



October 19, 2022

City of Hampton
Planning Commission Members

Re: Rezoning Application No. 22-00003
NP Commerce Center, LLC
October 20, 2022 Public Hearing

Dear Members of the Planning Commission:

In regard to the rezoning application for the properties located at 700 and 750 Shell Road, please accept this letter in support of the proposed rezoning on behalf of the Hampton Economic Development Authority (“EDA”). The EDA board considered and approved its application unanimously at its Special Meeting on August 30, 2022.

As evidenced by the consent included in your package, the EDA is the owner of 42.2 acres of the 63.42 acre Class “A” light industrial park being proposed by NorthPoint Development (“NorthPoint”), which would be developed to attract a mix of light manufacturing and warehouse/distribution uses. Those uses are consistent with the 2006 Hampton Community Plan which recommends business/industrial uses for this business corridor. The EDA also worked diligently with NorthPoint and the City on the proffers included in the rezoning application, which, if approved, will obligate NorthPoint to direct all traffic (other than emergency vehicles) away from the adjacent neighborhood, as well as other measures (such as a sound wall and buffers) to preserve the character and peaceful enjoyment of the adjacent neighborhood.

NorthPoint, one of the largest industrial real estate developers in the country, intends to invest approximately \$93,400,000 for the development of what will be known as Phenix Commerce Center. In addition to that capital investment, it is estimated the project will result in 250 full-time jobs once it is fully leased. Given that the industrial vacancy rate in the Hampton Roads area is below 1.5%, we believe there will be many companies interested in leasing space at Phenix Commerce Center.

Recognizing the concerns of the adjacent residents and sensitive to ensuring appropriate recognition of the property’s past role as the Virginia School for the Deaf & Multi-Disabled, the EDA has worked diligently with NorthPoint on a development agreement through which NorthPoint has committed to support the City’s development of 10 acres of City-owned property adjacent to the property for a future public space devoted to memorializing the important role the school played in our City’s history. In fact, NorthPoint has agreed to commit \$100,000 toward the design and construction of this future public space.

Economic Development Authority

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In addition, NorthPoint has agreed to provide 5,600 square feet, fully built out with furniture, fixtures and equipment (FF&E), for our use by the City as a Workforce Training Center, at no cost other than monthly utility expenses. The estimated value of this offer is approximately \$1,000,000 for the FF&E, and over a ten-year period of time, another \$450,000 in rent forbearance. This state-of-the-art facility will provide vitally needed skill-set training, career guidance and job counseling services to our citizens and can also serve as a place for community-hosted meetings as well.

In summary, the EDA strongly supports the rezoning of the property for the development of the Phenix Commerce Center, and greatly appreciates the consideration of the Planning Commission on this very important economic development project.

Regards,

A handwritten signature in blue ink, appearing to read "Charles E. Rigney, Sr.", is written over the printed name and title.

Charles E. Rigney, Sr.
Secretary, EDA
Economic Development Director
City of Hampton