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# CITY OF RICHMOND

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## Media Advisory

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## City of Richmond Provides Update on Diamond District

*Flying Squirrels New Stadium and Diamond District Phase One on Track for 2026 opening*

*City Administration recommends switching to Special Revenue Bond Approach to reduce costs by \$215 million and capture \$24 million in state sales tax program to fund the project*

*Seven city councilmembers co-patron updated proposal*

**Richmond, VA** – Today, the City Administration provided an update on the Diamond District project. Based on the advice from the city's independent financial advisor, the administration recommended to City Council that a City Special Revenue Bond Approach be used instead of a Community Development Authority (CDA) revenue bond approach to finance the Flying Squirrels' baseball stadium and Phase One infrastructure work of the Diamond District.

The new approach will reduce costs by an estimated \$215 million over 30 years, due to a decreased interest rate from +8% to 4%. It will also secure an additional ~\$24 million by utilizing the currently available state sales tax incentive program before its expiration on July 1<sup>st</sup>.

This new approach also accomplishes the following:

- Does not impact the city's debt affordability – in other words, it does not impact the city's current capital improvement projects or our ability to afford other capital improvement projects, like new schools.
- Eliminates the need for an expanded Tax Increment Financing (TIF) district, and all revenues would flow to the city's General Fund.
- Frees up approximately \$23.7 million in debt capacity for Diamond District infrastructure which will now be paid by the special revenue collection.

The administration will introduce four papers to City Council tonight including an updated purchase, sale, and development agreement, authorization for bond issuance, cooperation agreement between the city and EDA, and the establishment of the Diamond District Community Development Authority. To approve these ordinances, it takes a majority vote (five) by city council. So far, seven members of city council have co-patroned these ordinances, including councilmembers Nye, Jordan, Addison, Lynch, Robertson, Newbille, and Trammell.

## What's New

- Special Revenue Bond approach to reduce overall project costs.

- The Flying Squirrels are now managing the design and construction of the stadium through contracts with ODELL and Machete.
- The development team has changed from RVA Diamond Partners LLC composed of Thalhimer Realty Partner, LOOP Capital, and Republic, to Diamond District Partners LLC which consists of Thalhimer Realty Partner and LOOP Capital.
  - The Diamond District will be developed by an established local developer, Thalhimer Realty Partner, and the Black-owned, nationally-recognized investment banking firm, LOOP Capital.

**What Remains the Same:**

- 67-acre site anchored by a new ballpark and mixed-use buildings
- A signature central park
- 40% Minority Business Enterprise requirements
- 40% union labor for the stadium and infrastructure
- 25% union labor for the privately financed portions of the project
- 20% of the residential units to be affordable to households with incomes averaging 60% AMI: Phase1 to include up to 100 units with project-based vouchers to assist households at or below 30% AMI
- Partnership with Virginia Union University (VUU) to establish the Diamond District Small Business Institute and an associated \$250,000 Revolving Loan Program
- Sustainably designed buildings to at least the Silver rating in the Leadership in Energy and Environment Design (LEED) rating system

**What's Next:**

City Council will review and vote on the updated development agreement and financing structure in the coming weeks. Here are the following milestones in the Diamond District Project timeline.

- Groundbreaking in June
- Stadium Bonds issued in June
- Infrastructure Bonds issued in July
- Sitework begins in July
- Phase One land purchase to occur on or before August 31<sup>st</sup>
- Stadium Construction to begin this fall
- Private development of hotel, retail, and residential development to start in early 2025
- Stadium complete for 2026 baseball season.

**Support for the Updated Diamond District Project**

**Mayor Levar Stoney:**

“For years now, Richmonders have been clear that they want a state-of-the-art stadium for the Flying Squirrels and a vibrant new neighborhood for all Richmonders to enjoy,” said Mayor Levar Stoney. “This new financial approach will do just that, all while reducing overall costs by \$215 million and capturing \$24 million in state sales tax. I am grateful and proud of the city administration, city council, and the development team that devoted so much time to this important project. I cannot wait to break ground this summer.”

**Kristen Nye, Richmond City Council President:**

“Richmonders have been clear about two aspects of the Diamond District project – they want us to ensure the Flying Squirrels, one of the best assets and ambassadors for our city, remain in Richmond and to support the new housing development in the District, including numerous affordable units, said Council President and Fourth District Councilwoman, Kristen Nye. “While the latest funding model is different than we originally envisioned, I believe this project, including with the new funding structure, is in the city’s best interest and is consistent with the feedback we have heard from Richmonders throughout this process.”

**Councilwoman Katherine Jordan:**

“I appreciate everyone’s work to keep this project moving forward, especially in the face of very challenging financial headwinds,” said Councilwoman Katherine Jordan, who represents Richmond’s Second Council District. “Just as I have throughout the process, I will continue to work with my colleagues to ensure the community benefits remain at the forefront of this project, and that we deliver on a dynamic, mixed-use neighborhood, a first-class public park, and the new stadium long-promised to the Squirrels. I support this legislation and look forward to shovels in the ground this summer as we move from master plan to construction.”

**Councilman Andreas Addison:**

“I am excited to see this historic project move forward,” said Councilman Andreas Addison, who represents Richmond’s First Council District. “We need to invest in our city’s future, especially to enable private economic development on publicly owned land – and it is my hope that we continue to explore opportunities like this citywide. With this investment, we are taking a non-revenue generating publicly-owned parcel of land and turning it into thriving new neighborhood that will generate millions in new revenues while creating new neighborhoods, new jobs, and more housing options for our residents.”

**Councilwoman Ellen Robertson**

“While this may be a new financial approach for the Diamond District project, I am pleased that the city and developer remain committed to including affordable housing opportunities as a key part of this development,” said Councilwoman Ellen Robertson, who represents Richmond’s Sixth Council District. “Given that we are facing an affordable housing crisis, it’s important that we add more housing across every neighborhood. Having more diverse neighborhoods of mixed-income levels helps us all come together. The Diamond District neighborhood will be a prime example of this.”

**Councilwoman Cynthia Newbille:**

“This project is significant on many levels,” said Councilwoman Cynthia Newbille, who represents Richmond’s Seventh Council District.” From the new baseball stadium to the historic minority business and labor requirements, to the affordable housing developments and the public park, this inclusive project will create a beautiful neighborhood with something for every Richmonder to enjoy.”

**Councilwoman Reva Trammell:**

"I am so excited for this critical development project and ensuring a new home for our beloved Flying Squirrels," said Councilwoman Reva Trammell, who represents Richmond's Eighth Council District. "I can't wait to see shovels in the ground!"

**Diamond District Partners, LLC:**

"Our team is ready to get rolling. We've been working closely with the city to make sure there's a plan in place that we are confident will lead to a vibrant new neighborhood around an amazing new ballpark. We appreciate the trust the city has placed in us and believe the partnership we've built will continue to reap benefits for the city and its residents."

**Morgan Sword, Executive Vice President Baseball Operations, Minor League Baseball**

"Richmond has been a great market for minor league baseball, and we're excited to see that the city is making progress on putting in place a plan to keep baseball in Richmond for years to come," said Morgan Sword. "We think today's developments are an important step forward to ensuring that the new stadium will be ready in time for the 2026 season."

**Lou DiBella, President, Richmond Flying Squirrels**

"Today's announcement by the city represents an important step toward ensuring that the Squirrels will have a new home in Richmond. April 2026 is just around the corner, so it is imperative that all stakeholders move forward collectively and with a sense of urgency."

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