

# NAVY HILL REDEVELOPMENT PROJECT



City Council Work Session – Community Benefits  
November 4, 2019



# NAVY HILL

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## COMMUNITY BENEFITS

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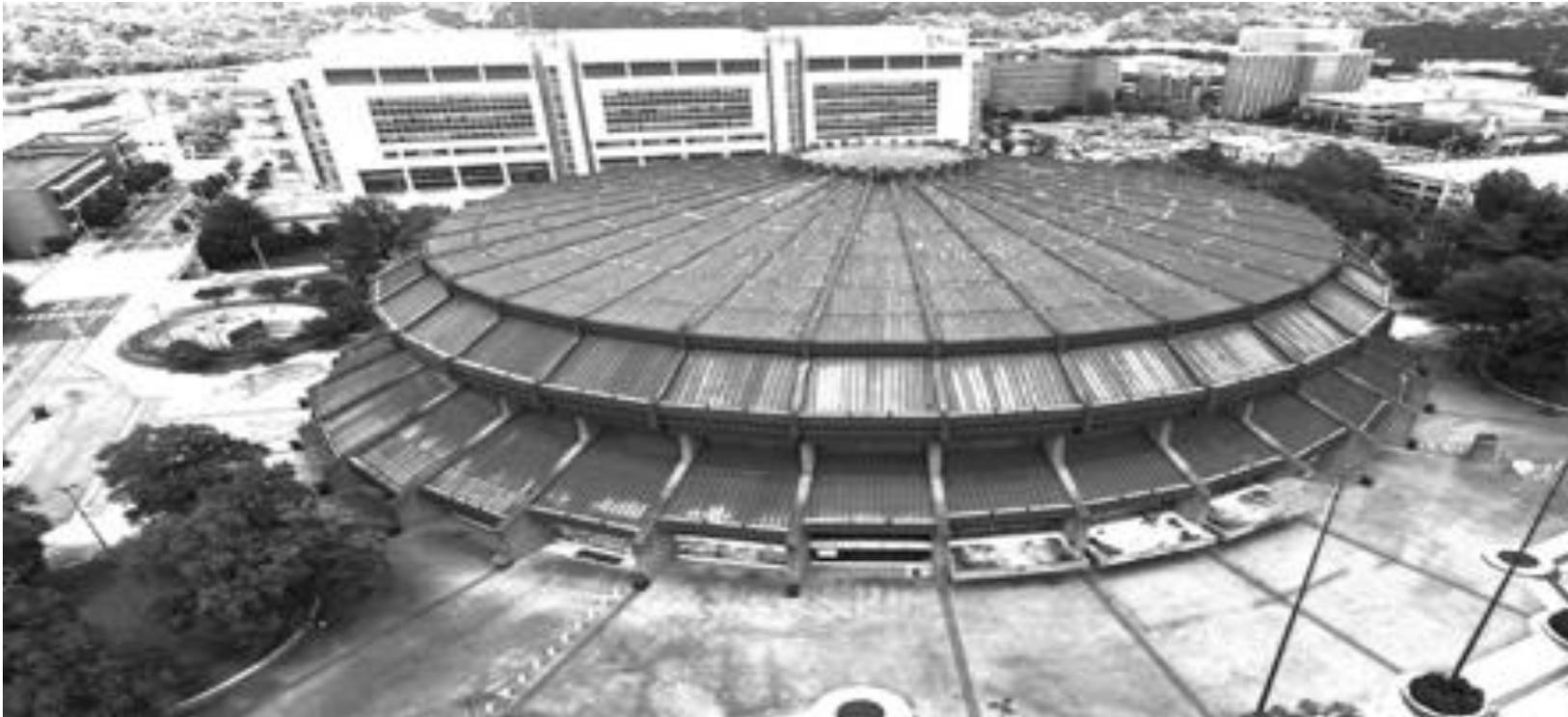
- **Coliseum**
  - Demolition
  - Debt Defeasance
  - Utility Payments
- **Historic Building Renovation**
  - Blues Armory
  - Richmond Garage
- **Public Infrastructure**
  - Clay Street Reconstruction
  - 6<sup>th</sup> Street Constructed
- **Enhanced Stormwater Detention**
- **LEED Silver Certification**
- **GRTC Transit Center**
- **Convention Hotel**
  - Room Block Agreement
- **Job Creation**
- **Affordable Housing**
- **Minority Business Participation**
- **City Responsibility**

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# COLISEUM

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- Demolition - \$12 million (paid from the bond proceeds)
- Debt Defeasance - \$2.13 million (paid from the bond proceeds)
- Utility Payments (paid by the arena operator)
  - Exhibit B-1; Arena Lease - Article 9 / Exhibit I; Utility Terms and Conditions



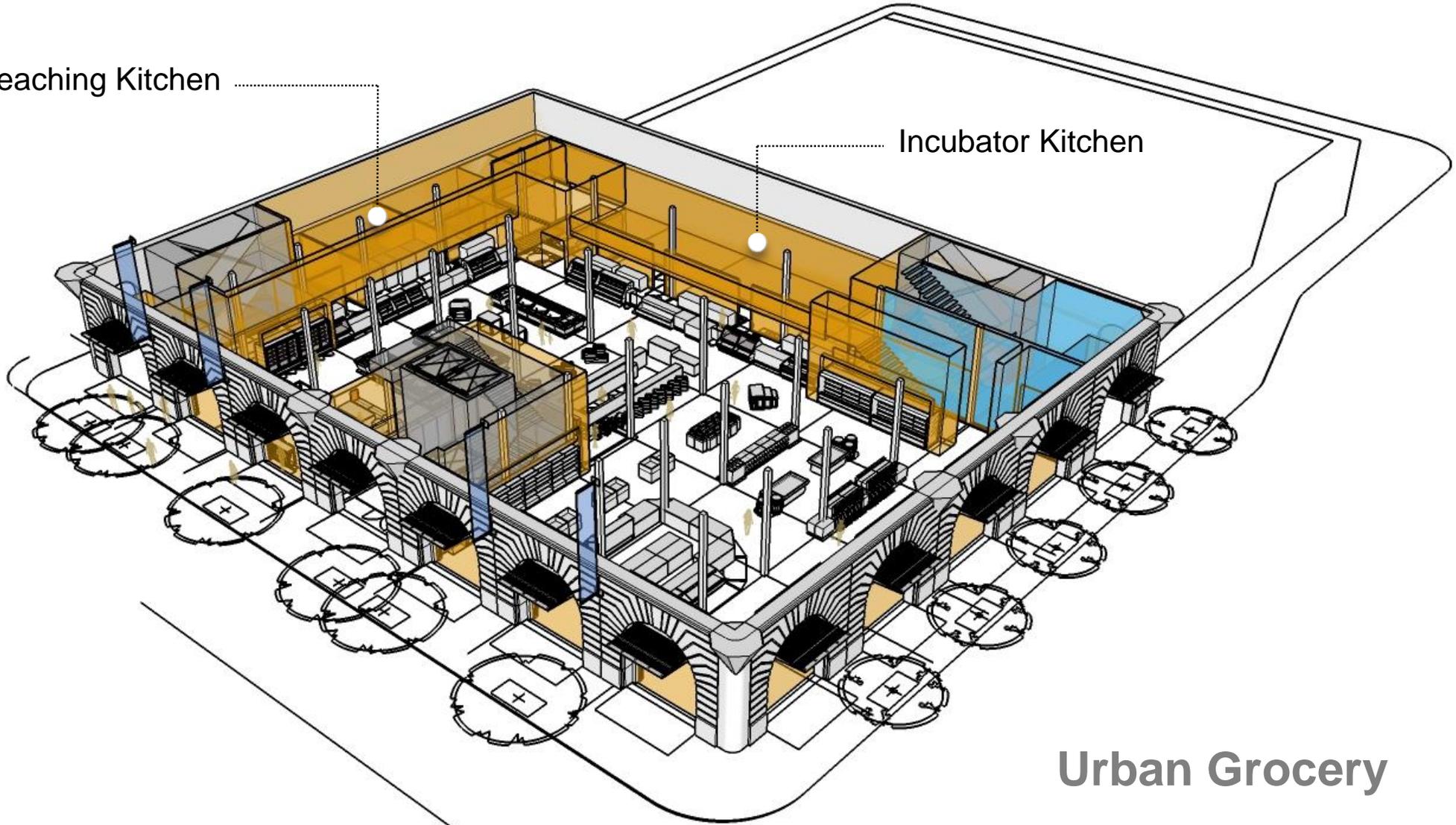
# HISTORIC BUILDING RENOVATION

- Richmond Garage – preservation of the building (Schedule U – Development Requirement for Block U)
- Blues Armory – renovation cost paid by the developer (Exhibit B-2 to the Development Agreement - Article 7; Development Agreement Schedule F-2)
  - Building will remain publicly owned and leased to the developer
  - Developer responsible for operation and maintenance of the Blues Armory
  - Urban grocery (Exhibit C to the Armory Lease)
  - Music venue (Exhibit C to the Armory Lease)
  - Ballroom for the convention hotel (Exhibit C to the Armory Lease)

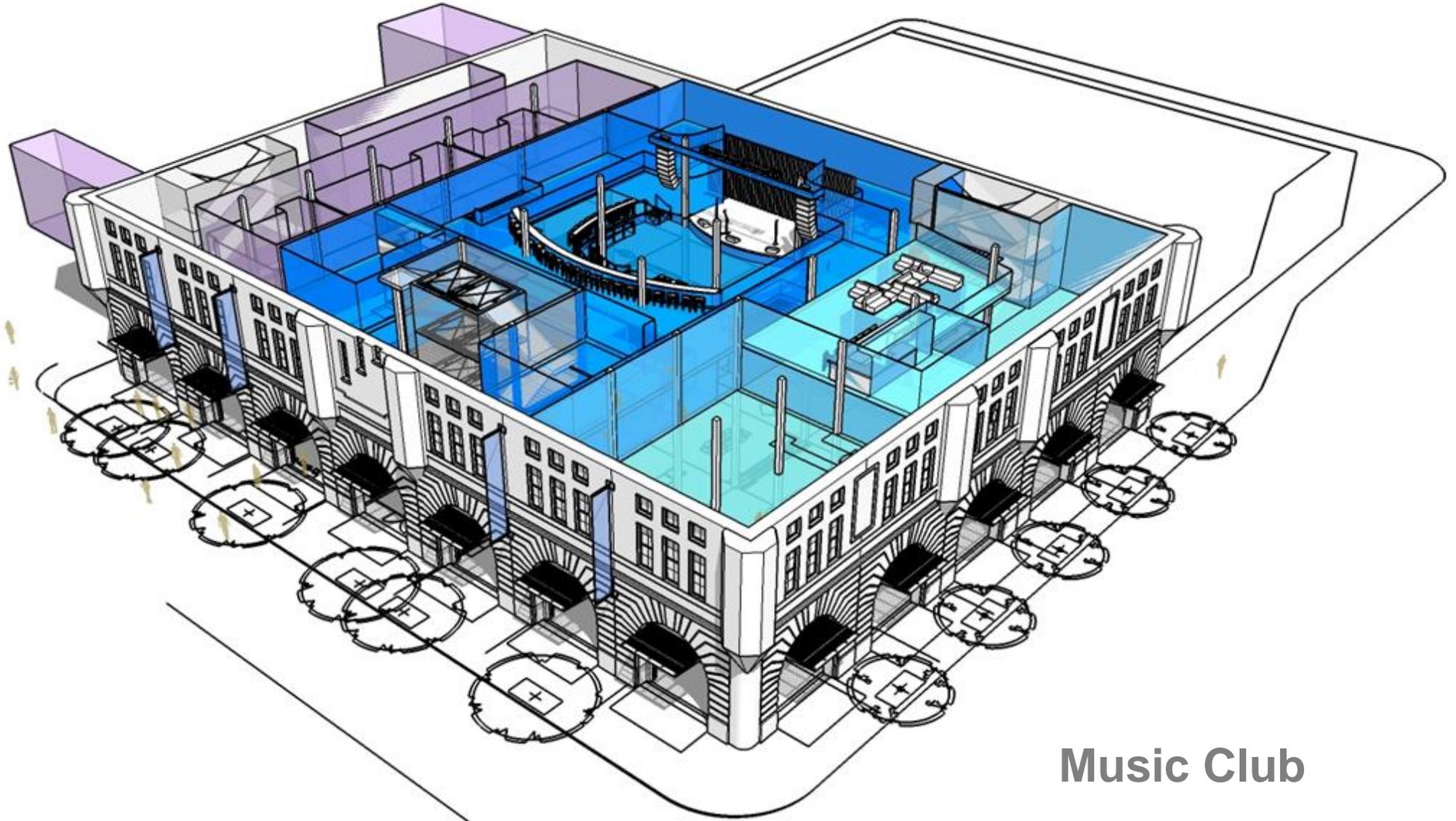


Teaching Kitchen

Incubator Kitchen

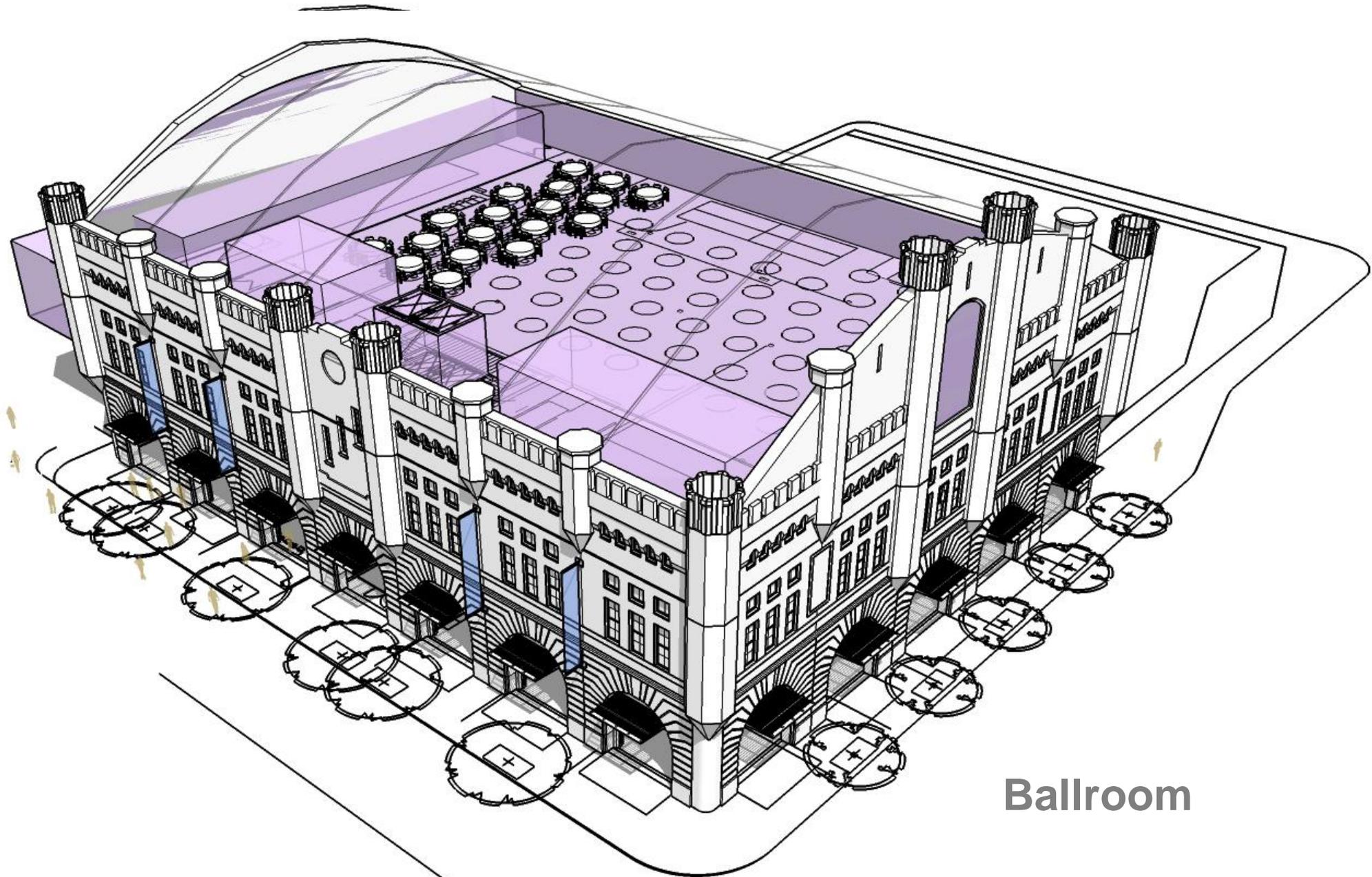


Urban Grocery



Music Club





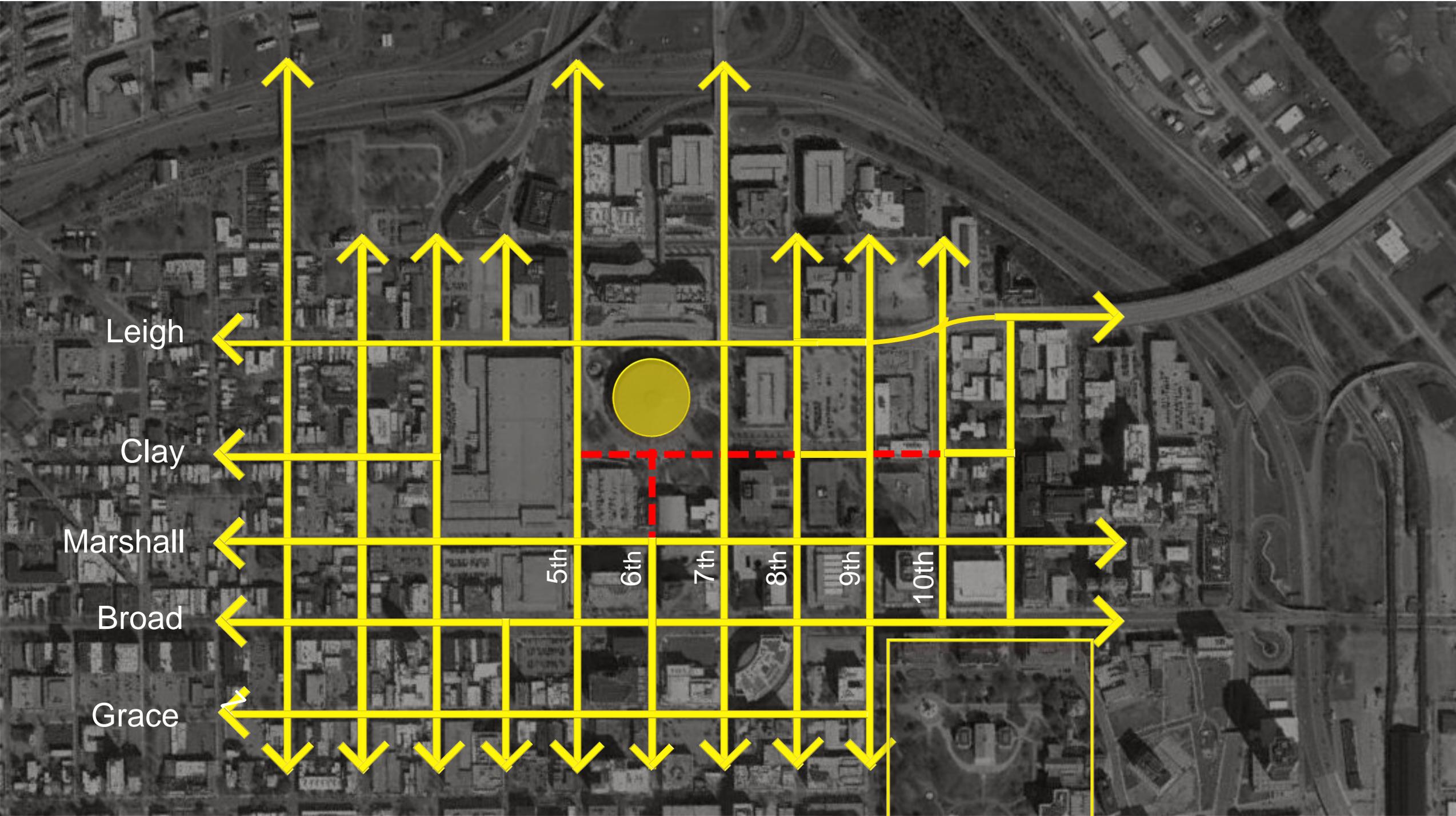
**Ballroom**



welcome to  
**RICHMOND**  
*GreenBiz<sup>21</sup>*  
Feb. 16-19 2021 • Richmond, VA • Hyatt Regency

welcome to  
**RICHMOND**  
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Feb. 16-19 2021 • Richmond, VA • Hyatt Regency

- Clay Street Reconstruction (paid by the developer)
  - Exhibit H to the Development Agreement – Right-of-Way Reconfiguration Conditions
- 6<sup>th</sup> Street Constructed (paid by the developer)
  - Exhibit H to the Development Agreement – Right-of-Way Reconfiguration Conditions



Leigh

Clay

Marshall

Broad

Grace

5th

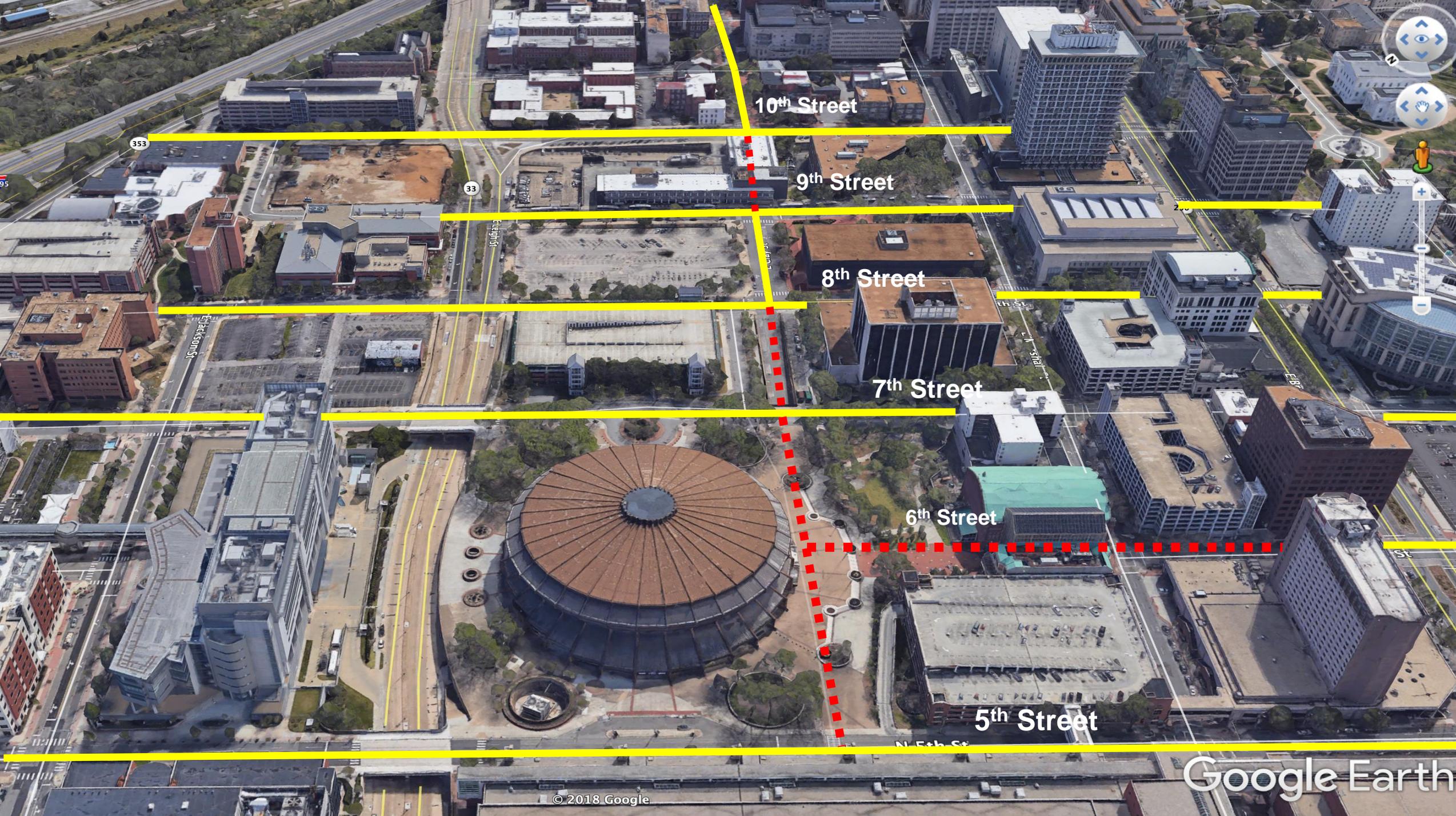
6th

7th

8th

9th

10th



10th Street

9th Street

8th Street

7th Street

6th Street

5th Street

Google Earth

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8TH & CLAY PROPOSED

Capital City Partners LLC



6<sup>TH</sup> STREET PROPOSED

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## STORMWATER DETENTION

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- Developer constructs enhanced stormwater detention facilities for the project
  - Exhibit I to the Development Agreement – Utility Terms and Conditions; Section 4.3.1

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## LEED SILVER CERTIFICATION

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- LEED Silver Certification – all new construction designed and constructed to LEED Silver Certification standards (Leadership in Energy and Environmental Design)
  - Development Agreement – Section 4.18

- New location to create the GRTC Transit Center
  - Development Agreement; Section 2.2.g
- Shell construction by the developer for the GRTC Transit Center to be leased to GRTC

50 #27

CARY / MAIN / WHITCOMB

#5 12:05

9

GRTC TRANSIT CENTER

CHURCH HILL  
#15 12:12

8

CARY/MAIN

STAY SIMPLY TAP & GO!

CHURCH HILL

GRTC PROPOSED



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## CONVENTION HOTEL

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- 500+ room Hyatt Hotel – paid by the developer
  - Development Agreement – Section 2.2.d
- Hotel covenant ensuring the property is an Upper-Upscale or Luxury Chain in the first 20 years of operation and after the 20<sup>th</sup> year, the property is an Upscale, Upper-Upscale or Luxury Chain
  - Exhibit N to the Development Agreement – Hotel Use Covenant
- Room block agreement
  - Condition precedent to financial close on the bonds; Development agreement Section 6.1.c.ix



6TH & CLAY CURRENT

Google Earth

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# 6<sup>TH</sup> & CLAY - CURRENT

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# JOB CREATION

- Economic impact study completed by VCU's Center for Urban and Regional Analysis
- Developer is supporting workforce training and recruitment efforts
  - Development Agreement Section 10.5)



# AFFORDABLE HOUSING

- 280 dedicated affordable housing units in the Navy Hill development blocks
  - Includes for-sale units
  - Units can be leased using housing vouchers
- 200 affordable housing units developed through \$10 million in philanthropic giving
- 200 affordable housing units developed through \$10 million in surplus revenues from the increment financing area
- Development Agreement Section 6.4 and 10.2; Exhibit M to the Development Agreement – Affordable Housing Covenants

Block	Construction Start	Construction Completion	Market Rate Units	Affordable Units	Total Units	Aff. Unit % on Block
<b>A1</b>	7/18/2020	3/1/2023	0	0	0	
<b>A2</b>	7/30/2021	3/1/2023	188	42	230	18.26%
<b>A3</b>	7/1/2021	3/1/2023	0	0	0	
<b>B</b>	4/17/2022	10/19/2023	169	44	213	20.65%
<b>C</b>	6/7/2021	4/5/2023	190	23	213	10.7%
<b>D</b>	12/10/2021	12/4/2023	0	0	0	
<b>E</b>	8/29/2021	1/3/2023	65	21	86	24.41%
<b>F</b>	12/11/2020	1/3/2023	0	0	0	
<b>I</b>	6/12/2023	1/11/2025	438	51	489	10.42%
<b>N</b>	8/12/2023	5/10/2025	453	57	510	11.17%
<b>U</b>	6/12/2022	3/10/2024	341	42	383	10.96%
<b>Total</b>			<b>1,844</b>	<b>280</b>	<b>2,124</b>	<b>13.18%</b>

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## MINORITY BUSINESS PARTICIPATION

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- \$300 million in contracting opportunities for minority businesses
  - Development Agreement, Section 10.3 and 10.4
- Developer has retained a Minority Business Coordinator
  - Recruit minority owned businesses to participate in the project
  - Monitor minority business participation in the project

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## CITY RESPONSIBILITY

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- The City is responsible for selling real estate it owns
- The City is responsible for leasing real estate it owns
- The City is responsible for collecting revenues in the increment financing area and appropriating those revenues to pay the bond debt service
- The City is **not** responsible for paying any shortfalls for the annual bond payments
- The City is **not** responsible for the management of the Arena or the Blues Armory
- The City is **not** responsible for the maintenance of the Arena or the Blues Armory

# QUESTIONS

