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5.11.2017

P. 804.358.4993Comment Letter from Dave Johannas regarding the Pulse Corridor (BRT) Plan:F. 804.358.8211This is why we need to move forward – now – with the Pulse Corridor Plan.W. johannasdesign.comHere and the pulse Corridor Plan.

I am writing this letter in support of the Pulse (BRT) Corridor plan. Right now we need do the following:

- 1. to support the Pulse Corridor Plan;
- 2. address zoning; and,
- 3. continue inclusive discussions with the neighborhoods.

Brief introduction: I am an architect and principal of the Johannas Design Group (JDG). JDG is a small multi-disciplined office located in the Uptown neighborhood. Approximately 60-70% of our projects are within 6000 feet of the BRT route. We are currently working on projects in 12 neighborhoods along the BRT route, and presently have inquiries in five neighborhoods. Seven of us in the office live within one mile of these districts or downtown.

Our recent list of projects include an art gallery, a theater, breweries, a cidery, restaurants, retail, hospitality, mixed-use, and housing from the lowest income bracket group to the highest. We currently have eight to ten special use or zoning changes at various stages in the lengthy approval process, an additional two in the proposal stage, and several zoning variance items. Although a very small practice, we are about as affected as any firm by the impact our outdated zoning conditions have on investment and development in our city.

With more than forty years of experience studying patterns of growth in American cities, here is what I see in Richmond; consider it a viewpoint from a worker at ground level:

- Timing is everything: There seems to be a popular misconception that there is no risk in delaying action. Unfortunately, delay has a direct negative impact on investment. The investment community understands that the economy is cyclical. It also understands the direct costs incurred by delaying a project through holding and maintaining an undeveloped property.
- 2. Risk: Delaying a project incurs risk for our investment community. Delaying when in the process of a special-use application comes at the high cost of the application fee, materials, design, and legal work. Additionally, there is never a guarantee that an application will succeed. When considering the cost, anxiety, and risk, investors in the market defer to "by-right" development, even if the zoning classification is outdated, in our city's case by as much as half a century. As a result, delay allows outdated zoning to promote outdated development.
- 3. Current outdated investment: Unfortunately, there is also a misimpression that an investor can under-develop a property, and come back in a few years and redevelop the property. That is just not the case. Many of today's investors are developing their properties and not

warehousing them. Nobody is interested in upgrading a property for a million or two million dollars today, establishing the appropriate financing, leasing to a tenant who is locating a business in good faith, only to turn around and throw that tenant and the millions of dollars away a few years later. Projects have life cycles and a realistic understanding is that a project lifecycle can be a generation. This is what we are working with in our current economy.

- 4. There are several reasons to support the BRT: At the turn of the 20th Century 120 years ago, we were improving our cities with electric lighting. Now we are improving transit. There are many goals regarding our bus rapid transit (BRT) plan, but I want to focus on it as an urban-planning business plan for the City of Richmond. The goal is not only to provide a better transportation plan, but also to promote and manage growth. (Growth is good; lack of growth is challenging.) This will be accomplished by creating a central city transit oriented area where people can live, work, and play without automobile dependency. This paradigm shift in lifestyle is occurring throughout the country "back to the city." Moreover, Richmond has the perfect conditions to develop this lifestyle given our historic urban fabric. The plan provides a means to increase real estate values and development along the BRT corridor. The increase in revenue is necessary to improve the city.
- 5. Inertia impedes growth: I have lived in Richmond since 1980, and have worked with the city's planning staff and neighborhood groups throughout this time. In the past, inertia, in an anti-growth policy, was perceived as the safest approach to developing our city. Twenty years ago, I watched as a commission argued about eighteen inches in a building's height for a location within two blocks of the Jefferson Hotel. The proposed building was three to four stories. The project team never moved forward, so the commission successfully helped to thwart a major investment in our city. While there is a perception that inertia is free and safe, that is not the case, as the property remains unimproved to this day. Inertia is both expensive and detrimental.
- 6. Anti-poverty: The city's anti-poverty commission included the following in its list of "top tier recommendations for high-impact policy actions: "...Creating a regional rapid transit system, so as to make thousands more jobs accessible to metropolitan Richmond residents by effective public transportation and better link the regional economy together." JDG has had discussions in the past with Scott's Addition, Carver, and Randolph neighborhoods regarding different levels of affordable housing. The BRT plan provides excellent opportunities for the affordable market through its proximity to transit and jobs. Planning commissioners have had the opportunity to glance at a great affordable housing project in the works by the Better Housing Coalition; the former Quality Inn Suites provides an extraordinary opportunity for families through a great location for housing with direct access to services, public transportation to tens of thousands of jobs, as well as access to our city schools. Supporting the BRT corridor plan would have an incredible positive impact on this project as well as a great investment in our city. These are valuable opportunities that we should not take for granted.
- 7. Expanding transit: I hope that we all look forward to expanding the transit system, and integrate our urban planning, urban design visioning and transportation planning.
 - a) In 2013 ULI assembled a collective vision called Reality Check, from a diverse group of 120 committee members, plus 280 participants from the entire region who created the collective vision. Eighty-six percent recommended multi-modal transportation options. All supported a strong downtown. The consensus recommended transit with highest support and recommendation (85%) for the downtown/airport connection and, also, south - downtown to Chester (i.e. the Jeff Davis highway.) Broad Street from Short Pump to downtown was also recommended

I see two districts that need immediate attention:

Scott's Addition is, on one hand, experiencing an incredible amount of investment; however, Scott's Addition is also seeing investors who do not want to risk waiting to move forward with more favorable zoning conditions. The wait is too risky for them. Our planning staff has been quite diligent in describing the zoning options for Scott's Addition. However, the first step is to approve the Pulse Corridor Plan, and then the city can move forward with the details of zoning.

Monroe Ward is located immediately adjacent to the downtown central business district zoning. While there are businesses in the Ward burdened with Midlothian Turnpike-style zoning, they desperately continue to try to expand their businesses. Once again, the BRT plan will provide staff with legal tools to move forward to update the zoning to meet the needs of this century, versus the current zoning from the last century. (Yes, our current zoning is <u>that</u> long out of date.)

I'm not sure that everyone understands the process. Approving the Pulse Corridor Plan does not change our zoning. The approval of the plan will initiate and provide the opportunity to take the next steps, which will be to have neighborhood discussions and receive neighborhood approvals for zoning changes.

The West Grace Street Association has written a "white paper" that establishes goals for the portion of the corridor adjacent to its neighborhood. This paper provides a great start for the next step in rezoning that portion of the corridor. A possible design-overlay district would provide a terrific opportunity to define goals in that district. That work can be ongoing, over the next few of years, while the other areas are managed and rezoned.

My office at present is not witnessing any investment inquiries for the south-of-Broad area along the Fan/WGSA area. I glanced at some land value assessments in this central district compared to assessed values in Scott's Addition. Scott's appears to be equal or a few cents less per square foot of land value. The impact of the current zoning adjacent to West Grace Street, with its 28 foot height limit, has negatively impacted growth, development, and investment in this district.

With West Grace Street's cooperation, and the ability to move forward, clearly this area of the city statistically shows great investment potential, if we can alter the prohibitive existing zoning. In terms of location, the district is several hundred feet from one of the most expensive residential districts in the city. There is a strong population base with tens of thousands of students immediately adjacent to the district. Services, and access to cultural and entertainment venues are as strong as any location.

For the bottom line, here are the foundations of my discussion:

- There is a paradigm shift in planning and the design toward a walkable, urban lifestyle in our country. People are moving to livable cities. The trend somewhat impacts the baby boomer generation, has a much greater impact on the millennial age group, and, most importantly, will be a driver for the gen 'z' population.
- 2. In terms of stabilizing the economic base of our city, growth is a better economic plan than antigrowth or depletion of inhabitants. While the central Virginia Crescent and the region will grow with or without our action, managing how we grow is vital to the quality of life in our city.
- 3. Creating an urban center is beneficial for the city and the entire region.
- 4. Transit-oriented development, with alternative methods of transportation, are essential elements for a high quality urban environment.

- 5. Stabilizing our economic base, developing a strong public transit system, and providing a walkable, non-auto dependent, environment are all key elements to reducing poverty and creating a stronger Richmond.
- 6. Inertia has a negative impact on our community.

For all these reasons, I request that we do not delay our support in the BRT Plan and, additionally, with that the approval, we take immediate steps to rezone Scott's Addition and Monroe Ward.

Please remember, the first step is to approve the Pulse Corridor Plan. Once we approve the concept, the **<u>next</u>** step will be to work on improving our outdated zoning.

Respectfully,

Dave Johannas, AIA Richmond City Planning Commissioner