

# Annual Report FY 2022





# Mayor's Message

**LEVAR M. STONEY**  
MAYOR OF THE CITY OF RICHMOND

The past two years have been trying in more ways than one, but Fiscal Year 2022 shined hope on Richmond as we continued a steadfast path toward economic prosperity for the City.

With this in mind, we focused on initiatives that will benefit every Richmonder for years to come. We approved our Strategic Plan for Equitable Economic Development (SPEED) to guide us to achieving this.

SPEED, along with Richmond 300 – our nationally recognized master plan – and the City's Equity Agenda, will provide the right framework to ensure that businesses and people can grow and thrive in Richmond.

Richmond has recorded many wins over the past few years. In Fiscal Year 2022, the City announced projects that will create over \$552 million in new capital investment and add 2,237 new jobs to the economy, and was named to fDi Magazine's coveted "Americas Cities of the Future" list.

The River City has solidified its reputation as a premier destination for business. Our technology and life sciences industries continued to grow. We also broke ground on CoStar's regional headquarters expansion, a \$460 million investment anchored on the historic and serene riverfront.

These successes are topped off with a transformational economic development project in the Diamond District – a major league investment in the people of our city. I'm confident that this project and the process that led us here will stand as a model for equitable economic development for the nation.

Richmond is on the rise. I'm proud to be the Mayor of this city and highlight the work being done by our talented economic development team.

## A Note from John Molster, Chair of the Economic Development Authority Board of Directors



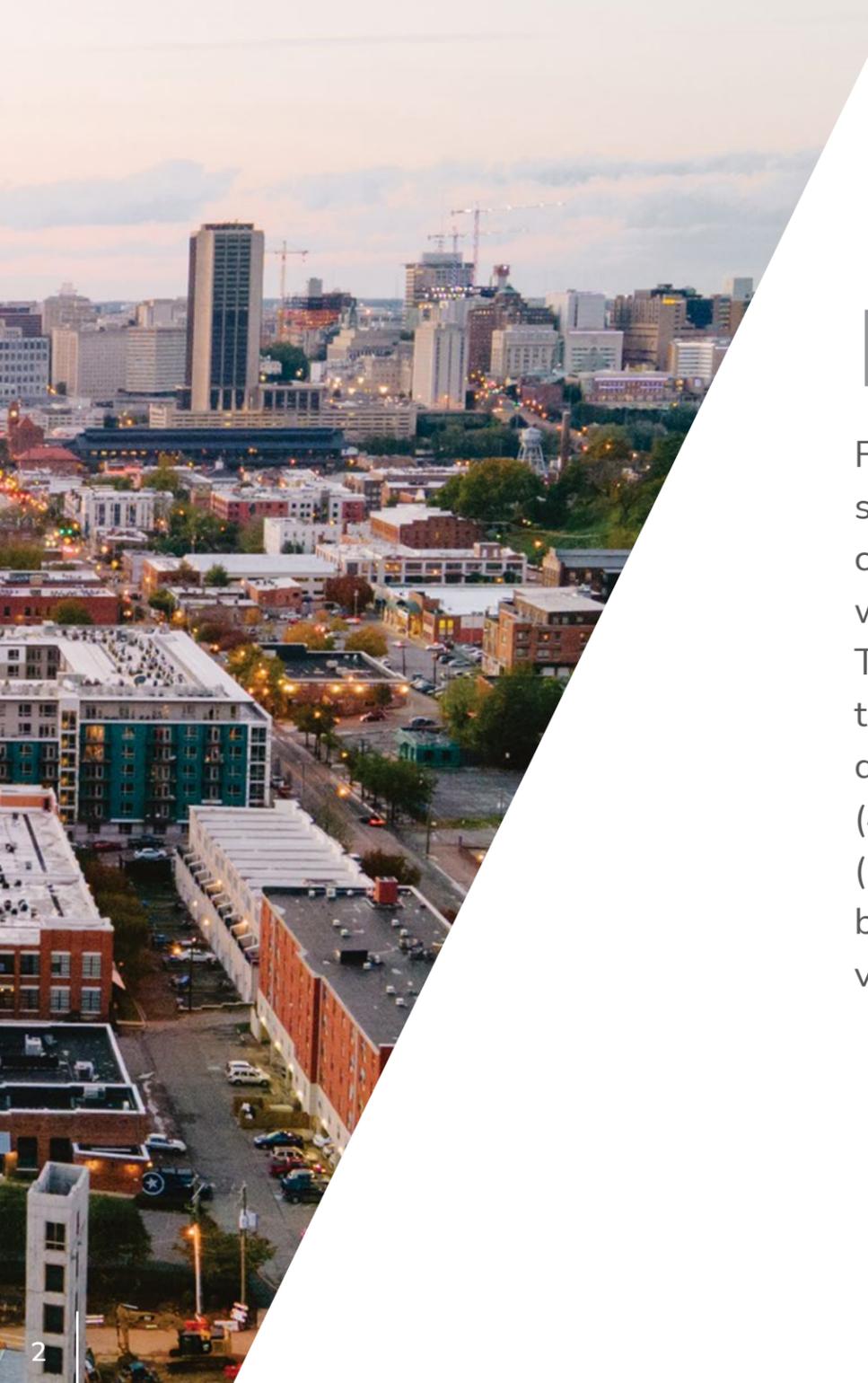
Fiscal Year 2022 was a particularly successful year for the advancement of economic development in the City of Richmond. The 68-acre redevelopment on Arthur Ashe Boulevard, known as the Diamond District, found overwhelming support from the community and City Council after attracting developers nationwide who vied for the largest mixed-use project in our City's history.

With the approval of the City Center Innovation District Small Area Plan, the Coliseum and the surrounding area are positioned to accelerate our fast-growing pharmaceutical manufacturing research and development cluster, while also creating a new tourism asset to support the Greater Richmond Convention Center.

The momentum is contagious. Richmond is frequently chosen by relocating and expanding businesses because of the future they see here, resulting in new jobs, higher salaries, and new investment in our City.

As we take these steps and others on our economic path forward, we are fully committed to equity and to improving opportunities for all citizens to work, grow, and prosper.

CoStar regional headquarters groundbreaking. Pictured from right to left – Mayor Levar M. Stoney, Governor Glenn Youngkin, Andrew C. Florance (CoStar Group Founder, Director, President, and Chief Executive Officer), First Lady Suzanne S. Youngkin, City Council Vice President Ellen F. Robertson, City Councilmember Ann-Frances Lambert, and City Councilmember Katherine Jordan.



# Real Results

Fiscal Year 2022 brought economic opportunity and success to Richmond. There was \$552 million in capital investment and 2,237 new jobs associated with announced economic development projects. To encourage the ongoing economic growth across the City, Richmond awarded over half a million dollars through its Enterprise Zone Program (42 awards – \$225,258) and CARE Program (17 awards – \$283,707), much of it to small businesses that provide essential services and vibrant flavors that make Richmond unique.

CAPITAL INVESTMENT  
**\$552M**

COMMERCIAL BUILDING PERMITS ISSUED  
**670**

NEW JOBS  
**2,237**

LOCAL ENTERPRISE ZONE AWARDS  
**42**

NEW BUSINESS LICENSES  
**912**

CARE PROGRAM AWARDS  
**17**

FY 2022 ANNOUNCED PROJECTS



# Business Expansion Success

## CoStar Group Continues to Invest in Richmond

One of the most notable projects in FY 2022 was CoStar's Richmond expansion announcement. CoStar, the world's leader in real estate information, analytics, and online marketplaces, initially selected Richmond as its research center headquarters in 2016.

In December 2021, the company announced it would invest \$460 million to establish a corporate campus adjacent to its current facility that will include sales, marketing, software development, customer service, and support functions. This project is a testament to Richmond as a headquarters location and magnet for a highly skilled workforce.

#3 State  
for  
Business  
-CNBC

Top 10  
Metro Areas  
for Corporate  
Headquarters  
-BUSINESS  
FACILITIES

Top 10 Mid-Sized  
Americas Cities of  
the Future for Human  
Capital and Lifestyle  
-FDI MAGAZINE



**\$460M**  
capital investment

**2,000**  
new jobs

**750K**  
square feet

# Advancing Equitable Economic Development

Building on the ambitious and foundational plans established in FY 2021 – specifically Richmond 300 and the City’s Equity Agenda – in FY 2022, Richmond continued its purposeful and strategic planning efforts to advance equitable economic development and growth throughout the City. These new initiatives will drive transformational development, create jobs, and support small and growing businesses for years to come.

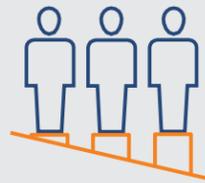
## Strategic Plan for Equitable Economic Development (SPEED)

Approved in June 2022, the Strategic Plan for Equitable Economic Development (SPEED) informs all economic development efforts of the City of Richmond. Its tangible cross-disciplinary initiatives aim to address long-standing inequities to build a more equitable, inclusive, and sustainable economy for Richmond. SPEED includes five ambitious goals to measure success by the end of FY 2026:

1. Economic development projects totaling \$3 billion of capital investment
2. Creation of 3,000 new jobs with annual salaries at or above \$52,000 (110% of the City’s median household income)
3. A reduction in the poverty rate by 5 percentage points
4. Public and private sector real estate development activities that generate \$25 million in annual real estate tax revenue
5. Award of 2,500 postsecondary credentials to Richmond residents

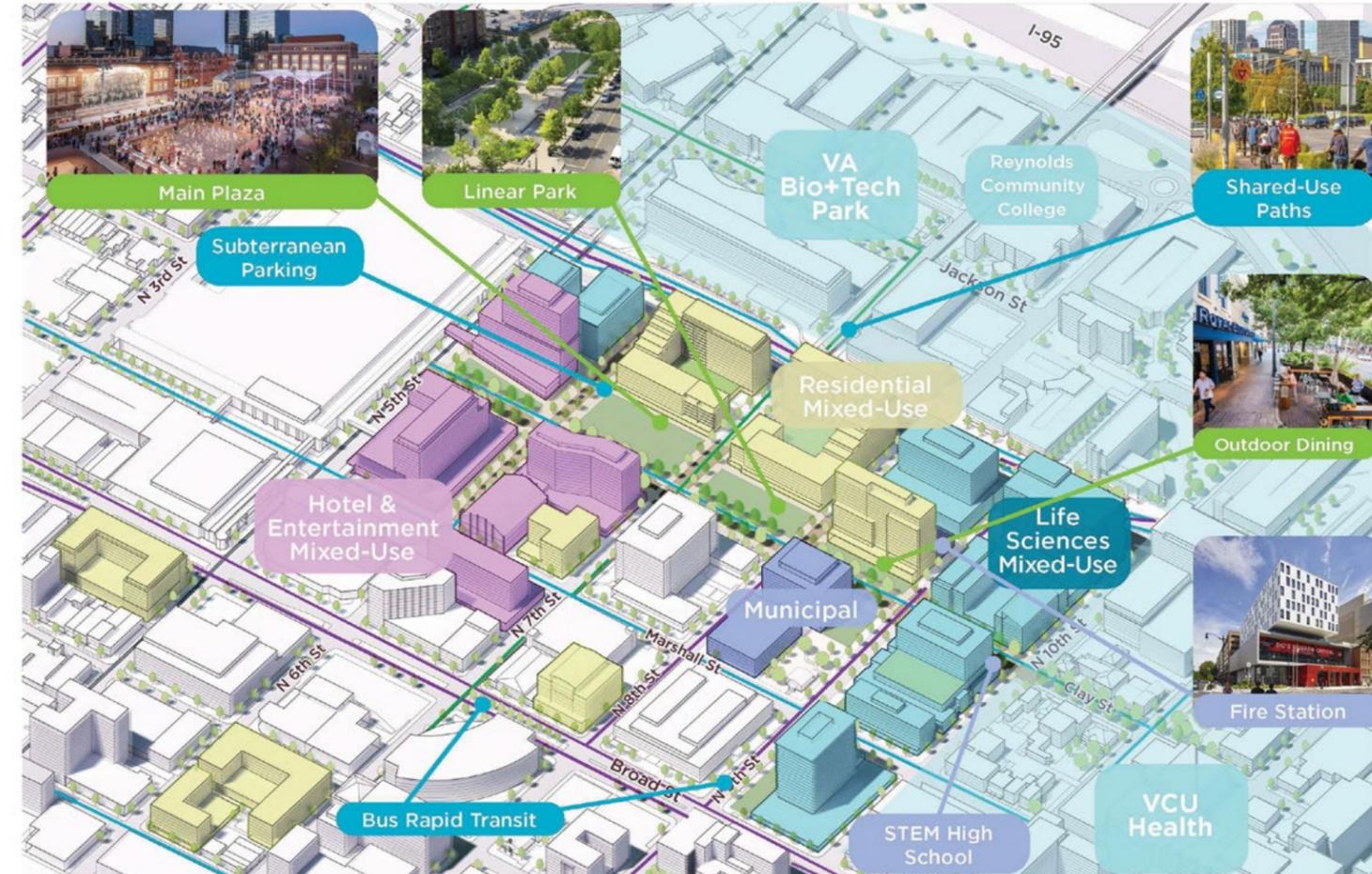
### Equity

Enhance the long-term economic vitality, mobility, and opportunity of lower income residents, underserved neighborhoods, and minority and small, emerging businesses in Richmond through socially responsible investments and initiatives.



### Growth

Accelerate Richmond’s job creation and private sector investment by strengthening the City’s competitive position on the national stage for attracting and developing high-growth businesses, innovative industries, and real estate development projects that benefit minority and small, emerging local businesses.



## City Center Innovation District Small Area Plan

Approved in January 2022, the City Center Innovation District Small Area Plan calls for redeveloping the mostly city-owned vacant and underutilized parcels into a high-density, walkable urban environment that will be an engine for expanding Richmond’s life sciences industry.

## Tools to Support Businesses

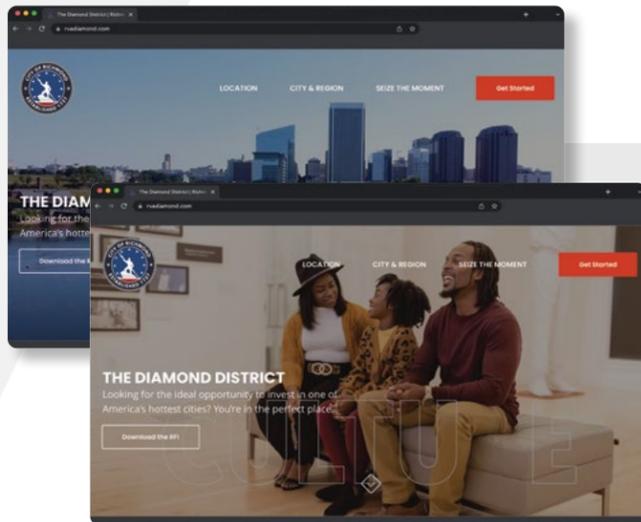
In March 2022, the City increased the Business, Professional, and Occupational License (BPOL) Tax revenue threshold from \$100,000 to \$250,000. With this change, more of Richmond’s small businesses will pay a \$30 flat fee instead of a higher BPOL tax. Additionally, the City approved the creation of a city-wide technology zone to encourage the growth of technology businesses in Richmond.

# The Diamond District

Richmond's new 68-acre Diamond District, located at the crossroads of I-64/I-95 and North Arthur Ashe Boulevard, marks a major investment in reimagining and revitalizing Richmond's baseball stadium and surrounding area. The new Diamond will become a multipurpose stadium integrated into a connected, green, and equitable mixed-use development. The Diamond District will include mixed-income housing, commercial office space, retail space, restaurants, and hotels along a revised street grid, incorporating engaging architecture and a walkable urban experience with access to adjacent and redeveloping neighborhoods. A signature park between Arthur Ashe Boulevard and Hermitage Road will serve as a central gathering place with greenways leading to smaller public parks and other attractions.

## The Diamond District Developer

The process for choosing a developer for the Diamond District began in December 2021 with the announcement of a Request for Interest (RFI). On September 12, 2022, after receiving submissions from 15 development teams, City officials announced RVA Diamond Partners as the developer for the project. RVA Diamond Partners, led by Washington, D.C.-based Republic Properties Corporation; Chicago-based Loop Capital; and Richmond-based Thalhimer Realty Partners, is scheduled to begin construction in the spring of 2023.



### RVADiamond.com

The Diamond District website, created to highlight the transformational redevelopment opportunity and generate interest from development teams, was selected as an International Economic Development Council Excellence in Economic Development Gold Award recipient.

**\$2.44B**  
capital investment

**11.1**  
acres of park space,  
streets, and infrastructure

**330**  
hotel rooms

**3,020**  
housing units  
(rental and for-sale)

**935K**  
square feet  
of office space

Note: The housing unit total includes 469 rental units at 60% of the Area Medium Income (AMI), 100 rental units at 30% of the AMI, and 31 for-sale units between 60%-70% of the AMI.

# Richmond Businesses Speak



## Lindsey Food Group

MIKE LINDSEY  
KIMBERLY LOVE-LINDSEY, OWNERS

“ We love being a part of downtown Richmond! As restaurateurs, we love the energy and diversity that Richmond attracts, helping our business flourish in many ways. ”



## Astyra

SAM YOUNG, JR., PRESIDENT  
KEN AMPY, CHIEF EXECUTIVE OFFICER

“ Astyra is super excited to celebrate our 25th anniversary. And for all of those years, we have had our offices in downtown Richmond. For us, we could think of no better place to serve our clients while also contributing to the community, the City, and the region. The region needs a strong city center, and we are here to stay. ”



## Sauer Properties, Inc.

ASHLEY PEACE  
PRESIDENT

“ It's exciting to feel the energy and momentum in Richmond. Our goal is to bring beauty and stability to our City through the development of future phases of The Sauer Center. Collectively, we are writing Richmond's next chapter through our passion for real estate and the built environment, building a future that lasts for generations. Our success, to date, would not have been possible or realized without the City's visionary leadership and support. ”



## Jackson Ward Collective (JWC)

RASHEEDA CREIGHTON (CENTER)  
EXECUTIVE DIRECTOR

“ The JWC Foundation supports Black business owners in the Richmond region through training, coaching, technical support and grants. We are also honored to bring people from all over the country to Richmond for our annual conference, BLCK Street. The City of Richmond is our home and continues to be a tremendous partner in our programs as well as helping to elevate the message that Richmond is not only open for business, but good for business. ”



## Phlow & Medicines For All

FRANK GUPTON, PH.D.  
CO-FOUNDER

“ The new funding provided by the federal and state governments associated with the Build Back Better initiative will accelerate the development of a national center for advanced pharmaceutical manufacturing in central Virginia. The work being carried out at VCU and within the Medicines for All Institute is the cornerstone of this effort, and we anticipate significant economic development opportunities for the city as well as the region. ”



# Looking Ahead

FY 2023 is off to a promising start, with new transformational initiatives, business expansions, and redevelopment projects taking shape throughout the City.

- The Richmond-Petersburg MSA won a \$52.9 million Build Back Better Regional Challenge Grant to scale up the region's advanced pharmaceutical, manufacturing, and research and development cluster to address the nation's pressing need for quality, affordable essential medicines.
- The Economic Development Authority (EDA) of the City of Richmond, in collaboration with the Greater Richmond Convention Center Authority (GRCCA), issued a Request for Interest for Richmond's City Center to redevelop underutilized property into a mixed-use, mixed-income urban innovation district.
- CoStar broke ground on its new corporate campus, demonstrating that one of Richmond's largest employers sees the return of in-person office collaboration as essential to the company's continued success.





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