



The Diamond District



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**ECONOMIC
DEVELOPMENT**

DEPARTMENT OF
**PLANNING AND
DEVELOPMENT
REVIEW**

**RVA
DIAMOND
PARTNERS**
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September 14, 2022

Agenda

- Introductions
- Pre-solicitation milestones
- Solicitation process
- RVA Diamond Partners Project
- Q&A



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Partners



RVA Diamond Partners

Republic

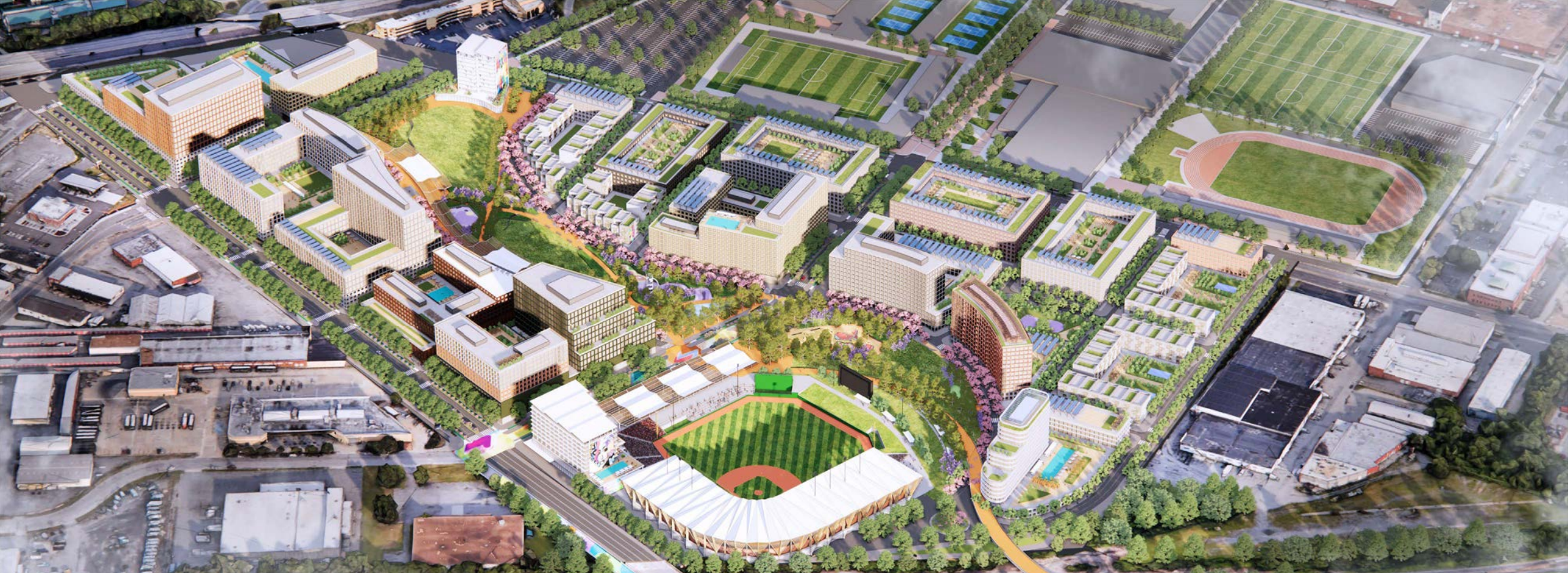
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Pre-Solicitation Milestones



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Pre-Solicitation Milestones

- 4 community meetings
- Over 1,300 survey responses
- **December 2020:** Richmond 300 Adopted (which included Greater Scott's Addition Small Area Plan)
- 2 community meetings
- **July 2021:** Zoning adopted
- Launch rvadiamond.com site
- Begin marketing the opportunity

Planning

Rezoning

Marketing

Pre-2018

2019

2020

January – July
2021

October –
December
2021

- **2007-2008:** RFQ/RFP process
- **2008:** Richmond Braves leave
- **2010:** Richmond Flying Squirrels arrive
- **2011:** Imagine Scott's Addition/North Boulevard
- **2013-2015:** Relocated functions, cleared the sites
- **2016:** Community meetings, market study, RFQ issued
- **2016:** VCU and Squirrels partner on finding a solution for their baseball stadium



Small Area Plan Conceptual Rendering



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Small Area Plan Districts

A Gateway District

Regional destination for offices, shopping, and entertainment with landmark architecture



B Ballpark & Entertainment District

Lively community integrated with entertainment and a new sports venue



C Ownby District

A core of dense mixed-use development employing the latest in sustainable practices relating to energy and water on a district scale



D Allison District

Dense, compact transit-oriented mixed-use development anchored by a reconnected street grid



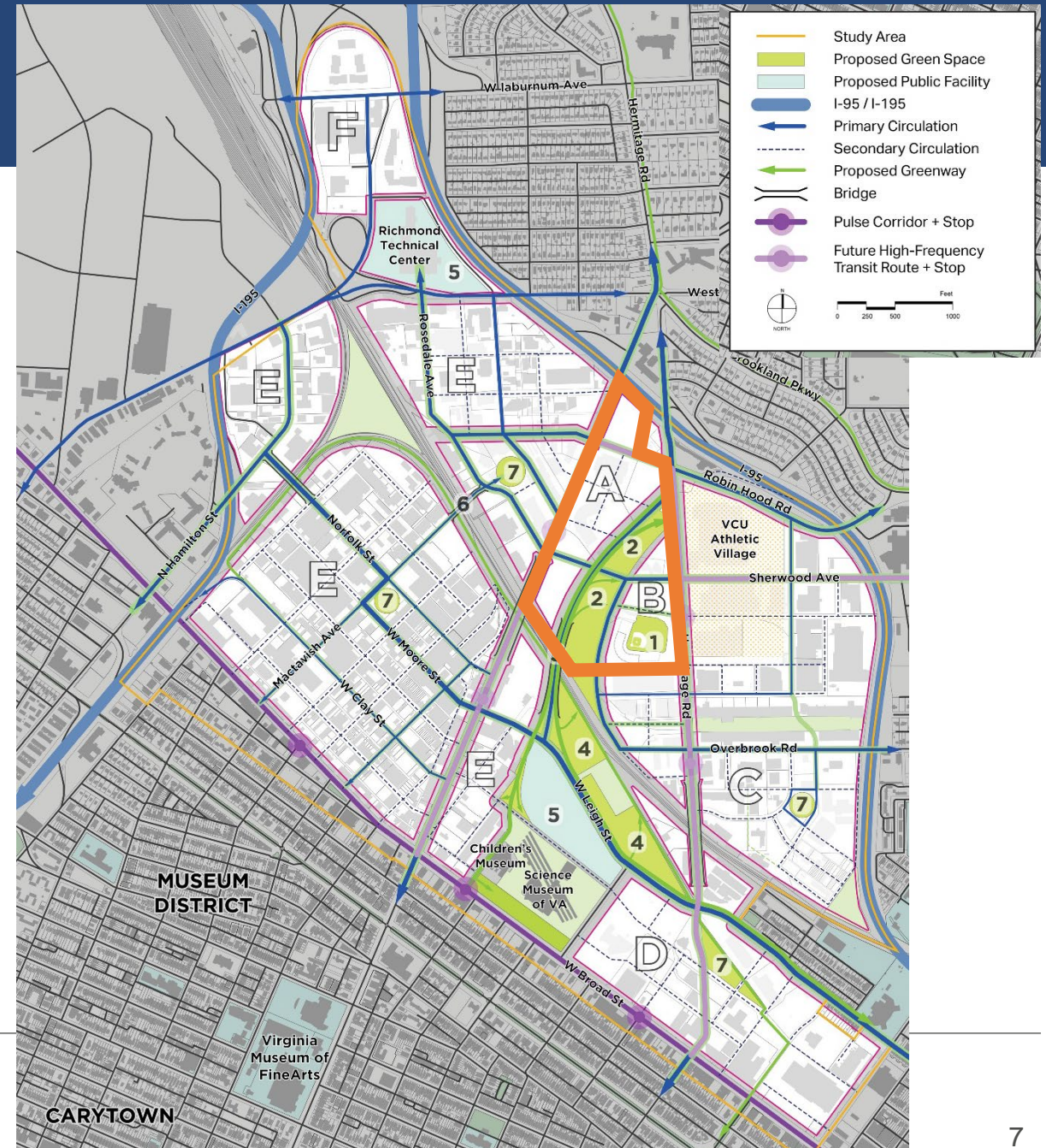
E Industrial Mixed-Use

Continued evolution of Scott's Addition combining entertainment, residential, office and light industrial uses



F Office Park

Secure office park



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Small Area Plan Open Space

1 Ballpark and Plaza

Vibrant outdoor space activated by the baseball stadium



2 Northern Park

Urban public space with passive lawns and a relaxing atmosphere with integrated green infrastructure to support water quality.



3 Landmark Bridge

Bridge over the CSX tracks connecting the parks and development on the north side to the Pulse Corridor



4 Southern Park

Public space with sports fields and active-use areas for youth. Integrated green infrastructure supports water quality.



5 Public Flex Site

Space to meet future community needs including: a school, library, museum, rec center or public space

6 Pedestrian Bridge

Safe and comfortable urban bridges over the train tracks



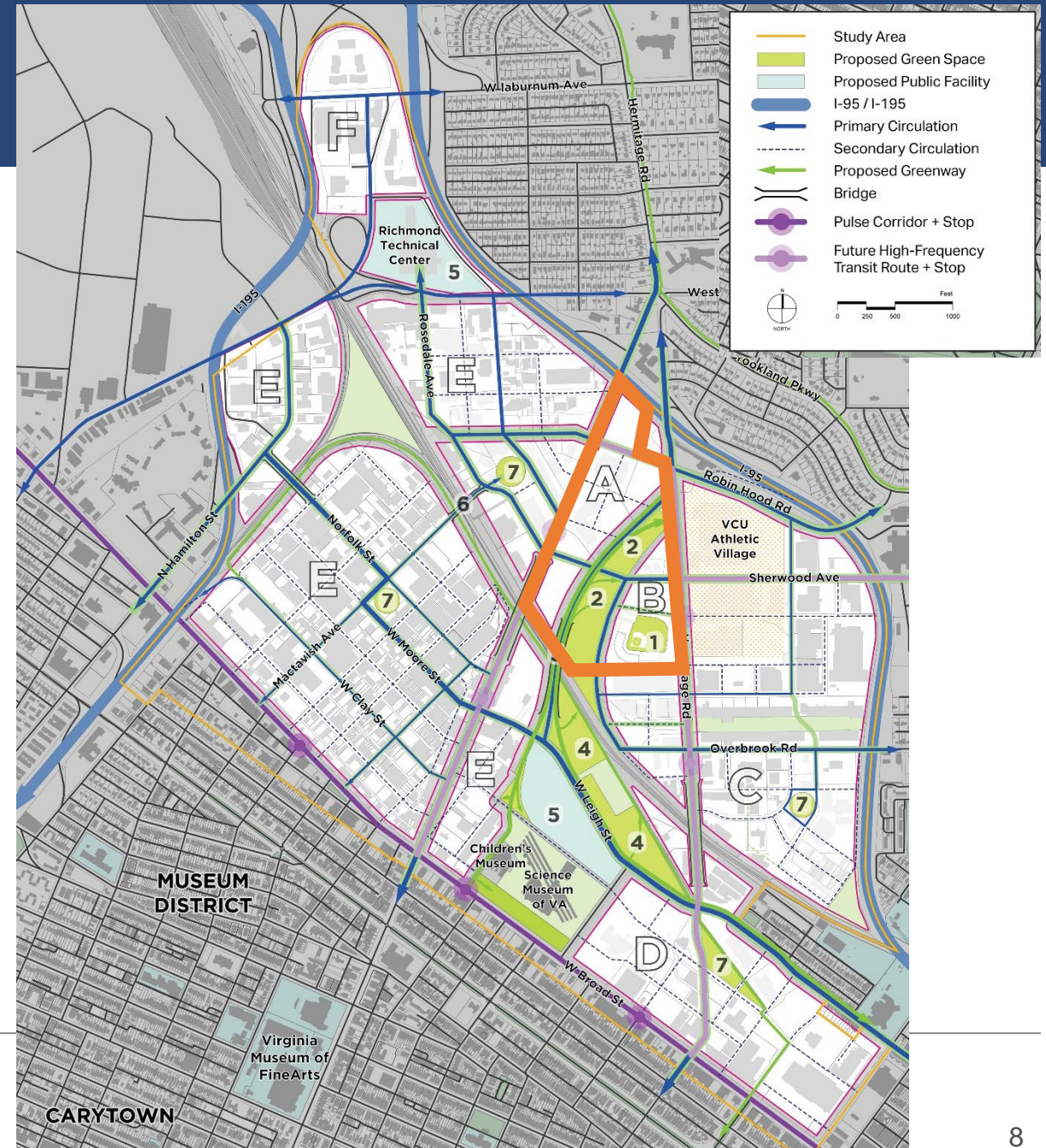
7 Neighborhood Parks

Small nodes of public space in which neighborhood activities are centered



Complete Streets

Streets for everyone designed and operated to enable safe access for all users, including pedestrians, bicyclists, motorists and transit riders incorporating green infrastructure



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Small Area Plan Ashe Boulevard Rendering



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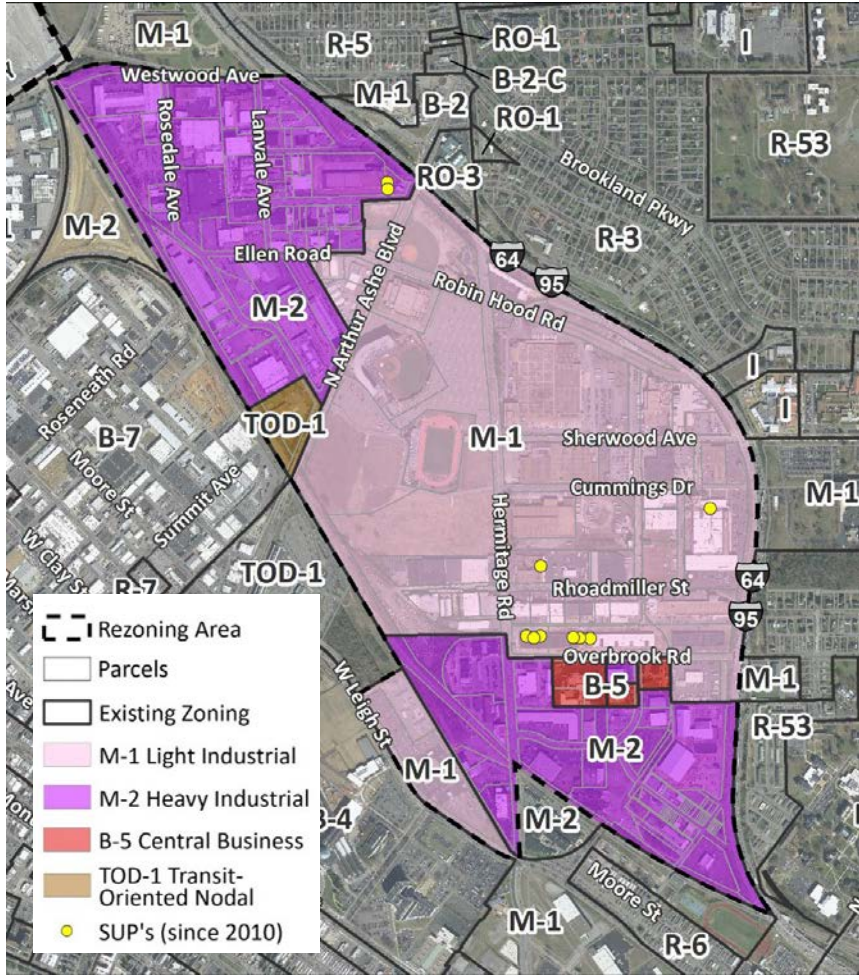
Small Area Plan Ashe Boulevard Rendering



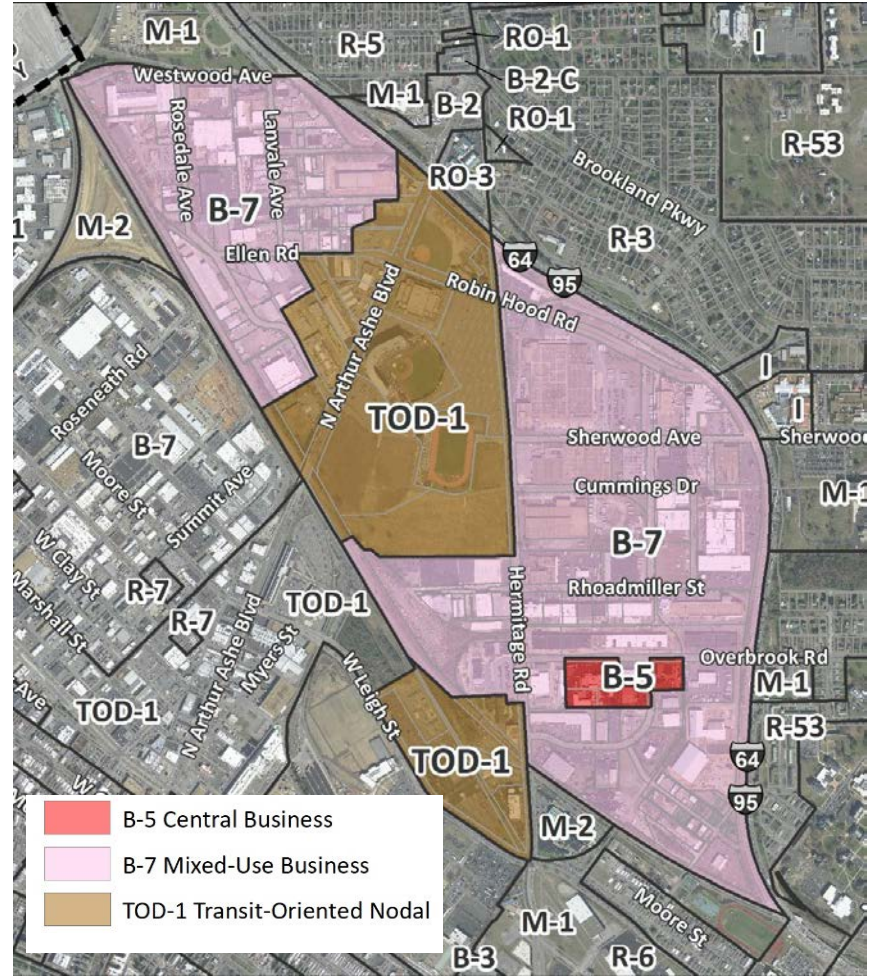
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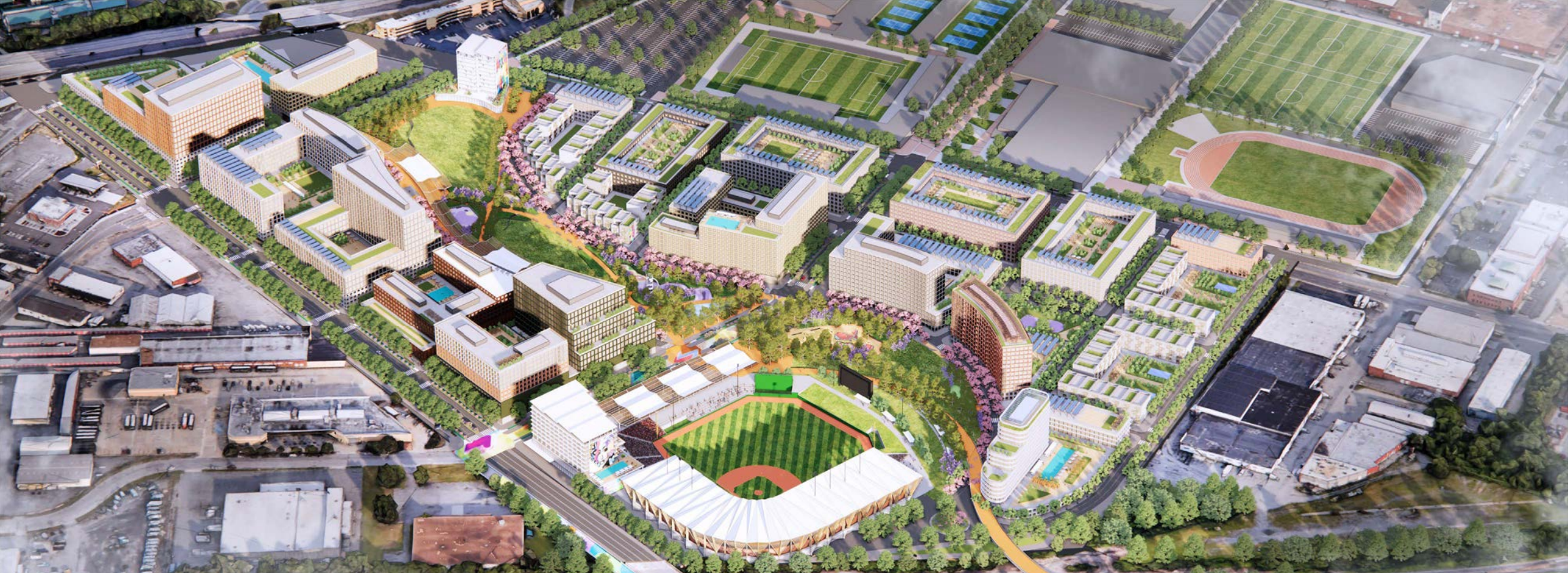
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Previous Zoning



New Zoning (as of July 2021)





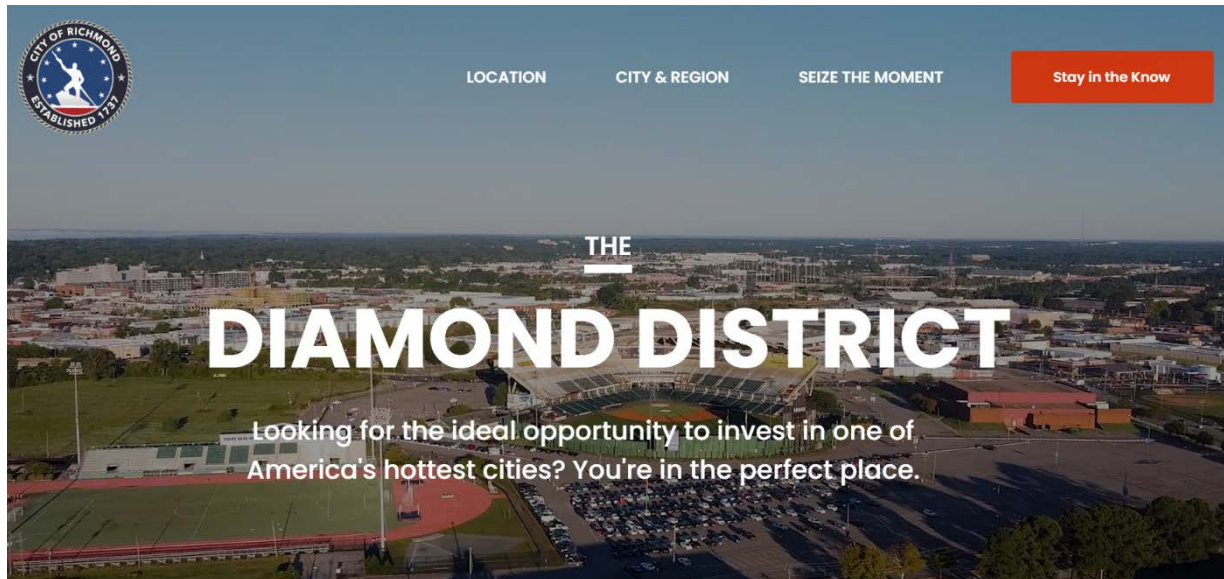
Solicitation Process



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Marketing



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THE DIAMOND DISTRICT

Looking for the ideal opportunity to invest in one of America's hottest cities? You're in the perfect place.



Economic Development COVID-19 Help About Us RVA Advantages Site Selection Financial Tools New Initiatives Transportation RVA Tour

Contact Us

Phone 804.646.3792
Email econdev@richmondgov.com
Address:
1500 East Main St
Suite 400
Richmond, VA 23219

LinkedIn Following 1,182

THE DIAMOND DISTRICT

By the end of 2021, the City of Richmond will be issuing a Request for Interest (RFI) to solicit creative development responses from capable and experienced development teams interested in redeveloping 66.7 acres of under-developed, publicly-owned property along the I-95 east coast corridor into a mixed-use, mixed-income entertainment destination. The City has been preparing for a redevelopment of this strategic site for a number of years and, in the process, has relocated city functions, demolished buildings, and remediated the site with the exception of the baseball stadium and the Arthur Ashe Junior Athletic Center.

rva.gov/economic-development/diamond



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Evaluation Panel

Members

- **James P. Duval** – Investment and Debt Portfolio Manager, Finance Department
- **Sharon L. Ebert** – Deputy Chief Administrative Officer, Planning and Economic Development
- **Karol Kain Gray** – Senior Vice-President and Chief Financial Officer, Virginia Commonwealth University
- **Katherine Jordan** – Council Member, Second District
- **Ann-Frances Lambert** – Council Member, Third District
- **J.E. Lincoln Saunders** – Chief Administrative Officer
- **Leonard L. Sledge** – Director, Department of Economic Development
- **Caprichia Smith Spellman** – Director, Office of Community Wealth Building
- **Robert C. Steidel** – Deputy Chief Administrative Officer, Operations
- **Stephen M. Willoughby** – Director of Emergency Communications

Facilitator/Project Manager: **Maritza Mercado Pechin** – Deputy Director for Equitable Development

Advisors

- **Petula Burks** – Director, Office of Strategic Communications and Civic Engagement²
- **Megan Field** – Senior Policy Advisor to the Chief Administrative Officer²
- **Sabrina Joy-Hogg** – Deputy Chief Administrative Officer, Administration²
- **Lynne S. Lancaster** – Deputy Director for Capital Projects and Parking Enterprise¹
- **Dironna Moore-Clarke** – Administrator, Office of Equitable Transit and Mobility²
- **Billy Vaughan** – Senior Deputy Director, Department of Public Utilities²
- **Kevin Vonck** – Director, Department of Planning and Development Review²
- **Matthew A. Welch** – Policy Advisory, Planning and Economic Development Portfolio¹
- **Sheila White** – Director, Finance²

External Advisors: AECOM, Davenport, Legal Counsel

¹ Attended all evaluation panel meetings; ² Provided expertise at key moments in the evaluation process



Process – RFI to RFAI to RFO

Request for Interest (RFI)

15 respondents provide qualifications and vision for the project

Issued: Dec 28, 2021
Due: February 15

RFAI Invitees

Evaluation Panel reviews 15 RFI responses and invites 6 respondents to respond to the RFAI

Announcement: March 23

Request for Additional Information (RFAI)

Respondents provide details on program and financing

Issue: March 23
Due: April 25

Finalists

Evaluation Panel reviews RFAI responses and selects finalists invited to respond to the RFO

Announcement: May 10

Request for Offers (RFO)

Finalists provide an offer and final development program

Issue: June 3
Due: June 28

Public Meeting: June 8




Preferred Team

Evaluation Panel recommends the preferred development team to the Mayor and subsequent submission of documents for City Council approval

Announcement: September 12



Request for Interest



**DIAMOND DISTRICT
RICHMOND, VA**


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

Issuance Date: December 28, 2021
Submission Due: February 15, 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 RFI.

CONTACT
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Department of Planning and Development Review
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(804) 646-6348

va.gov | rva.diamond.com



Project Goals

RFO included clarifying assumptions for some goals

Evaluation Criteria



Goals

Development

- Public Infrastructure & Public Open Space
- New Baseball Stadium
- Replace Sports Backers & Arthur Ashe Jr. Athletic Center functions in new facilities off-site
- Mixed-income housing
- Office, Hotel, & Retail
- Parking, Transit, and Bicycle & Pedestrian
- Phasing
- Quality Design & Sustainable Development

Community

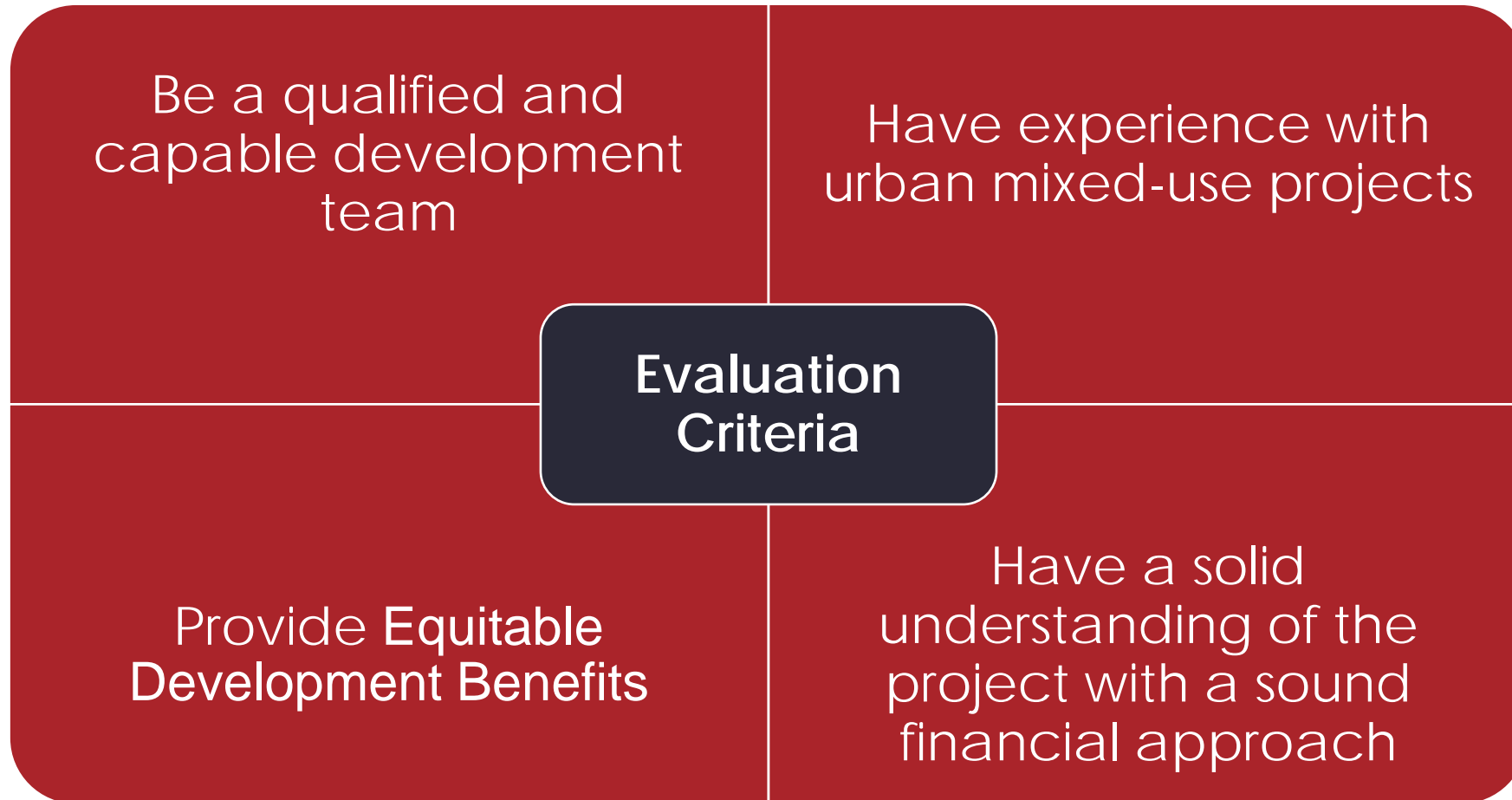
- Create a New Urban Neighborhood
- Families and Children Focused
- Provide Connectivity to Surrounding Neighborhoods
- Create a Model Sustainable District
- Honor the Legacy of Arthur Ashe Jr.
- Employment
- Promote Diversity, Equity & Inclusion
- Ensure Minority Business Enterprises and Emerging Small Businesses Participation in all Segments of the Project

Fiscal

- Maximize New Tax Revenues
- Minimize City Financing
- Establish a Community Benefit Fund
- Create a "TIF District" Solely for the 67.7 Acre Diamond District



Evaluation Criteria



From 15 to 1

Request for Interest (RFI)

15 responses on 2/15

- 4Most Sport Group
- Acquest Realty Advisors, Inc.
- **Diamond District Gateway Partners**
- Diamond Legacy Partnership
- Edgemoor-Gotham Ballpark Partners
- Jair Lynch Real Estate Partners
- **MAG Partners**
- Metropolitan Virginia VIII, LLC
- **Richmond Community Development Partners**
- Rising Tide RVA, LLC
- **RVA Diamond Partners**
- Turnbridge Equities
- Urban Atlantic
- **Vision300 Partners, LLC**
- **Weller Development Company and LMXD**

Request for Additional Info (RAI)

6 responses on 4/25

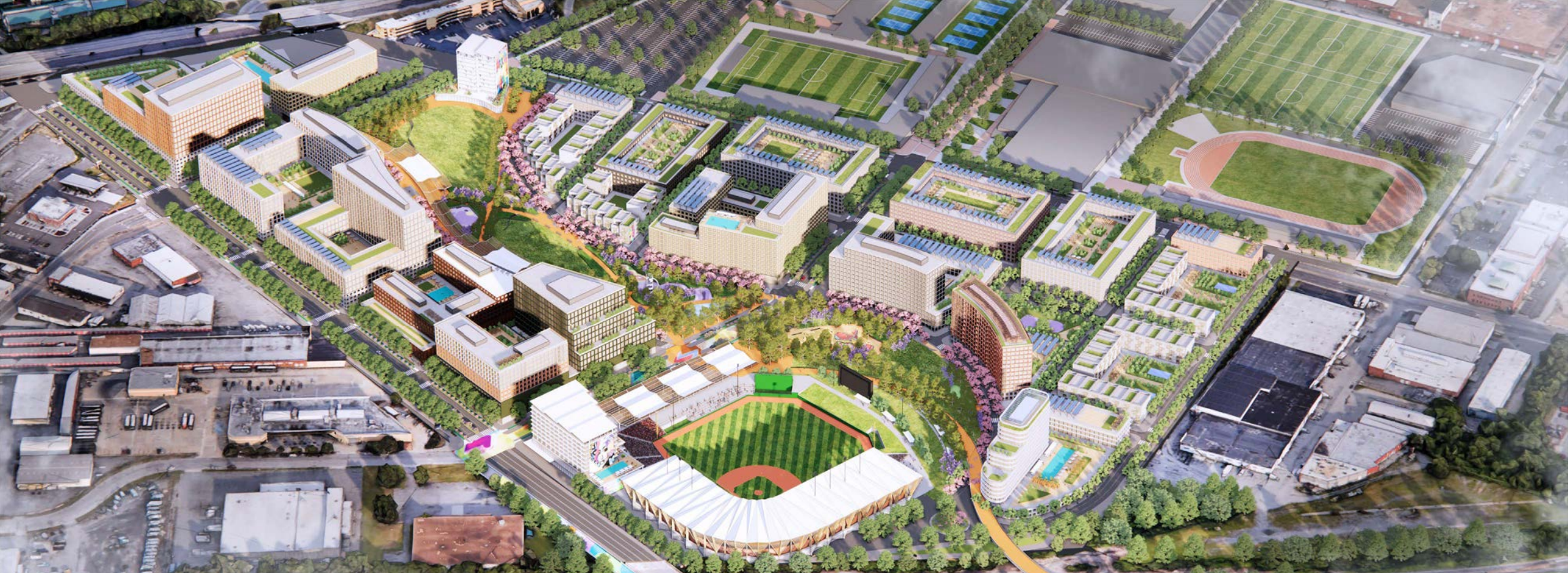
- Diamond District Gateway Partners
- MAG Partners
- **Richmond Community Development Partners**
- **RVA Diamond Partners**
- **Vision300 Partners, LLC**
- Weller Development Company and LMXD

Request for Offers (RFO)

3 responses on 6/28

- Richmond Community Development Partners
- **RVA Diamond Partners**
- Vision300 Partners, LLC





RVA Diamond Partners



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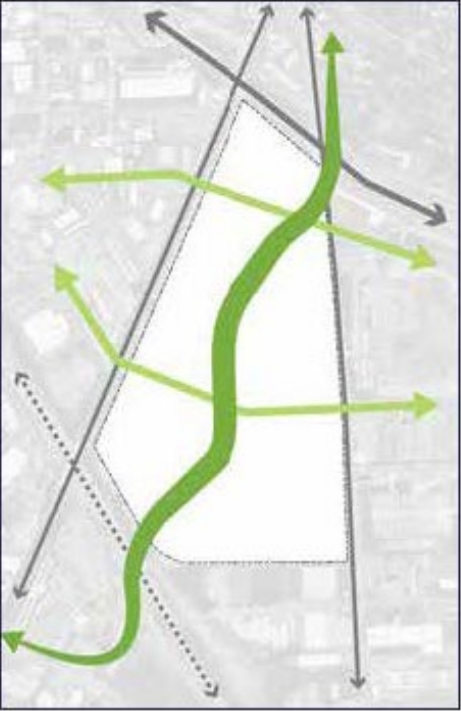
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The Site

- 67.57 acres
- 6.604 owned by VCU (parcel F)



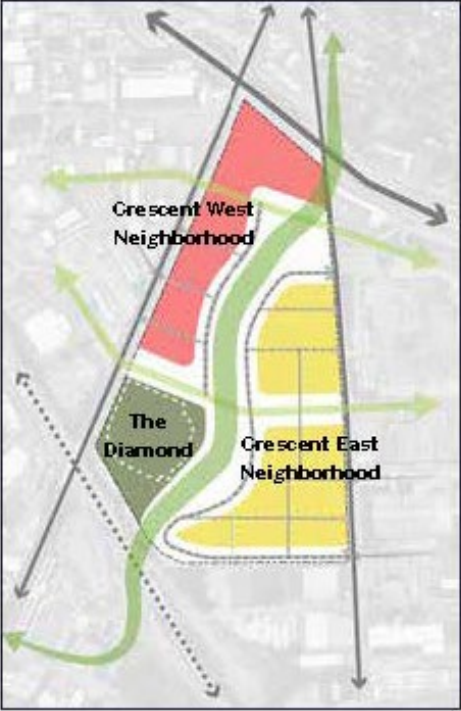
The Plan



Crescent Park and Green Streets



Street Grid



Development Zones

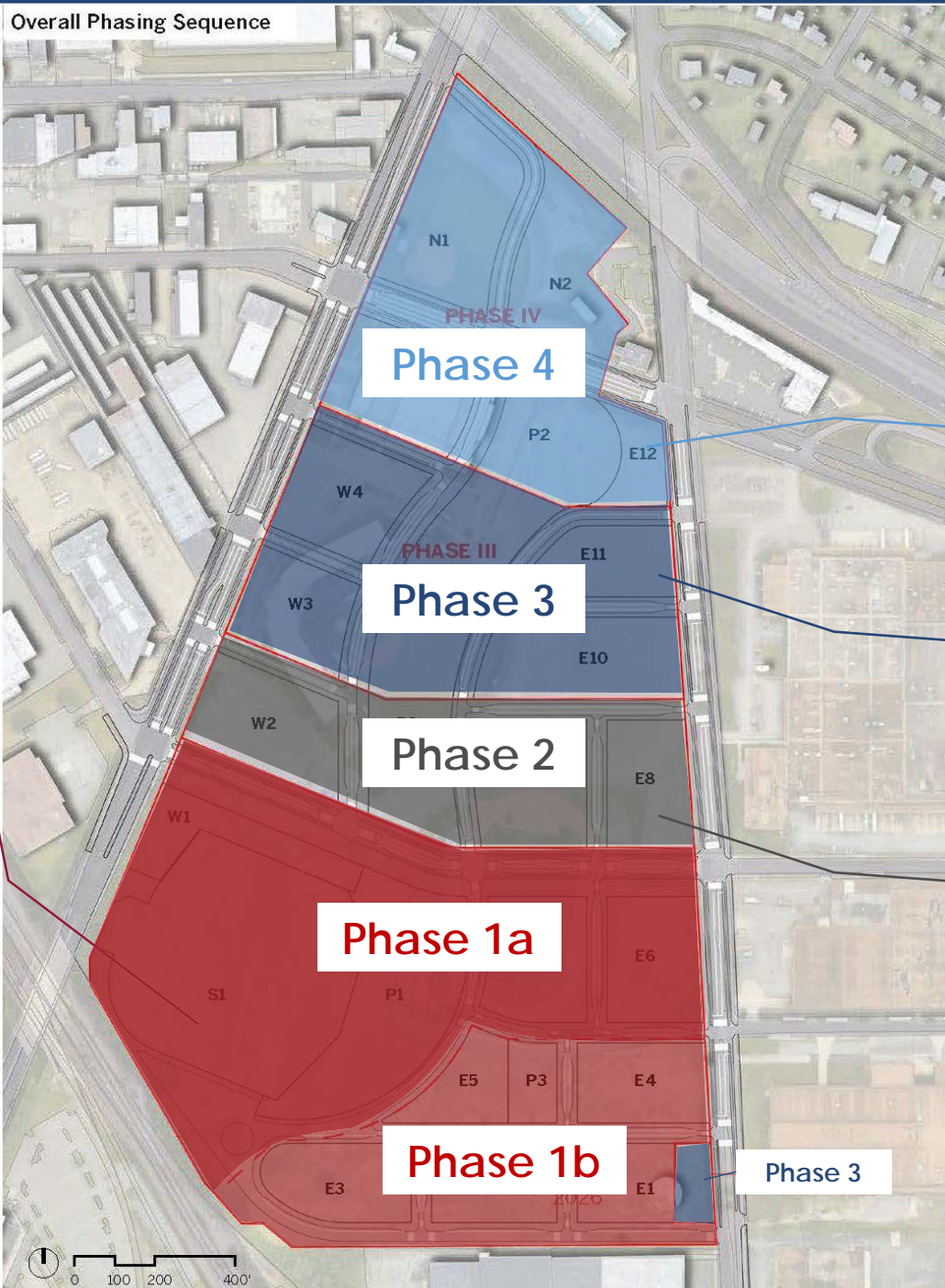


The Plan

	Phase 1	Total Build Out (Phases 1-4)
Rental Housing	1,134 units [184 at 60% AMI, 39 at 30% AMI (20 PBV)]	2,863 units [469 at 60% AMI, 100 at 30% AMI (51 PBV)]
For-sale Housing	92 units (18 at 60-70% AMI)	157 (31 at 60-70% AMI)
Office	Ability to convert multi-family parcel to office	935,000 SF
Hotel	1 hotel with 180 rooms	2 hotels with 330 rooms
Retail	58,018 SF	195,000 SF
Parking	1,695 structured parking spaces	1,695 structured parking spaces
Other	Baseball stadium 4.2 acres park space Streets and infrastructure	11.1 acres park space Streets and infrastructure
Minimum investment	\$627.6 million	\$2.44 billion



Phasing



Phase 1
Target Completion Dates:
2025: Phase 1a
2026: Phase 1b

Phase 2
Target Purchase Date: 2027

Phase 2
Target Purchase Date: 2027

Phase 2
Target Purchase Date: 2027



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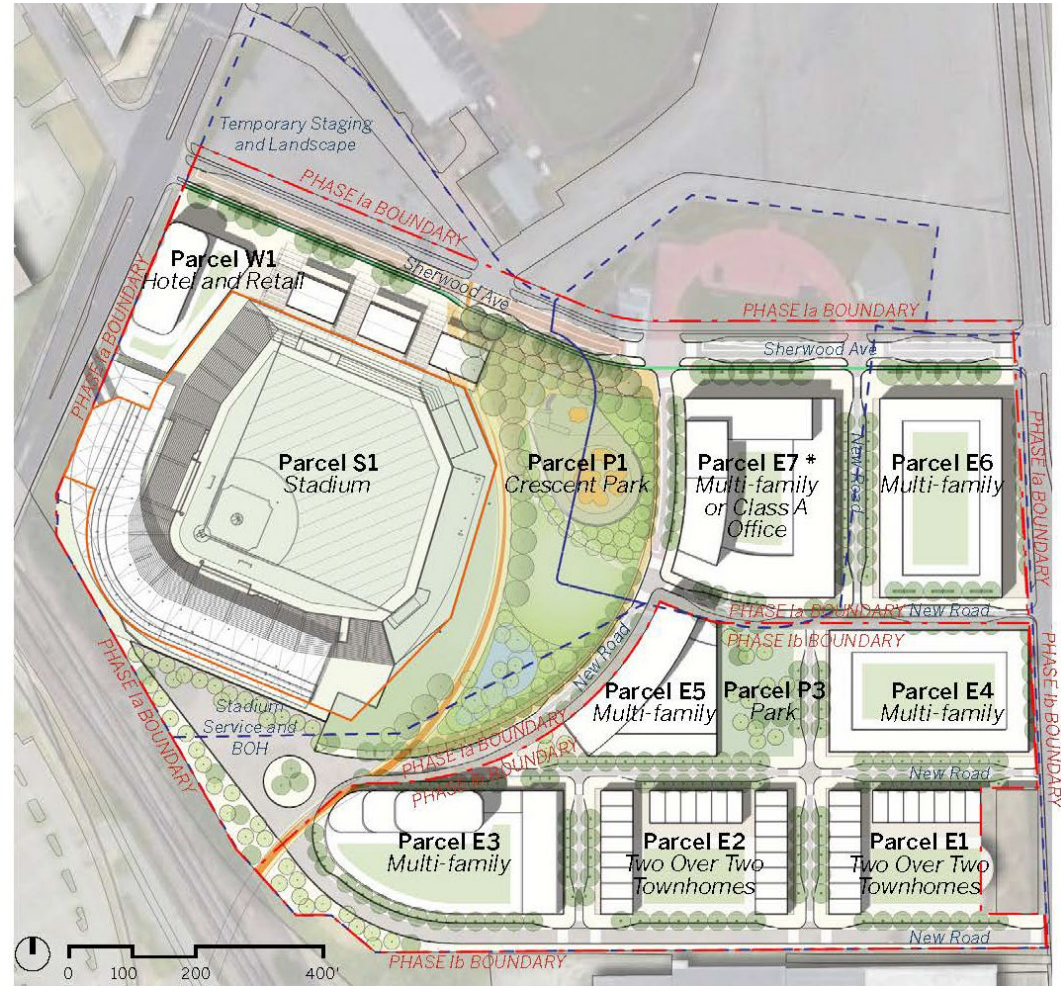
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Phase 1 Program

	Phase 1
Rental Housing	1,134 units [184 at 60% AMI, 39 at 30% AMI (20 PBV)]
For-sale Housing	92 units (18 at 60-70% AMI)
Office	Ability to convert multi-family parcel to office
Hotel	180 key hotel
Retail	58,018 SF
Parking	1,695 structured parking spaces
Other	Baseball stadium 4.2 acres park space Streets and infrastructure
Minimum investment	\$627.6 million

AMI=area median income; PBV=project-based vouchers;
SF=square feet



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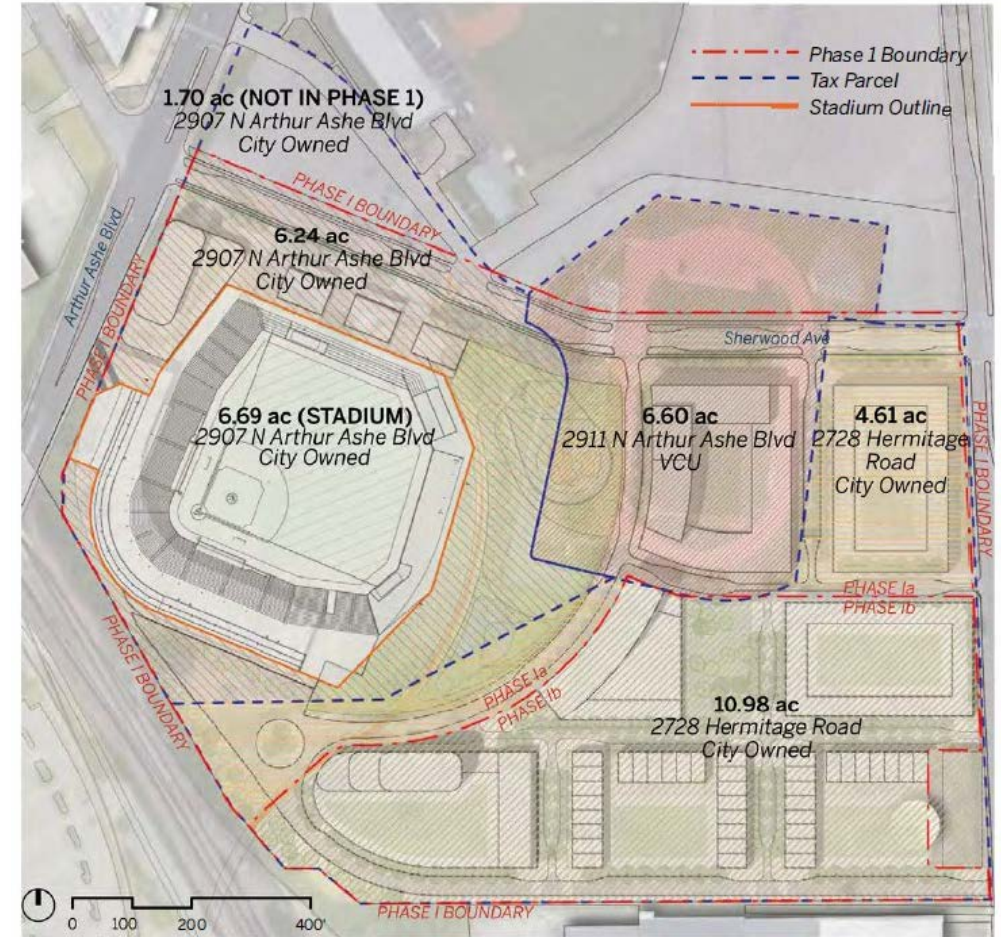
Phase 1 Investment and Purchase Price

City-owned Properties

- 21.83 acres
- \$16,000,000 purchase price

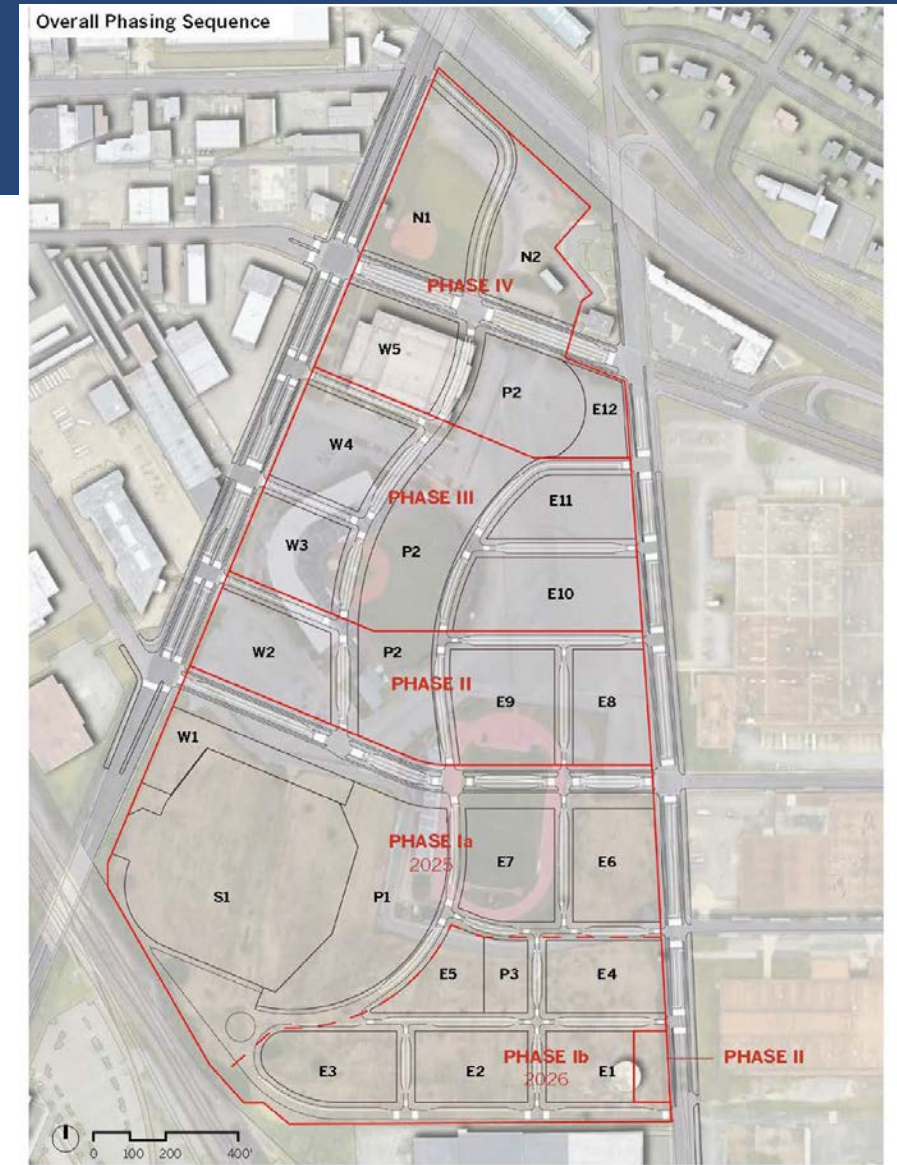
Sports Backers Stadium Property

- 6.6 acres
- RVA Diamond Partners shall purchase the property from its owner



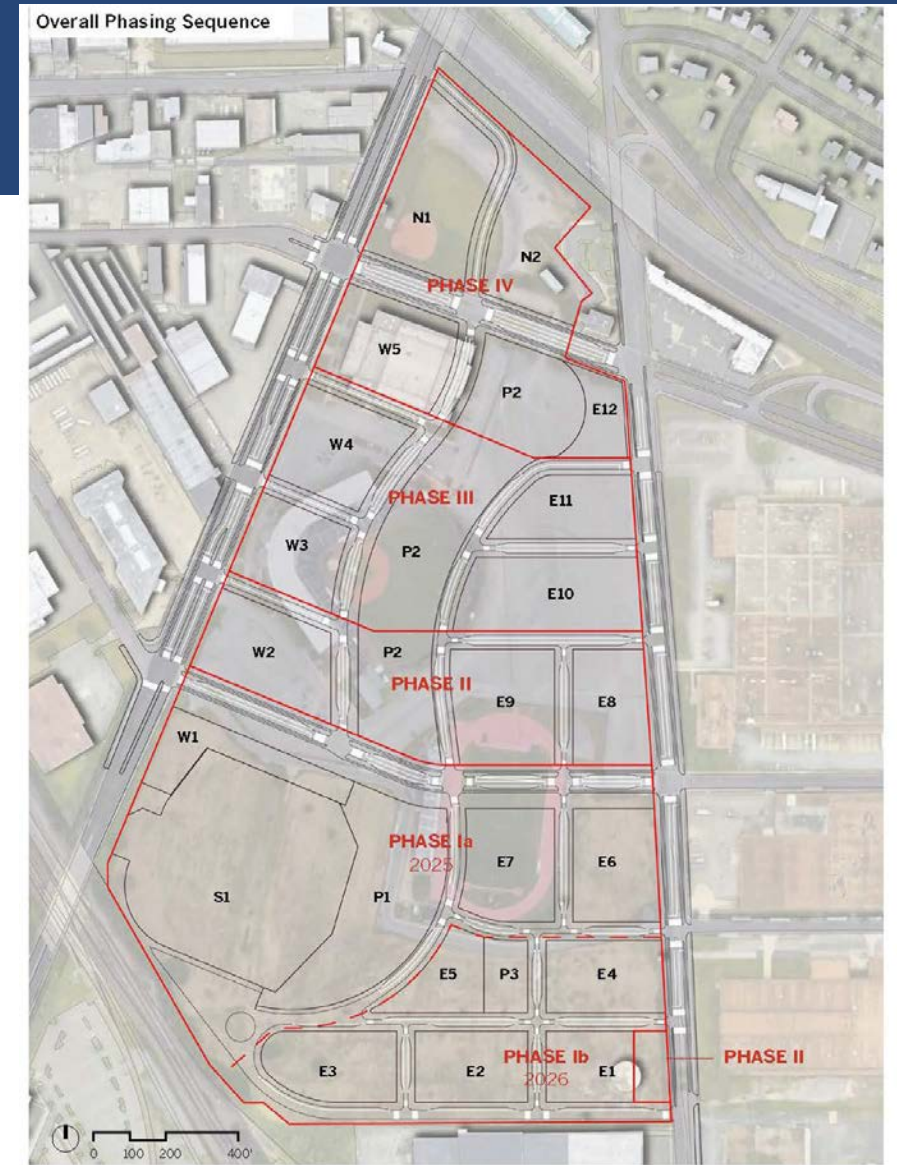
Phases 2-4 Purchase Price

Phase	Purchase Price	Acreage	Phase
Phase 2	\$7,260,000	7.34	Q4 2027
Phase 3	\$16,390,000	12.90	Q4 2030
Phase 4	\$28,680,000	11.90	Q4 2033



Developer Sells Property

- If the Developer sells individual parcels and makes at least a 20% internal rate of return (IRR) on the sale, the City and the Developer will share the proceeds after the 20% IRR at a 50/50 split
- The City's proceeds, subject to Council approval, will be used for programs that support economic inclusiveness, such as the Affordable Housing Trust Fund



Baseball Stadium

- Substantially complete by March 1, 2025 in time for Opening Day for the 2025 Minor League Baseball



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Baseball Stadium – Ownership and Management

- The Economic Development Authority (EDA) will own the stadium
- The EDA will enter into lease agreements with the Flying Squirrels and VCU
- The EDA and the Developer will select third-party manager to operate and manage the stadium subject to responsibilities detailed in the lease agreements with the Flying Squirrels and VCU in the lease
- Used by the Flying Squirrels, VCU and throughout the year



Infrastructure

- Construct all required public infrastructure
- Traffic Impact Analysis
- Design Guidelines
- Project Expeditor



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Retail, Office and Hotel

	Phase 1	Total Build Out (Phases 1-4)
Office	Ability to convert multi-family parcel to office	935,000 SF
Hotel	1 hotel with 180 rooms	2 hotels with 330 rooms
Retail	58,018 SF	195,000 SF



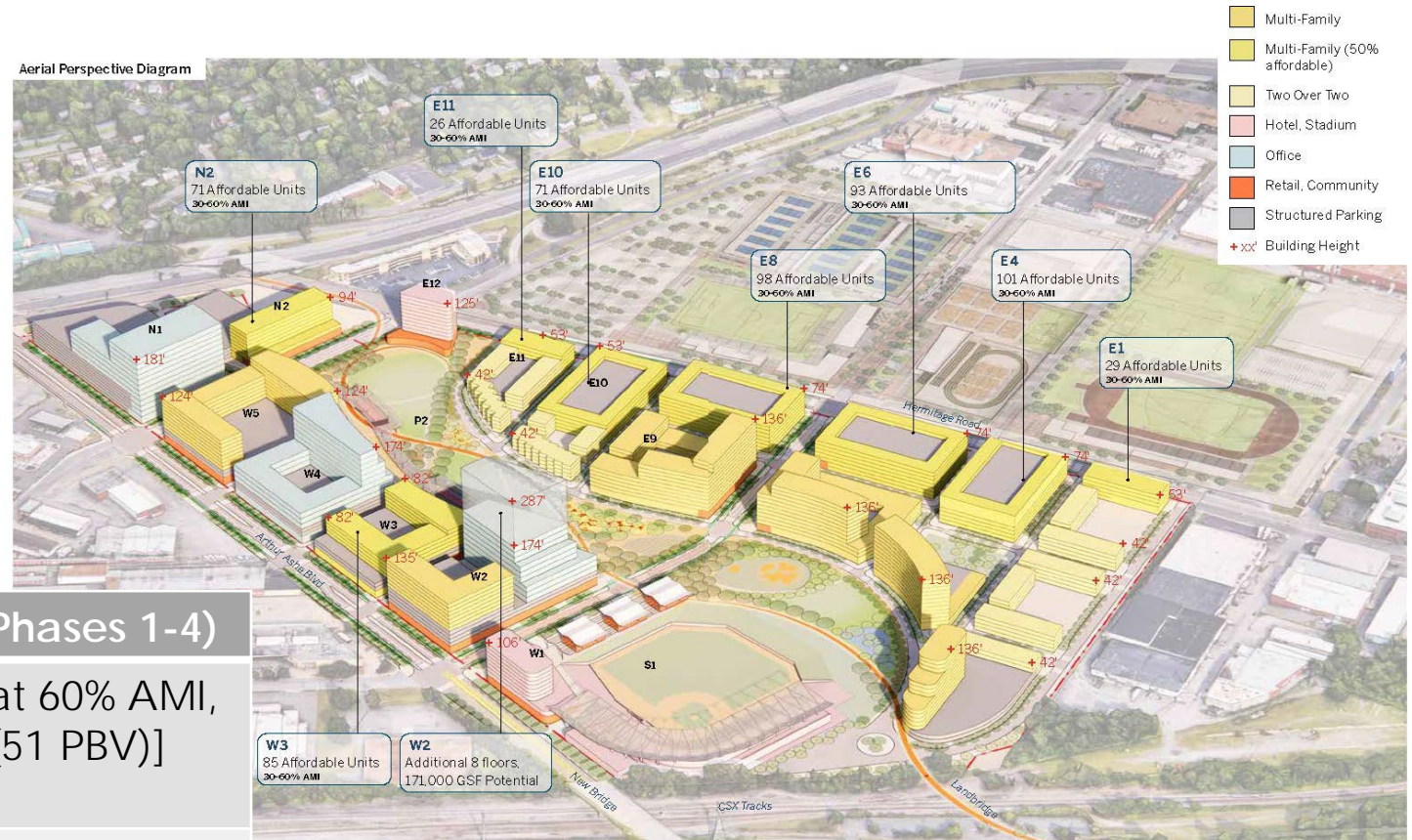
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Affordable Housing

- 20% of the residential units are affordable units
- 81 units for public housing residents with project-based vouchers
- \$1M fund to assist with affordable homeownership closing costs and fees
- Integrated in every phase



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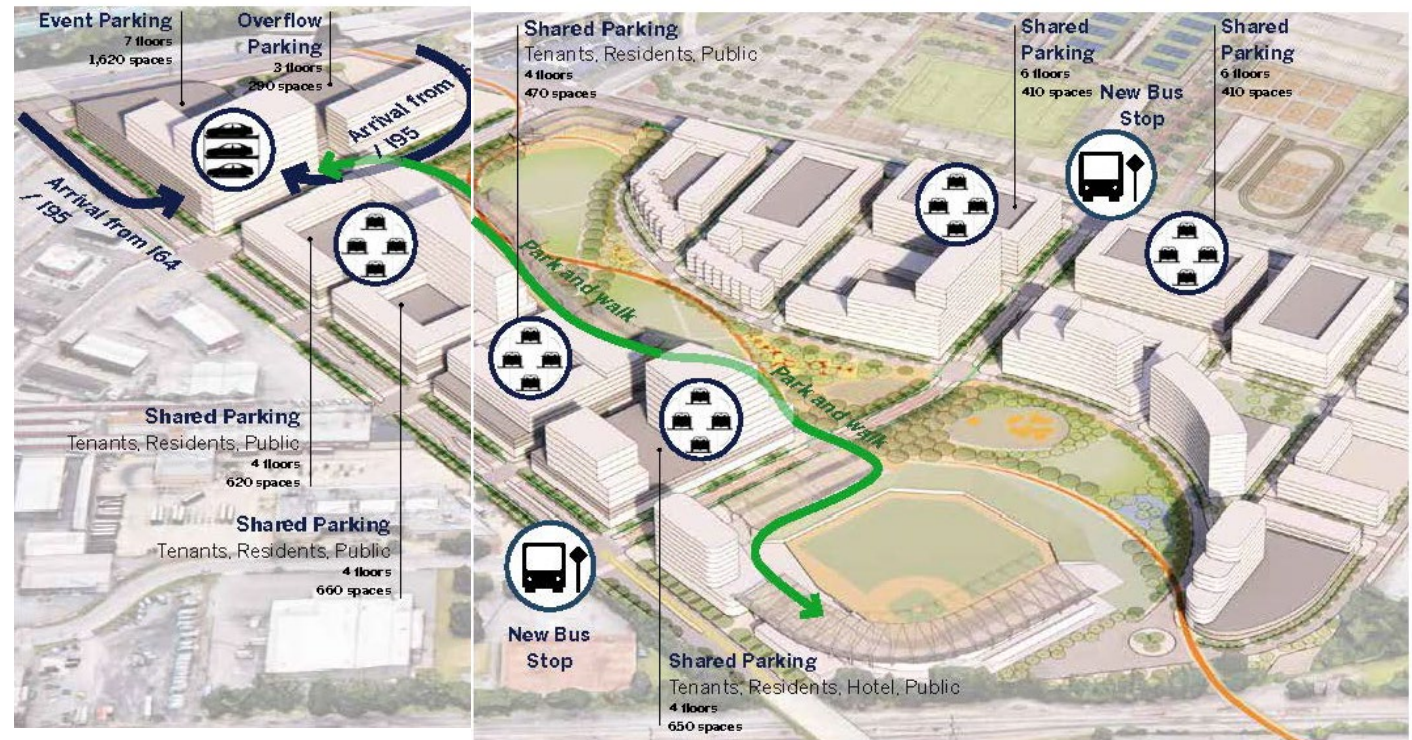
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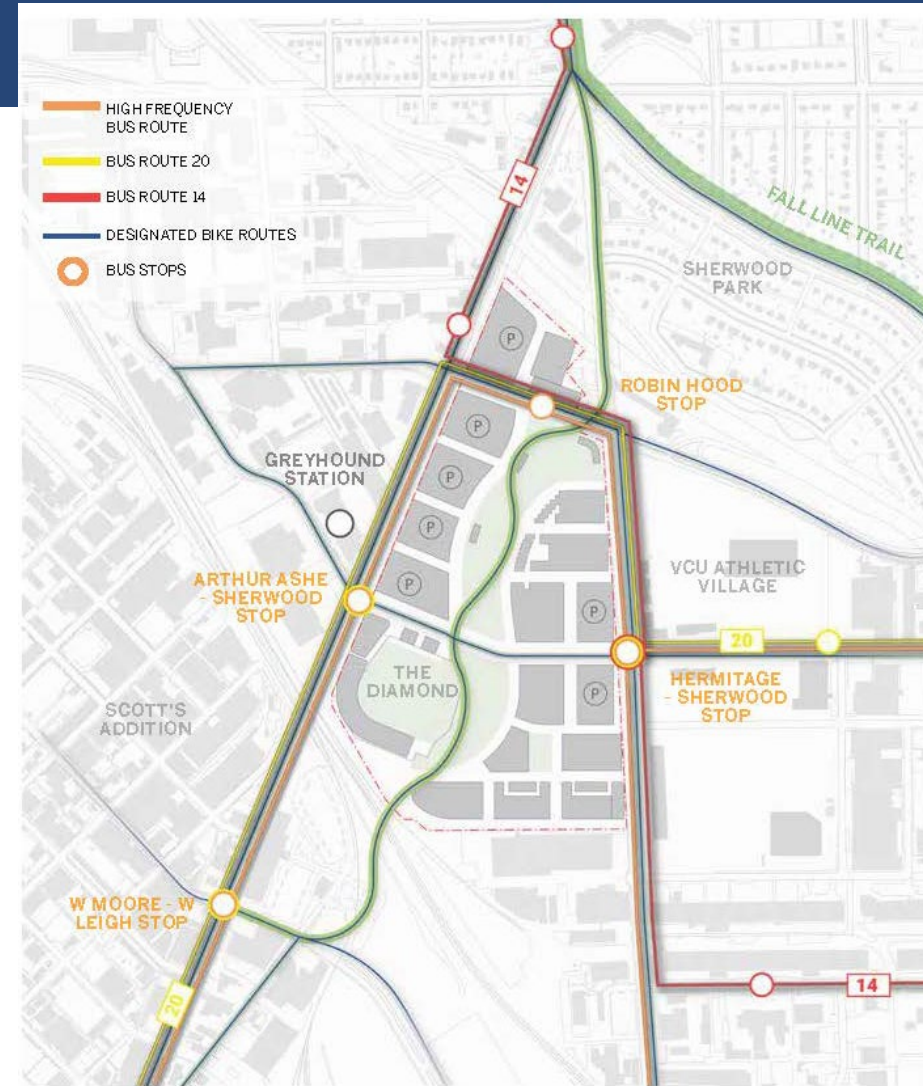
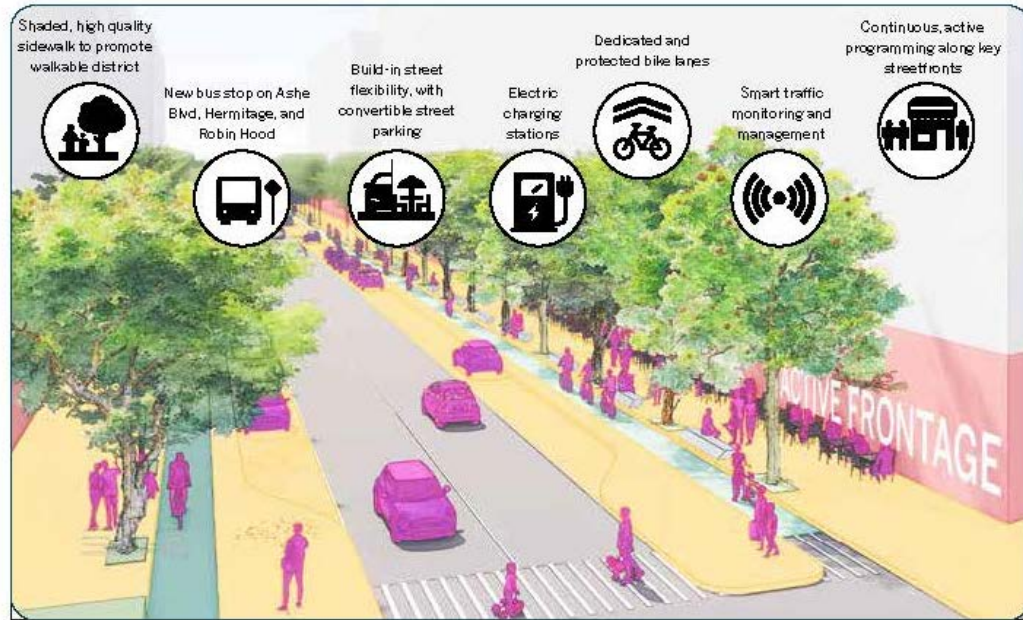
Shared Parking Strategy

	Phase 1	Total Build Out (Phases 1-4)
Parking	1,695 structured parking spaces	1,695 structured parking spaces

Proposed on-street parking locations

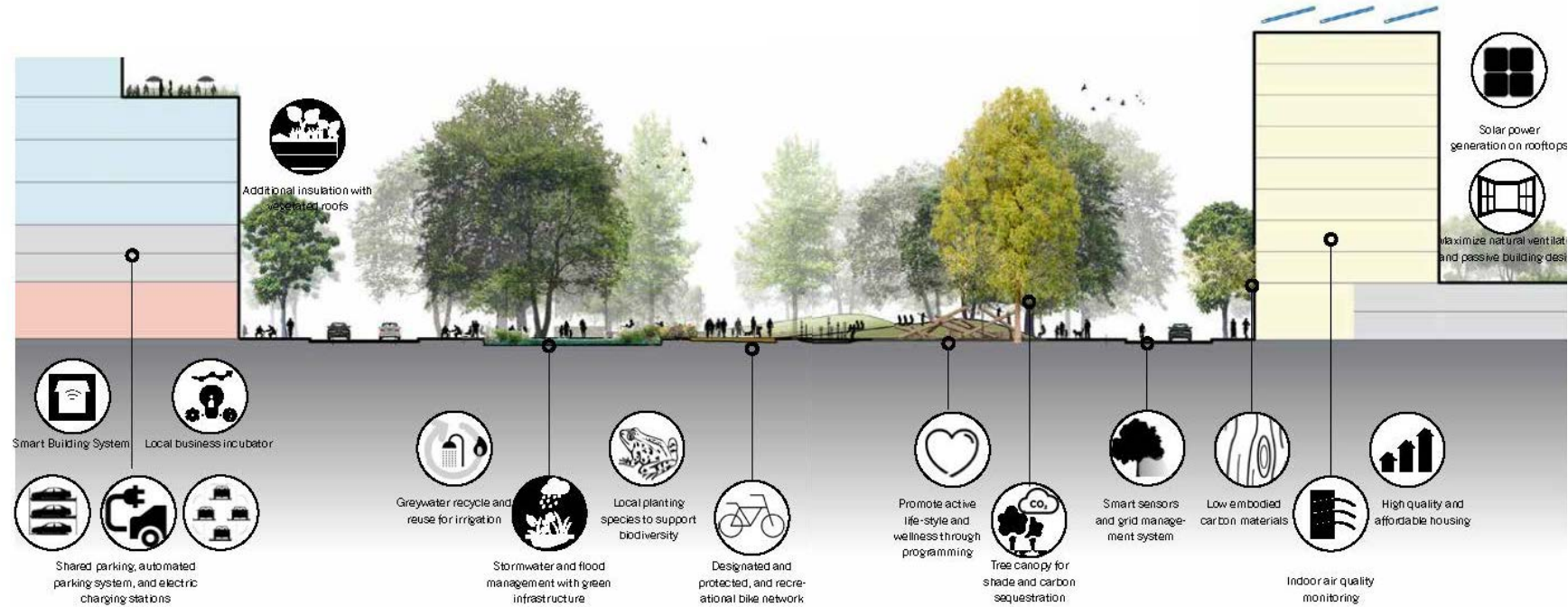


Mobility



Community Benefits – Sustainability

- Construct all buildings to at least the Silver rating in the Leadership in Energy and Environment Design (LEED) rating system
- Construct the overall Project to the Silver rating in the Sustainable SITES Initiative (SITES) rating system
- Reuse stormwater for irrigation



Community Benefits – Park

11.1-acre park
Featuring free
amenities

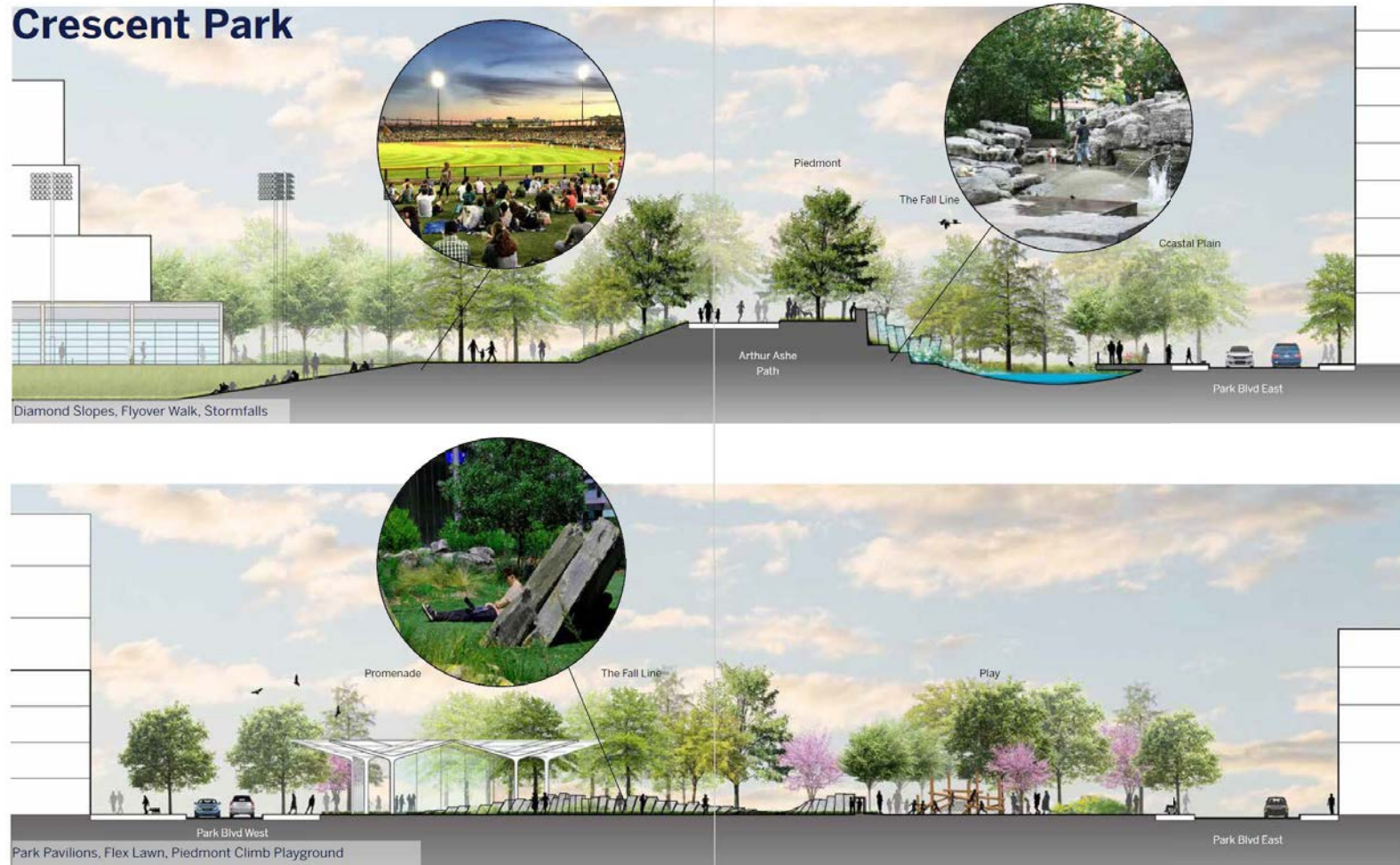


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Community Benefits – Park



Community Benefits – Public Space Activation

- Creative place making
- Public art
- Arthur Ashe Path

Gateways: Lighting Installations / Mural Arts



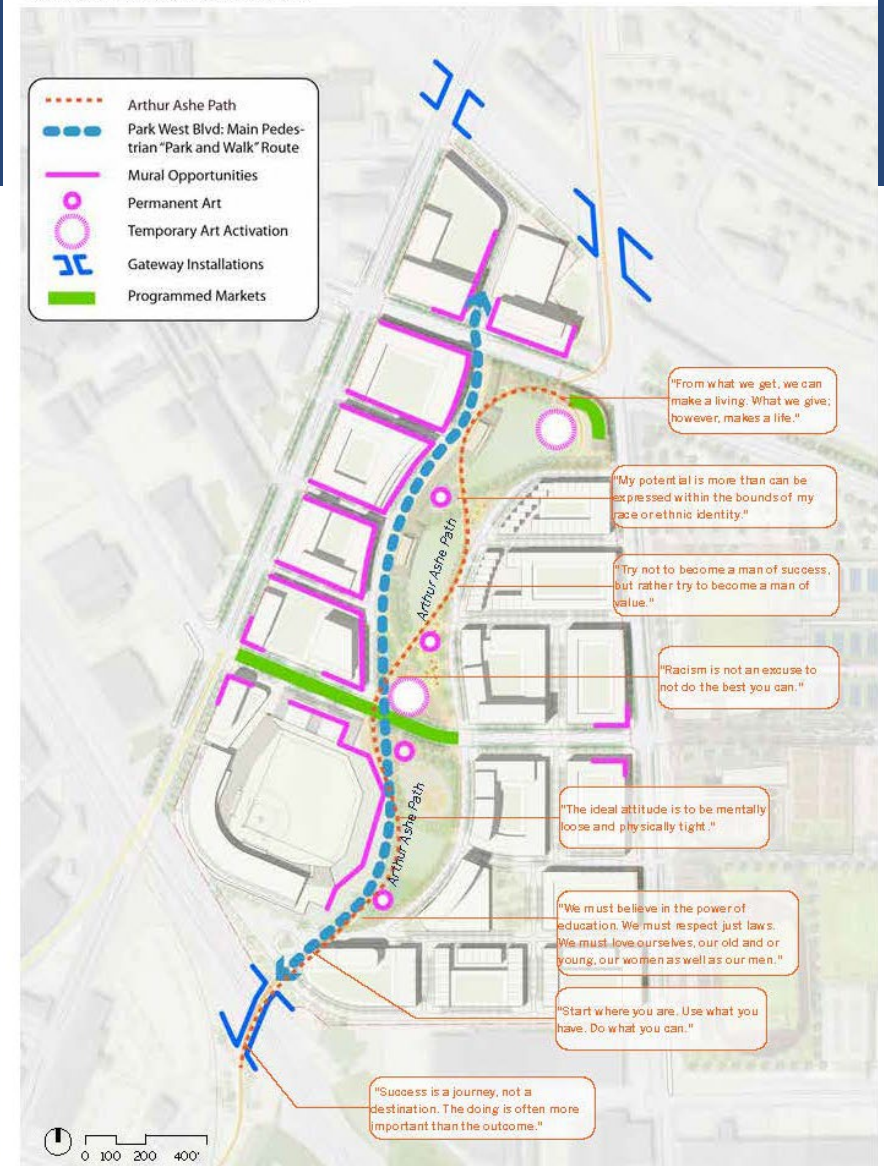
Temporary & Permanent Art: Sculptural Play / Permanent Objects / Seasonal Installations



Programming: Street Fair Markets / Movies in the Park / Fitness Programming



Public Realm Activation Diagram



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Community Benefits – Jobs

- Construction jobs to Richmonders
- Minimum construction wages
- 40% union labor for the stadium and infrastructure
- 25% union labor for the privately financed portions of the project
- Workforce development plan to be approved by the Office of Community Wealth Building



Community Benefits – MBE/ESB Participation

- 40% Minority Business Enterprise (MBE)/ Small Business (ESB) Participation in construction, on going operations and maintenance
- MBE/ESB plan to be approved by the Office of Minority Business Development
- 45% of RVA Diamond Partners general partnership is owned by an MBE firm, Loop Capital



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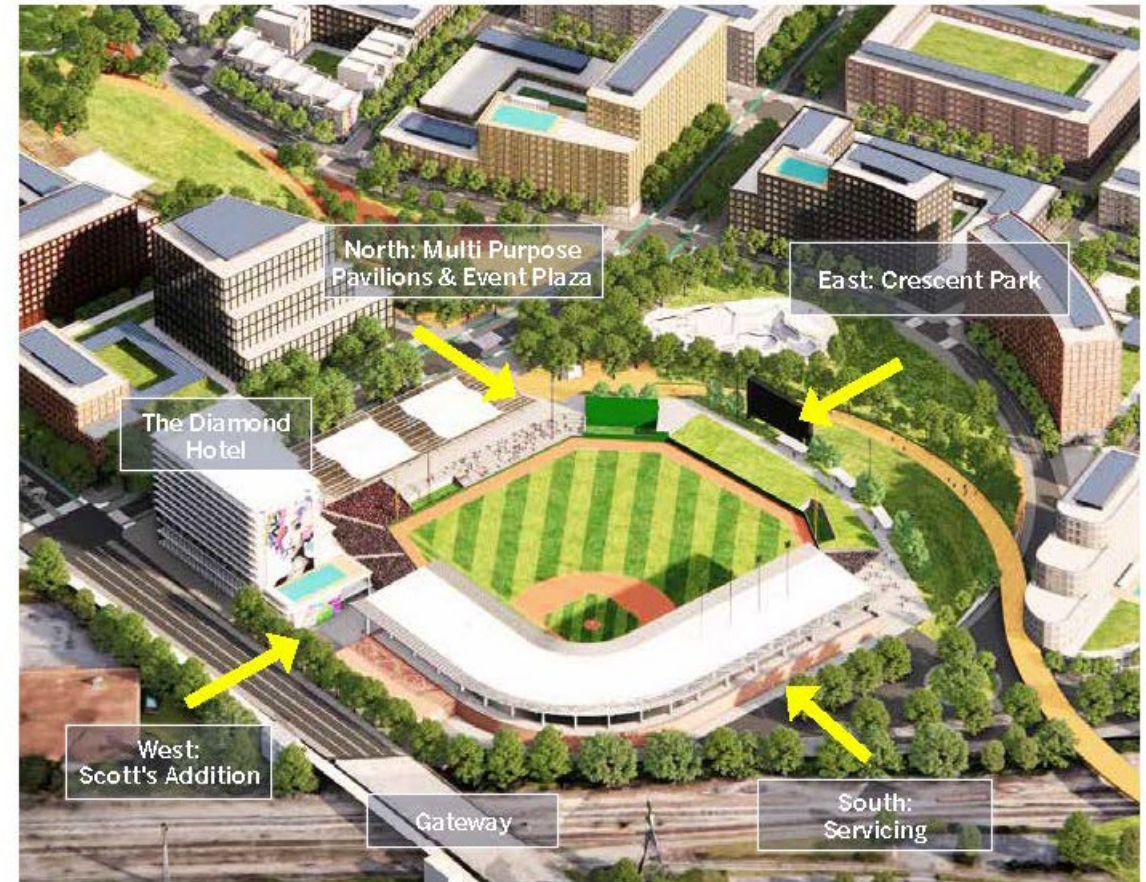
Community Benefits – Diverse Ownership

- 45% of RVA Diamond Partners general partnership is owned by an MBE firm, Loop Capital
- 5% of equity ownership made available for local investors



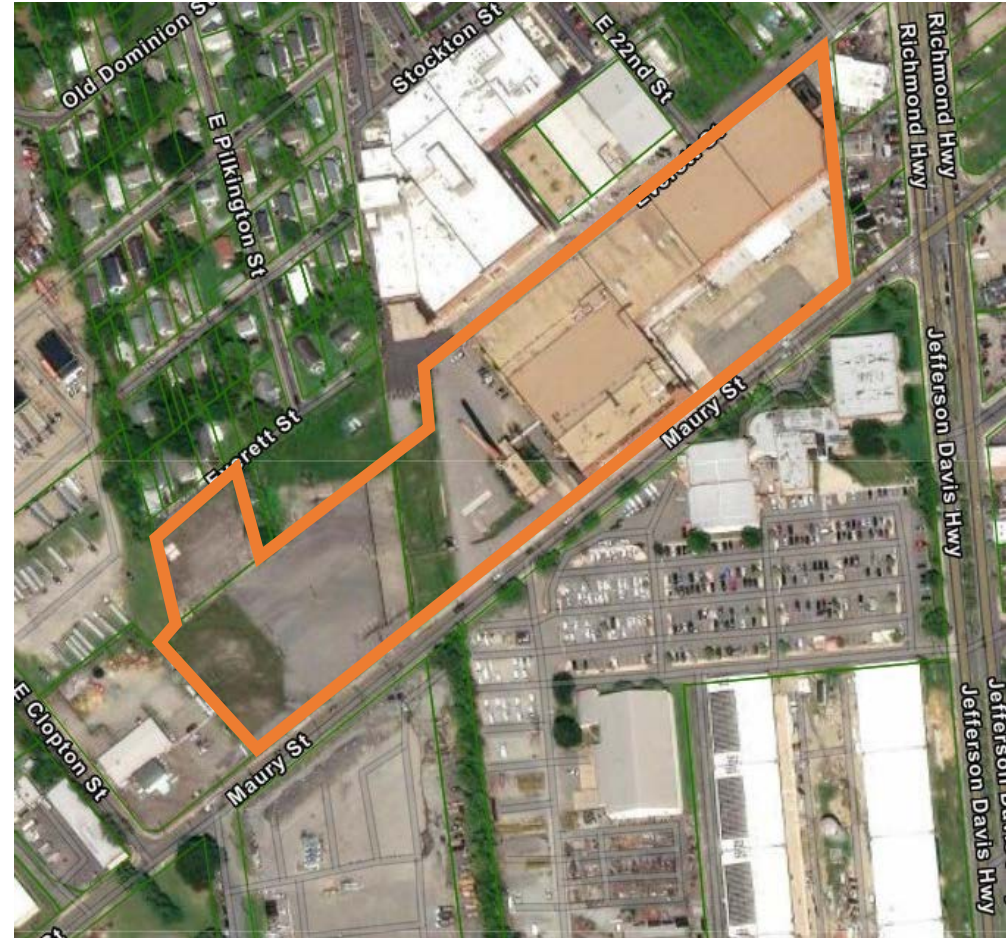
Community Benefits – Training & Small Business Growth

- Partner with Virginia Union University (VUU) to establish the Diamond District Small Business Institute and an associated \$500,000 Revolving Loan Program
- Partner with VUU's hospitality and business programs to provide enriching student learning opportunities on the hotel development and financing



Community Benefits – Youth

- Diamond District Scholarship Program (\$50,000 annually, commencing after Phase 1 is complete)
- Diamond District Youth Baseball League
- Good faith effort to collaborate with the School Board to develop the Technical Training Center at Maury Street and Richmond Highway
 - If Technical Training Center is developed, the Developer will hire at training coordinator



Community Development Authority

- The City will establish a Community Development Authority (CDA)
- The CDA boundaries will be the boundaries of the project
- The CDA will issue bonds to finance the construction of:
 - Infrastructure
 - Baseball stadium



Bond Financing

- The bonds will be repaid with revenue from:
 - Stadium leases
 - CDA District real estate tax, meals tax (not to include the portion set aside for RPS), local portion of the State sales tax, admissions tax, and BPOL tax
 - 2.00% surcharge paid by hotel guests in the CDA District
 - 0.25% surcharge paid by consumers for all purchases in the CDA District
- The City will transfer revenue from the sources listed above to the CDA to pay the bonds AND the City will keep the rest of the revenues



Bond Financing – Back Stop

No moral or general obligation from the City

- If the CDA District does not produce enough revenue to pay the debt service payment, then the Developer shall make a special assessment payment equal to the shortfall.
- If the Developer has to pay a special assessment in Phase 1 or 2, the amount paid shall be deducted from the sales price of Phase 2 or 3



Bond Financing – Reserve Funds

- 10% Reserve Fund
- Special Reserve Fund A - \$3.5 million
- Special Reserve Fund B - \$2.8 million
- RVA Diamond Partners shall purchase approximately \$20 million of the first series of bonds – the repayment of the \$20 million will only commence once:
 - Phase 1 is complete,
 - the debt service payment for Phase 1 exceeds the debt-service coverage requirements, and
 - RVA Diamond Partners has purchase Phase 2



Reverter

- If the project cannot be financed, even after the City and RVA Diamond Partners have worked to reduce costs and still design a baseball stadium that meets MLB's requirements, then the phase 1 purchased property shall revert to the City, the EDA will terminate stadium leases, and the City shall have a first right of refusal to purchase the Sports Backers Stadium property – except for RVA Diamond Partners properties that have a building or land disturbance permit or construction loan.
- If the City elects to exercise its right of revision, the City shall pay the developer an amount equal to that portion of the Purchase Price allocable to such portion of the Phase 1 Purchased Property
- If it is determined a stadium is not financeable, the developer has 90 days to develop an alternative solution before the city may exercise its right reversion



Next Steps

- **September 15, 1pm** – Finance and Economic Development Committee meeting
- **September 20, 6:30pm** – Telephone Town Hall
- **September 26, 6pm** – City Council meeting
- **Fall 2022** – Develop definitive agreements and bring them back to City Council for approval

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Thank You!

