



## CITY OF RICHMOND

### Department of Planning & Development Review *Staff Report*

**Ord. No. 2014-203:** To declare surplus and to direct the sale of City-owned real estate located at 313 North 24th Street and 2407 East Marshall Street for \$250,000 to Sterling Bilder, LLC, for the purpose of the construction of a mixed-use development including commercial, residential and civic space.

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**To:** City Planning Commission  
**From:** Land Use Administration  
**Date:** November 3, 2014

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**PETITIONER**  
Sterling Bilder, LLC

**LOCATION**  
313 North 24<sup>th</sup> Street and 2401 East Marshall Street

**PURPOSE**  
To transfer City-owned real estate for \$250,000 to Sterling Bilder, LLC for private development.

**SUMMARY & RECOMMENDATION**

The property adjoins Patrick Henry Memorial Park and is in close proximity to Saint John's Episcopal Church. The subject property consists of two parcels: 13-315 North 24th Street which includes an existing brick building estimated at 7,320 square feet on 0.168 acres and 2407 East Marshall which includes a parking lot and contains 0.322 acres with both parcels totaling 0.49 acres.

Sterling Bilder, LLC, the purchaser, has offered \$250,000 for the property. The offer is more than the \$170,000 appraised fair market value of the property based on an appraisal completed in 2012 by the Purchaser. The two parcels including existing improvements were assessed by the City at \$188,000 in 2014; however, in 2015 the assessment increased and the properties are currently assessed at \$512,000.

A viable offer has been made to acquire and develop this property. By selling this property the City will stimulate private investment, job creation and economic development in the area. In addition, this property was removed from the Public/Open Space land use designation in the City's Master Plan in 2010 and included in the Neighborhood Commercial designation, which suggests the proposed type of development is appropriate. Therefore, staff recommends approval of the proposed transfer.

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## **FINDINGS OF FACT**

### **Site Description**

The property adjoins Patrick Henry Memorial Park and is in close proximity to Saint John's Episcopal Church. The subject property consists of two parcels: 313-315 North 24th Street which includes an existing brick building estimated at 7,320 square feet on 0.168 acres and 2407 East Marshall which includes a parking lot and contains 0.322 acres with both parcels totaling 0.49 acres.

This property was formerly part of the Nolde Bakery's property portfolio and is now owned and maintained by the Department of Parks, Recreation and Community Facilities (DPR&CF). Currently, the property is underutilized and DPR&CF stores a small amount of old decorations and sporting equipment. The building is in need of significant repairs and alterations. DPR&CF reports that the property is not being actively used and they agree to sell the property.

The building has been used as storage and the parking lot has been used for event and tour bus parking since the City acquired the parcels by gift from the J. Fulmer Bright Memorial Foundation in June of, 1990. The J. Fulmer Bright Memorial Foundation had hoped the property would be redeveloped as the Liberty Center, a visitor center focused on Patrick Henry's vision and Church Hill's history but that vision was never realized.

### **Proposed Use of the Property**

The Purchaser proposes to develop two floors of row-house style multi-family residences and ground floor commercial space at 2407 East Marshall Street with surface parking at the rear of the buildings. Also as part of the development, the existing Nolde building at 313 -315 N 24th Street would be renovated and receive an addition to incorporate 2 ground floor commercial units fronting 24th Street, a multi-purpose flex/ community room facing Patrick Henry Memorial Park and two floors of residential units at the east end of the building. The multipurpose room may be reserved for private or public events/meetings throughout the year.

### **Master Plan**

The property was designated as Public/Open Space in the City's Master Plan until 2010 when an amendment was adopted, which changed the future land use designation to Neighborhood Commercial. This designation includes office, personal service and retail uses intended to provide for the daily convenience shopping and service needs of adjacent neighborhood residents. Such uses are typically small scale and low intensity uses that are compatible with adjacent low to medium density residential uses.

### **Zoning**

The property is located in the Urban Business (UB) zoning district and is part of a Parking Exempt (PE2) overlay district. The UB permits a variety of commercial uses. Dwelling uses are also permitted provided that such dwelling units shall be located above the ground floor of the building or to the rear of other permitted principal uses so as not to interrupt commercial frontage in the district, and provided further that the ground floor area devoted to other permitted principal uses shall be a minimum of one-third or 1,000 square feet, whichever is greater, of the floor area of the ground floor of the building and shall be not

less than 20 feet in depth along the entire length of a principal street frontage, except for ingress and egress.

The property is also located in the St. John's Church City Old & Historic District and any proposed construction would be subject to review and approval by the Commission of Architectural Review.

**Surrounding Area**

The surrounding property is occupied by a mix of zoning and uses, including a public park, commercial and residential uses.

**Neighborhood Participation**

The proposed purchaser has met with the Church Hill Association Zoning Committee, who recommended support for the project to the Church Hill Association.

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