



CITY OF RICHMOND

Department of Planning & Development Review *Staff Report*

Ord. No. 2022-363 - To declare surplus and to direct the sale of a portion of the City-owned real estate known as 4835 Old Warwick Road, consisting of 0.1912 acres ± to Tana Properties LLC for \$8,579.00, for the purpose of facilitating private redevelopment of City-owned property.

To: City Planning Commission
From: Land Use Administration
Date: January 3, 2023

PETITIONER

Christopher Nizamis - Economic Development/Real Estate Strategies
Yvette Preston – Economic Development/Real Estate Strategies

LOCATION

4835 Old Warwick Road

PURPOSE

To declare surplus and direct the conveyance of the City's rights, title and interest, if any, in an approximately 0.1912 acre portion (the "Conveyance Property") of a larger (22.32 acre) City-owned parcel of real estate located at 4835 Old Warwick Road (Tax Parcel No. C0080224006) for \$8,579.00 to Tana Properties LLC for the purpose of facilitating the private development of real estate on the Conveyance Property and privately-owned parcels adjacent thereto. The Conveyance Property is shown labeled on the survey attached hereto as "0.1912 Acres in portion of Campbell Road to be conveyed." The conveyance will be made via quitclaim deed without the City providing any warranty of title.

SUMMARY & RECOMMENDATION

Tana Properties LLC is a local developer who developed the Family Dollar, the BP Gas Station and Buzz Thru laundromat on Broad Rock, as well as the Buzz Thru Car Wash on Hull Street & Midlothian Turnpike. These developments are owned in various LLC names including DAMOK LLC, EDAK LLC, IDAS LLC, Tana Properties, Buzz Thru Car Wash LLC and others. Cumulatively, these developments have added over a million dollars to the City of Richmond tax base.

Acquiring this small undeveloped and unused portion of the parcel that contains Broad Rock Park would enable Tana Properties, LLC to have a contiguous parcel allowing them to maximize the development potential of the site and usage in the existing B-2 zoning. Proposed plans for this acquisition would allow for required parking to support the existing laundromat and the planned new 10,000 square foot, 2-story mixed use building to include a restaurant, food market and apartments in keeping with the Community Mixed Use plan as described in the Richmond 300 Comprehensive Plan.

Summary of Terms and Community Benefits

- **Purchase Price**
 - \$8,579.00 (based on Tana Properties LLC's recent purchase of the .3266-acre 2600 Broad Rock Blvd in January 2022 for \$15,000 equates to approximately \$45,928/acre and further supports the purchase price for the subject parcel at \$8,759.00).
- **Projected Tax Revenues**
 - \$14,091± /year for the cumulative property assemblage.
 - Taxable parcel –land and all improvements will be taxable.
 - The taxable nature of the land and improvements will be conditioned in the deed
 - Following Closing and on an annual basis Tana Properties LLC or its successor shall pay the real estate taxes levied on the Property.
- **Community Benefits**
 - Capital investment of \$1.2 million into the local community.
 - Annual tax revenue of \$14,091± /year for the cumulative property assemblage.
 - 30-50 construction and permanent jobs.
 - 5-10 rental apartments.

An ordinance is necessary to convey the City's rights, title, and interest in the Coveyance Property to Tana Properties LLC and facilitate private redevelopment that yields a higher and better use on city-owned property and creates tax revenue.

Staff recommends approval of this request.

FINDINGS OF FACT

SITE DESCRIPTION

4835 Old Warwick Road

PROPOSED USE FOR THE PROPERTY

Private real-estate development

MASTER PLAN

The Richmond 300 Master Plan recommends a Public Open Space Land Use category for this property. Public Open Space is defined as "Public and quasi-public parks, recreation areas, open spaces, and cemeteries".

Development Style: Includes passive and active recreation, natural habitats, cemeteries, and large plazas.

Access: Designed in a manner to allow access by all modes of transportation, while emphasizing connections to bicycle and pedestrian amenities, such as sidewalks, bike lanes, and shared-use paths. Bike parking and other such amenities are provided as well.

Primary Uses: Open space.

Secondary Uses: Cultural, institutional, and governmental.

ZONING

Zoning for this area is primarily R-4 Single-Family Residential District.

SURROUNDING AREA

Much of the area includes low to medium density residential with some auto-oriented commercial uses along the major arterials to the east.

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