

# Richmond Times-Dispatch

## HOTEL JOHN MARSHALL RENOVATION WORK STARTING, DEVELOPERS SAY

JOHN REID BLACKWELL TIMES-DISPATCH STAFF WRITER, PUBLISHED: APRIL 22, 2010

The renovation of the historic Hotel John Marshall in downtown Richmond is getting under way at last, the project's developers said yesterday.

Work is scheduled to start today on restoring the 16-story hotel and transforming it into a mixed-used residential and commercial building with 238 rental apartments and 20,000 square feet of street-level retail space, said executives with Dominion Realty Partners and Virginia Atlantic Development, the two firms that are partnering on the project.

"It has been a long process. We have been working on this for three years," said Alex B. "Andy" Andrews IV, president and CEO of Dominion Realty Partners, whose downtown developments include Vistas on the James and Riverside on the James.



2005, MARK GORMUS/TIMES-DISPATCH

"We are excited about being able to commence this project, especially as much as it means for downtown Richmond," Andrews said.

The landmark hotel at 101 N. Fifth St., named for the longest-serving chief justice on the U.S. Supreme Court, opened in 1929 and became a prominent stage for the Richmond social and political scene.

The John Marshall closed in 1988. It partially reopened in 1999 but closed again in 2004. Since then, several plans to renovate the building were announced but never materialized.

Hampton Roads-based Virginia Atlantic Development Inc., owned by John C. Camper, acquired the John Marshall in 2005.

Plans to renovate the building had been stymied by the credit crunch, which made financing hard to obtain.

But Andrews said the developers closed yesterday on a \$40 million Department of Housing and Urban Development loan that will help pay for the \$66 million renovation project. It also will receive state and federal historic tax credits, he said.

"Getting the financing was a big day for this project and the city of Richmond," said Robert Mills, a principal with Commonwealth Architects in Richmond, which served as one of the original architects on the project when plans called for turning the hotel into condominium units.

The restoration of the building will be a key project for downtown development, several real estate and development professionals said yesterday.

"This is fabulous news. Anything we can do to bring more people to the area is good," said Ronald Silverman, senior vice president of HRI Properties, the development company that turned the former Miller & Rhoads department store building into condos and retail space.

"It brings much more life and vitality to the neighborhood."

The project has a good chance of success because it will offer rental units instead of for-sale condominiums, said Jeffrey Cooke, a senior vice president of the Thalhimer/Cushman & Wakefield real estate brokerage firm.

"They put together a great team" to develop the building, he said.

The plan is to complete construction work in 20 months, with the first rental units expected to be ready in about 16 months. The residential units will include studio, one and two-bedroom apartments.

"It is a renovation of the entire building," said Michael Campbell, principal with Dominion Realty Partners.

The work will include a new roof, illumination of the Hotel John Marshall sign on top of the building, and restoration of the hotel ballrooms.

The renovation also is aimed at making the John Marshall a "green building" with environmentally friendly elements such as energy-efficient windows and mechanical systems, Campbell said.

Other downtown developments, Andrews said, have made the John Marshall project viable, including the opening of the Richmond CenterStage performing-arts center on East Grace Street and the Miller & Rhoads department store development.

"All of those things coming to life brings a lot of activity to the streets," Andrews said. "Without all that in place, it would have been difficult for us to imagine this project."