

CITY OF RICHMOND CASINO RFQ/P



Richmond City Council Meeting
January 11, 2021

- In 2020 the Virginia General Assembly enacted Chapter 1197 of the 2020 Acts of the Assembly (and its identical counterpart Chapter 1248) which authorizes a process for licensing and regulating the development and operation of a limited number of casino gaming operations in the Commonwealth of Virginia (The “Virginia Casino Act”)
- Richmond is one of five cities that can have a casino gaming establishment licensed by the Commonwealth of Virginia if Richmond voters approve a casino at a specific location/site by voter referendum
 - Criteria is established in the Virginia Casino Act
 - The other four cities are Bristol, Danville, Norfolk, and Portsmouth
- Establishes tax paid to the City by the casino on it’s adjusted gross receipts
 - 6% tax on the first \$200 million of adjusted gross receipts
 - 7% tax on the adjusted gross receipts that exceed \$200 million and are less than \$400 million
 - 8% tax on the adjusted gross receipts that exceed \$400 million
 - The tax paid on the adjusted gross receipts does not include other tax revenue that would be payable to the City (i.e. Real Estate Tax, Sales Tax, Meals Tax, Lodging Tax, etc.)
- Richmond opted to have a voter referendum in November 2021, and prior to the voter referendum the City must:
 - Select the City’s preferred location/site for a casino
 - Select the City’s preferred operator to develop and operate the casino
 - Submit the City’s preferred casino operator to the Commonwealth of Virginia for pre-certification
 - The governing body of the host city petitions the court asking that a referendum be held on the question of whether casino gaming shall be permitted within the city
 - The question asked on the referendum will be, ***“Shall casino gaming be permitted at a casino gaming establishment in [name of city and location] as may be approved by the Virginia Lottery Board?”***

Five casinos projected to generate approximately \$260 million in state gaming tax revenue (2025)

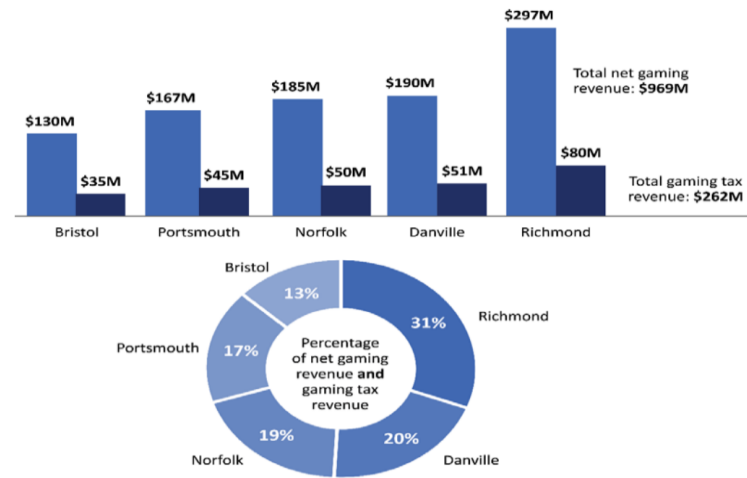


TABLE 2-2

Projected casino employment and investment at 27 percent tax rate

	Total annual casino revenue ^a	Casino direct employment	Casino capital investment
Bristol	\$151M	1,067	\$226M
Danville	221	1,582	308
Norfolk	215	1,509	299
Portsmouth	194	1,384	266
Richmond	339	2,050	403
Total	1,119	7,592	1,502

SOURCE: The Innovation Group.

NOTE: ^a Includes net gaming revenue and non-gaming revenue, such as food and beverage, retail, and hotel spending in 2025 dollars. The revenue and scale of a casino facility is affected by the gaming tax rate applied to net gaming revenue. Lower tax rates can encourage, but do not guarantee, higher levels of investment by casino developers and operators. Twenty-seven percent was selected for this analysis because it is the median gaming revenue tax rate levied by states with commercial casinos. Numbers may not sum because of rounding.

FIGURE 2-3

Local taxes paid by casinos would increase local revenue (\$ millions)

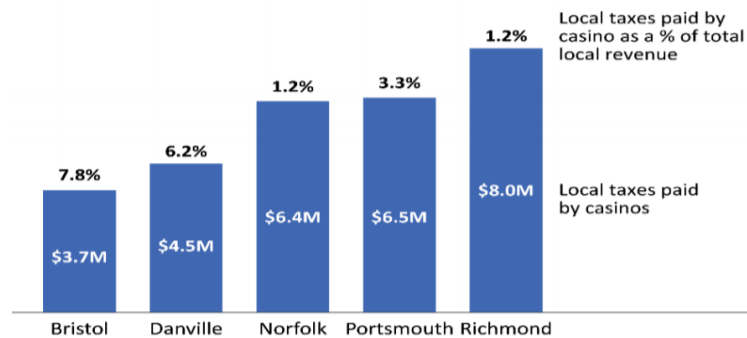
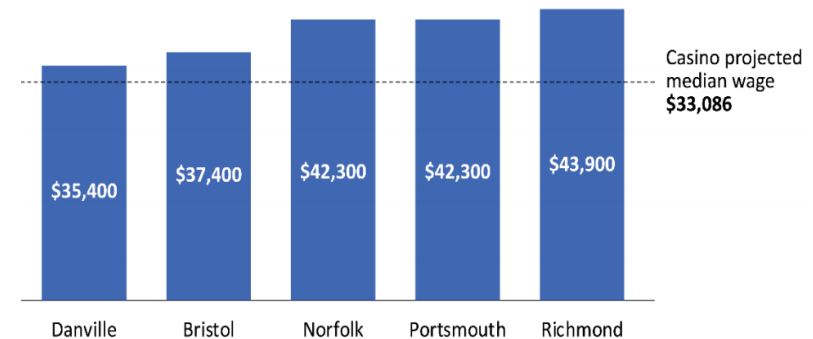
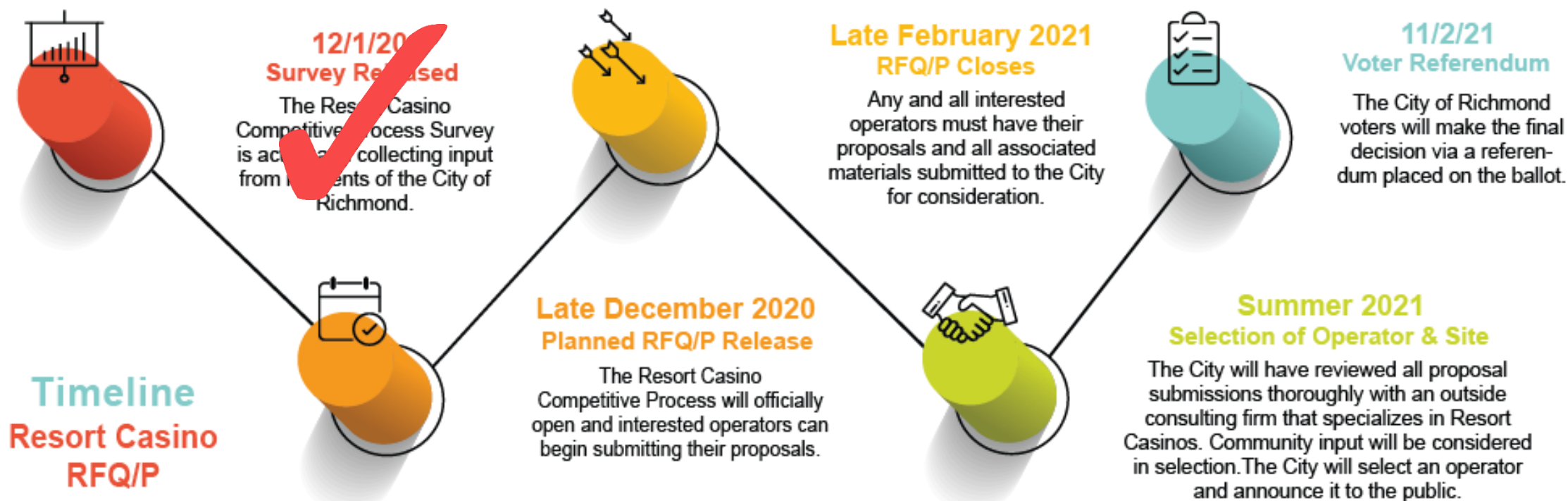


FIGURE 2-5

Projected median wage by casino region (2025)

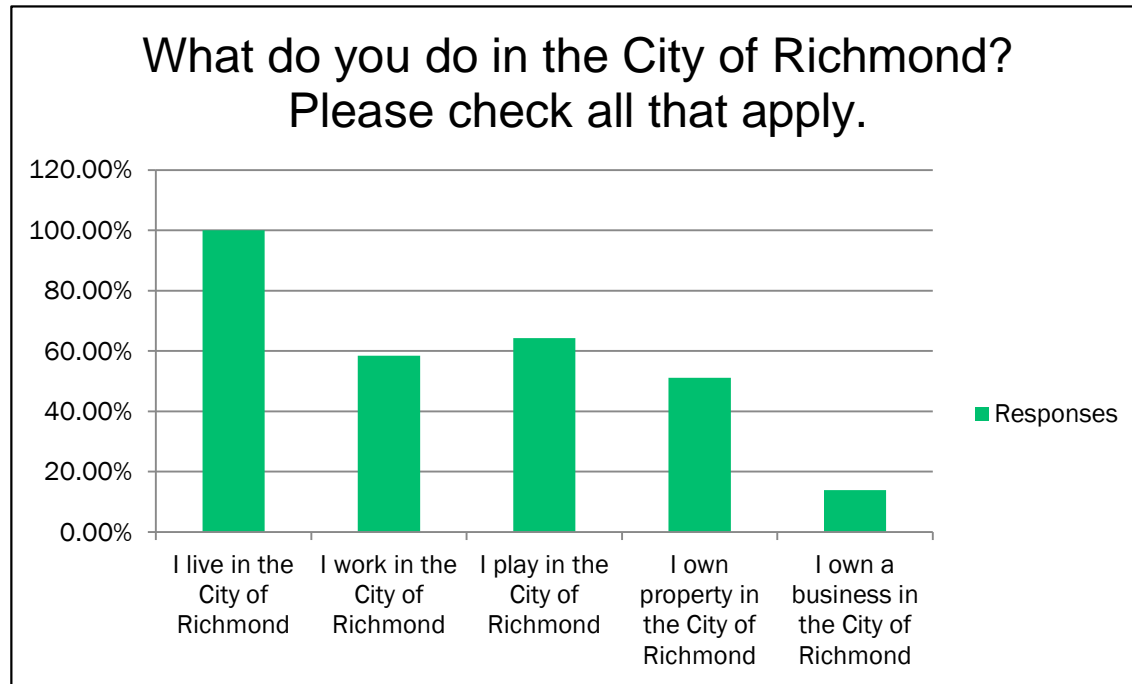




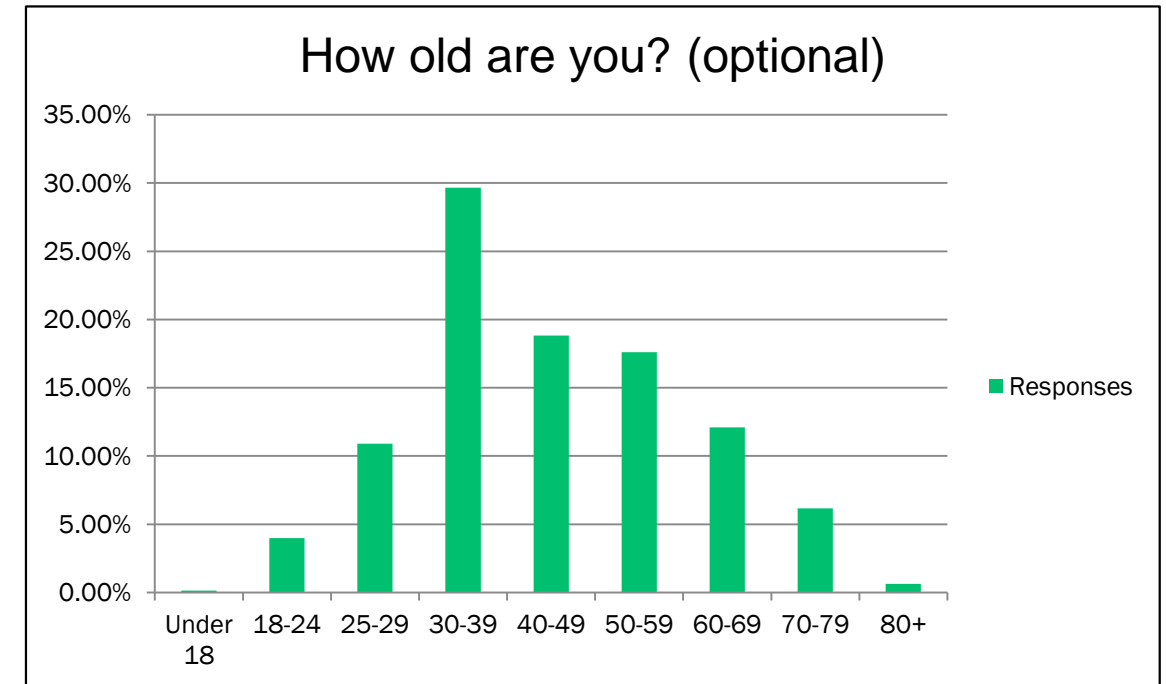
SURVEY RESULTS



- The survey was open from December 1, 2020 to December 14, 2020
- The survey was available online and in hardcopy form (both in English and Spanish)
- 2,273 responded “I live in the City of Richmond”

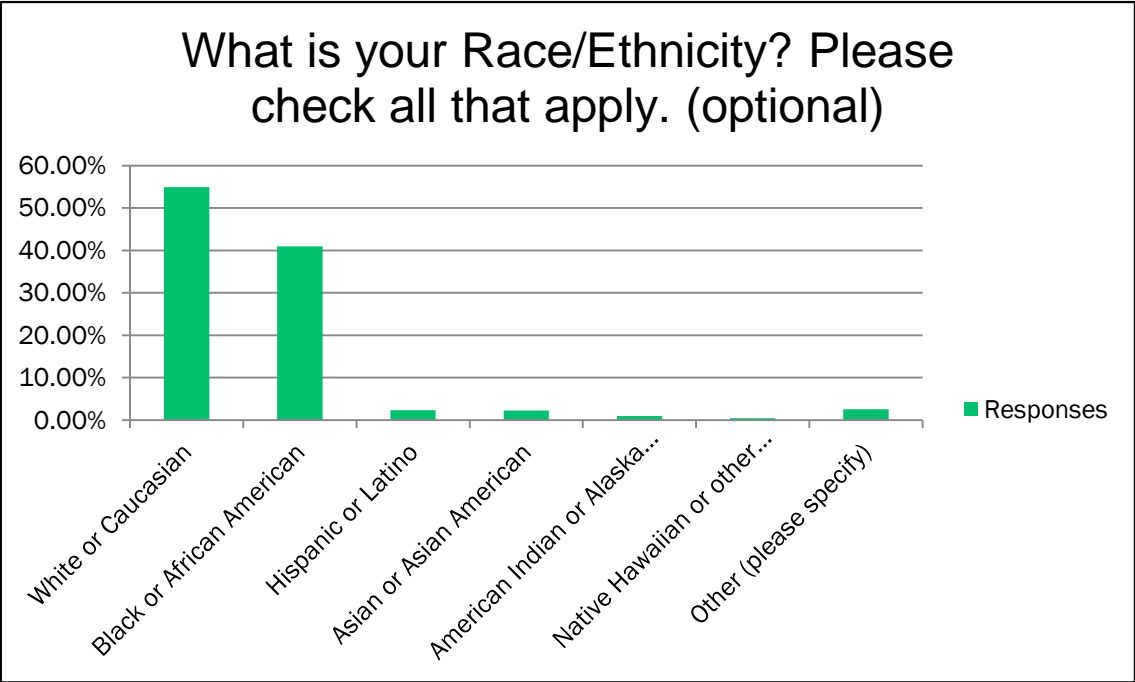


2,273 Total Responses

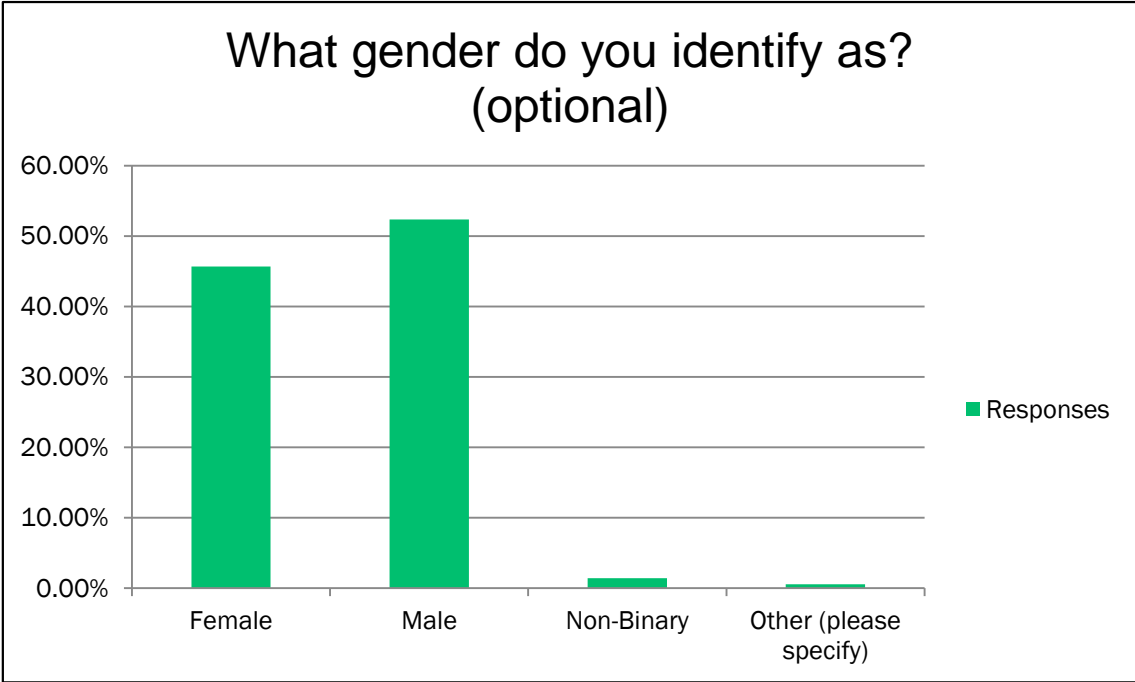


2,209 Total Responses

SURVEY RESULTS



2,078 Total Responses

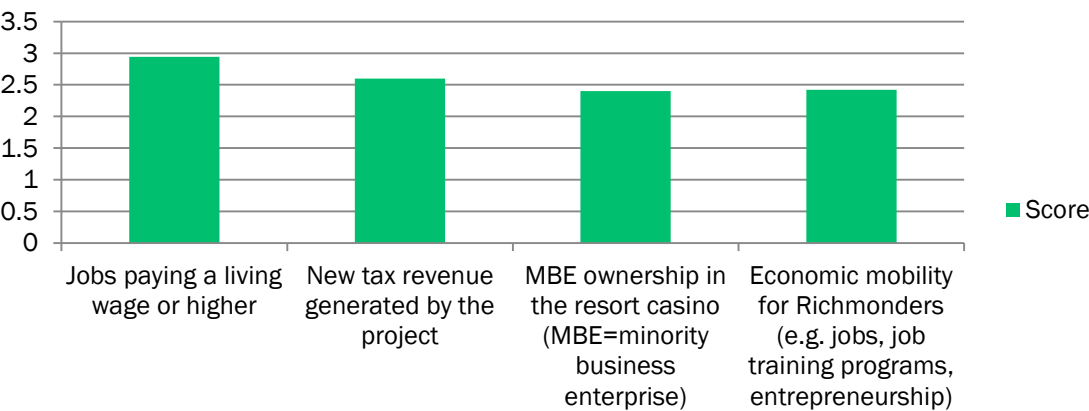


2,128 Total Responses

SURVEY RESULTS

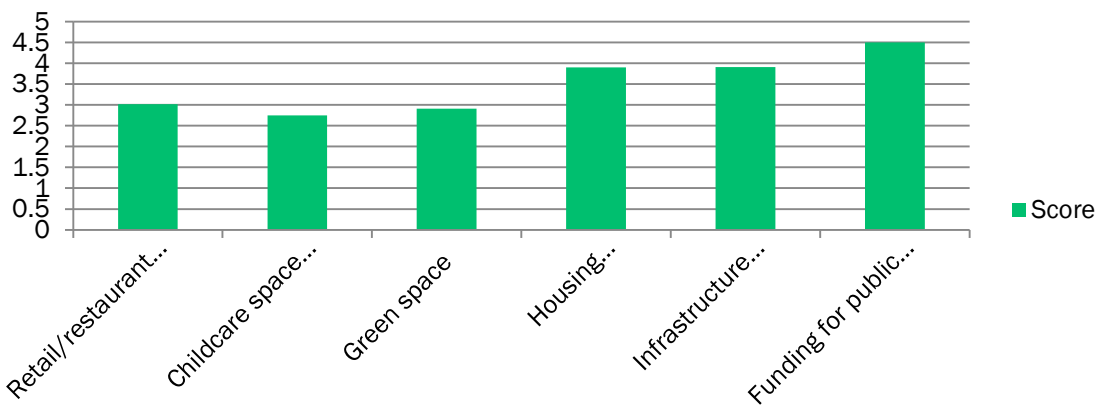


Please rank the following potential economic development benefits from a Richmond resort casino project in order of importance.



2,204 Total Responses

Please rank the following potential community benefits from a Richmond resort casino project in order of importance.



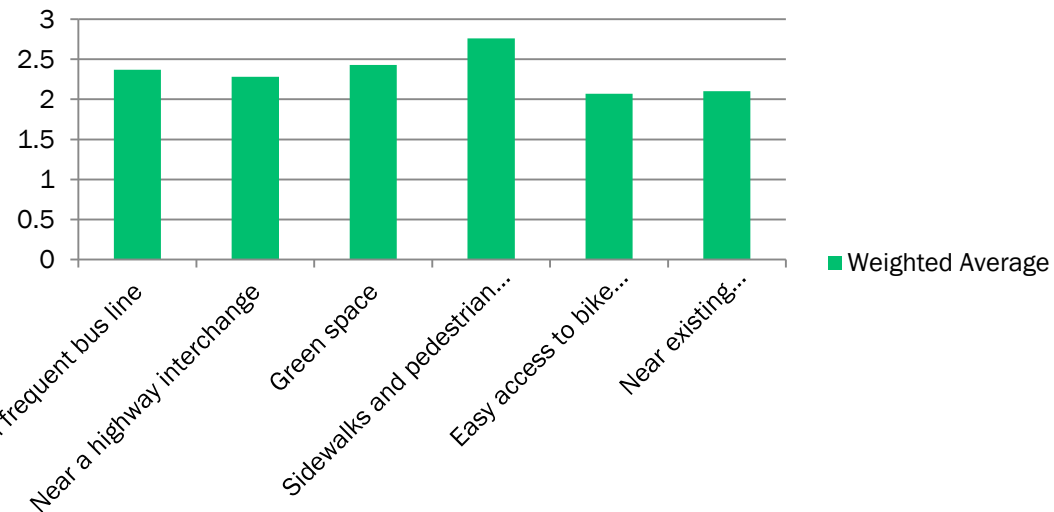
2,199 Total Responses

- Retail/restaurant space for local businesses
- Childcare space for employees and neighbors
- Green space
- Housing investment in adjacent community
- Infrastructure improvements on the site and in adjacent communities
- Funding for public education

SURVEY RESULTS



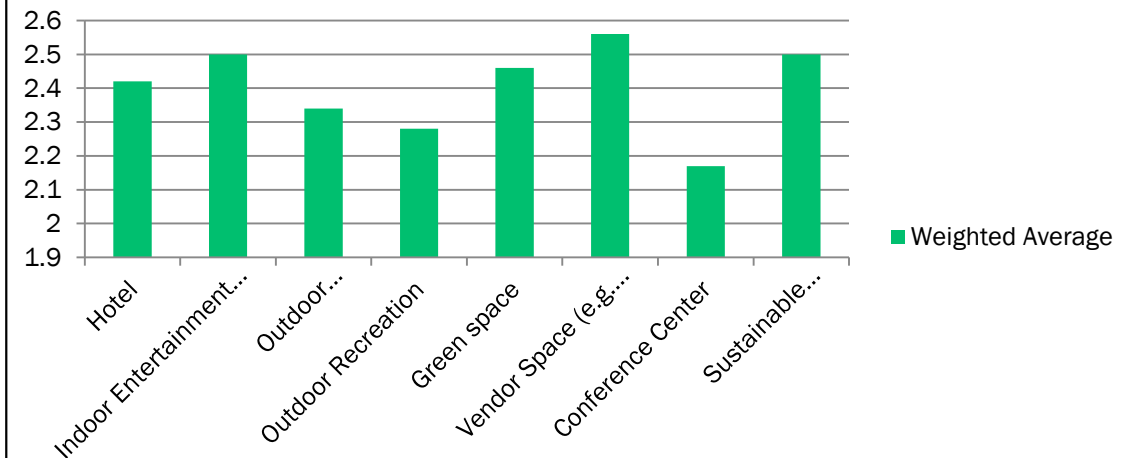
What features should the location of the resort casino have?



2,247 Total Responses

- On a frequent bus line
- Near a highway interchange
- Green space
- Sidewalks and pedestrian amenities
- Easy access to bike infrastructure
- Near existing commercial/retail buildings

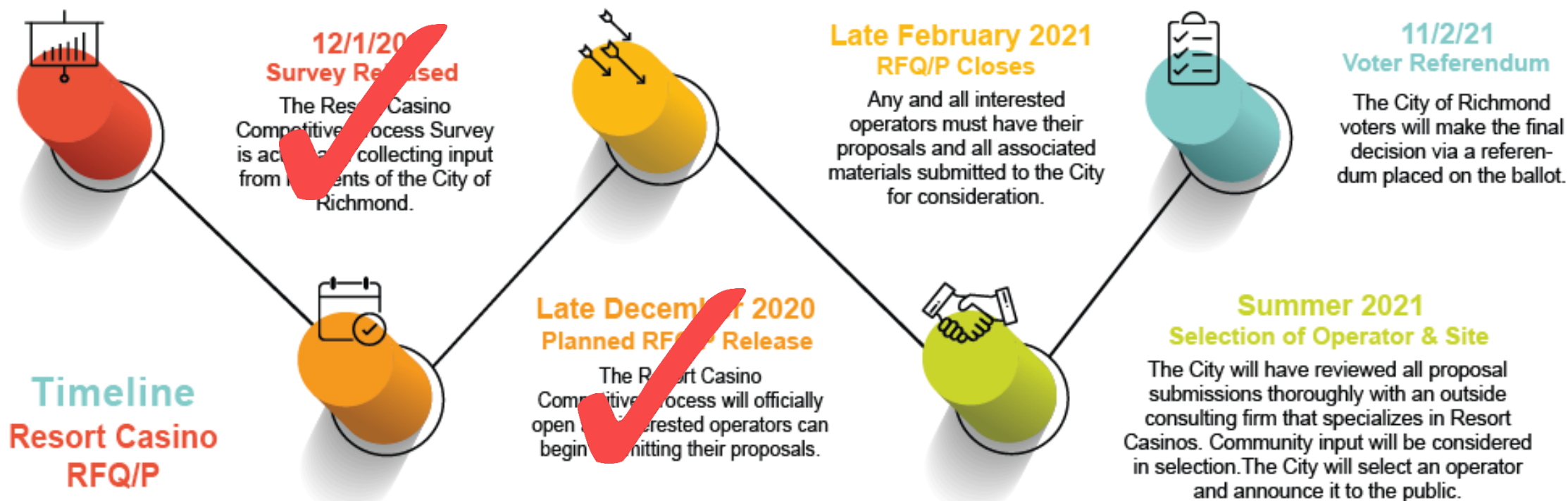
How do you feel about these elements that could be included within a resort casino?



2,257 Total Responses

- Hotel
- Indoor entertainment venue
- Outdoor entertainment venue
- Outdoor recreation
- Green space
- Vendor space (e.g. store, restaurant)
- Conference Center
- Sustainable building/site design

RFQ/P TIMELINE



City of Richmond, VA
Casino Development and Operation
Request for Qualifications/Proposals
Issued – December 28, 2020



I. Introduction

A. Request for Qualifications and Proposals

The City of Richmond, Virginia (the “City”) seeks interested, experienced and qualified destination resort casino operators to submit proposals for consideration of the development and operations of a resort casino including the location of the specific site within the City’s 62.5 square mile area. Richmond is the only city in Virginia authorized to develop and operate a resort casino that is centrally located along I-95 (north-south) interstate highway and I-64 (east-west) interstate highway. As the Capital of the Commonwealth, Richmond is the heart of Virginia – politically, historically and culturally. With the ability to attract a signature resort casino, Richmond seeks to create opportunities for high-paying jobs with benefits for its minority low-income wage earners, create sustained wealth for its minority businesses and entrepreneurs, develop synergies with its economic and community development objectives, and enhance the City’s annual revenues.

B. Overview/Background

As approved by the 2020 Reconvened Session of the Virginia General Assembly on April 22, 2020, Chapter 1197 of the 2020 Acts of Assembly and its identical counterpart Chapter 1248 of the 2020 Acts of Assembly (referred to herein as the “Virginia Casino Act”) authorizes a process for licensing and regulating the development and operation of a limited number of casino gaming establishments within the Commonwealth of Virginia (the “Commonwealth”). (The Virginia Casino Act is attached hereto as Appendix A.)

Pursuant to the Virginia Casino Act, the City of Richmond is one of five cities within the Commonwealth eligible to host a casino gaming establishment (the “Casino”), subject to the citizens of Richmond approving a referendum, which is anticipated to be held in 2021. Prior to requesting the court to order the referendum, the City must (i) select the City’s preferred location for the Casino (the “Selected Casino Site”), which must be listed on the referendum, (ii) select a preferred casino gaming operator to develop and operate the Casino (the “Preferred Casino Operator”), and (iii) submit the Preferred Casino Operator to the Commonwealth for pre-certification. If the voters approve the referendum then the Commonwealth may issue one, and only one, license permitting operation of a Casino in Richmond. Eligibility to receive such a license is limited solely to the Preferred Casino Operator selected by the City. (For more information, see attached as Appendix B instructions the Commonwealth provided to eligible host cities.)

Through the issuance of this Request for Qualifications/Proposals (“RFQ/P”), the City invites any qualified enterprise (each a “Casino Applicant” or “Applicant”) to submit one Response to the City that (i) demonstrates the Applicant’s overall qualifications to develop and operate a successful destination resort casino and (ii) contains the Applicant’s specific proposal for the location, development, and operation of a destination resort casino in Richmond (a “Proposed Casino Project”). Neither Chapter 21 of the Code of the City of Richmond nor the Virginia

- December 28, 2020 – Casino Development and Operation RFQ/P was broadly issued via press release, posting on the Department of Economic Development website, and sent to casino trade organizations and publications for dissemination
 - January 8, 2021 – Deadline to submit questions about the RFQ/P and deadline to request a visit to the City of Richmond
 - January 18, 2021 – Answers to questions received will be posted on the Department of Economic Development website
-
- December 30, 2020 – Economic Development Authority issued a solicitation for casino consulting services



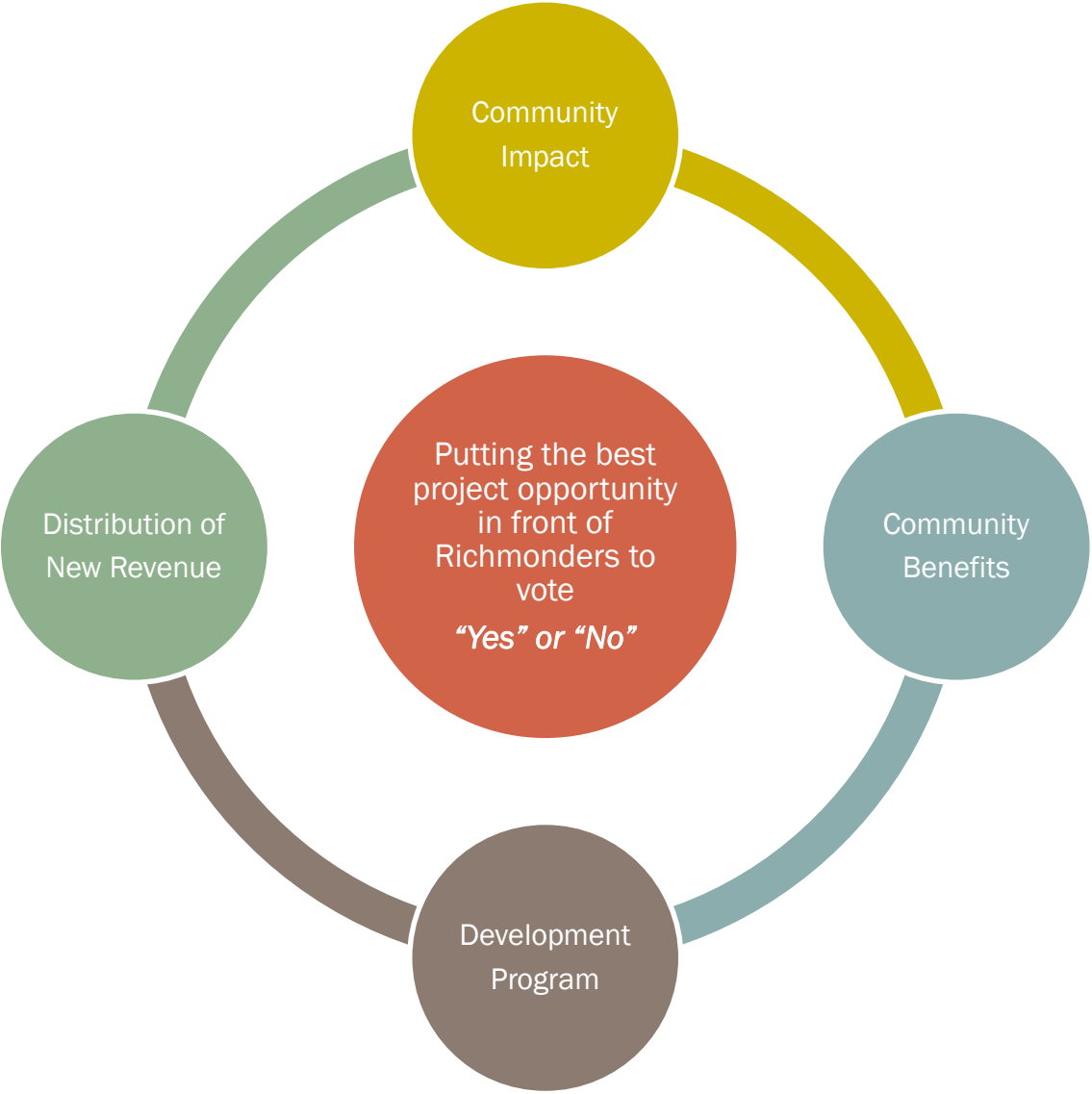
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND
SOLICITATION FOR CASINO CONSULTING SERVICES
ISSUE DATE – DECEMBER 30, 2020

The Economic Development Authority of the City of Richmond, Virginia (“EDA”), in order to promote economic development in the city of Richmond, seeks to engage a consulting firm with substantial and particular subject matter expertise related to resorts and casino/gaming (“Casino Consultant”) to aid the City of Richmond (“City”) in navigating the process of requesting qualifications and proposals for a resort casino operator and for choosing a site to locate a resort casino within the city of Richmond (“Casino Consulting Services”). The EDA has identified your firm as an entity that may possess the requisite subject matter expertise to provide the Casino Consulting Services as described within this solicitation and have therefore sent this solicitation to you for your consideration.

BACKGROUND:

In 2020, the Commonwealth of Virginia approved legislation to permit a limited number of casino gaming establishments (“Casino”) to operate in Virginia (the “Virginia Casino Act”). [Click to See Virginia Casino Act](#). Pursuant to the Virginia Casino Act, the City is one of five cities within the Commonwealth eligible to host a Casino, subject to the citizens of Richmond approving a voter referendum. The voter referendum is anticipated to be held on November 2, 2021. Prior to requesting the court to order the voter referendum, the City must (1) select the City’s preferred location/site for the Casino, which must be listed on the voter referendum, (2) select a preferred casino gaming operator to develop and operate the Casino (the “Preferred Casino Operator”), and (3) submit the Preferred Casino Operator to the Commonwealth for pre-certification. The Commonwealth of Virginia may issue one, and only one, license permitting the operation of a Casino in the city of Richmond if the city of Richmond voters approve the voter referendum. Eligibility to receive such a license is limited solely to the Preferred Casino Operator selected by the City.

In an effort to assess the best Casino operator and site for the Richmond voters to consider, the City is commencing a competitive selection process on December 28, 2020 by issuing a Request for Qualifications/Proposals (“RFQ/P”) inviting qualified enterprises interested in developing/operating a resort Casino in the city to submit responses on or before February 23, 2021, the RFQ/P submission due date. A copy of the RFQ/P can be accessed [HERE](#) or at <https://www.virginia.gov/economic-development/resort-casino> after December 28, 2020, the date of issuance by the City of Richmond. The City anticipates



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Contact Us

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Email econdev@richmondgov.com
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Suite 400
Richmond, VA 23219

Richmond Resort Casino Development

Learn More about the Competitive Process

In 2021, Richmond voters will have the opportunity to bring a resort casino to the city.

Legislation adopted by the Virginia General Assembly and signed into law by Governor Northam earlier this year authorizes the city to host a casino gaming establishment, subject to the residents of Richmond approving a casino referendum. That referendum is anticipated to be on the ballot in November of 2021. The law requires that, prior to requesting the court to order a casino referendum, the city select a preferred resort casino operator and location.

Para ver la página en español, haga [clic aquí](#).

Timeline

Resort Casino RFQ/P

12/1/20
Survey Released

Late December 2020
Planned RFQ/P Release

Late February 2021
RFQ/P Closes

Summer 2021
Selection of Operator & Site

11/2/21
Voter Referendum

