

## Richmond Times-Dispatch

### WAREHOUSE WAGER ; DEVELOPERS BET THAT OLD MANCHESTER'S LOFTS, VIEWS WILL LURE RENTERS OVER RIVER; [City Edition]

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Think there's nowhere new to live in Richmond where you can get a panoramic view of the city skyline and the river?

Think again.

The trend of old industrial warehouses being adapted and reused for apartment living has spread south across the James River and into the Old Manchester industrial area. Many will look out on both the downtown skyline and the river.

Bounded by the Manchester Bridge and Commerce and Maury streets, the area is a short walk to downtown shopping and night life and offers a city lifestyle in high demand by Richmond residents.

The City of Richmond rests on 63 square miles, many of which are south of the river. Downtown lies north of the James; directly across, there is much room for improvement and growth.

The "Manchester explosion," as Councilman William J. Pantele calls it, will cater to the interests of young individuals and artists in Richmond. "You'll see a lot of loft type apartments" for studio space, he said.

Richmond developers are eating the area up, one parcel at a time, all helping to develop what could be up to 600 new apartments during the coming months.

Robin Miller, an active developer of condominiums and apartments in the city, is working on projects in the area. Developer Bill Jefferson of the River City Real Estate development company, which has bought and renovated many buildings along the Boulevard and around the Fan, will develop an old Philip Morris warehouse.

Developer Sam McDonald completed Warehouse 201 - a \$2 million, 5-story, 14 apartment complex at 201 Hull St. with commercial leasing available

on the first floor - last summer.

John Woodward, city economic development director, lives in the fifth-floor penthouse apartment with his dogs, Maury and Clara. A former New York City resident, he's pleased with his new surroundings, especially the view.

"If you're [living] in Manchester you've got not only a view of the river, but of a skyline," he said. "I think that is a feature that you can't find elsewhere." For instance, loft apartments in Shockoe Slip warehouses might offer partial views of both, but not the panoramic vista Woodward enjoys.

In Warehouse 201, rents range from \$800 a month for one of the 12 standard apartments to \$2,500 for one of the two penthouses.

Woodward cites "increasing functional obsolescence" as one of the reasons for the adaptation of the warehouses. With the spaces in Shockoe Bottom and Manchester not fit for a modern warehouse or industrial facility, developers have turned to make them into high-end residential housing.

"The inventory of properties north of the James River is very sparse," Pantele said. "There just really aren't a lot of properties left" for housing, he said.

The 3,000-foot riverfront of Manchester was once a stronghold in the city for companies such as Philip Morris and Reynolds Metals Inc., both with warehouses in the 88-acre region.

"It's a case study in urban deterioration," Pantele said. "Over all these years there really has not been much hope that this area would rebound."

Tax credits have also paved the way for new housing in the area. The incentive gives developers tax reductions and credits if quality improvements are made on historic structures.

"One thing that is pleasantly surprising is that so many deals appeared almost all at the same

time," Pantele said. At least six apartment projects are under way in Manchester.

With the area zoned as industrial use, developers must come to the planning commission for the zoning change to residential. For this reason, said Pantele, the city and developers want to make sure development is orderly and to insure that everything is done carefully.

Woodward agrees. There is heavy risk and economic uncertainty in building warehouse apartments in South Richmond, because some people might not be ready to move across the river, especially into a vacated industrial area.

City Councilwoman Ellen Robertson said she hopes that the redevelopment efforts will cater to mixed-income families as well.

"When we fail to do that, then we miss out on the significance of what makes a location of an urban community," she said. "It is really about the strategic planning."

"The river has, for a long time, for many generations, been this [psychological and actual] border between two halves of the city," Woodward said. "I think that mind-set is fading away."

The industrial zoning and narrow streets also make parking a problem. While the original use of the area was for warehouses with few employees, a residential explosion will lead to many more people and cars in the area, an issue that the city and the developers must look at.

And with increased residential use will come commercial zones, as well. Woodward said he has spoken with businesses that have an interest in moving to the area.

"They would generally take the first floor space," he said, with the upper floors in the old warehouse left for apartment spaces. He calls the commercial expansion to Manchester "chapter two of this story," with old storefronts near the area just waiting to be developed once again.

"In my opinion that is the next logical step," he said.

The area is also becoming a strong visual arts region. Developer Tom Papa has created Plant Zero, a 60,000-square-foot complex for art studios and apartments. An art center set to open in the spring on Bainbridge Street will house up to 28 new studios in its basement, first and second

floors. The high ceilings and open spaces in Manchester warehouses make them a prime setting for artistic workspace.

Woodward says Manchester is a "sleeper," just waiting to awake to a fast-growing city.

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