



## CITY OF RICHMOND

### Department of Planning & Development Review *Staff Report*

**Ord. No. 2015-051:** To amend Ord. No. 2014-188-173, adopted Oct. 13, 2014, which closed to public use and travel a portion of right-of-way known as Lewis Street, located between its intersection with Williamsburg Road and its intersection with a CSX Transportation, Inc. right-of-way and consisting of 24,300± square feet and a portion of right-of-way known as 37th Street, located between its intersection with Lewis Street and its intersection with Nicholson Street and consisting of 5,985± square feet, for the purpose of modifying certain terms and conditions upon which the portion of right-of-way was closed.

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**To:** City Planning Commission  
**From:** Land Use Administration  
**Date:** April 6, 2015

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#### **PETITIONER**

Economic Development Authority

#### **LOCATION**

Lewis Street and 37<sup>th</sup> Street

#### **PURPOSE**

To amend the terms and conditions of an ordinance that allowed for the closure a portion of Lewis Street and 37<sup>th</sup> Street to facilitate the development of a large scale brewery

#### **SUMMARY & RECOMMENDATION**

The property owner would like to have the ability to establish a large scale brewery on the adjacent properties. The proposed brewery building would enclose all brewing, packaging, and distribution operations in one minimum 130,000 square feet facility with room to expand to a maximum of 220,000 square feet. Parking to serve the facility would also be located on site.

The applicant had requested the closure of these rights of way in order to create a large tract on which to develop the proposed brewery. The applicants have requested that the City close the two noted undeveloped rights-of-way and turn them over to the adjacent property owners (as is customary for vacated right-of-way): the Richmond Redevelopment and Housing Authority and Titan Virginia Ready-Mix. Companion papers were introduced on August 5, 2014, to approve a Special Use Permit to allow the prospective business entity to use the subject parcels for economic development purposes.

The value of the right-of-way to be vacated, approximately 30,285 square feet, has been determined by performing an appraisal of the value of the adjacent properties: \$0.40 to \$0.48 per square foot. It has been set at an average of \$0.44 per square foot for a total of \$13,325.40. Once the final survey is provided with exact square footage, the final dollar value may change. This total is to be paid to the City by the applicants prior to commencing work on any development on the larger combined parcel.

The previously approved ordinance authorizes the closure of the right-of-way upon the satisfaction of certain terms and conditions. Section 2(a) of the Ordinance requires the applicant or its successor in title to indemnify the City prior to the closure taking effect. The EDA has contracted to purchase the applicant's property adjacent to the right-of-way and intends to use such properties for a larger economic development project. The EDA lacks the legal authority to indemnify and the amendment is necessary so that, for the closure to take effect, the EDA is only required to indemnify the City to the extent it may do so under applicable law.

The proposed large scale brewery use is consistent with the recommendations for industrial uses at this location in the City's Master Plan. In addition, the site is ideally situated for the proposed large scale brewery being located adjacent to other industrial users and City owned parcels and parkland and is not directly adjacent to any residential uses. Therefore, staff recommends approval of the proposed closure of the unimproved rights-of-way.

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## **FINDINGS OF FACT**

### **Site Description**

The subject property consists of a portion of right-of-way known as Lewis Street, located between its intersection with Williamsburg Road and its intersection with a CSX Transportation, Inc. right-of-way and consisting of 24,300± square feet and a portion of right-of-way known as 37th Street, located between its intersection with Lewis Street and its intersection with Nicholson Street and consisting of 5,985± square feet. Both rights-of-way are currently unimproved.

### **Proposal**

The adjacent property owners would like to have the ability to establish a large scale brewery on the subject property. The proposed brewery building would enclose all brewing, packaging, and distribution operations in one minimum 130,000 square feet facility with room to expand to a maximum of 220,000 square feet. Parking to serve the facility would also be located on site.

The properties adjacent to the subject right-of-way are located at the corner of Williamsburg Avenue and Nicholson Street. Combined the properties contain approximately 12.3 acres of land area and are currently unimproved. Gillies Creek bisects the northern parcel and elevated rail lines are located directly to west between the properties and the James River. Three of the parcels are currently owned by RRHA and one of the properties is currently owned by Titan Virginia Ready-Mix LLC. The proposed brewery development would occur on all four parcels; however, there are two special use permit ordinances required, one for each property owner.

Two unimproved public right-of-ways, Lewis Street and 37<sup>th</sup> Street also transverse the property proposed for the brewery. These rights-of-way will need to be closed and transferred to the adjacent property owner in order for the proposed development to occur.

**Master Plan**

The adjacent properties are designated for industrial development in the City's Master Plan south of Gillies Creek, which includes a wide variety of manufacturing, processing, warehousing and distribution uses. The portion of the property north of Gillies Creek is located within the Downtown Plan and is designated as part of the Urban Center Area by the Plan. The Urban Center Area is characterized by a dense mix of office space, apartments, and retail located in four- to six- story brick buildings that front the street.

**Zoning**

The subject right-of-way is located within the City's M-1 Light Industrial zoning district. The M-1 district permits breweries, but limits their production to no more than 100,000 barrels of beer per year.

The proposed companion special use permit ordinance would not limit the proposed brewery's production. The ordinance would require a Plan of Development to be approved by the Director of Planning & Development Review prior to the issuance of any building permits for the proposed brewery.

The M-1 district requires parking spaces to accommodate all vehicles used in connection with the distribution facility plus one parking space per every two employees for manufacturing, processing, fabricating, testing, research, bottling, warehousing and distribution establishments. The proposed brewery may initially employ up to 103 full time employees for Phase I of the project. Parking for the establishment would be provided on-site in accordance with the M-1 requirements.

**Surrounding Area**

Elevated rail lines are located directly to west between the properties and the James River. Stony Run Drive and Gillies Creek Park are located across Williamsburg Road to the east of the properties. To the north, the properties are occupied by the abandoned Fulton Gas Works site and the foot of Chimborazo Park. Other active industrial uses are located to the south across Nicholson Street.

**Neighborhood Participation**

Staff has received no letters of opposition or support from the public.

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