discharged veterans of the armed forces of the United States;
- (vi) Participate in and provide apprenticeship programs certified by the Virginia Department of Labor and Industry or the U.S. Department of Labor;
- (vii) Emphasize hiring of full-time employees over part-time employees;
- (viii) Provide health and retirement benefits plans to employees;
- (ix) Require all contractors and subcontractors to pay the greater of \$15 per hour and the prevailing wage for the City of Richmond as determined by Virginia Commissioner of Labor and Industry based upon the prevailing wage rates under the Davis-Bacon Act (the latest reference for prevailing wage rates in Virginia is

available at <https://www.doli.virginia.gov/prevaling-wage-law/> under the “Virginia Prevailing Wage Rates” reference tab) and

(x) Require all contractors and sub-contractors participating in project construction to set a goal to achieve certain hiring targets.

(3) As it relates to supporting minority business enterprises and emerging small businesses as defined in City Code section 21-4:

(i) Submit and follow a MBE/ESB Utilization Plan in consultation with the City’s Office of Minority Business Development, which plan includes good faith efforts to achieve meaningful goals for minority business enterprise and emerging small business participation in both project construction and ongoing operation; and

(ii) Submit and follow a plan to aid:

-The startup and growth of micro and small businesses;

-Micro and small Richmond-based businesses, as defined by the Virginia Department of Small Business and Supplier Diversity, in need of financial assistance in order to lease office or retail space;

-Graduates of schools operated by the School Board of the City of Richmond that reside in census tracts with a poverty rate of 15% or higher, in need of scholarships or other assistance to attend trade, technical, and two- or four-year colleges or universities.

(4) As it relates to sustainability and site development:

(i) Develop the project at a minimum to LEED Silver standards;

(ii) Utilize district-wide sustainability practices, such as district-wide stormwater management and reuse, on-site renewable energy generation, and other innovative district-wide sustainability initiatives;

(iii) Develop the district in a way that supports transit-oriented development and supports multimodal transportation and increases walkability;

(iv) Provide and follow a plan for diverting from landfills the project-related demolition, construction, and land-clearing debris;

(x) Recycle or reuse at least 50% of the demolition and construction waste;

(xi) Provide services for the collection, storage, compaction, removal, recycling and composting of materials from the project;

(xii) Provide bicycle parking and storage facilities on the project site and provide electric vehicle charging stations and infrastructure for a minimum of 10% of all required parking spaces within the project;

(xiii) Provide shade trees on all existing and new streets within and surrounding the project and any surface parking lot within the project; and

(xiv) Develop and follow a plan to salvage and recycle building elements and materials from any existing historic buildings within the project footprint, to the extent applicable.

(5) As it relates to affordable for-sale and rental housing:

(i) The affordable housing units shall be similar in size, quality, and amenities to the project's market rate units;

(ii) The affordable housing units shall be dispersed throughout the project; and

(iii) The affordable housing units shall vary in size to accomplish a mix of one, two, and three bedroom affordable housing units.