



CITY OF RICHMOND

Department of Planning & Development Review *Staff Report*

Ord. No. 2023-133: To direct the conveyance of the City-owned real estate known as 3017, 3001, 2909, 2907, and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road, consisting of 60.966± acres, for nominal consideration to the Economic Development Authority of the City of Richmond. (2nd District)

To: City Planning Commission
From: Land Use Administration
Date: May 1, 2023

PETITIONER

Leonard L. Sledge, Director – Department of Economic Development

LOCATION

3017, 3001, 2909, 2907, and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road

PURPOSE

An ordinance authorizing the City's conveyance of surplus city-owned real estate (3017, 3001, 2909, 2907, and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road) to the Economic Development Authority.

SUMMARY & RECOMMENDATION

In October 2021, the City launched www.rvadiamond.com to begin marketing the redevelopment opportunity to prospective development teams. Also in October 2021, the City launched www.rva.gov/economic-development/diamond to share information about the redevelopment process with the Richmond community.

On December 28, 2021, the City issued the Request for Interest (RFI) outlining the opportunity for redevelopment, the redevelopment site and goals, and the evaluation process and criteria. The RFI also included five appendices: Market Analysis, List of City-owned and VCU-owned parcels, Greater Scott's Addition Small Area Plan (excerpt from Richmond 300), Ballpark Feasibility Analysis, and Anticipated Minimum Community Benefits Requirements.

The City established an Evaluation Panel to review the RFI responses and announced the members of that panel on February 15, 2022. On February 15, 2022, the City received 15 responses to the RFI.

The Evaluation Panel reviewed the RFI submissions and on March 23, 2022 announced that six teams had been invited to submit responses to a Request for Additional Information (RFAI). The RFAI stage had not been contemplated in the initial timeline presented in the RFI. The RFAI stage was added to the process because the City had received such a robust response to the RFI and needed more information before proceeding the RFO stage. On April 25, 2022, the City received a submission from each of the aforementioned RFAI invitees.

On May 10, 2022, the City announced that three teams had been selected as finalists. The City issued a Request for Officers (RFO) to the three finalist teams on June 3, 2022. The City hosted a public meeting to share information about the process to date, the RFI/RFO goals, and the key principles in successful public-private partnerships.

On June 28, 2022, the City received a submission from each of the aforementioned finalist teams. On August 8, 2022, the City announced that it was continuing negotiations with Richmond Community Development Partners and RVA Diamond Partners LLC.

In the month of August, the City continued to meet with Richmond Community Development Partners and RVA Diamond Partners to negotiate the terms of the project and vet the team's financial projections. Based on the proceedings of these conversations and the reviews of the RFI, RFAI, and RFO submissions, the Evaluation Panel selected RVA Diamond Partners LLC as the preferred development team to partner with the City to redevelop the Diamond District site in a manner that aligns with the vision set in Richmond 300, the Greater Scott's Addition Small Area Plan, and the goals set forth in the RFI, RFAI, and RFO.

On September 26, 2022, City Council unanimously adopted Resolution No. 2022-R055 in order to "select RVA Diamond Partners LLC as the developer of the Diamond District and express the Council's support for certain proposed minimum business terms and conditions in relation to the development of the Diamond District." The Resolution "authorized and requested" the CAO and the City Attorney "to prepare and negotiate for Council's consideration and approval by ordinance, the definitive agreements necessary to consummate a transaction" between the City and RVA Diamond Partners LLC for development of the Diamond District. The Administration has worked with the City Attorney's Office and outside legal counsel to prepare and negotiate the Development Agreement and attachments thereto and are now requesting Council's approval or such transactional documents via ordinance.

The ordinance pertaining to the Development Agreement (ORD. 2023-134) has been introduced and will be considered by the Organizational Development Standing Committee for a recommendation to City Council.

The ordinance pertaining to the City's conveyance of surplus city-owned real estate within the Diamond District (ORD. 2023-133) has been introduced for consideration by the Planning Commission for a recommendation to City Council.

Staff recommends approval of ORD. 2023-133.

FINDINGS OF FACT

Site Description

The subject parcels are located collectively east of North Arthur Ashe Boulevard, south of Interstate 64/95, and west of Hermitage Road comprising the located. The parcels of comprised of approximately 61 acres of land.

Proposed Use of the Property

Mixed-use development, open space, and a baseball stadium.

Master Plan

The Richmond 300 Master Plan sets forth recommendations and policy to guide the future growth of the city. One main recommendation of the plan is to reimagine Priority Growth Nodes. Greater Scott's Addition is identified in the Richmond 300 plan as a Priority Growth Node, with the potential to capture a large portion of the city's future population growth, and in turn generate significant value to the surrounding neighborhoods and the city overall. Richmond 300 includes a Small Area Plan to guide the redevelopment of the Greater Scott's Addition Area, which includes Scott's

Addition, the Sauer Center, the areas east and west of the Diamond District, and the Diamond District. Redeveloping the Diamond District in partnership with a development team is in alignment with the priority next steps outlined in the Master Plan to implement the vision for Greater Scott's Addition.

The Richmond 300 Master Plan describes the future vision of the Greater Scott's Addition as:

"Greater Scott's Addition is home to a series of neighborhoods that provide new employment and housing developments connected by a series of open spaces and a transportation network that support families and aging-in-place. The variety of housing options and employment in Greater Scott's Addition provide opportunities for low-income, moderate-income, and high-income households. The Diamond is demolished and a new multi-purpose stadium is constructed along Hermitage. Uses along Hermitage, a public plaza, and the crescent park complement the new stadium development. Visitors to Greater Scott's Addition have the option to safely arrive by foot, bike, transit, or car. Parking is centralized in a few parking garages to encourage users to park once and visit multiple destinations. The signature public park, a crescent park, between Ashe and Hermitage serves as a central convening space and is connected with greenways to multiple smaller public parks."

The vision statement and plans for Greater Scott's Addition show the new baseball stadium along Hermitage; however, the new baseball stadium will be located at the edge of Ashe Boulevard and the CSX rail line, in the southwest corner of the Diamond District site. The shift in the site is due two factors: 1) to comply with the new minor league baseball stadium requirements set by Major League Baseball, the City needs to deliver a new baseball stadium in time for opening day in April 2025 and in order to meet the April 2025 deadline, the stadium construction should begin in spring 2023; and 2) the Hermitage site for the baseball stadium identified in the Small Area Plan overlaps with the Sports Backers Stadium, which will not be demolished by spring 2023.

The Future Land Use Plan designates the area of the neighborhood between N. Arthur Ashe Avenue and Hermitage Road as "Destination Mixed-Use," which is described as being, "key gateways featuring prominent destinations, such as retail, sports venues, and large employers, as well as housing and open space. Located at the convergence of several modes of transportation, including Pulse BRT or other planned transit improvements." Future development is envisioned to be mixed-use in nature, at higher-density, and transit-oriented, with ground floor uses that engage and enliven the street. Pedestrian, bicycle, and transit access are prioritized and accommodated.

The Diamond District property falls into two "districts" envisioned in the Greater Scott's Addition Small Area Plan and bifurcated by a series of open spaces:

Districts:

- Gateway District: Regional destination for offices, shopping, and entertainment with landmark architecture
- Ballpark and Entertainment District: Lively community integrated with entertainment and a new sports venue

Open Spaces:

- Ballpark and Plaza: Vibrant outdoor space activated by the baseball stadium

- Crescent Park: Signature urban public space with passive lawns and a relaxing atmosphere with integrated green infrastructure to support water quality (site for large-scale community events)

One of Primary Next Steps in the description of the Greater Scott's Addition Small Area Plan states "Request for Proposals: Issue a Request for Proposals to redevelop the City-owned land between N. Ashe Boulevard and Hermitage Road using the Greater Scott's Addition Framework Plan and including elements such as crescent park, low-income housing, breaking up super blocks to create a street grid incorporating features that support walking, biking, and transit such as engaging architecture, public space, sidewalks, street trees, buildings built to the street, and street furniture." Other Primary Next Steps call for marketing Greater Scott's Addition, incorporating green infrastructure in the redevelopment of the area, build a mixed-income community with housing at various price points, including units for low-income households, and creating a series of parks, including a signature crescent park.

Zoning

The current zoning for this property is TOD-1 – Transit-Oriented Nodal District.

Surrounding Area

The surrounding land uses consist of a mix of commercial, institutional, office, mixed-use, residential, open space, and industrial land uses.

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