

Westin Hotel coming to Henrico



REYNOLDS DEVELOPMENT

Having a Westin provides a certain level of prestige for a community, experts say, because Westin operates only 121 locations worldwide. One is in Arlington County in Northern Virginia, with another planned for Alexandria in fall 2007.

Property should open near Philip Morris headquarters by 2008

BY GREGORY J. GILLIGAN
TIMES-DISPATCH STAFF WRITER

A Westin Hotel is checking into the Richmond area.

The high-end hotel, which often caters to upscale business travelers, will be built in the Reynolds Crossing development near the Philip Morris USA headquarters in Henrico County.

Construction on the 250-room, seven-story hotel should begin this fall. It should open in early 2008. It would be built between the eight-story Alcoa building and Interstate 64 with visibility along West Broad Street.

"Our idea is to try to create a premier corporate office park, and landing a Westin should be a wonderful catalyst to help us with that vision," said Robert Reynolds, a principal in the family's Reynolds Development partnership.

Having a Westin provides a certain level of prestige for a community, experts say, because Westin operates only 121 locations worldwide. One is in Arlington County in Northern Virginia, with another moving planned for Alexandria in fall 2007.

"We think [Richmond] is a terrific city . . . and it will be a good fit in the market," said Paul Sacco, vice president of development for Starwood Hotels & Resorts Worldwide Inc., which owns, operates or franchises hotels including Westin, St. Regis and Sheraton.

"We think bringing Westin to this marketplace will be a plus for Richmond, and Richmond will be a plus for the brand," Sacco said.

Land clearing and utility work



JOHN T. AILOR/TIMES-DISPATCH



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Reynolds Development partners include (from left) Robert Reynolds, Randolph Reynolds Jr., and J. Sargeant Reynolds Jr. The trio stand near where land has been cleared in preparation for a three-story office building at Forest Avenue and Glenside Drive.

Site one of finalists for MeadWestvaco?

The Reynolds Crossing development apparently is one of four sites where MeadWestvaco might put its permanent corporate offices, real estate and development sources say.

The Fortune 500 packaging and paper products company began moving into its temporary offices in western Henrico County in July. It is leasing the 210,000-square-foot building on West Broad Street, which had been used by Capital One Financial Corp., until a permanent headquarters opens.

The Reynolds family members are mum about whether their property is on MeadWestvaco's short list.

MeadWestvaco could announce a decision this month or in October.

According to the sources, the three other potential sites are:

- Foundry Park development planned between the headquarters of NewMarket Corp. (formerly Ethyl Corp.) and the Federal Reserve Bank of Richmond;
- Watkins Centre project planned for Midlothian Turnpike and state Route 288 in Chesterfield County; and
- A parcel adjacent to MeadWestvaco's current offices.

— Gregory J. Gilligan

started this summer to get the site ready.

Besides the Westin, the Reynolds family has other plans for its office park:

- A three-story, 70,000-square-foot office building along Forest Avenue adjacent to the Charles Glen subdivision. Construction will begin this fall and be completed in eight to 10 months.

It probably would house medical tenants.

The partnership is developing the building with Ryan Lingerfelt.

- Two acres at the southeast corner of Glenside Drive and Forest Avenue for retail space. A Max & Erma's restaurant and a Caribou Coffee are likely tenants, real estate sources say.

■ A possible upscale restaurant at Forest Avenue and West Broad Street, across from Philip Morris' headquarters. "That is our plan, but we will take our time so we can get the best fit," Reynolds said.



Putting the right type of development on the land is important, Reynolds family members say.

"We have a connection to the land," said J. Sargeant Reynolds Jr., another principal in Reynolds Development.

His great-grandfather, Richard S. Reynolds, founded Reynolds Metals Co. He moved the corpo-

rate headquarters there in 1958. The company was sold to Alcoa in 2000.

In late 2002, the University of Richmond acquired the former corporate headquarters building, which it now leases to Philip Morris.

Reynolds Development bought the two remaining buildings on the former complex site and about 63 undeveloped acres.

The partnership includes J. Sargeant Reynolds Jr.; Randolph Reynolds Sr., a former company vice chairman, and his sons, Randolph Jr. and Robert.

"We want to continue the legacy and have value for us and the community," Robert Reynolds said.

His father chimed in: "We are prejudiced, but we think it is a

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Westin

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great piece of property."



The Westin Hotel will be operated by Reynolds Development and Musselman Hotels of Louisville, Ky.

Musselman manages 18 hotels with three properties under development.

Their partnership, Forest Avenue Hotel Associates LLC, entered into a franchise agreement with Starwood.

Plans call for a ballroom of about 10,000

square feet, giving it one of the area's largest meeting spaces after the Richmond Marriott's 15,000-square-foot ballroom.

Gregory H. Wingfield, president of the Greater Richmond Partnership, a local economic development group, said landing a Westin is a big deal.

"When we are out selling and promoting the area, it is very nice to say that we have a Westin in the area," Wingfield said. "I consider it near the top end of hotels."

Another strong factor, he said, is the hotel's close proximity to large corporations, including Philip Morris, Genworth Financial Inc. and The Brinks Co.

The timing is probably right to have an-

other high-end hotel in the area along West Broad Street, said Brian Glass, senior vice president of retail brokerage at Grubb & Ellis/Harrison & Bates Inc. in Richmond.

The hotel across the street became a Sheraton in June 2000. It was built in 1974 as a Hyatt.

There also is a need, he said.

"They have probably studied the occupancy rate at the Sheraton and found that it has a pretty high occupancy rate," Glass said. "They're saying there is a market for a full-service upscale hotel."

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