



SMART GROWTH IS SMART ECONOMICS

SUSTAINABLE DEVELOPMENT IN THE GREATER RICHMOND REGION





The Southern Environmental Law Center is a nonprofit organization dedicated to protecting the natural areas and resources of the South. SELC works with more than 100 local, state, and national groups, providing legal and policy expertise on issues relating to transportation and land use, air and water quality, forests, coasts and wetlands.

SELC's Land and Community Program promotes smarter growth, sensible transportation choices, community revitalization, and open space conservation.

This report was developed and released in collaboration with the Partnership for Smarter Growth, a nonprofit organization whose mission is to educate and engage communities in the Richmond region to work together to improve quality of life by guiding where and how we grow. Founded in 2004 by citizens from across the region, PSG partners with an ever-growing network of individuals, organizations, businesses, planners, developers, and elected officials to achieve their goal of community-based, sustainable planning.

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Partnership *for* Smarter Growth

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OVERVIEW

Smart growth is smart economics. Alternatives to sprawl offer significant benefits for our regional and local economies, for businesses, for local governments and taxpayers, and for individual and household finances. The recent recession, ongoing economic and budget crises, and the slumping real estate market have heightened the need to pay attention to the bottom line and to adopt better approaches to how and where we grow.

Smart growth is better for our wallets, our environment, and our health. In contrast to the scattered, automobile-centered development that has dominated the Richmond region for decades, smart growth features well-designed, walkable development that mixes residential and commercial uses and integrates where we live, work, and shop. It also promotes redevelopment, revitalization, and infill in existing communities and guides new development to targeted areas. And it offers a variety of housing styles, sizes, and prices, provides more transportation alternatives, and protects farms, forests, and natural and historic resources.

The economic advantages of smart growth are striking. Smart growth can offer:

- Significantly lower costs to localities and taxpayers to provide infrastructure and services to development (such as roads, water, sewer, police, fire, schools).
- Enhanced economic competitiveness and job growth by providing a higher quality of life that helps attract and keep businesses and workers.
- Thriving communities and commercial corridors that increase property values and improve local revenues, reducing pressure for tax increases.
- Shorter commutes that save businesses and people money, and reduced energy consumption from less driving and more efficient buildings that lower bills and reduce vulnerability to volatile energy supplies and prices.

- More mixed income, affordable housing and increased access to jobs.
- More active lifestyles and reduced air pollution that accompany decreased driving, cutting health costs.
- A product that the market wants. Although not for everyone, housing within walking distance of amenities often carries a price premium, and businesses increasingly want their employees to have more transportation choices and the option of living near their place of work.



Before and after: potential revitalization and transformation of Hull Street in Manchester

In addition to these economic benefits, major trends are providing momentum for smarter growth—including demographic shifts, increased awareness of the high cost of sprawl to localities, taxpayers, businesses, and individuals, and market shifts resulting from changing business and individual needs and preferences.

These trends and the many benefits of smarter growth have helped fuel projects and policy changes that are reshaping the Greater Richmond Region.

This report provides an overview of the economic benefits of smarter growth, the key trends providing momentum for a new form of development, and some of the potential policies that can help promote such growth—including steps to provide greater transportation choices, as well as regulatory changes and incentives to encourage infill, community revitalization, redevelopment of declining or abandoned commercial areas, affordable housing, and green building.

The report then profiles five efforts in the Richmond region to promote smarter growth. These specific projects and proposals illustrate some of the choices we make in how and where we grow, as well as obstacles and opportunities to capture the economic benefits of smarter growth. They were the subject of a series of presentations and walking tours in recent months organized by Partnership for Smarter Growth and a tour PSG co-sponsored with the James River Green Building Council. These events engaged elected officials, community and business leaders, planning experts, local developers, and citizens; the profiles in this report draw upon these events and interviews with numerous people involved with these projects.

The projects profiled in this report are:

- New Kent Courthouse Village
- Innsbrook redevelopment
- Manchester revitalization
- Virginia Association of Counties' green, historic building in downtown Richmond
- Broad Street corridor revitalization and proposed bus rapid transit system

These projects illustrate the range of smarter development activities and opportunities in the region. They include rural, suburban, and urban projects; residential, mixed use, and commercial projects; new construction, infill development, and renovation of existing buildings; and potential transportation investments that can be linked to redevelopment. They offer excellent opportunities for exploring critical issues about where and how we grow, and underscore the importance of the policy changes needed to capture the economic benefits of smarter growth.

The projects highlight just some of the abundant opportunities to reorient growth in the Greater Richmond Region. There are many other recent and proposed projects, and numerous other opportunities to promote mixed use, walkable communities that are more sustainable and provide attractive places to live, work, and play. Under-utilized and declining corridors and neighborhoods in the city as well as the suburbs provide particularly attractive opportunities for infill and revitalization.

We need to capitalize on the opportunities to promote smarter growth if we are to enjoy sustainable economic development, save money, and ensure the future vitality of our communities and our region.

CAPTURING THE ECONOMIC BENEFITS OF SMART GROWTH

Smart growth offers many economic benefits, providing a range of potential cost savings and opportunities for economic growth. It is not only the regional and local economies that can see these gains, but businesses, state and local governments and taxpayers, individuals, and households

as well. Economic benefits accrue in addition to the significant environmental, health, community, and other benefits of smarter growth.¹ Moreover, a number of major trends are further driving demand for more sustainable development. The economic advantages of smarter growth, as well as the policy changes needed to promote such growth, have taken on even greater importance in light of the recent recession, ongoing economic stress, and state and local budget problems.

Economic Advantages

Experience and analysis has demonstrated a host of potential economic benefits of smart growth. Some of the most significant benefits include:

Reduced Costs to Taxpayers. Smarter growth can cut the costs to the public of serving development by reducing the need for new infrastructure such as roads, water, and sewer. It tends to be much cheaper to provide infrastructure to compact and contiguous development than to sprawl since dispersed growth needs more miles of roads and longer water and sewer lines. In contrast, revitalizing communities and promoting infill development puts less of a burden on taxpayers by making the most of infrastructure that is already installed and has already been paid for, even if some upgrading is needed. Studies have consistently shown potential savings from contiguous, compact growth



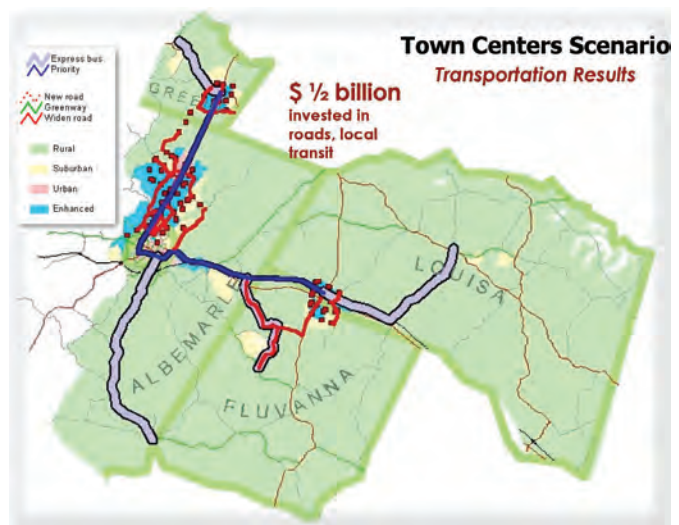
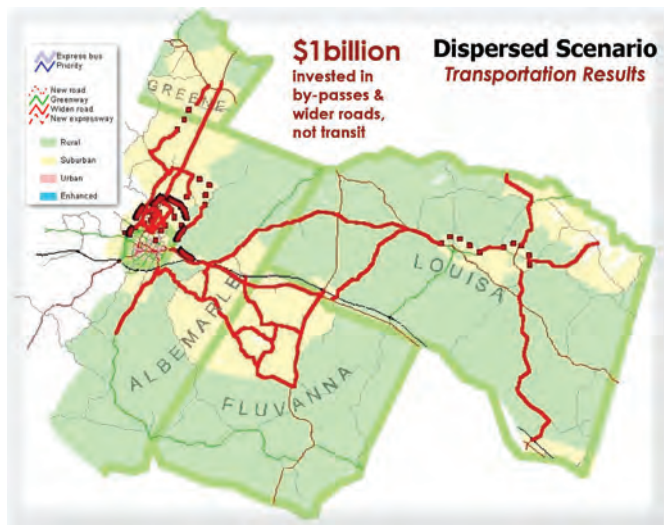
of 10-20% or more.² Furthermore, farmland and open space typically have a positive fiscal impact; studies of scores of communities nationwide have found that the local tax revenues produced by these land uses averages almost three times more than the cost of providing services to them.³

Economic Competitiveness and Job Growth.

Our quality of life depends on where and how we grow, and there is increasing evidence that a higher quality of life can enhance the economic competitiveness of a locality and a region by helping to attract and keep businesses and workers. In a fluid economy, employers and employees often look for features such as attractive, vibrant communities with clean air and water and opportunities to live close to a range of activities.⁴ A national study found that business leaders “are recognizing that quality of life directly affects economic prosperity, and that sprawl threatens quality of life in many communities.”⁵ Quality of life is a prime selling point and competitive advantage for our region.

Increased Property Values and Revenues.

Thriving communities and commercial corridors can increase property values and generate jobs. In addition, studies have suggested that more walkable neighborhoods tend to have higher sales prices.⁶ There also is evidence that walkable, mixed use properties tended to hold their value better than sprawling development in the recent real estate downturn.⁷ And experience has shown the demand for and potential value of transit to spur residential and commercial, transit-oriented development and increased



These maps from a study of an area east of Charlottesville show how the amount and cost of infrastructure needed can be widely different for alternative growth patterns even if the amount of employment and population increase is the same.

property values.⁸ These benefits are good news for homeowners, businesses, and developers, as well as all taxpayers since increased property values improve local revenues, reducing pressure for tax increases.

Reduced Congestion, Energy, and Other Transportation Costs. Mixed use, walkable communities that offer alternatives to driving can reduce transportation costs to businesses and individuals. The annual time and fuel costs of traffic congestion in the Richmond area is estimated to be over \$200 million, a clear drain on the economy and on household budgets.⁹ More broadly, increased energy consumption takes money out of the local economy and leaves households and the economy at the mercy of volatile fuel prices and supplies. Transportation costs are second only to housing for households in the South—almost \$8,500 per year¹⁰—and families in more auto-dependent neighborhoods

typically spend more of their household budget on transportation than families in more compact areas.¹¹

Lower Health Costs. Air pollution from our vehicles and from power plants generating electricity to serve our buildings played a major role in causing an average of over 26 violations of health standards for ozone in the Richmond region each year between 2005 and 2010.¹² Air pollutants harm our health—among other things, damaging lung tissue and possibly causing asthma attacks and even premature death—and result in substantial health care costs.¹³ Smarter growth can reduce these pollutants by cutting energy consumption and saving green space. More compact, walkable communities also promote greater physical activity, and there is increasing evidence that this can reduce health problems and the costs of problems such as obesity, diabetes, and cardiovascular disease.¹⁴



More Affordable Housing and Increased Job Access. In 2000, over one-third of renters and one-fifth of owners in the Richmond region had housing cost burdens that were not affordable.¹⁵ Those numbers are likely to have increased since then. Mixed-income, smarter growth can provide a greater range of housing choices and reduce the housing and transportation burden on households. It also can improve the economic competitiveness of the region since housing affordability can be a key issue for businesses and employees. Further, more compact, mixed use development can increase the ability of people to get to where jobs are located, even if they

do not own a car or are unable to drive, creating important economic opportunities for handicapped and low income individuals.

There are many other economic benefits of smart growth. These additional benefits include increased productivity and sales from green building measures; reduced water consumption that lowers business and household bills and can defer or eliminate costly investments to increase water supplies; saving forests and natural areas that help clean our water and air and thus reduce the need to spend taxpayer dollars on items such as controlling polluted runoff and treating drinking water; and bolstering agriculture and forestry jobs and revenues by reducing the paving over of farmland and forests and cutting pollution that can reduce crop yields.

Market Changes and Momentum for Further Change

There is a large and growing market for smart growth. One survey, for example, found that over 60% of prospective homebuyers nationwide preferred a neighborhood with a shorter commute and shopping, restaurants, and public transportation within walking distance.¹⁶

The demand for walkable, mixed use neighborhoods is projected to grow as a result of various trends in the region. Of particular importance, demographics are changing. Population in the Greater Richmond Region has risen rapidly, outpacing both the state and national growth rates and bringing the population to approximately 866,000, and it is projected to increase by over 12% each decade between 2010 and 2030, adding over 260,000 more people to the region.¹⁷ The number of households has been rising even more rapidly, and household composition is becoming more diverse as the percentage of households consisting of married couples and couples with children has fallen while the number of households without a spouse present and non-family households has risen.¹⁸ These varied households tend to seek a greater variety of housing options.

The age distribution of the region is shifting as well. Over the next two decades, one of the fastest growing age groups will be young adults age 20-34 of the Generation Y or “echo boomer” generation—an age group that frequently opts to rent rather than to own, and often wants a more urban lifestyle and smaller, more affordable housing.¹⁹ The other fastest growing age group will be empty nesters and seniors age 55 and

older of the baby boomer generation, many of whom are seeking walkable, mixed use, compact communities as they become less mobile and want smaller houses and yards that need less maintenance.



More broadly, as a national real estate assessment noted, energy prices, traffic congestion, and other factors are leading more people to “want to live closer to work and shopping without the hassle of car dependence.”²⁰ There are shifts in the commercial market and business demands as well. The bottom line is a move toward smarter growth. In a recent survey of over 1000 builders, developers and other industry professionals along the East Coast, for example, 60% responded that they are shifting to more pedestrian-oriented mixed use neighborhoods to stay competitive.²¹ And a national report concluded that “Next-generation projects will orient to infill, urbanizing suburbs, and transit-oriented development.”²²

Smart Growth Projects and Policies

Despite the economic benefits and market trends favoring smart growth, there are many barriers to such development, including government incentives and regulations that can strongly influence development and transportation decisions and patterns and that have tended to favor sprawl.²³ Changes to regulations and public investment priorities are needed to attract investment in walkable, mixed use development.

The primary areas for needed policy changes include:

- Removing regulatory barriers to smart growth, such as replacing zoning provisions that mandate the separation of residential and commercial uses or require large lot sizes with provisions allowing mixed use, compact projects.
- Providing financial and other incentives for revitalizing existing communities and historic buildings, redeveloping declining commercial areas, and infill development, such as rehabilitation tax credits and allocating a greater share of transportation funds to existing communities.
- Offering incentives and reorienting plans and policies to guide new development to targeted areas and to protect rural and natural areas.
- Providing incentives such as grants, loans, and streamlined permitting to encourage green buildings and more affordable housing.
- Redirecting transportation funds at the state, regional, and local level to transit, pedestrian, and bicycle projects to give people meaningful alternatives to driving.

Change is coming. More and more policies and projects in the Greater Richmond Region are being designed to capture the economic benefits of smart growth. Ample opportunities remain, however, for further progress. The following profiles highlight some of the projects that are underway or proposed in the region that can help capture the economic benefits of smart growth, as well as some of the policy steps that can help make smart growth a reality.



Before and after: an empty auto dealership on Broad Street converted into an office building

PROJECT PROFILE

NEW KENT COURTHOUSE VILLAGE: THE NEW RURALISM

The Context

New Kent County has been one of the fastest growing localities in the Greater Richmond Region. Its population rose almost 35% between 2000 and 2009, and it is projected to continue rising for the foreseeable future. This growth has brought rapid change. As the County's Comprehensive Plan recognizes, citizens are concerned as the "County's traditional combination of rural lands and small villages has begun to give way to nontraditional forms such as suburban type subdivisions and strip residential and commercial development along the major highways."²⁴ Yet New Kent remains relatively rural, and it is seeking to guide future growth to reduce sprawl. The Comprehensive Plan cites the central challenge of "the widely-held desire of the citizens of New Kent County to maintain the County's attractive, rural character while providing opportunities for the creation of income and wealth in the community."²⁵ The regional stakes are high as well. As George Homewood, New Kent County's Director of Community Development notes, "Practicing sustainable development in rural communities on the edge of the Richmond metropolitan area is essential if we are to have any realistic hope of preserving rural character and ensuring the economic viability of continued agricultural production."

The Project

New Kent Courthouse Village is a combination of residential and commercial development, new construction, and renovations of existing buildings, all designed to complement the rural, historic character of the existing county seat.²⁶ The two components of the project—Maidstone and Preservation Park—are being built around existing development that includes the historic New Kent County Courthouse, the County government center, a school complex, and a church.

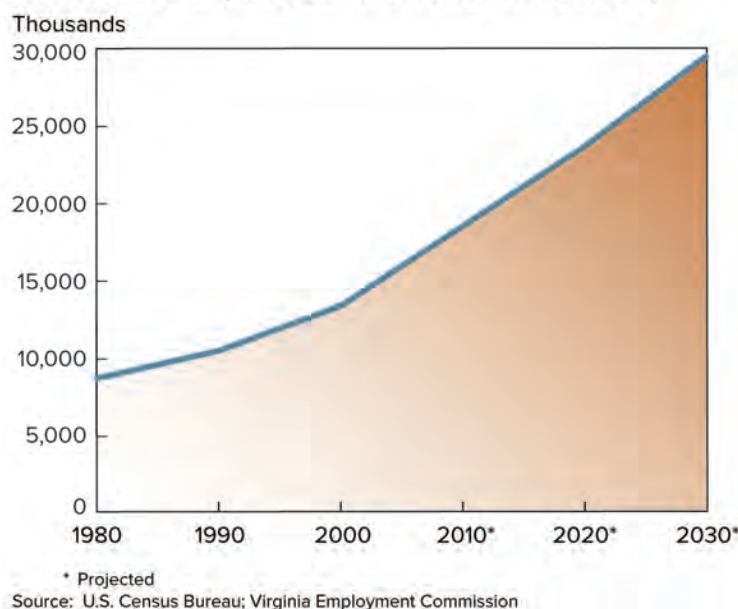


The development is connected to these centers of activity and services, and is on a walkable scale. It will be about one mile from one end of the village to the other when it is fully built out, and existing public buildings are in the center.

The project contains 10 businesses at this point (including a market, bank, restaurant, doctor, dentist, daycare, pharmacy, and fitness center),

and 67 permanent jobs have been created so far (not including construction jobs). Several additional commercial structures are under construction, and multiple residential options are planned at a range of prices, including single family attached and detached homes, townhomes, carriage houses, and apartments. The first phase, projected to cost \$32 million, will include 84 residential units and 28 commercial buildings; a second phase could include up to 400 residences.

New Kent County Population Growth (1980-2030)

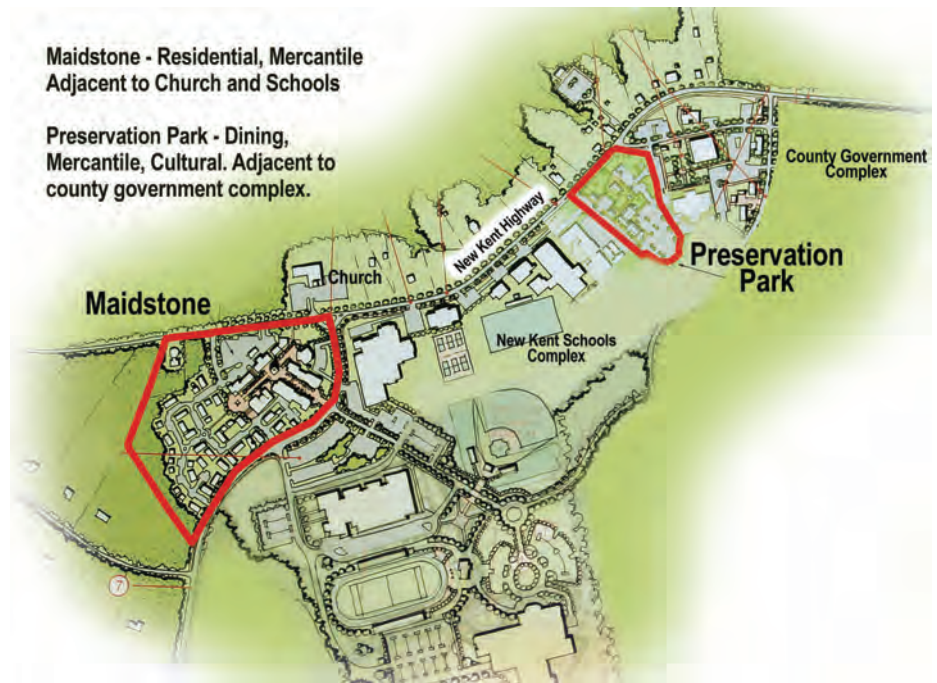


The buildings incorporate a number of measures that provide greater energy efficiency and lower energy costs to owners and tenants (including thicker walls with foam and/or blown insulation, cement board or brick siding, and high efficiency windows), and they are prewired and plumbed for solar.

John Crump, the managing member of New Kent Courthouse Village, LLC, characterizes the project as an example of “new ruralism,” a development approach “driven by the goals of high quality and low environmental impact, with a focus on community and on locally owned and operated businesses.” George Homewood describes it as “a positive project in every sense—it is good for the County’s economy, good for the courthouse area, and it provides an attractive model for rural growth. The public response has been very positive.”

Key Policies

In an effort to get a handle on rapid growth, the County’s comprehensive plan designates six village areas where it seeks to guide development. However, until recently, the County’s zoning provisions did not permit village-style development. In October 2009, an ordinance creating the Courthouse Development District was adopted to address this hurdle.²⁷ The ordinance states that it “is intended to create ... a



mixed-use, mixed-income community where people can live, work, play, and worship within a compact area developed on a pedestrian scale. Development within the district must offer a safe and effective transportation system accommodating all modes of travel, attractive and safe streetscapes, expansive opportunities for market-directed commerce, and multiple residential types.” “This ordinance helped make our project happen,” according to John Crump.

There have been a number of other policy hurdles to the project in addition to zoning. According to the developer, extensive delays in getting necessary approvals from the Virginia Department of Transportation have held up the project and driven up costs, such as having to wait 14 months and pay for two studies to get approval for plans for parking and for street design. Another hurdle is the lack of public funds to help pay for some of the needed infrastructure improvements. These hurdles highlight the need for additional policy changes to promote smarter growth.

THE BOTTOM LINE

New Kent Courthouse Village offers a promising model for new growth in rural areas—a mixture of high quality, pedestrian-scaled residential and commercial development that is interconnected and within walking distance of existing development in an area targeted for growth.



PROJECT PROFILE

INNSBROOK: EVOLUTION OF A SUBURBAN OFFICE PARK

The Context

Innsbrook is a 630-acre suburban corporate office park that is Henrico County's largest employment center and the region's second largest employment center—behind only downtown Richmond.²⁸ The development began in the late 1970s on what had mainly been farmland, and its location near Interstates 64 and 295 helped it draw offices to the edge of the Richmond region. Today, Innsbrook and adjacent commercial areas contain over 7 million square feet of office space and about 1.7 million square feet of retail. It is a sprawling, auto-oriented development with scattered low-rise buildings, and large surface parking areas. As Sidney Gunst, the founder of Innsbrook observes, “you even have to get in your car at Innsbrook to get lunch.” It is a quintessential suburban office park that has been very successful financially.

However, the recent economic downturn has hit Innsbrook, and the vacancy rate in the area has risen to about 25%. As Sidney Gunst noted, “People want to spend less on transportation, they want more time, they want a different lifestyle. And they are voting with their pocketbooks. ... Companies want the choice for their employees to live close to their jobs, or they will go somewhere else.” Given the changing market, he concluded: “Either we rise to the occasion or we will be obsolete.”²⁹

The Project

In light of a challenging and changing market, the private and public sector are exploring options to transform the area into a mixed use town center. As Paul



Kreckman, President of the Innsbrook Owners Association and Vice President of Highwoods Properties, put it: “Communities can come to forks in the road. Henrico is at one. Innsbrook is at one.” The Owners Association launched a planning process in 2009 to explore alternatives for the future of the development that included a series of workshops and visualization exercises.³⁰ The plan that resulted from the Innsbrook Next effort envisions remaking the area into a more compact, walkable development with a mixture of land uses that enables people to work, live, and shop close by.



Before and after: artist rendering of potential Innsbrook redevelopment

Innsbrook has a significant number of older buildings that could be replaced and parking lots that could be filled in with new structures. The Innsbrook Next vision statement calls for economic, social, and environmental sustainability to guide the redevelopment and for changes that will enable it to remain a leading employment center. Burrell Saunders, a principal with CMSS Architects who is the primary planner of Innsbrook, stressed the emphasis on more compact development and pedestrian-oriented design in the new vision and development guidelines, including elements such as parking structures, bike lanes and paths, sidewalks, transit, increased density, and the creation of a grid of streets with blocks. This would be a marked change from the current development. Sidney Gunst describes the vision as “a town versus a commuting environment.” And Paul Kreckman adds: “You don’t have to build tall to build more urban and leave a lot of green space.”

Key Policies

In September 2009, the Henrico County Board of Supervisors initiated a land use study of the future of the Innsbrook area.³¹ According to Jean Moore, Assistant Director of the Henrico County Planning Department, “the study is intended to examine opportunities for infill and redevelopment and to respond to changing market demands and recent trends towards mixed use development.” The study also is designed to support the goals and objectives of the comprehensive plan the County adopted last year that, among other things, calls for greater mixture of land uses. The County surveyed existing conditions and several different development scenarios for a 1,351 acre area that had been designated for additional commercial or office uses, and held a series of public hearings and meetings.

The Innsbrook Area Study confirmed the significant potential for infill and mixed use development in the area and the draft plan recommends transforming Innsbrook into a mixed use community over time, with varying levels of density in specific areas and suggests numerous design policies. The study also calls for creating an internal transportation network that provides multi-modal transportation options for the area, including pedestrian, bicycle, and mass transit and an interconnected street network.

On September 15, 2010, the Board of Supervisors voted to change the land use designation of most of the area to urban mixed use in the comprehensive plan.³² Paul Kreckman has estimated that \$1 billion could be invested in development in the area.

THE BOTTOM LINE

Henrico County’s recent efforts to promote a greater mixture of land uses and the potential evolution of Innsbrook—the epitome of the suburban office park—into a more walkable, compact development are important indicators of a changing market and a changing approach to development in the region. This project also highlights the tremendous potential to retrofit certain existing suburban development to accommodate significant additional growth

PROJECT PROFILE

MANCHESTER: REVITALIZING A HISTORIC NEIGHBORHOOD

The Context

The Manchester district has seen a surge in development activity in recent years and has enormous potential to accommodate additional growth.³³ Formerly an independent city, Manchester was consolidated into the City of Richmond one hundred years ago in 1910. It is an industrial and residential area with a rich urban, historic fabric and a number of vacant and underutilized parcels. The Manchester Residential and Commercial Historic District is listed on both the Virginia Landmarks Register and the National Register of Historic Places. Although Manchester endured decades of decline and disinvestment, losing population, businesses, and buildings and suffering from blight and crime, it has begun to attract increased investment. Its location close to the city center, proximity to the James River, and wealth of historic and old industrial buildings and vacant parcels provide tremendous opportunities for economic revitalization. In addition, as the Richmond Downtown Plan notes, “One of the greatest legacies of Manchester’s past is its compact street network, which affords great opportunity for walkability and a healthy, compact, mixed-use community.”³⁴

Major Projects

A number of private developers and nonprofit community-development corporations have engaged in historic rehabilitation, industrial building conversion, and infill projects in Manchester. According to Brooke Hardin, deputy director of the City’s Department of Planning and Development Review, almost 1500 residential units were completed or were underway between 2000 and 2010.

Developer Robin Miller and his business partner, Dan Gecker, have been very active in the district. Miller states that their “goal is to build house by house and block by block to reestablish Manchester as the premier neighborhood that it once was. We have developed our own ten year plan, which meshes well with the City Master Plan, to redevelop Manchester.” According to Miller, he has built 156 residential units in the area, including 28 historic homes and a historic apartment building, there are

over 300 people living in these homes, and “all of our projects are doing very well. Demand is high.” He further says that “all our new housing will be sustainable, energy efficient, and very ‘green.’ We are convinced that these features are critical to the success of any new developments.”

Charles Macfarlane, managing member of Macfarlane Partners, has been involved in several Manchester projects, including ones creating about 150 residential units primarily through the adaptive reuse of historic buildings. Macfarlane spent years developing suburban commercial projects, and based on that experience and on his current redevelopment work, he notes that residential development in the suburbs often does not pay its way, requiring taxpayers to subsidize it. In contrast, “most of the necessary infrastructure already exists in Manchester. The area has brick sidewalks, granite curbs and a traditional block layout with old style alleys and historic homes. It is a tremendous economic opportunity for the region in waiting.”



Before and after: 1024 Hull Street in Manchester



The Better Housing Coalition (BHC) has been active in the area as well, including building Oak Summit at Goosecreek—a neighborhood that will have 45 new homes for work force housing for low to moderately low-income homebuyers in the Blackwell community. “Our communities provide high quality, affordable housing, and help to reknit the fabric of Manchester and to stimulate both residential and commercial growth,” said T.K. Somanath, president and chief executive officer of the Coalition. Somanath adds that BHC is committed to sustainable development and that each of their homes will meet Earthcraft standards—a certification program that requires features that help ensure healthy, comfortable, energy-efficient homes. Environmentally-friendly features in these homes include high quality foam insulation, energy efficient appliances and heating and cooling systems, and solar hot water systems. BHC estimates that these features can reduce utility costs by up to 50%. This is particularly important for individual and family budgets since low income households typically have to spend over 14% on their income on energy, compared to only 3.3% for the average American household.³⁵

Key Policies

The City’s vision has been described as encouraging redevelopment of Manchester as a “unique mixed-use district of Downtown Richmond.”³⁶ The Downtown Plan provides a number of recommendations for revitalizing Manchester, including restoring historic buildings, attracting appropriate new construction that fits with existing neighborhood character, providing transit connections, protecting the riverfront, and providing greenways. In addition, City Council approved two rezonings this past spring that change approximately 700 parcels to a flexible, form based zoning that focuses on buildings and their relationship to each other and

to the street rather than basing regulation on the uses of particular lots and buildings. The new designation allows mixed use, mixed income developments “by right.” As developer Robin Miller states, “This type of urban zoning eliminates the suburban look and the need for time consuming special use permits. By pulling the new buildings close to the street, making them pedestrian friendly, and requiring parking to be in the rear, this new zoning will reestablish the urban look like that currently found in the Fan.” Brooke Hardin notes that the Manchester rezoning effort was an excellent partnership, and that “working closely with the area residents and business owners helped City staff to identify critical issues, such as accommodating existing uses while also encouraging adaptive reuse of older buildings, which we were able to incorporate into new form-based zoning districts catered to the needs of the area.”

Developers cite other policies that have helped advance the revitalization of Manchester—including federal and state preservation tax credits, the City’s tax abatement programs, and the Neighborhoods in Bloom program that included Blackwell as an area for focused public and nonprofit resources to revitalize targeted areas and has attracted private investment.³⁷

THE BOTTOM LINE

Revitalization and infill have begun to transform this historic area, and there is potential to accommodate significant additional population growth and economic development to create a vibrant, walkable urban community with a mixture of residential, commercial, and office uses.

PROJECT PROFILE

VIRGINIA ASSOCIATION OF COUNTIES' GREEN, HISTORIC BUILDING

The Context

Our buildings have enormous economic, environmental, and health impacts. Among other things, buildings consume a significant amount of energy and are costly to operate—according to one estimate, buildings account for almost 40% of total energy consumption in the U.S.³⁸ There also is growing evidence that greener buildings can increase worker productivity, reduce health costs by providing cleaner indoor air quality, and improve retail sales. These and other impacts have spurred a surge of interest in green building, including a range of techniques, measures, and practices to increase the efficiency and reduce the adverse impacts of buildings. A building with energy efficient measures will nonetheless be costly overall if it is located on the fringes of a region and can only be reached by driving. A truly green building must not only be resource-efficient; it also should be location- and transportation-efficient.³⁹ Preserving and reusing existing buildings is particularly effective at reducing the use and cost of energy and materials.⁴⁰ And preserving historic buildings often has further economic benefits, such as improving property values, stabilizing communities, and catalyzing additional development. Older and historic communities also are typically more compact, walkable, and served by transit.

The Project

The new office building of the Virginia Association of Counties (VACO) is a historic, green building located in the heart of downtown Richmond.⁴¹ When VACO was looking for permanent office space, they settled on the building at 1207 East Main Street. Built in 1866, it is one of the older buildings downtown, and it is



listed on both the Virginia and the National Register of Historic Places. The building was vacant when VACO purchased it in 2006, and according to Ed Mulreany, the project architect and a principal with Joseph F. Yates Architects, it “had been neglected and needed a lot of work, including a leaking roof and floors that were in bad shape.”

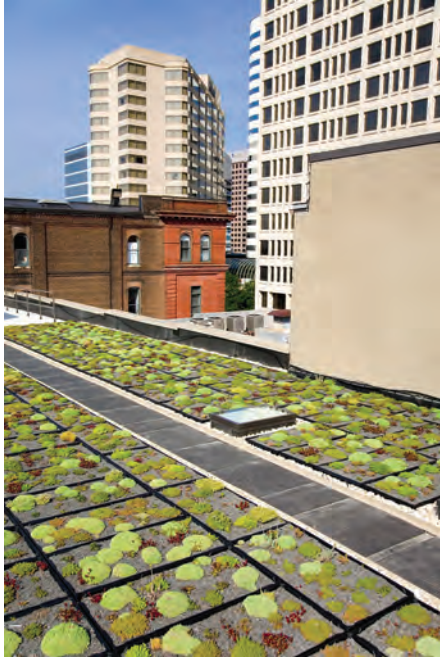
The building was rehabilitated and converted into office space, and transformed into a more environmentally friendly building through steps such as installing a green roof to help reduce polluted runoff and reduce heat gain for the building (and therefore air conditioning costs), daylighting, high efficiency plumbing fixtures, and energy efficient lighting, and the use of low

emission paint and recycled materials (such as wood in the building for custom millwork and furniture). Ed Mulreany notes that “a lot of modern innovation was inserted into an old building,” and that although balancing the reuse of a historic landmark and green building measures can be challenging, “they definitely can mesh seamlessly.”

The building was awarded a Leadership in Energy and Environmental Design (LEED) Gold Certification by the U.S. Green Building Council. According to Jim Campbell, VACO’s executive director, the financial incentive is strong since all of the steps to green the building increased upfront costs less than 2%, and “long term we know we will save money on electricity and water.” Adding computerized controls to the heating and air conditioning system alone reduced electricity usage by about 25%. Campbell observes that, more importantly, “we are thrilled with the building. It shows what can be done, and it’s a wonderful place to work.”

Key Policies:

As people involved with the project readily admit, it typically takes more effort and money up front to do a historic rehabilitation project, a project downtown, or a project with green building features. The VACO renovation project did all three. Several state and local policies helped to overcome the barriers to this project, including state historic rehabilitation tax credits and the City of Richmond's tax abatement program for historic rehabilitation projects. Jim Campbell says that these policies "had a huge impact on making the project work."



THE BOTTOM LINE

This renovation project transformed a historic building, putting it back to productive use while adding impressive green features that will save the owners money. Its location in the heart of downtown offers additional economic and environmental benefits.



Green roof and interior of VACO building

PROJECT PROFILE

BROAD STREET REVITALIZATION & BUS RAPID TRANSIT

The Context

The Richmond Downtown Plan describes Broad Street as the City's "grand avenue" and "historic retail street," and despite many changes it remains a "primary transportation corridor, linking government and commercial nodes, and serving large numbers of pedestrians, automobiles and buses."⁴² The various sections of this corridor have different characteristics and dynamics — including the area west of the Boulevard, the area around Virginia Commonwealth University, the historic commercial buildings between Belvidere and 4th Streets, the stretch dominated by state government and VCU's MCV campus that extends to I-95, Shockoe Bottom, and Church Hill. Although the area experienced declining population and economic vitality for decades, there has been a recent surge of development activity. Among other things, VCU completed many projects in the past decade that transformed a major section of Broad, and hundreds of millions of dollars worth of projects were completed in the last year alone along Broad Street downtown.⁴³ Other areas remain in need of revitalization, and most areas that have experienced some renovation still have potential for substantial additional development.

Major Projects

This profile focuses on the downtown section of Broad Street between 4th and Belvidere, and the adjacent Jackson Ward neighborhood since it has a significant impact on the corridor. The area has a blend of residential and commercial uses, a number of vacant or underutilized buildings, and a walkable urban fabric that position it well to become a vibrant pedestrian-scale, mixed use district. Rachel Flynn, director of the City's Department of Planning and Development Review, observes that



BROAD STREET, LOOKING EAST, RICHMOND, VA.

Broad Street in the 1920s, with mixed use development and multiple transit options—including a streetcar system

"It's fairly remarkable to have a major corridor with such great historic material to work with."

Many organizations and developers have worked to revitalize this area. The role of art galleries and restaurants in pioneering the redevelopment that has occurred so far is frequently cited, as well as First Fridays ArtWalk and other events that have brought people downtown and drawn attention to the area.⁴⁴ "Now there is increasing smaller retail and residential," notes Ted Ukrop, who is active with other members of his family in developing a number of properties along the corridor, including about 70 residential units so far. Scott Garnett, a realtor, developer, and co-owner of Lift coffee shop on Broad Street, says that the residential market has been particularly strong and "people from all walks of life are now moving in here."

Ronald Stallings, president of Walker Row Partnership, has created about 110 residential units and 30 commercial spaces in the 55 projects he has developed in historic Jackson Ward, primarily involving renovations or the adaptive reuse of vacant buildings.⁴⁵ He stresses the need for redevelopment



Historic rehabilitation of Miller & Rhoads Department Store building completed in 2009 includes a new hotel and condos along Broad Street.

to “create local jobs, smaller retail opportunities, and destinations” in the community, and the importance of recreating a vibrant neighborhood. Stallings is currently restoring the Hippodrome Theater and the adjacent Taylor Mansion in a project that will include entertainment venues, a restaurant, and 29 apartments as part of an effort to bring back 2nd Street as an entertainment district.⁴⁶

Ted Ukrop says that “progress is block by block, or even one building at a time. It takes patience. With the economic downturn, progress has been slower than we would like, but it is continuing, and there is enormous potential.” Scott Garnett adds that “there is growing excitement and people are proud of downtown like I’ve never seen before. The time is ripe for a revival.”

Key Policies

Both the public and public officials have consistently expressed a desire to bring Broad Street and Jackson Ward back as thriving commercial and residential centers. Developers note several policies that have helped remove barriers to redevelopment in the corridor, including federal and state preservation tax credits, the City’s tax abatement and enterprise zone programs, and the Neighborhoods in Bloom program that included Jackson Ward as an area for focused public and nonprofit resources.⁴⁷ Rachel

Flynn notes that “initially government has to infuse cash and provide incentives and now the private sector is taking over more, which is the goal. But we’ve got to have the right public policies and public investments to encourage quality development and to provide the infrastructure for economic growth.”

The City’s Downtown Plan contains many recommendations for additional steps to improve public spaces, upgrade infrastructure, and attract investment. Among other things, these recommendations include improving sidewalk and crosswalks, bringing trolleys back and taking other steps to improve transit options, better managing parking, planting trees and making other streetscape improvements, providing additional incentives for historic preservation such as reduced permit fees and increased density, and creating new parks or plazas. Rachel Flynn observes, “As with most places, it won’t be a single major project or silver bullet that will revive Broad Street and surrounding parts of downtown. Big projects like the 6th Street Marketplace are noble efforts to jumpstart revitalization, but they are expensive, risky, and sometimes fail. If we focus instead on good infrastructure—like attractive streetscapes, small parks, and two-way streets—and also support lots of small businesses, cultural entities, festivals and events, and more housing on Broad Street, then I think we will have sustainable success.”

BROAD STREET BUS RAPID TRANSIT

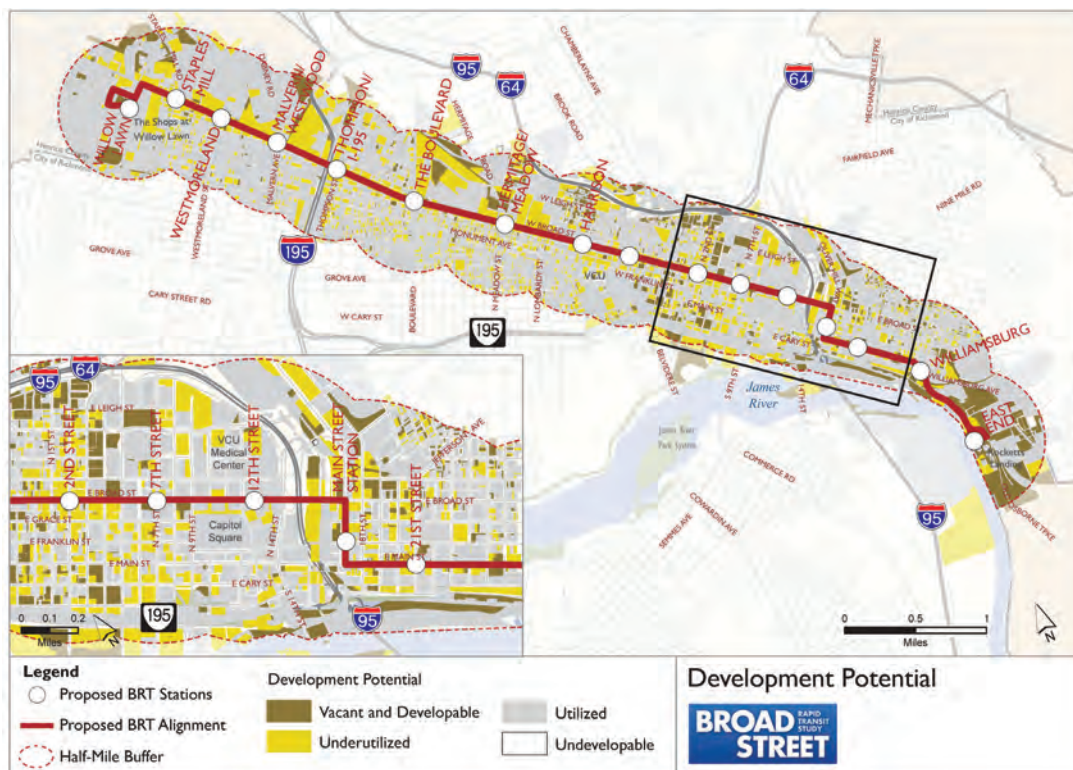


Several potential transit improvements have been discussed and studied for the Broad Street corridor, including a streetcar, light rail, and a bus rapid transit system. Among other things, these proposals could reduce traffic, provide greater transit choices and faster service to attract additional riders, and encourage economic development in the area. The Richmond Downtown Plan, for example, recognizes the need for greater transportation choices to support higher density, mixed use redevelopment, and recommends reestablishing a trolley system down-

town. It also recognizes that “dedicated transit lanes would accommodate Bus Rapid Transit in the near-term and streetcar lines in the long-term.”⁴⁸

A Broad Street Rapid Transit Study is currently underway, building upon recent studies such as a regional mass transit study and an analysis of the operations of the Greater Richmond Transit Company (GRTC).⁴⁹ Downtown along Broad has the highest transit usage in the region.⁵⁰ The proposed BRT would build on this base, providing faster service. Typically, BRT includes use of a dedicated lane, priority at traffic signals, and fewer stops than conventional buses. It would decrease the total number of buses (due to higher capacity vehicles) and stops along the Broad Street corridor. As the map below indicates, the proposed service would run from Willow Lawn to Rocket’s Landing, connecting a number of key employment, university, cultural, and retail centers, residences, and many vacant and underutilized parcels that could be redeveloped.

John Lewis, chief executive officer of GRTC, states: “Establishing a rapid transit alternative along the Broad Street corridor will provide reliable, efficient transit service to increase mobility and serve existing and planned patterns of transit oriented development while also supporting economic growth.”





Before and after: potential transformation of Marshall Street

THE BOTTOM LINE

The Broad Street Corridor has experienced a resurgence in recent years, and it can accommodate many more people and businesses. Key steps should be taken to fully restore its former luster as a vital, walkable urban community with multiple transit options, creating a strong commercial and residential area at the core of the Richmond region.

ENDNOTES

- ¹ See Trip Pollard, *Sustainable Communities: Building for the Future of the Greater Richmond Region* (2010)(www.southernenvironment.org/uploads/publications/Sustainable_Richmond_042010_Final.pdf) for a more in-depth examination of the benefits of smart growth and the trends providing momentum for more sustainable development approaches.
- ² See, for example, Mark Muro and Robert Puentes, *Investing in a Better Future: A Review of the Fiscal and Competitive Advantages of Smarter Growth Development Patterns*, Brookings Institute (2004); F. Kaid Benfield, et al. *Once There Were Greenfields* (1999).
- ³ American Farmland Trust, Fact Sheet: Cost of Community Services Studies (available at www.farmland.org).
- ⁴ See, for example, Richard Florida, *Competing in the Age of Talent: Quality of Place and the New Economy* (2000).
- ⁵ National Association of Local Government Environmental Professionals, *Profiles of Business Leadership on Smart Growth* (1999).
- ⁶ Joe Cortright, Impresa Inc., *Walking the Walk: How Walkability Raised Home Values in U.S. Cities* (August 2009).
- ⁷ See Christopher B. Leinberger, "Here Comes the Neighborhood," *The Atlantic* (June 2010); Prashant Gopal, "The Unraveling of the Suburban Fringe," *Bloomberg BusinessWeek* (July 12, 2008).
- ⁸ See Jeffrey M. Smith and Thomas A. Gihring, *Financing Transit Systems Through Value Capture: An Annotated Bibliography* (Dec. 30, 2009); Reconnecting America's Center for Transit-Oriented Development, *Hidden in Plain Sight: Capturing the Demand for Housing Near Transit* (Sept. 2004).
- ⁹ Texas Transportation Institute, *2009 Urban Mobility Report* (<http://mobility.tamu.edu/ums>).
- ¹⁰ U.S. Department of Labor, Bureau of Labor Statistics, *Consumer Expenditures in 2008*, Table 11 (March 2010)(www.bls.gov/cex/csxann08.pdf).
- ¹¹ See Center for Neighborhood Technology, *Penny Wise, Pound Foolish: New Measures of Housing + Transportation Affordability* (March 2010); Center for Housing Policy, *A Heavy Load: The Combined Housing and Transportation Burdens of Working Families* (2006)(both available at <http://www.cnt.org/tcd/ht>).
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- ¹³ See, for example, Surface Transportation Policy Project, *Clearing the Air: Public Health Threats from Cars and Heavy Duty Vehicles* (2003).
- ¹⁴ See U.S. Environmental Protection Agency, *Our Built and Natural Environments: A Technical Review of the Interactions between Land Use, Transportation, and Environmental Quality* (2001); Lawrence Frank, "Land Use and Transportation Interaction: Implications on Public Health and Quality of Life," *Journal of Planning Education and Research*, pp. 6-22 (2000); Trip Pollard, "Policy Prescriptions for Healthier Communities," *American Journal of Health Promotion* 114 (Sept./Oct. 2003); Barbara McCann and Reid Ewing, *Measuring the Health Impacts of Sprawl: a National Analysis of Physical Activity, Obesity and Chronic Disease* (Sept. 2003).
- ¹⁵ More detailed information on housing affordability in the region can be found in Trip Pollard and Frances Stanley, *Connections and Choices: Affordable Housing and Smarter Growth in the Greater Richmond Area* (2007).
- ¹⁶ Belden Russonello & Stewart, 2004 National Community Preference Survey, conducted for National Association of Realtors and Smart Growth America (October 2004).
- ¹⁷ Virginia Employment Commission, LMI Tools: Demographics (http://www.vawc.virginia.gov/analyzet/session/session.asp?CAT=HST_DEMOG)(accessed Oct. 11, 2010), as well as calculations from various U.S. Census Bureau databases. This report uses the term Greater Richmond Region to include the City of Richmond and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, and Powhatan.
- ¹⁸ See Pollard and Stanley, note 15.
- ¹⁹ See, for example, John McIlwain, *Housing in America: The Next Decade* (January 26, 2010); Virginia Housing Development Authority, "Accommodating the Housing Needs of Generation Y" (Oct. 2008).
- ²⁰ PricewaterhouseCoopers and Urban Land Institute, *Emerging Trends in Real Estate 2009*, p. 12 (2008).
- ²¹ Citybiz, "Business Survey Gauges Real Estate Market in Tri-State, Mid-Atlantic" (<http://baltimore realestate.citybizlist.com/yourcitybiznews/detail.aspx?id=90662>).
- ²² PricewaterhouseCoopers and Urban Land Institute, *Emerging Trends in Real Estate 2010*, p. 12 (2009).
- ²³ See Pollard, note 1, for a more complete discussion of solutions and strategies to promote more sustainable development; for some additional steps to promote housing affordability, see Pollard and Stanley, note 15.
- ²⁴ *Vision 2020, New Kent County Comprehensive Plan* (adopted August 4, 2003).
- ²⁵ *Ibid.*
- ²⁶ Information in this section came from the project's website (<http://www.newkentvillage.net>), presentations at the panel on this project on May 13, 2010, and from interviews by the author.
- ²⁷ The Code of the County of New Kent, Virginia, Section 98-541.
- ²⁸ Information in this section comes from Innsbrook's website (<http://www.innsbrook.com>), presentations at the June 3, 2010 panel on this project, Henrico County Department of Planning, *Innsbrook Area Study* (July 23, 2010) (available at <http://www.co.henrico.va.us/departments/planning/projects/innsbrook-area-study>), and interviews by the author. See also, Luz Lazo, "Long-range Plan Would Turn Innsbrook Area into a Small Village," *Richmond Times-Dispatch*, May 3, 2010.
- ²⁹ Quoted in Amy Biegelsen, "Dollar Zones," *Style Weekly*, April 21, 2010.
- ³⁰ The website for Innsbrook Next (<http://www.innsbrook.com/next.html>) contains a wealth of information on the process and plan.
- ³¹ See <http://www.co.henrico.va.us/departments/planning/projects/innsbrook-area-study> for materials pertaining to Henrico County's study.
- ³² Luz Lazo, "Henrico Board Backs Mixed-Use in Innsbrook," *Richmond Times-Dispatch*, September 15, 2010.
- ³³ See, for example, Harry Kollatz Jr., "A Downtown Undivided," *Richmond Magazine*, April 2010; Will Jones, "When Manchester Became South Richmond," *Richmond Times-Dispatch*, April 12, 2010; Amy Biegelsen, "Untrue to Form, City Turns Cool with Hip Zoning," *Style Weekly*, March 30, 2010; Venture Richmond, *Richmond's Downtown Development Update 2010*; *Richmond Downtown Plan*, adopted in October 2008 and additional amendments in July 2009 (<http://www.richmondgov.com/planninganddevelopmentreview/PlansOther.aspx#Downtown>).
- ³⁴ *Richmond Downtown Plan*, note 33, p. 4.31.
- ³⁵ U.S. Department of Energy, Energy Efficiency and Renewable Energy, "Weatherization and Intergovernmental Program" (June 2010) (http://www1.eere.energy.gov/library/pdfs/48098_weatherization_assisprog_fsr4.pdf).
- ³⁶ *Richmond Downtown Plan*, note 33, p. 4.36.
- ³⁷ See John Accordino, George Galster, and Peter Tatian, *The Impacts of Targeted Public and Nonprofit Investment on Neighborhood Development*, Community Affairs Office of the Federal Reserve Bank of Richmond (July 2005); Local Initiatives Support Corporation, *The Ripple Effect: Economic Impacts of Targeted Community Investments* (2005).
- ³⁸ U.S. EPA Green Building Workgroup, "Buildings and the Environment: A Statistical Summary" (Revised April 22, 2009) (www.epa.gov/greenbuilding/pubs/gbstats.pdf), citing estimates from the U.S. Department of Energy and the Energy Information Administration.
- ³⁹ See Pollard, "Building Greener Communities: Smarter Growth and Green Building," *Virginia Environmental Law Journal*, Vol. 27, p. 125 (2009).
- ⁴⁰ As the National Trust for Historic Preservation has noted, "our existing buildings are one of our greatest renewable resources." Position Statement: Historic Preservation and Sustainability (<http://www.preservationnation.org/issues/sustainability/position-statements/sustainability.html>).

⁴¹ Information on the project comes from VACO's website on the project (<http://www.vaco.org/Building.html>), a tour of the project on August 10, 2010 sponsored by the James River Green Building Council and the Partnership for Smarter Growth, and interviews by the author.

⁴² *Richmond Downtown Plan*, note 33, pp. 1.8 and 4.4.

⁴³ Venture Richmond, *Richmond's Downtown Development Update 2010*; David Ress, "1-billion plus development year for downtown," *Richmond Times-Dispatch*, Dec. 17, 2009.

⁴⁴ See, for example, Scott Bass, "Broad Street Revivalists," *Style Weekly*, Jan. 4, 2010.

⁴⁵ See www.jacksonward.com.

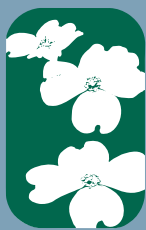
⁴⁶ Will Jones, "Hippodrome Theater to reopen as music venue," *Richmond Times-Dispatch*, Sept. 4, 2010; Michael Paul Williams and Emily C. Dooley, "Jackson Ward hopes for revival," *Richmond Times-Dispatch*, March 21, 2010. Many sources detail Jackson Ward's history as one of the nation's leading African-American commercial, cultural, and residential districts in the early 20th century.

⁴⁷ See note 37.

⁴⁸ *Richmond Downtown Plan*, note 33, p. 4.7.

⁴⁹ See <http://study.ridegrtc.com/learn> for information on the BRT study. The executive summary of the regional mass transit study is available at www.richmondregional.org/Publications/Richmond_Mass_Transit_Final_Exec_Summary_05_08.pdf.

⁵⁰ Virginia Department of Rail and Public Transportation and Greater Richmond Transit Company, *Broad Street Rapid Transit Study Station Area Identification*, p. 24 (June 1, 2010).



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