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<u>Department of Planning & Development Review</u> Staff Report

Ord. No. 2024-006: To declare a public necessity for and to authorize the acquisition of the parcel of real property owned by Grove Avenue Partners LLC and located at 10 Belt Boulevard in the city of Richmond for the purpose of providing community services related to homelessness and housing alternatives.

To: City Planning Commission Land Use Administration

Date: January 16, 2024

PETITIONER

Department of Public Works

PURPOSE

To declare a public necessity for and to authorize the acquisition of the parcel of real property owned by Grove Avenue Partners LLC and located at 10 Belt Boulevard for the purpose of providing community services related to the City's homelessness and housing alternatives. ("Acquisition Ordinance")

SUMMARY & RECOMMENDATION

In April of 2023, Mayor Levar Stoney and City Council declared a homeless and housing crisis in the City of Richmond. In its 2020-2023 strategic plan to end homelessness, the City identified a 150 bed shortage in shelter bed locations. This O&R request supports a component of the overall strategy to meet the need for the surge in homeless and housing alternative initiatives by authorizing the City's acquisition of the property known as 10 Belt Boulevard, Richmond, Virginia (Tax Parcel #C0060354005) from Grove Avenue Partners, LLC.

The City of Richmond desires to purchase the building to accommodate a permanent location for a possible Inclement Weather Shelter (IWS) and/or Alternative Homeless/Housing requirements. This action would further support the on-going City-wide initiatives as current efforts alone cannot reasonably accommodate the growing population of the City's homeless.

The City currently funds one Inclement Weather Shelters at 1900 Chamberlayne within the City and it is felt that the due to the growing population of the homeless within the City limits, that a potential second future location be obtained. This location lends itself to a viable and strategic option that would further support the on-going Administration's plans and initiatives.

The City has determined that the 10 Belt Boulevard location would offer more efficient and effective processes related to the City's initiatives. The location will allow for more efficient processing to meet demands, increase City geographic coverage and will ensure long-term, permanent solution in further supporting and possibly solving the on-going crisis and set-forth initiatives.

Utilization of the 10 Belt Boulevard site would mitigate potential financial and long-term contractual lease obligations to the City. Ownership of this site is an investment for the City. The property is

currently vacant and the City intends to restore and revitalize the property to remove a portion of the perceived blight along the Belt Boulevard corridor while simultaneously satisfying the noted initiatives. The City intends to improve the building and site conditions to accommodate its needs. The property will also serve as a demonstration of innovative efforts and technologies for new and redevelopment projects within the area.

After extensive market research and evaluating numerous properties, the City has determined that the building located at 10 Belt Boulevard site is the most suitable location for such a requirement. Not only does the building meet the programmatic needs of City, but the property also includes adequate land on which to accommodate various potential uses for the City.

The anticipated cost for the City to acquire the 1.9-acre property including the 56,850± sq. ft. building containing warehouse and office space include a purchase price of \$3,600,000 plus potential additional one-time costs for closing as well as general due diligence efforts (therefore, the total appropriation requested to support the acquisition = \$3,650,000).

The Richmond 300 Master Plan recommends retail/office/personal service, multi-family residential, cultural, and open space as primary Uses and single-family houses, institutional, and government uses as secondary uses for the subject property. The Plan designates the portion of Belt Boulevard along the subject property as a major mixed-use street, which is intended for higher intensity uses and transportation volumes.

Staff recommends approval of the ordinance.

FINDINGS OF FACT

Site Description

The property offers an approximate 1.9-acre parcel of real estate consisting of a free-standing building of 56,850± square feet of office and warehouse space located within the B-3 General Business zoning class within Council District 8. The property is bordered to the west by a 130' railroad right-of-way (with residential uses beyond the railroad right-of-way), to the north by Old Midlothian Turnpike and to the east by Belt boulevard. A mix of commercial, vacant, office, residential, institutional, and government uses are located in the vicinity of the property.

Proposed Use of the Property

Inclement Weather Shelter and/or Alternative Homeless/Housing

Master Plan

The City's Richmond 300 Master Plan designates a future land use for the subject property as Community Mixed Uses, which is defined as a "Cluster of medium-density, walkable commercial and residential uses that provide neighborhood services to nearby residential communities and sometimes feature regional attractions."

Staff Contact:

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