

INTRODUCED: May 26, 2026

AN ORDINANCE No. 2026-123

To declare surplus and direct the sale of a portion of the city-owned real estate known as 1461 Commerce Road, consisting of 8.234± acres, to City Central, LLC or its affiliate, for \$4,705,500, or such lesser amount as may be provided for herein, for the purpose of facilitating the construction of a mixed-use development. (6th District)

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUN 8 2026 AT 6 P.M.

WHEREAS, by adopting a resolution on May 12, 2026, a copy of which is attached to and made a part of this ordinance, the School Board declared a portion of the real property located at 1461 Commerce Road, consisting of approximately 8.234 acres, more particularly shown as “Proposed New Parcel A” on the aerial depiction entitled “Commerce Road Site,” prepared by Kimley Horn, and dated March 12, 2025, and being a portion of Tax Parcel No. S007-0836/004 in the 2026 records of the City Assessor, to be surplus so long as a suitable replacement property or properties for relocation of the present uses thereof is approved by the School Board as provided therein on or before the day which is two years after the date of the resolution;

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That, notwithstanding any provision of section 8-58 of the Code of the City of Richmond (2020), as amended, to the contrary, subject to the conditions set forth in this ordinance, a portion of the City-owned real estate known as 1461 Commerce Road and identified as Tax Parcel No. S007-0836/004 in the 2026 records of the City Assessor, consisting of approximately 8.234 acres, and labeled as “Proposed New Parcel A” on the aerial depiction entitled “Commerce Road Site,” prepared by Kimley Horn, and dated March 12, 2025, a copy of which is attached and made a part of this ordinance, is hereby declared surplus real estate and is directed to be sold to City Central, LLC or its affiliate, for \$4,705,500, or such lesser amount as may be provided for herein, for the purpose of facilitating the construction of a mixed-use development in accordance with the applicable provisions of Chapter 8 of the Code of the City of Richmond (2020), as amended, the Charter of the City of Richmond (2020), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

§ 2. That the foregoing surplus declaration and directed sale shall be conditioned upon satisfaction of the following on or before the date which is two years after the date hereof:

(a) The replacement property or properties must be approved pursuant to the resolution of the School Board dated May 12, 2026; and

(b) City Central, LLC or its affiliate shall pay the cost of the approved replacement property or properties and the cost of the relocation of Richmond Public Schools to such approved relocation property or properties.

§ 3. That the \$4,705,500 purchase price shall be reduced by the cost of the approved replacement property or properties and the cost of relocation of Richmond Public Schools to such approved relocation property or properties, as such costs are reasonably determined and approved by the Chief Administrative Officer.

§ 4. That, if as of the second anniversary of the date on which this ordinance is adopted, each of the foregoing conditions have not been satisfied, then the foregoing surplus declaration and directed sale shall be automatically null and void and of no further force or effect as of such anniversary.

§ 5. That, pursuant to section 8-65(b) of the Code of the City of Richmond (2020), as amended, if the foregoing conditions are timely satisfied, the Chief Administrative Officer is hereby directed to execute, on behalf of the City, the deed and such other documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the sale of the real estate authorized by section 1 of this ordinance.

§ 6. This ordinance shall be in force and effect upon adoption.

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: May 4, 2026
TO: The Honorable Members of City Council
THROUGH: The Honorable Dr. Danny Avula, Mayor
THROUGH: Odie Donald II, Chief Administrative Officer
THROUGH: Sharon Ebert, Deputy Chief Administrative Officer
FROM: Angie Rodgers, Director, Department of Economic Development
RE: Commerce Road Property Transaction (Companion Paper – Sale of RPS Portion - 1461 Commerce Road)

ORD. OR RES. No. _____

PURPOSE: To declare surplus and direct the sale of a portion of the city-owned real estate known as 1461 Commerce Road, consisting of approximately 8.234± acres (the “RPS Portion”), for \$4,705,500, or such lesser amount as may be provided for herein, to City Central, LLC or its affiliate, for the purpose of facilitating the construction of a mixed-use development.

BACKGROUND:

Legislation:

This ordinance is one of three separate ordinances that are all related to the Property (defined below), which will be introduced to City Council as companion papers. The three ordinances are:

1. An ordinance to accept a quitclaim deed from the School Board conveying its interest in a portion of the real estate known as 1461 Commerce Road, consisting of approximately 8.234± acres (the “RPS Portion”), and to authorize the Chief Administrative Office to act on behalf of the City in executing such deed.
2. An ordinance to declare surplus and direct the sale of the RPS Portion, for \$4,705,500, or such lesser amount as may be provided for herein, to City Central, LLC or its affiliate, for

the purpose of facilitating the construction of a mixed-use development. (The ordinance requested by this OR Transmittal.)

3. An ordinance to declare surplus and direct the sale of a portion of the city-owned real estate known as 1451 Commerce Road, consisting of approximately 4.715± acres (the “RPD Portion”), for \$2,694,500, or such lesser amount as may be provided for herein, to City Central, LLC or its affiliate, for the purpose of facilitating the construction of a mixed-use development

Property:

The City owns an approximately 12.949 acre parcel of real estate commonly known as 1451 Commerce Road and 1461 Commerce Road (also known as 1240 Ingram Avenue) and identified as Tax Parcel No. S007-0836/004 in the 2026 records of the City Assessor, (the “Property”). The Property is split by two primary users and uses as follows:

- RPS Portion – An approximately 8.234-acre portion of the Property known as 1461 Commerce Road and shown as “Proposed New Parcel A” on the attached aerial depiction entitled “Commerce Road Site” prepared by Kimley Horn, used by Richmond Public Schools for a variety of purposes including office, workshop, storage, and bus parking.
- RPD Portion – An approximately 4.715-acre portion of the Property known as 1451 Commerce Road and shown as “Proposed New Parcel B” on the attached aerial depiction entitled “Commerce Road Site” prepared by Kimley Horn, used by the Richmond Police Department for property and evidence storage.

City Central, LLC (the “Developer”) offered to purchase both the RPS Portion (\$4,705,500) and the RPD Portion (\$2,694,500) for a combined total purchase price of \$7.4M (less certain costs for replacement properties and relocations thereto), which represents fair market value based on an appraisal of the Property ordered by the City. The Developer owns approximately 44 acres of surrounding land and acquisition of the Property will enable construction of a large modern mixed-income, mixed-use community, offering a range of housing types and infill dwelling options – multifamily and single-family, affordable and market - to increase the housing supply and affordability in Richmond. They propose a community that is walkable,

connected, well-lit, landscaped with modern infrastructure, roads, sidewalks, and street trees. Planned non-residential spaces offer the possibility for neighborhood-scale amenities, commercial spaces, and grocery retail. The comprehensive land and proposed development will revitalize and enhance the local community, increase residency in the area, increase neighboring property values, create additional affordable housing and provide significant economic impacts to the City through construction and permanent job creation, tax revenue and utility infrastructure and revenues. Future Fall Line Trail is also contemplated along Commerce Road.

RPS and the City administration desire to facilitate the sale of the Property to the Developer only if (i) suitable replacement property(ies) are identified and approved within two years and (ii) City Central is responsible for paying all costs associated with acquiring the property(ies) (if needed), renovating the property(ies) (if needed), and relocating the RPS/City uses thereto. Pursuant to the draft legislation, the Purchase Price(s) will be reduced by the amount expended by the Developer for certain costs for such replacement property(ies) and relocation with the balance paid in cash to the City at Closing (in the event the cost of the replacement property(ies) exceeds the Purchase Price for the respective portion of the Property, all such costs will be the sole responsibility of the Developer). City Code section 12-42 will apply to the amount of funds the City receives at Closing for the sale of the RPS Portion (“When payments are made to the City of money arising from the sale of [former school properties]the Director of Finance shall credit such receipts, except for the withholding described in subsection (b)(2) of this section, to a special reserve assigned to support public schools in the City. The City Council may appropriate funds from this reserve for the construction of new public school facilities or for the capital repair or renovation of existing active school properties.”)

Process RE RPS Portion:

Based on State law provisions, RPS may hold “beneficial title” to the RPS Portion based on its current use of the property. Therefore, the City Attorney’s Office advised that, prior to the introduction of an ordinance to City Council to authorize the sale to the Developer, the School Board must first adopt a Resolution conditionally declaring the RPS Portion surplus and authorizing delivery of a quitclaim deed conveying its interest therein to the City upon satisfaction of such conditions. At its meeting on May 12, 2026, the School Board adopted the

resolution attached hereto declare the RPS Portion surplus subject to certain conditions, which provide the following safeguards for RPS:

- The resolution conditionally declares the RPS Portion surplus: “WHEREAS, the School Board of the City of Richmond, Virginia has determined that it would have no further use of the property located at 1461 Commerce Road...if the present uses of the Property were relocated to a suitable replacement property or properties approved as provided herein...”
- The resolution requires a subsequent Board vote to approve the replacement property before RPS officially quitclaims its rights/title to the City: “WHEREAS, conditioned upon the approval of the Replacement Property by the School Board in a subsequent vote, the School Board desires to quitclaim any and all interest of the School Board of the City of Richmond, Virginia in and to the Property to the City of Richmond, Virginia...”
- The resolution provides a two-year timeline for the delivery of a replacement property before expiring.

Such conditions/safeguards are incorporated into the City ordinance authorizing the sale of the RPS Portion to the Developer. (Note - The ordinance authorizing the sale of the RPD portion to the Developer contains similar conditions/safeguards, specific to the City/RPD.)

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Alignment with the City's overall Master Plan, as well as the Oak Grove/Bellemeade/Hillside Small Area Plan that will be proposed to Council.

FISCAL IMPACT: One time impact - up to \$4,705,500 cash at Closing (\$4,705,000 less certain costs associated with the replacement property(ies) and relocation). Ongoing impact – annual tax revenues derived from the development of the currently tax-exempt RPS Portion as well as incremental revenues derived from enabling the surrounding development of property already owned by the Developer.

DESIRED EFFECTIVE DATE: Upon Adoption.

REQUESTED INTRODUCTION DATE: May 26, 2026

CITY COUNCIL PUBLIC HEARING DATE: June 8, 2026

REQUESTED AGENDA: Consent

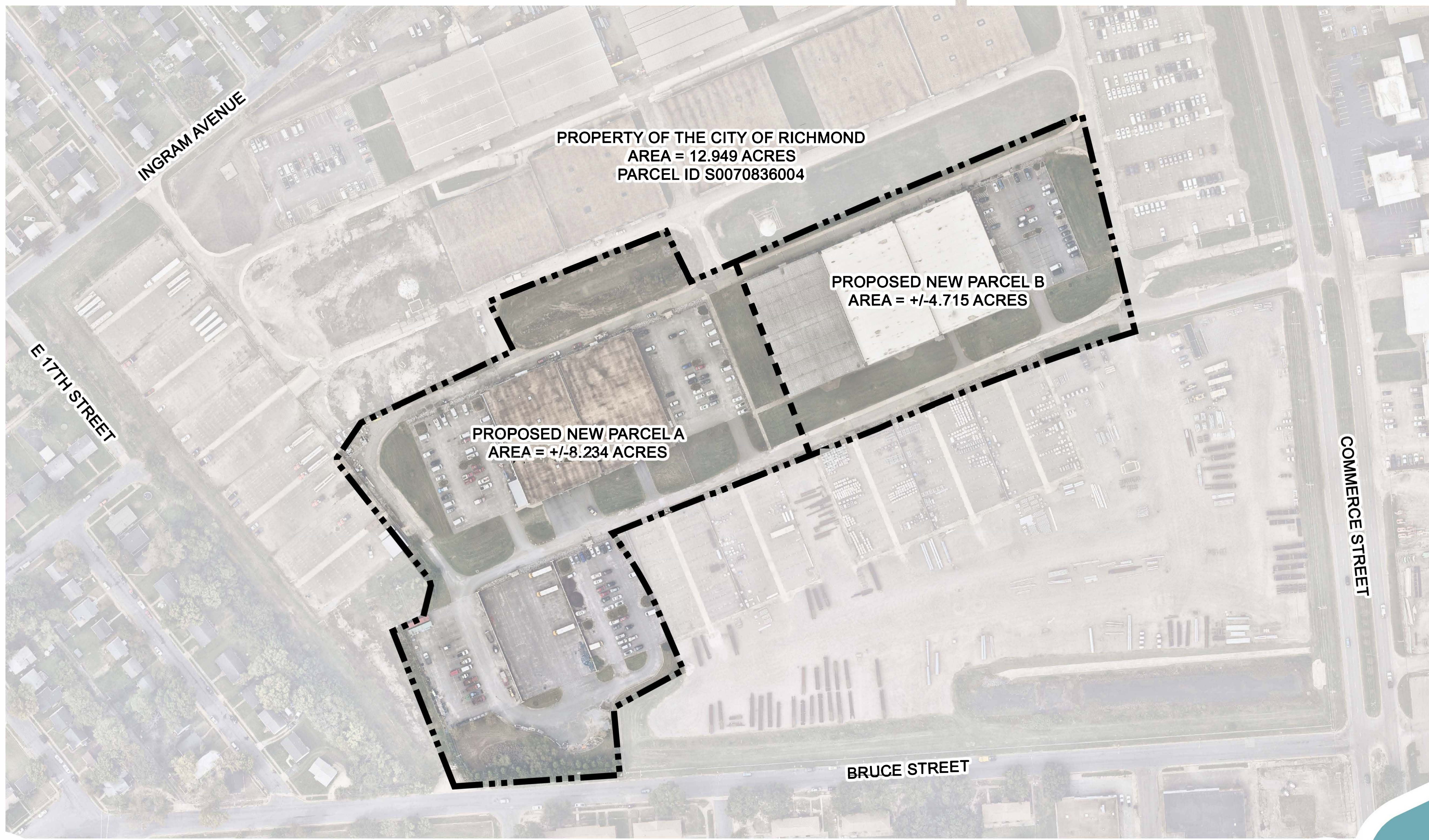
RECOMMENDED COUNCIL COMMITTEE: Planning Commission (June 2)

AFFECTED AGENCIES: Department of Economic Development, City Attorney's Office

RELATIONSHIP TO EXISTING ORD. OR RES.: N/A

ATTACHMENTS: Aerial depiction entitled "Commerce Road Site" prepared by Kimley Horn;
RPS Resolution

STAFF: Matt Welch, Department of Economic Development
Chris Nizamis, Department of Economic Development
Sarah Carperter, Mayor's Office



PROPERTY OF THE CITY OF RICHMOND
AREA = 12.949 ACRES
PARCEL ID S0070836004

PROPOSED NEW PARCEL B
AREA = +/-4.715 ACRES

PROPOSED NEW PARCEL A
AREA = +/-8.234 ACRES

INGRAM AVENUE

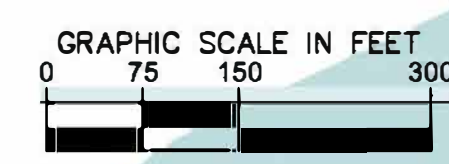
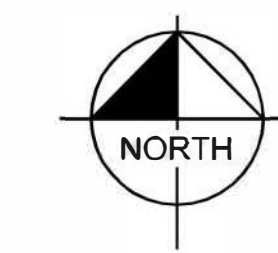
E 17TH STREET

COMMERCE STREET

BRUCE STREET

COMMERCE ROAD SITE

PROPERTY OWNERSHIP
RICHMOND, VA
MARCH 12, 2025



Kimley»Horn
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RESOLUTION

WHEREAS, the School Board of the City of Richmond, Virginia has determined that it would have no further use of the property located at 1461 Commerce Road containing approximately 8.234 acres, more or less, as shown as “Proposed New Parcel A” on the attached aerial depiction entitled “Commerce Road Site” prepared by Kimley Horn, and being a portion of Tax Parcel No. S007-0836/004 in the 2026 records of the City Assessor (the “Property”) if the present uses of the Property were relocated to a suitable replacement property or properties approved as provided herein (whether one or more, the “Replacement Property”); and

WHEREAS, conditioned upon the approval of the Replacement Property by the School Board in a subsequent vote, the School Board desires to quitclaim any and all interest of the School Board of the City of Richmond, Virginia in and to the Property to the City of Richmond, Virginia pursuant to Section 22.1-129A of the Code of Virginia.

NOW, THEREFORE, BE IT RESOLVED that the School Board of the City of Richmond, Virginia, pursuant to Section 22.1-129A of the Code of Virginia, hereby declares the Property to surplus upon approval of the Replacement Property by the School Board;

BE IT FURTHER RESOLVED that upon approval of the Replacement Property by the School Board, a copy of this Resolution, signed by the Chair and certified by the Clerk, shall be filed with the Clerk of the Circuit Court of the City of Richmond, Virginia; and

BE IT FURTHER RESOLVED that, following approval of the Replacement Property the School Board, the Chair and the Clerk (as applicable) are authorized to execute and deliver a quitclaim deed and such other documents and to take other such actions as may be necessary to quitclaim any and all interest of the School Board in and to the Property to the City of Richmond, Virginia; and

BE IT FURTHER RESOLVED that, if the Replacement Property is not located and approved by the School Board within two (2) years of the adoption of this Resolution, this Resolution shall be null and void.