

Economic Development Plans & Pipeline

Richmond City Council

Finance and Economic Development Standing Committee

May 21, 2025



DEPARTMENT OF
**ECONOMIC
DEVELOPMENT**

FY22 – FY25 YTD ANNOUNCED CAPITAL INVESTMENT & JOBS

\$3.6 Billion

Announced Capital Investment

3,200 Jobs

Announced New Jobs



MAJOR PROJECTS

COSTAR



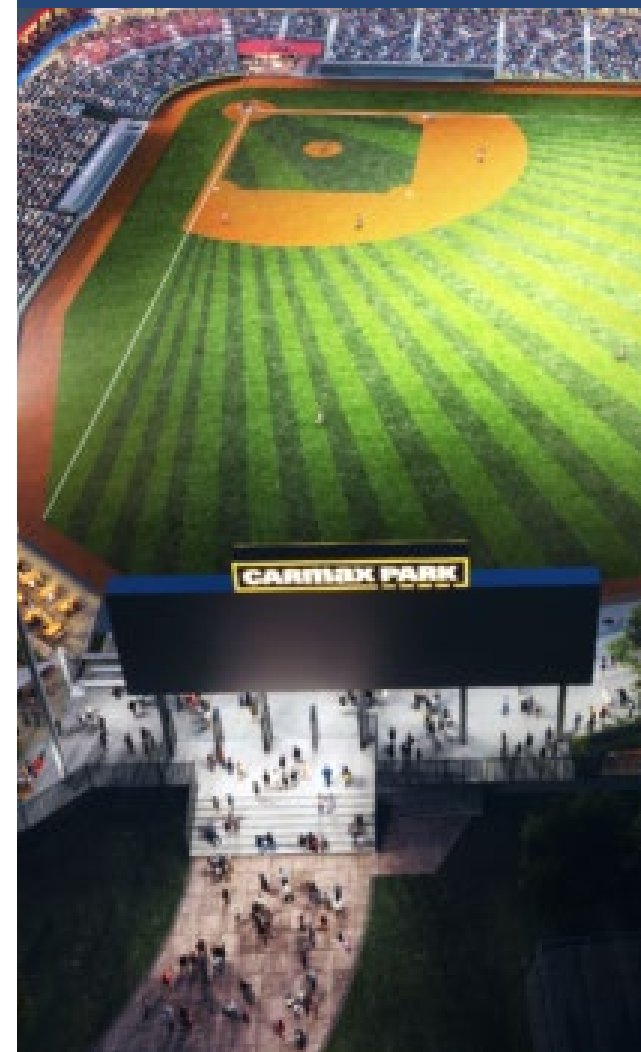
ALLIANZ AMPHITHEATER



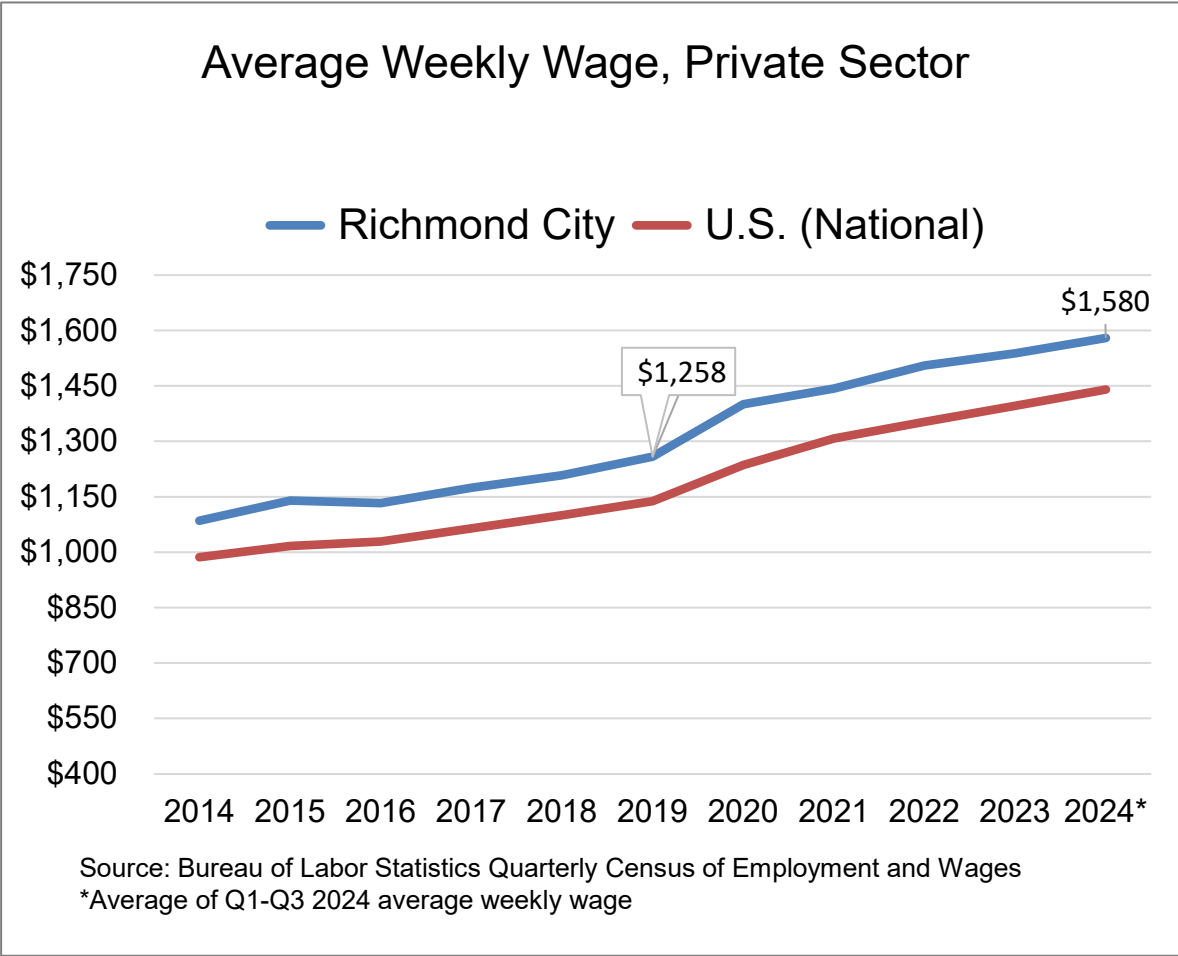
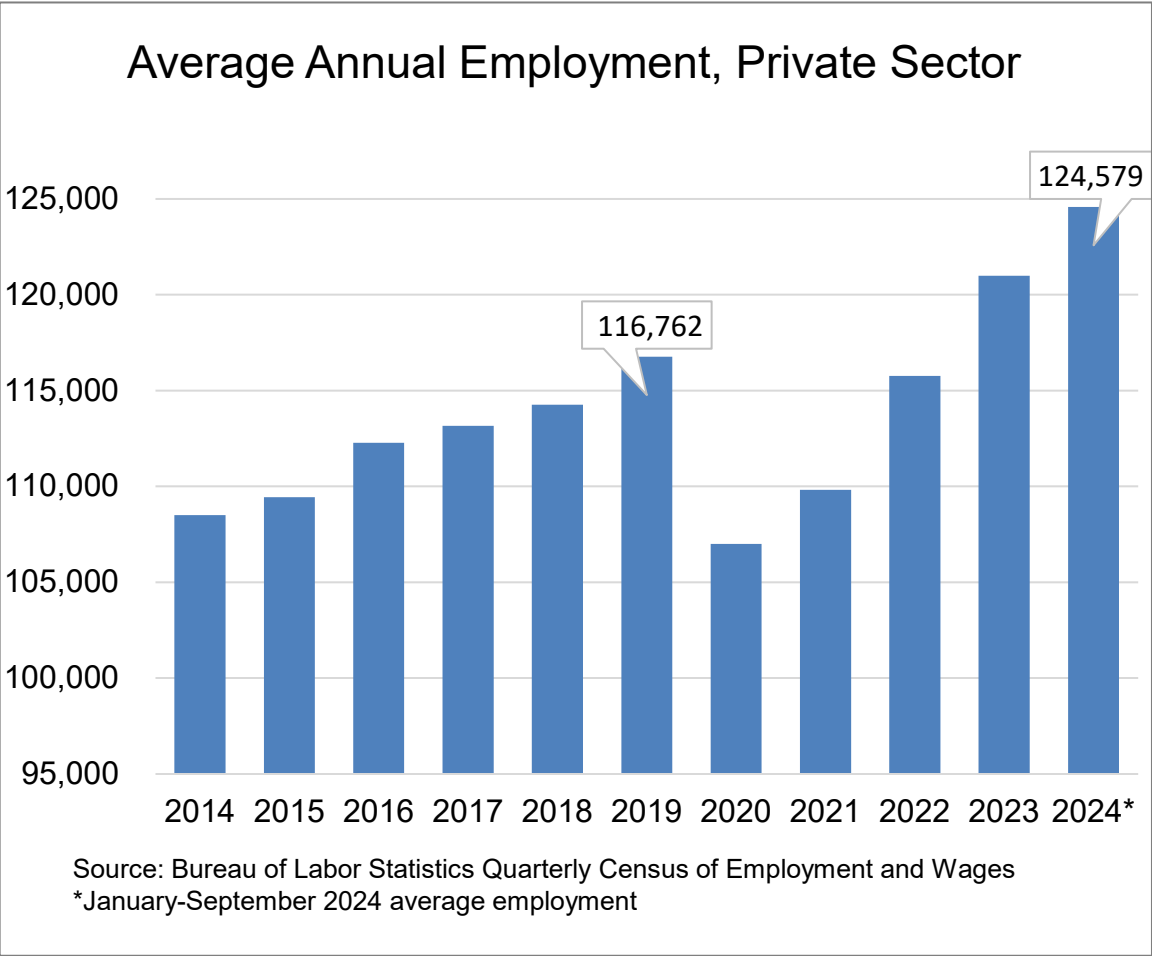
HALEON



DIAMOND DISTRICT

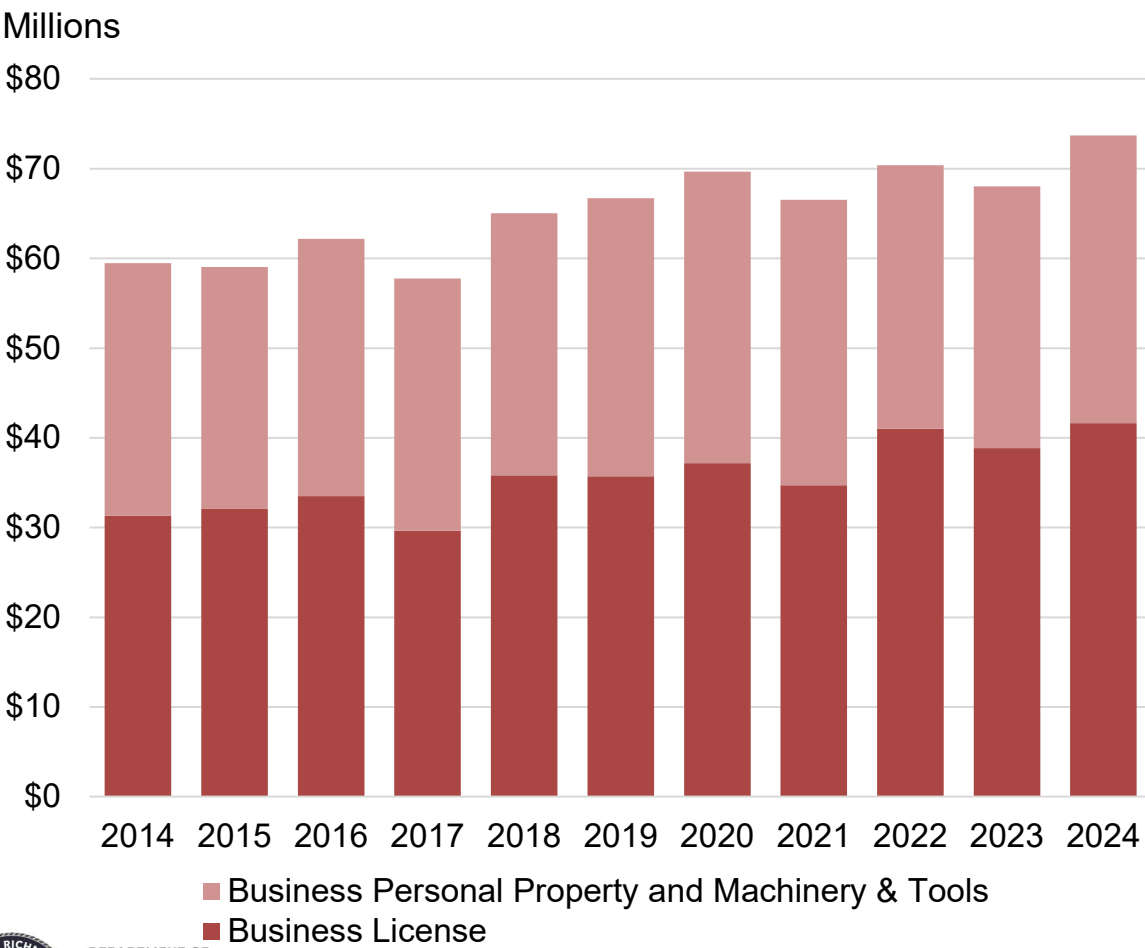


PRIVATE SECTOR JOB GROWTH

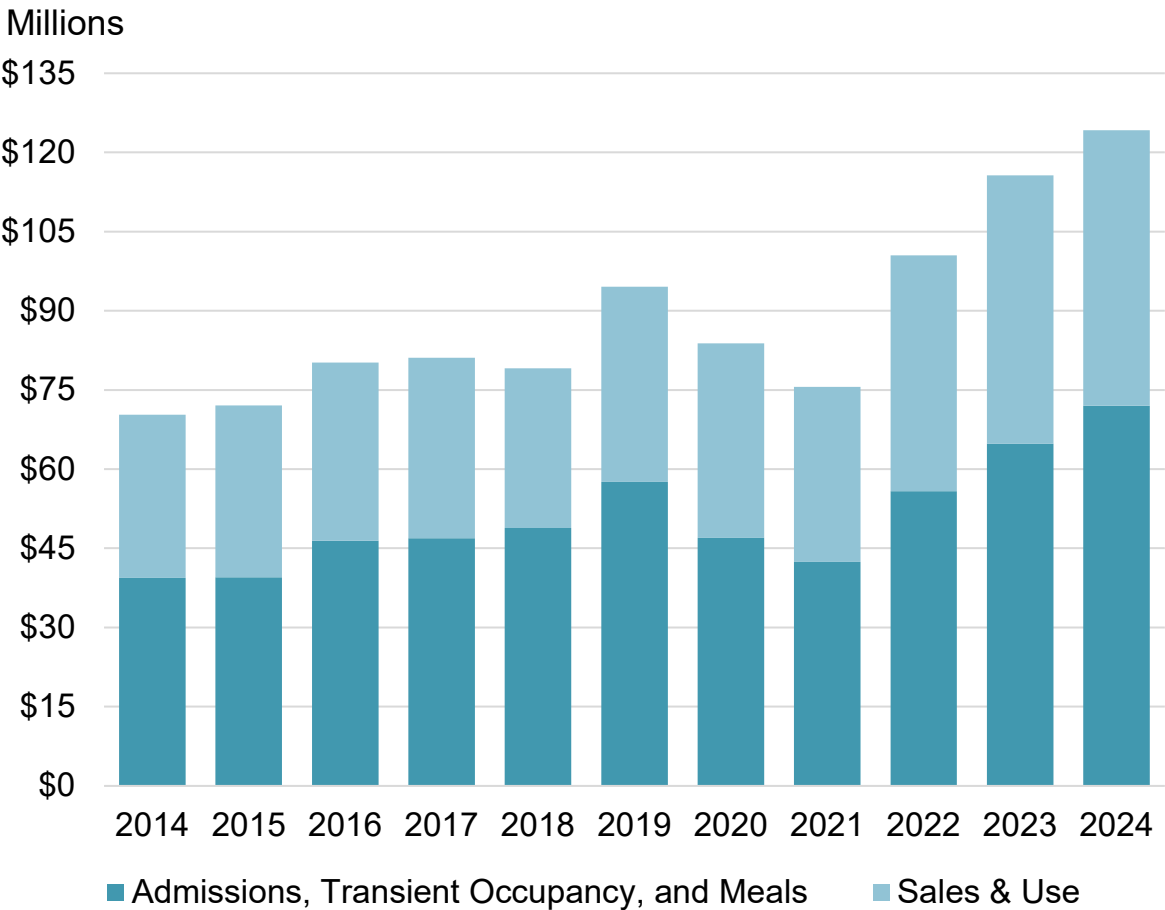


KEY BUSINESS AND CONSUMPTION TAXES

Business Taxes



Consumption Taxes



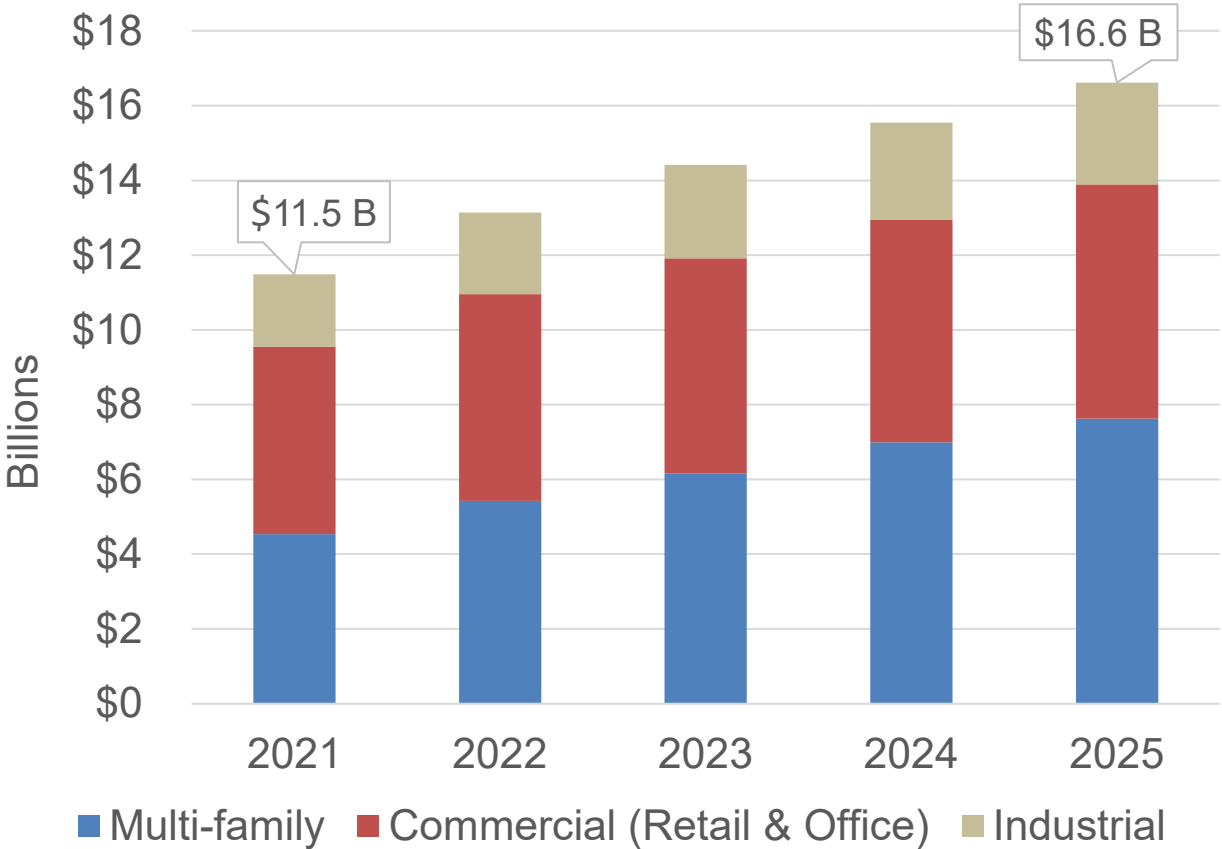
COMMERICAL DEVELOPMENT GROWTH

New Development, 2021-2025

	Completed	Under Construction
Multi-family (units)	7,400	4,400
Retail (sq. ft)	228,200	73,700
Industrial (sq. ft)	1,500,000	-
Office (sq. ft)	378,200	824,400
Hotel (rooms)	228	75

Source: City of Richmond, Dept. of Economic Development Analysis of CoStar data

Landbook Value, Commercial 2021-2025



Source: City of Richmond Landbook 2021-2025

UPDATE: ECONOMIC DEVELOPMENT PERFORMANCE GRANTS

- Used to secure a business attraction or expansion project or to induce a critical redevelopment project – makes up a small subset of economic development projects
- Tailored to the specific project needs and the project's positive economic impact in Richmond
- Often used to match state incentives, most commonly the Commonwealth's Development Opportunity Fund
 - The City prioritizes leveraging in-kind matches and existing economic development programs (CARE, Enterprise Zone, BPOL Exemption, etc.)
- Each project has a performance agreement approved by City Council and the Economic Development Authority

PERFORMANCE GRANTS CURRENT STATUS**

Status Descriptions

Active – Project is within its performance period, and staff is monitoring performance targets and managing reporting and payments.

Close out in process – Project's final administrative processes are underway.

Complete– Performance period finished and all reporting and payments complete.

Canceled – Performance agreement was canceled.

Project Name	Status
CoStar	Active
Richmond Amphitheater	Active
400 Hull Street/Lynx Ventures	Active
Gateway Plaza/Clayco/CRG	Active
PPD/Thermo Fisher	Close out in process
Alacer Corp./Haleon	Close out in process
River City Cider*	Close out in process
RVA Street Foodies*	Complete
Stone Brewing	Complete (lease agreement ongoing)
Blue Bee Cider*	Complete
Pfizer/GSK	Complete
Thomson Reuters*	Complete
Aditxt Therapeutics*	Canceled
CarLotz	Canceled
Vytal Studios	Canceled

* The City met matching requirements with in-kind or by-right programs

Performance Grants FY21-FY25, not including affordable housing performance grants

PERFORMANCE GRANT REAL ESTATE TAX REVENUE, 2022-2025

The table below **does not include BPOL, Machinery and Equipment, or Business Personal Property Taxes** the City earned from projects that have benefited from performance grants.

Incremental Real Estate Taxes (TY22-TY25) Above Base ¹	\$9.72 M
Local Performance Grants Paid FY22-FY25 ²	\$2.07 M
Net Real Estate Taxes	\$7.65 M

(1) Reflects real estate taxes over base year (i.e., the year before the project commenced)

(2) Total payments FY22 – FY25 (assumes full payment of remaining Q4 FY25 grants)

Pipeline: What's on the horizon & shifting conditions



SHIFTING LANDSCAPE

- Ongoing, broader economic conditions have continued to impact development financing and commercial development
- After a considerable prospecting slowdown during the pandemic and post-pandemic years, DED has seen an increase in RFI requests
 - The limited supply of (1) “trophy” Class A office space and (2) flex/industrial space/greenfield space projects hurts Richmond’s ability to compete for new headquarters/office and light manufacturing projects
- Office projects of all types (including retention projects) see corporate tenants seeking leases that align with modern office preferences – movement to high-quality spaces with amenities and less sq. ft. per employee
- Market uncertainty from new federal policies has businesses of all sizes pausing

BUSINESS ATTRACTION AND LEAD GENERATION

15 CONFERENCES	4 REGION / STATE MISSIONS	3 “FAM” TOURS
4 COUNTRIES	12 SITE SELECTORS HOSTED	23 PROSPECTS



BUSINESS SUPPORT & ENGAGEMENT

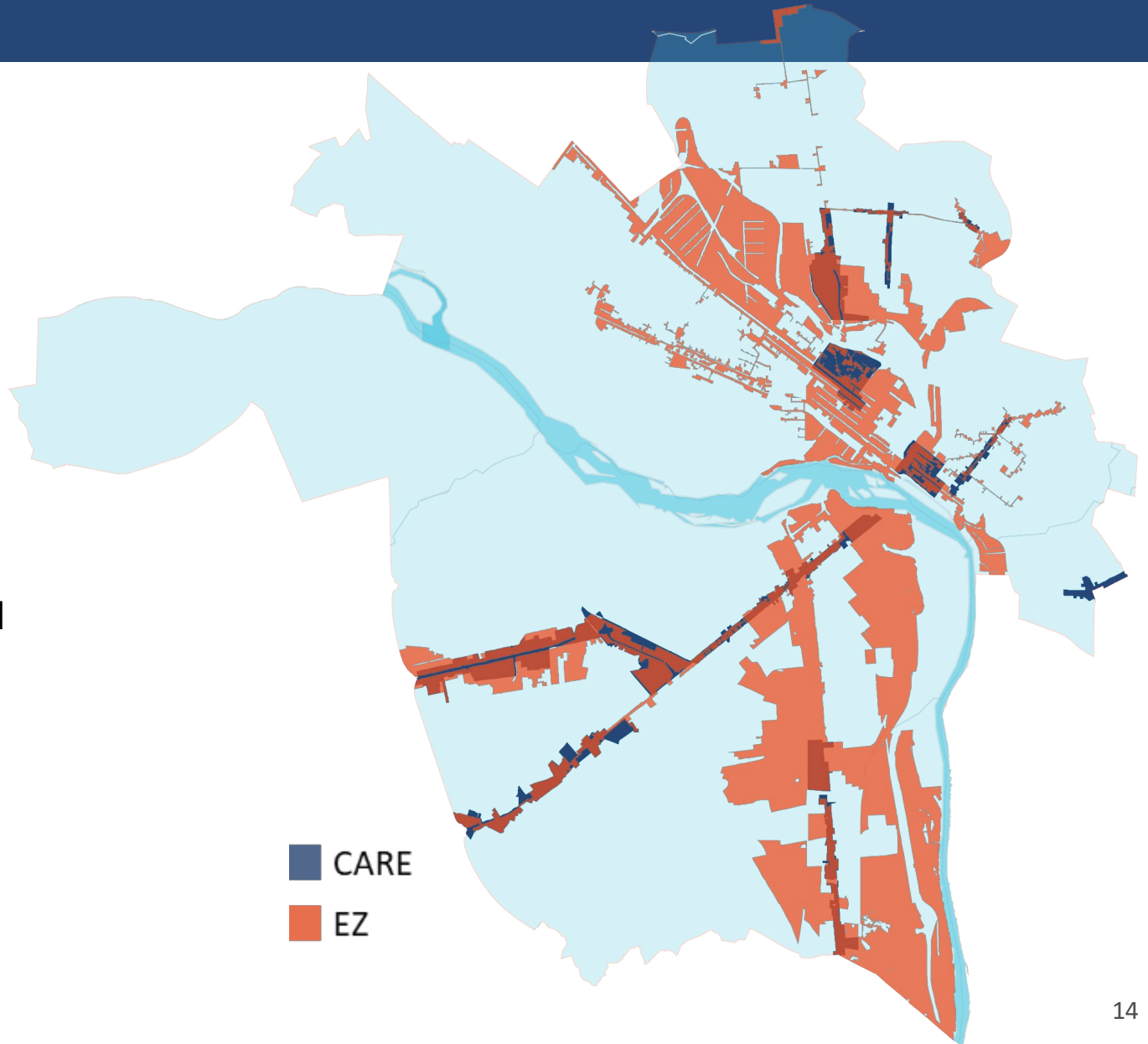
- Realignment of staff resources to focus on business retention, expansion, and business support efforts
- Increased engagement with stakeholder groups and community meetings
- Water outage recovery for small businesses
 - 117 businesses received Small Business Recovery Fund grants
 - SBA EDIL Loans available – 37 applied over first two weeks
- 309 one-on-one business engagements*



*FY24, Dept. of Economic Development

BUSINESS CORRIDOR REVITALIZATION & ACTIVATION

- Enhanced efforts with dedicated staff position for corridor development and placemaking
- Pursuing Main Street program
- Collaborate with PDR initiatives in Six Points (Highland Park), Oak Grove/Bellemeade, and Code Refresh Process
- In FY26, proposed updates to the CARE program to support area private placemaking and beautification projects further strengthening corridor appeal and commercial vibrancy
- DED is reviewing both the incentive structure and boundaries of the EZ Program to ensure it remains responsive and effective in today's evolving market and development climate.



BROAD STREET REVITALIZATION: 4TH & EAST BROAD TO BELVIDERE

Accomplishments to-date

In 2024 an internal, cross-departmental working group was formed and collaborated with key external stakeholders on East Broad street to address issues in four key areas:

- Public Safety
- Beautification
- Economic Vitality
- Homelessness

2025 Continued Efforts

- Virginia Main Streets Program
- Vacant Storefront Activation
- Placemaking
- Murals & Graffiti Project



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“Being in the heart of Richmond is truly the perfect location for us to engage the community and tell the stories that matter most to Virginians.”
Jayme Swain, President and CEO, VPM

STRATEGIC REAL ESTATE INITIATIVES



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Thank You

