

## REQUEST FOR OFFERS

# DIAMOND DISTRICT RICHMOND, VA

This is a prime mixed-use redevelopment opportunity in the center of the nation's eastern seaboard.

**Issuance Date: June 3, 2022**

**Submission Due: June 28, 2022 at 3 P.M. ET**

Neither Chapter 21 of the Code of the City of Richmond nor the Virginia Public Procurement Act apply to this RFO.

### CONTACT

**Maritza Mercado Pechin**

Deputy Director

Department of Planning and Development Review

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(804) 646-6348





## 1. Introduction & Instructions

### 1.1 Purpose

The purpose of this City of Richmond Diamond District Request for Offers (“RFO”) is to seek offers from the three finalist development teams (“Finalists”) for review and evaluation by the Evaluation Panel.

This RFO is an extension and part of the process commenced via the issuance of a [Request for Interest \(“RFI”\)](#) on December 28, 2021 to solicit creative development responses from highly capable, financially sound, and experienced development teams interested in redeveloping the Diamond District, and the Request for Additional Information (“RFAI”) to seek additional more-detailed information from the selected six RFAI Invitees. The RFI and RFAI are available at [www.rva.gov/economic-development/diamond](http://www.rva.gov/economic-development/diamond). On February 15, 2022, the City received 15 submissions in response to the RFI. The Evaluation Panel reviewed the 15 submissions based upon the evaluation criteria set forth in the RFI and selected six development teams to respond to the RFAI and continue in the evaluation process. On May 10, 2022, the City announced three development teams as finalists invited to respond to this RFO (“RFO Respondent”).

The City has attempted to be as accurate as possible in this RFO, but is not responsible for any unintentional errors herein. No statement in this RFO shall imply a guarantee or commitment on the part of the City as to potential relief from state, federal or local regulation.

### 1.2 Instructions

The RFO will be available for download on **June 3, 2022** on the City’s Diamond District website ([www.rva.gov/economic-development/diamond](http://www.rva.gov/economic-development/diamond)).

**Only the three Finalists selected by the Evaluation Panel and announced on May 10, 2022 are invited to respond to this RFO.**

Unless indicated otherwise, the Diamond District Project Manager, Maritza Mercado Pechin, will continue to correspond with the sole primary contact (“Primary Contact”) designated by your team in March 2022. If there is a change in Primary Contact for your team, please email Maritza Mercado Pechin at [Maritza.Pechin@rva.gov](mailto:Maritza.Pechin@rva.gov). In your email you must include the name, email address, cellphone number, and office phone number for the Primary Contact. All correspondence from the Evaluation Panel to RFO Respondents will only be sent to the identified Primary Contact named in the email.

Requests for clarification or any questions about the RFO must be submitted by the Primary Contact in writing via email **no later than 3:00PM ET on Thursday, June 9, 2022** to the Diamond District Project Manager:

Maritza Mercado Pechin, Deputy Director, Dept. of Planning and Development Review  
[Maritza.Pechin@rva.gov](mailto:Maritza.Pechin@rva.gov)

An addendum with questions and answers will be emailed by June 14, 2022 to the Primary Contact of the Finalist teams and posted on the City’s Diamond District website



([www.rva.gov/economic-development/diamond](http://www.rva.gov/economic-development/diamond)). All requests or questions must be emailed to the Diamond District Project Manager.

**DO NOT CONTACT MEMBERS OF THE EVALUATION PANEL.**

Submission Requirements for responses to the RFO (“RFO Responses”) are set forth in Section 4 below. Each RFO Response must include an electronic copy (PDF file and Excel file(s)) on one (1) flash drive and fourteen (14) individual printed/hard copies, all of which must be submitted no later than **3:00PM ET on Tuesday, June 28, 2022** to the Diamond District Project Manager:

Maritza Mercado Pechin  
Richmond City Hall  
900 E. Broad Street, Room 511  
Richmond, VA 23219

**NO LATE SUBMITTALS WILL BE ACCEPTED.**

The Diamond District Project Manager will communicate any updates, corrections, clarifications, or extensions to this RFO through addenda that will be emailed to the Primary Contact for each RFO Respondent. All addenda will also be posted on the City’s Diamond District website ([www.rva.gov/economic-development/diamond](http://www.rva.gov/economic-development/diamond)). It shall be the responsibility of RFO Respondents to check the City’s Diamond District website ([www.rva.gov/economic-development/diamond](http://www.rva.gov/economic-development/diamond)) regularly for any addenda and other updates.

**1.3 Costs of Response Preparation**

RFO Responses are to be prepared at the sole cost and expense of the RFO Respondents, with the expressed understanding that there may be no claims whatsoever for the reimbursement of any costs, damages, or expenses related to this process from the City or its officers, employees, advisors, or representatives, or any other party for any reason.

**1.4 Accuracy of the RFO and Related Documents**

The City assumes no responsibility for the completeness or the accuracy of specific technical and background information presented in the RFO (including the RFI and the RFAI), or otherwise distributed or made available during this process. No person has been authorized by the City to give any information other than the information contained in this RFO and, if given, such other information should not be relied upon as having been authorized by the City. The information set forth herein has been obtained from sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness. The information contained herein is subject to change without notice.

RFO Respondents are responsible for reviewing and becoming familiar with all available documents pertaining to the Diamond District and contemplated development project. Specifically, it is the obligation and responsibility of each RFO Respondent to:

- A. Review the terms of this RFO so that it is familiar with all aspects of it;



- B. Analyze all applicable federal, state and local laws, regulations, ordinances, permits, approvals and orders that may affect the cost, performance, or furnishing of the development set forth in the Respondent's RFO Response; and
- C. Notify the Diamond District Project Manager, prior to the submission of any RFO Response, of any conflicts, errors, omissions, or discrepancies herein. It is each RFO Respondent's responsibility to proactively address any questions, issues, or concerns related to the RFO or overall process with the Diamond District Project Manager.

## **2. Site Description**

This RFO pertains to the 67.57 acre site known as the Diamond District and described in more detail in the [RFI](#).

## **3. Project Goals & Assumptions**

The City's Project Goals and Development Components are set forth in the [RFI](#) and are listed below with clarifying assumptions for certain goals. Please see the clarifying assumptions as guides as you seek to meet the stated goals. The assumptions are not a comprehensive list of the anticipated deliverables to meet each goal.

### **3.1 Development Components**

**3.1.1 Infrastructure:** Upgrade water, sewer, road, and other infrastructure to support development plans. Development should incorporate substantial water quality and storm water management improvements and an increase in pervious surfaces and greenspaces.

Clarifying Assumptions:

- The City's Department of Public Utilities will work with the selected Development Team to relocate the Hanover transmission water main as early site work. The Department of Public Utilities has estimated the cost to relocate the waterline to make that corner of the site ready for development in Phase 1 at approximately \$3 million. The cost for the waterline relocation should be incorporated into infrastructure costs of the project to reimburse the City for this early site work. The new transmission water main will be located in a new easement at the southern and eastern edges of the project area.
- All new streets interior to the site should be built by the developer to the City's design and construction standards including but not limited to, sidewalks, handicap accessibility, plantings, pavement, street lights, drainage inlets, and curb management, and dedicated for public use.
- The perimeter right of way of the site that fronts Ashe Boulevard, Robin Hood Road, and Hermitage Road should be also upgraded as part of the development (e.g. sidewalks, lighting, etc.).
- The City anticipates replacing the existing Arthur Ashe Boulevard Bridge over the CSX rail line. The City submitted this project for a highly competitive U.S. DOT RAISE grant in April



2022. Part of the bridge improvements planned include a pedestrian / bicycle walkway(s) to be located on the new bridge. Access to the new bridge from existing or planned pedestrian / bicycle plans not within the project area will be intentionally designed for ease of connection to the project.

- The design of the site should anticipate a future pedestrian/bike bridge over the CSX rail line.
- All utilities (including electric, telecom) must be located underground.

**3.1.2 Baseball Stadium:** Deliver a new baseball stadium built to the new MLB standards for minor league baseball stadiums. The new baseball stadium will be used by the Flying Squirrels (70 games annually) and the VCU baseball team (30 games annually), as well as host events at least another 100 days each year. The City desires to have a new baseball stadium within the Diamond District site, provided that the development of said baseball stadium does not require City financing or, in the alternative, minimizes any City financing to the greatest extent possible. The current Diamond baseball stadium does not meet MLB standards for minor league baseball stadiums. Renovating the current Diamond baseball stadium to meet MLB standards is not feasible. The Flying Squirrels will need a new baseball stadium for the 2025 season.

#### Clarifying Assumptions

- A new baseball stadium needs to be delivered in time for opening day April 2025.
- The baseball stadium property will be owned by a public entity.
- Private operator will be in charge of all maintenance and operations, and required to maintain a capital reserve.
- The baseball stadium should have around 8,000 fixed seats (including club seating) with total seating capacity around 10,000.
- Design includes a roof canopy, entrance at concourse level, and ability to shoot fireworks from the outfield.

**3.1.3 Sports Backers Stadium:** Enable the City, VUU, VCU, and the Sports Backers to relocate the Sports Backers Stadium functions and redevelop the current Sports Backers Stadium site as part of the larger Diamond District redevelopment.

#### Clarifying Assumptions:

- Demolish the Sports Backers Stadium to clear land for redevelopment in Phase 1 and include the site in Phase 1 development program.
- Through the sale of the Sports Bakers Stadium property, VCU is able to construct a replacement facility within the VCU Athletic Village.



**3.1.4 Arthur Ashe Jr. Athletic Center:** Assist the City in relocating the functions at AAJAC, demolishing the current building, and redeveloping the current AAJAC site as part of the larger Diamond District redevelopment.

Clarifying Assumptions:

- The current AAJAC site should be redeveloped into a real estate tax-producing parcel.
- Relocating the AAJAC functions could include, but not are limited to, the following:
  - Sale proceeds to assist in funding a multi-use, multi-tenant facility.
  - Relocating uses to existing or new City or VCU facilities in locations other than the Diamond District.

**3.1.5 Office:** Develop signature Class-A office space, or spaces, addressing needs of employers and employees in our new pandemic-influenced world.

Clarifying Assumptions:

- The developer should work with the Department of Economic Development as needed to retain and attract office tenants to the Diamond District.

**3.1.6 Residential:** Create a significant number of new housing units with a mix of rental and for-sale products in varying housing types (e.g. multifamily, two-over-two condos and townhomes). Include rental units affordable to households with incomes as low as 30% of the Area Median Income (AMI) to households earning 110% of the AMI. Include for-sale units affordable to households with incomes as low as 70% of the AMI.

Clarifying Assumptions:

- The City's goal is to have 20% of the total units be affordable units.
- The City's goal is to include 100 project-based voucher units within the Diamond District with a target of at least 40% of the project-based voucher units set aside for replacement/relocation units for Gilpin Court residents. Note, the City and RRHA are currently developing the [Jackson Ward Community Plan](#), funded by a HUD Choice Neighborhood Planning Grant, to plan for the complete transformation of Gilpin Court.
- The affordable rental units should be affordable at or below 60% AMI (including the Gilpin replacement/relocation units).
- The affordable for-sale units should be affordable for households between 60% and 80% of AMI.
- Integrate mixed-income housing into each phase.

**3.1.7 Hotel:** Develop a signature hotel with meeting spaces to support the business, tourism, and entertainment activities. The hotel should be easily accessible and visible from I-95/I-64.

**3.1.8 Retail:** Integrate retail uses at ground level where appropriate to support the daytime and nighttime needs and activities of the new community.



**3.1.9 Parking:** Utilize a shared parking strategy with on-street parking, underground parking decks, wrapped parking decks, and ideally no surface parking (except on-street parking).

Clarifying Assumptions:

- All underground decks, above ground decks, and surface parking lots should be privately-owned, financed, operated and maintained.

**3.1.10 Transit:** Design the site to take advantage of existing bus service on North Arthur Ashe Boulevard and Hermitage Road and incent demand for expanded bus service.

Clarifying Assumptions:

- Upgrade and/or install bus shelters.

**3.1.11 Bicycle & Pedestrian:** Prioritize walking and biking on all streets and provide bike racks and bike lanes or shared-used paths.

Clarifying Assumptions:

- Install a bikeshare station.
- Build sidewalks, crosswalks, and pedestrian amenities throughout the site and along the perimeters of the site.

**3.1.12 Public Open Space:** Develop a series of open public spaces that are connected to one another.

Clarifying Assumptions:

- All public open space should be built by the developer. Following completion of the work and upon City acceptance, such public open space should be dedicated for public use and continue to be maintained by the developer or an entity created for said purpose.
- Public open space should be a destination for all Richmonders.

**3.1.13 Phasing:** Follow a phasing strategy that includes in the first phase the delivery of a new baseball stadium by opening day in 2025 and include a phased approach for developing the rest of property.

Clarifying Assumptions:

- All development should be complete no later than December 2037.
- In addition to the baseball stadium, Phase 1 will include enough private development (e.g., housing, hotel, office, and retail spaces) and public open space to establish the Diamond District as a baseball-anchored mixed-use urban neighborhood.
- For modeling purposes, Phase 1 will end December 2026. Portions of the Phase 1 private development should be completed in time for opening day April 2025.
- Sports Backers Stadium site will be available for redevelopment in Phase 1.

**3.1.14 Quality Design:** Utilize high-quality, distinctive architecture that establishes a visible landmark location from the highway and creates a sense of place at street level. Maximize the by-right zoning and/or consider special use permits to increase height or density.



Clarifying Assumptions:

- The developer should set aside 1% of the project budget for art in the public realm. The art work can be integrated into the built environment and be interactive.
- Following selection, the developer should coordinate with the City to create an urban design guidebook in consultation with the City and VCU. The guidebook may include items that create a sense of place in the public realm, such as, but not limited to, the design and construction standards for street lighting, sidewalk materials, planting selections, and street furniture and the design and construction standards for building types including but not limited to heights, setbacks, fenestration, building materials and retail/storefront composition.

**3.1.15 Sustainable Development:** Incorporate state-of-the-art technology for new construction or rehabilitation of existing spaces that promotes innovative and sustainable building methods that create a healthier, more vibrant, economically competitive and resilient community.

Clarifying Assumptions:

- All buildings should be built to at least LEED Silver standards with the goal of some or all buildings meeting LEED Gold standards or better.
- The overall project site should be built to at least SITES Silver standards.

## **3.2 Community**

**3.2.1 New Neighborhood:** Develop a new city neighborhood with a unique brand and place identity including a grid street network that prioritizes walking, biking, and taking bus transit.

Clarifying Assumptions:

- The district should have marketing and promotion materials to brand the destination and attract residents, businesses, and visitors.

**3.2.2 Families and Children:** Incorporate features, destinations, and amenities that welcome families and children, which may include, but are not limited to parks, playgrounds, daycare facilities, and recreation.

Clarifying Assumptions:

- The district should include some amenities that are free-of-charge.

**3.2.3 Connectivity:** Connect the redeveloped area to the surrounding neighborhoods.

**3.2.4 Sustainable District:** Utilize a systems approach to create a resilient and sustainable district featuring items such as high-performance building systems, renewable energy production, storm water management, and multimodal, mixed-use, mixed-income compact living.

Clarifying Assumptions:

- The overall project site should be built to at least SITES Silver standards.
- The development should utilize a site-wide strategy for managing storm water.

**3.2.5 Legacy:** Continue to honor Arthur Ashe Jr.'s legacy.





**3.2.6 Employment:** Create meaningful employment opportunities for local residents paying, at a minimum the higher of the prevailing wage rate for the City of Richmond or \$15/hour during both the construction and operations of the development. Use union employees for a portion of the construction activities.

Clarifying Assumptions:

- The developer must coordinate employment and training programs with the Office of Community Wealth Building.

**3.2.7 Diversity:** Implement the development program with a diverse, inclusive development team and with diverse equity and ownership participation.

**3.2.8 Minority Business Enterprises and Emerging Small Businesses:** Include minority business enterprises and emerging small businesses in the development, design, financing, construction management, ownership, equity, and construction of project. Also include minority business enterprises and emerging small businesses as contractors/vendors in the operations of buildings, and as tenants in office and retail spaces.

Clarifying Assumptions:

- The developer must coordinate MBE/ESB programming and engagement with the Office of Minority Business Development.

### **3.3 Fiscal**

**3.3.1 Revenue:** Generate significant new revenues for the City—potential sources include revenues from direct contractual payments to the City (e.g., a one-time upfront payment for purchase of the real estate) as well as increased annual tax revenues (e.g., real estate, BPOL, sales, lodging, meals, and admissions).

**3.3.2 Financing:** Utilize financing approaches that minimize public investment and risk and maximize private investment.

Clarifying Assumptions:

- Lodging/Hotel tax revenue is not available to be used to pay debt service.
- Admissions tax revenue may not be used to pay debt service.
- The desired term for bond repayment is 20 years with 30 years as the longest repayment term.
- A minimum equity contribution of 35% by the Development Team into the overall project is required.
- Baseball stadium property will be owned by a public entity.
- Assume that only sales tax revenues as defined in Code of Virginia 58.1-608.3 will be available for debt repayment.
- The development team should purchase the property fee-simple, except for the baseball stadium site, which shall be conveyed using a ground lease structure to public entity. The City prefers that the development team purchase the property all at once at the beginning of the development timeline.



**3.3.3 Community Fund:** Create a fund to support technical assistance and training for minority business enterprises and emerging small businesses; offset costs for minority business enterprises and emerging small businesses to lease commercial space in the project; and fund post-secondary scholarships for Richmond Public School students eligible for free or reduced lunch.

Clarifying Assumptions:

- The developer must coordinate with the Office of Minority Business Development and the Office of Community of Wealth Building.

## **4. Submission Requirements**

RFO Responses must conform to the Submission Requirements set forth in this section. Omission of any of the required information may lead to a determination that the RFO Response will not be considered due to non-responsiveness. This decision will be made at the sole discretion of the Evaluation Panel.

### **4.1 Submission Format**

RFO Responses must be in an 8 ½" x 11" format with standard text no smaller than 11 point. The margins on each page should not be less than 0.75 inch and the line spacing should not be less than 1.1, excluding charts and graphics. All pages must be numbered and page numbers may be included within the margin. The fourteen (14) paper copies of each RFO Response must be either A) three-hole punched and placed in separate 3-ring binders with identifying covers or B) coil-bound. RFO Responses must be organized and outlined in the format described below in section 4.2, including tabs for major sections. The only exception to this formatting requirement is the submission of the spreadsheets.

### **4.2 Submission Content**

**4.2.1 Letter of Transmittal:** The letter of transmittal shall include the RFO Respondent's name, Primary Contact (with name, address, telephone number, and email address), signature of the authorized representative, and a designation of the responsible legal entity that will be the party the City contracts with if the project is chosen for the development.

In the letter of transmittal, the RFO Respondent should also confirm in writing that:

- It is a legal entity and is registered to do business in the Commonwealth of Virginia with the State Corporation Commission (the "SCC");
- The RFO Response is genuine and without collusion in all respects; and
- That the Primary Contact is authorized to act on the RFO Respondent's behalf.

**4.2.2 Table of Contents:** Indicate significant elements of the RFO Response by subject and page number. If the RFO Response contains appendices, include a listing of each appendix item.

#### **4.2.3 Project Team**

1. Identify any changes in your team since the RFAI submission.



2. Does your team plan to set aside equity for local investors, who are not members of the RFO Respondent team, to invest in the project? If so, what percentage of the project will be set aside?

**4.2.4 Development Plan:** Please provide the plans listed below.

1. **Illustrative master plan**
2. **Phasing plan**
3. **Phase 1 plan** that identifies (1) the program of each proposed building, (2) the developer, general contractor, architect, and broker (rental, commercial, and/or retail, as appropriate), and (3) the target ground breaking and completion dates for each Phase 1 component.
4. **Programmatic plan** that identifies the proposed uses for each site using standard land, labels the proposed building heights, and identifies proposed locations of affordable housing with labels indicating the affordability mix and affordability levels for each affordable housing site.
5. **Open space plan** that identifies the parks and plazas. If appropriate, indicate the spaces that are envisioned to be only for use by building tenants (e.g. interior courtyards and roof decks). Label the proposed acreage of each area. Include a table that accompanies the plan and lists the acreage of the open spaces by type.
6. **Financing site plan** that indicates with color coding for how each parcel is financed. Include a table that accompanies the plan and lists the acreage of private, public, and public/private parcels and the total projected investment amount for each.
  - a. Privately (red)
  - b. Publicly (blue) – Public financing is defined as any portion of the project that is funded with bonds that are repaid in any part with tax revenues.
  - c. Combination (yellow)
7. **Ownership/tax status site plan** that indicates with color and/or hatching the following categories. Include a table that accompanies the plan and lists the acreage of each of the following categories:
  - a. Right-of-way (grey)
  - b. Park: publicly-accessible greenspace (green)
  - c. Plaza: publicly-accessible hardscape plaza area (orange)
  - d. Taxable parcel: site will generate real property tax revenue (hatched)
  - e. Non-taxable parcel: site will be exempt from real property tax (no hatching)

**4.2.5 Program Summary:** please complete the spreadsheet provided in the worksheet labeled “4.2.5 Program” in the excel workbook.

**4.2.6 Baseball Stadium:** Indicate your team’s readiness to deliver the baseball park by opening day in April 2025.

- **Milestones:** Identify the critical path decisions that must be made and identify when they must be made in order to deliver the stadium.
- **Team:** Identify the team members and their associated firms that will be involved in the baseball stadium financing, design, and construction.
- **Kick-off Agenda:** A baseball stadium design team (made of representatives from City of Richmond, VCU, the Flying Squirrels, and development team) will begin to meet within 30



days after the announcement of the preferred developer. Provide a draft agenda for the kick-off meeting of the baseball stadium design team.

- **Coordination with MLB:** Identify within the schedule the task to submit design and receive approval from MLB. Provide initial approval from MLB of any activity the project proposes to take place in the Baseball Stadium that is not a MLB club event.

**4.2.7 Financing:** In responding to each of the questions below, please make sure to respond to each sub-question. For the responses below, please provide data in excel as requested.

- 1. Infrastructure Investment:** Based on your proposed Development Plan, address the following:
  - a. Describe your approach to the Infrastructure Investment. Can it be phased in or does it have to all be implemented upfront?
  - b. What direct commitments/investments are to be “Asks” of the City (how much and when) related to components of the proposed Development Plan? The city investment includes any earmarking of future tax revenue generated by the project to cover debt service on bonds.
  - c. Complete the worksheet labeled “4.2.7(1) Infrastructure” in the excel workbook.
- 2. Revenue Bonds**
  - a. Indicate what is to be funded from the initial Revenue Bonds supported by Phase 1 (i.e. Infrastructure, Ballpark, Parking, etc.).
  - b. Identify the balance of the Infrastructure Investment to be funded and your proposed approach to funding such balance.
  - c. Provide the major conditions precedent to closing on any bonds to be repaid from Phase 1.
  - d. Discuss the credit structure - does your proposed Revenue Bond Plan of Finance contemplate a direct (i.e. General Obligation) pledge from the City, or a Moral Obligation Pledge from the City, or is it truly non-recourse debt.
  - e. Indicate how/when additional bonds (if anticipated) are to be funded from subsequent Phases and under what assumptions/conditions additional bonds may be issued.
  - f. What is your plan to backstop repayment of the bonds if the tax revenues generated in the project for debt service repayment are not sufficient?
- 3. Private Developer Investment for Phase 1 – Sources and Uses:** Provide the Private Developer Investment amount that will be expected/planned to be committed by your proposed development plan for Phase 1.
  - a. Provide detail with respect to the expected Private Investment by subcomponent (e.g. retail, office, hotel, as applicable) in the worksheet labeled “4.2.7(3)(4) Sources and Uses” in the excel workbook.
  - b. Indicate if preliminary discussions or Letters of Intent (“LOI”) with potential tenants have been/are to be initiated.
  - c. Specify what percentage is to be debt versus equity and indicate if your development team has commitments for funding in hand.
  - d. Indicate when commitments for Private Investment and LOI’s/tenant agreements are anticipated to be in hand based on your proposed development schedule.
- 4. Private Developer Investment for subsequent Phases – Sources and Uses:** Provide the Private Developer Investment amount that will be expected/planned to be committed by your proposed development plan for subsequent Phases.



- a. Provide detail as to expected investment by subcomponent (e.g. retail, office, hotel, as applicable) in the worksheet labeled “4.2.7(3)(4) Sources and Uses” in the excel workbook.
  - b. Indicate if preliminary discussions or Letters of Intent (LOI) with potential tenants have been/are to be initiated.
  - c. Specify what percentage is to be debt versus equity.
  - d. Indicate when commitments for Private Investment and LOI’s/tenant agreements are anticipated to be in hand based on your proposed development schedule.
- 5. What is the basis for your proposed purchase price for the land?**
- a. Please provide your purchase price offer and indicate if you are proposing to pay upfront for all of the land or purchase the land in phases. If the latter, provide your take down schedule in the worksheet labeled “4.2.7(5) Purchase Price” in the excel workbook.
  - b. Please provide rationale/assumptions for how you derived the fair market value price per acre in the worksheet labeled “4.2.7(5) Purchase Price” in the excel workbook.
- 6. Pro Forma Cash Flows** – Projected revenues and expenses for each product type should be shown on an annual basis and should have detailed assumptions that tie to each component of the proposed Development Plan by Phase in the worksheet labeled “4.2.7(6) Pro Forma” in the excel workbook.
- 7. Bond Cash Flows** – Provide all Tax and Other Revenues generated by the proposed Development Plan by Phase (“Projected Revenues”) that will be used to support Revenue Bonds. Annual Projected Revenues should start from inception of Phase 1 through completion of the final Phase and continue throughout the life of the anticipated Revenue Bonds (i.e. years 1 through 20, or longer as may be necessary to amortize any Revenue Bonds or publicly issued debt). Provide your cash flows in the worksheet labeled “4.2.7(7) Bond” in the excel workbook.
- a. With respect to the anticipated repayment of Revenue Bonds supported by Phase 1, your cash flows should show the following:
    - Detailed Projected Revenue cash flow used to repay the bonds.
    - Debt Service Coverage assumptions
    - Estimated debt service and assumed interest rates.
    - Surplus, if any, and intended use (e.g. return to the City, accelerate bonds, or some combination thereof).
  - b. Please provide Sources and Uses for the Revenue Bonds supported by Phase 1 and clearly identify
    - Project Fund amount and purpose (e.g. Ballpark, infrastructure, etc.).
    - Whether the bonds will be taxable or tax-exempt, or a combination of both.
    - Debt Service Reserve, if any.
    - Capitalized interest, if any.
    - Cost of issuance.
    - Underwriting fees.
  - c. Include the assumptions and tax rates used to calculate Projected Revenues, including but not limited to the following:
    - Mix and valuation of real estate assessment of taxable property (basis for calculating value per s.f. for restaurants, residential, office, retail, etc.). Include comparable Richmond data.
    - Calculation of retail sales per s.f. assumed from retail components to project sales tax.



- Basis and assumptions for generating Lodging/Hotel Tax revenue (keys, average daily room rate, occupancy, etc.)
- Assumptions and supporting basis for Parking Revenue, if any to be included in Projected Revenues.
- Assumptions and supporting basis for Ballpark revenue, if any, to be included.
- Assumptions and supporting basis for other tax revenue (i.e. personal property tax, cigarette, admissions, etc.), if any, to be included.
- Any other revenue assumptions (e.g. special tax, assessment, surcharges, state sales tax, etc.) to be included. Identify what City/State legislative action(s) may be necessary to implement such additional other revenues.

**4.2.8 Community Benefits:** List the community benefit requirements you intend to set for the development project as it relates to each of the following topics. Refer to the “Anticipated Minimum Community Benefits Requirements,” which is included as an appendix to the RFI, as a guide.

1. Community outreach and engagement
2. Job creation and workforce development
3. Minority business enterprises and emerging small business
4. Sustainability
5. Affordable Housing
6. Other

#### 4.4 Confidential Information

- i. All RFO Responses and related materials are the property of the City and will not be returned. At the conclusion of the process, the City may retain or may dispose of any and all materials received from RFO Respondents consistent with the City’s obligations under the Virginia Public Records Act, Va. Code §§ 42.1-76 et. seq. In no event will the City assume liability for any loss, damage or injury that may result from any disclosure or use of proprietary information. RFO Respondents should be aware that records of the City including records submitted by RFO Respondents in response to this RFO are subject to all provisions of the Virginia Freedom of Information Act regarding access to public records. (See Va. Code §§ 2.2-3700 et. seq.)
- ii. By submitting a RFO Response, each RFO Respondent acknowledges and agrees that any ideas, intellectual property, improvements or other suggestions will not be subject to any restrictions on use by the City or any other entity and will become a public record under Virginia law. Except as otherwise required by law, none of the responses will be made available to the public until after the City determines to enter into a specific contract or to not enter into any contract as a result of this process.
- iii. If RFO Respondents provide information that they believe is exempt from mandatory disclosure under Virginia law, RFO Respondents shall include the following legend on the title page of the response:

**“THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE.”**



In addition, on **each page or excel worksheet** that contains information that RFO Respondents believe is exempt from mandatory disclosure under Virginia law, RFO Respondents shall include the following separate legend: “THIS PAGE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE.”

On each such page, RFO Respondents shall also clearly specify the exempt information and shall state the specific Code of Virginia section and exemption within which it is believed the information falls.

- iv. Although the City will generally endeavor not to disclose information designated by RFO Respondents as exempt information, the City will independently determine whether the information designated by Respondents is exempt from mandatory disclosure. Moreover, exempt information may be disclosed by the City, at its discretion, unless otherwise prohibited by law, and the City shall have no liability related to such disclosure.
- v. In all cases, the City will adhere to the Virginia Freedom of Information Act (Va. Code §2.2-3700 et. seq).

## 5. Evaluation Process

### 5.1 RFO Evaluation

RFO Responses will be evaluated based upon the “Evaluation Criteria” set forth on pages 19 and 20 of the [RFI](#).

### 5.2 Process

The City anticipates the following evaluation process as outlined below. The City reserves the right to alter the process at any point to ensure the greatest benefit is derived for the City and its citizens.

- **RFO Submissions Due** – RFO submissions are due on June 28, 2022.
- **RFO Evaluation, Negotiation and Selection** – the City will negotiate with one or more of the Finalists to derive the best and highest benefit to the City and its citizens. The City anticipates announcing its preferred development team in July 2022.
- **City Council Approvals** – The final development agreement/contract(s) will be subject to approval by City Council. Note that a deposit will be required when ordinances are introduced per City Code Sec. 8-59: “No ordinance directing the sale of City-owned real estate to a purchaser under this article shall be adopted unless and until the purchaser has provided a deposit in an amount equal to ten percent of the proposed purchase price either by (i) furnishing the Chief Administrative Officer with such deposit in the form of a certified or cashier’s check or (ii) placing the deposit in escrow pursuant to a legally enforceable escrow agreement approved as to form by the Office of the City Attorney. If the Council adopts an ordinance directing the sale of the City-owned real estate to the purchaser, the deposit shall be applied to the purchase price upon closing of the sale of such City-owned real estate. The City may retain the proceeds of the deposit if the

## Request for Offers (RFO) Diamond District Redevelopment Project

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purchaser withdraws its offer to purchase the real estate before the final action of the Council on the ordinance to direct the sale of the real estate to the purchaser. However, the City shall not forfeit or waive any other remedies or rights the City may have otherwise by retaining the deposit.”

The City of Richmond reserves the right, at its sole discretion to:

- Request clarifications;
- Terminate consideration of any respondent for any reason and at any time;
- Modify, suspend, discontinue, or terminate the process described herein at any time for any reason;
- Change or deviate from the dates identified in this RFO;
- Conduct investigations with regard to the qualifications and experience of any development team or partner thereof; and
- Take any other action in regards to the property that it deems is in the best interest of the City.