



# The Diamond District



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REVIEW**

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DIAMOND  
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Richmond City Council  
Finance & Economic Development Committee  
September 15, 2022

# Agenda

- Introductions
  - Leonard Sledge, Director of Economic Development
  - Maritza Mercado Pechin, Deputy Director for Equitable Development
- Pre-solicitation milestones
- Solicitation process
- RVA Diamond Partners Project
- Q&A



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# Partners



## RVA Diamond Partners

Republic

LOOP CAPITAL

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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



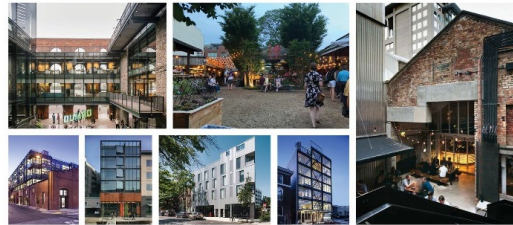
## D Allison District

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



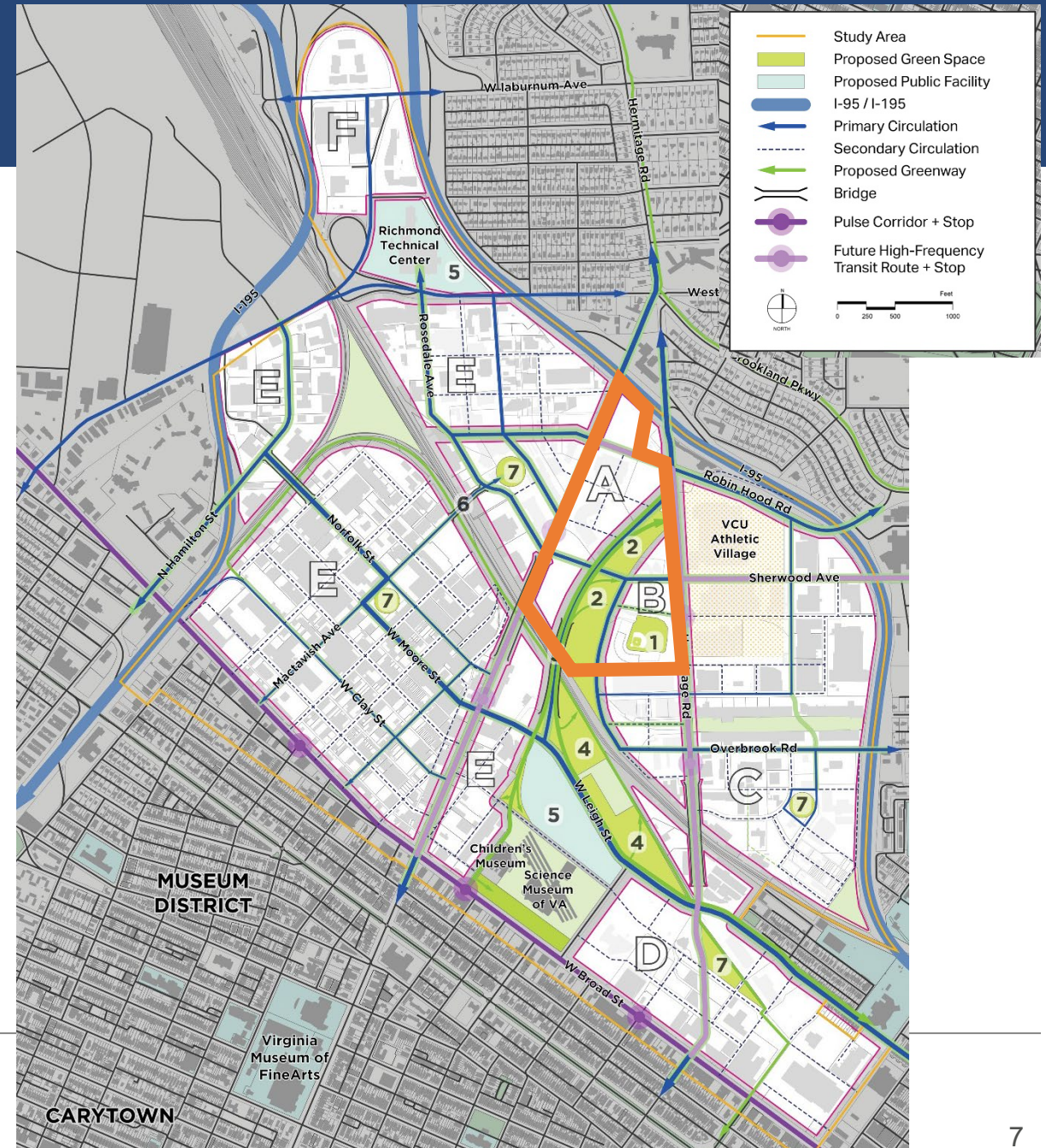
## E Industrial Mixed-Use

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



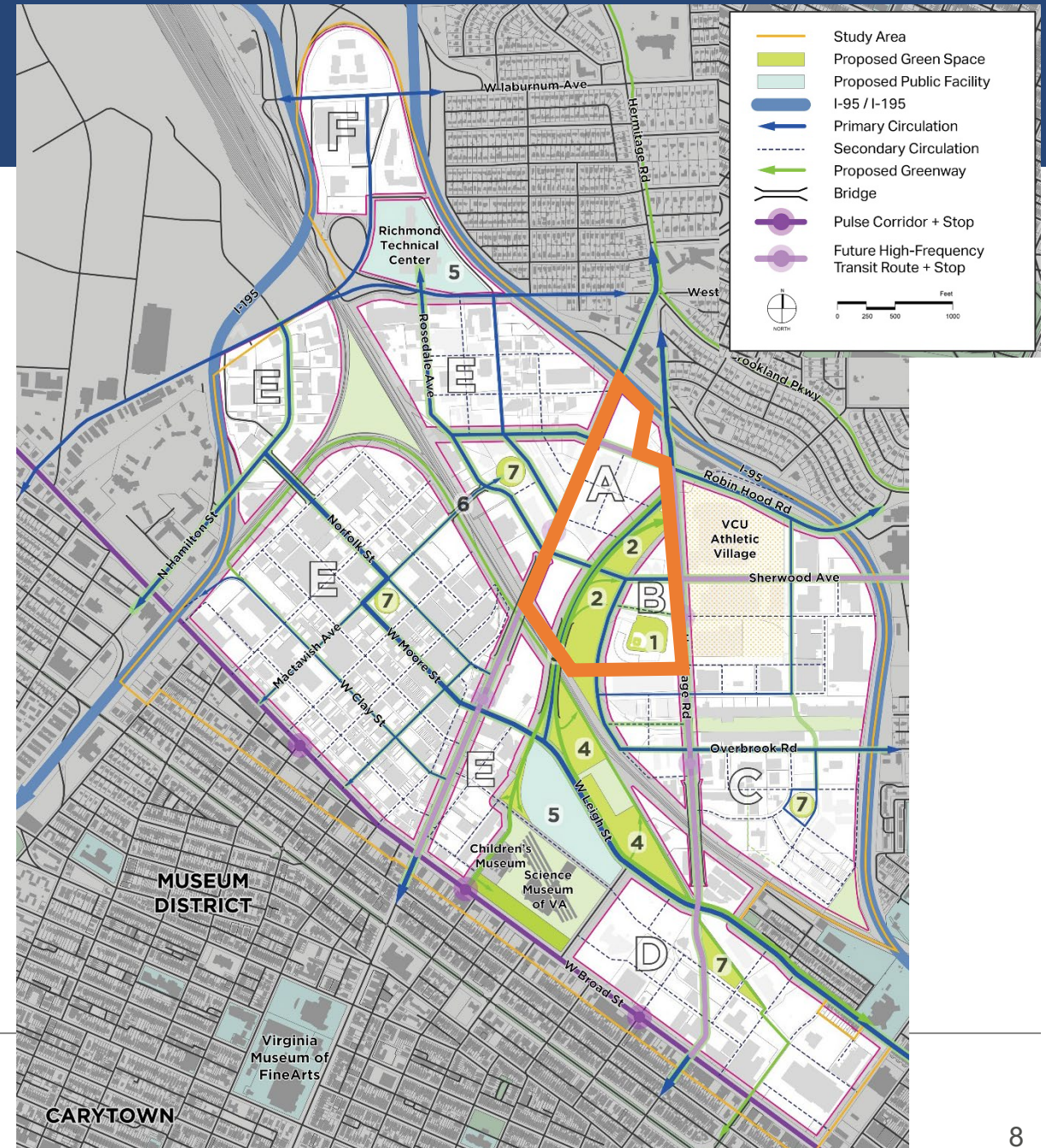
## 7 Neighborhood Parks

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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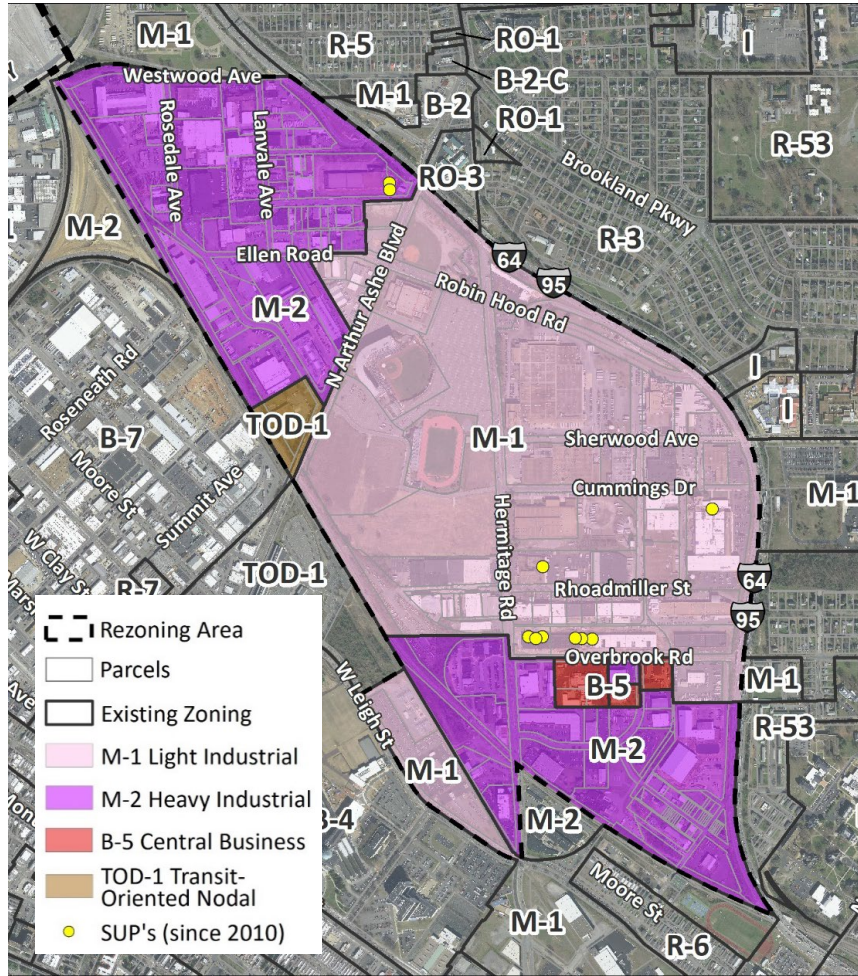
# Small Area Plan Ashe Boulevard Rendering



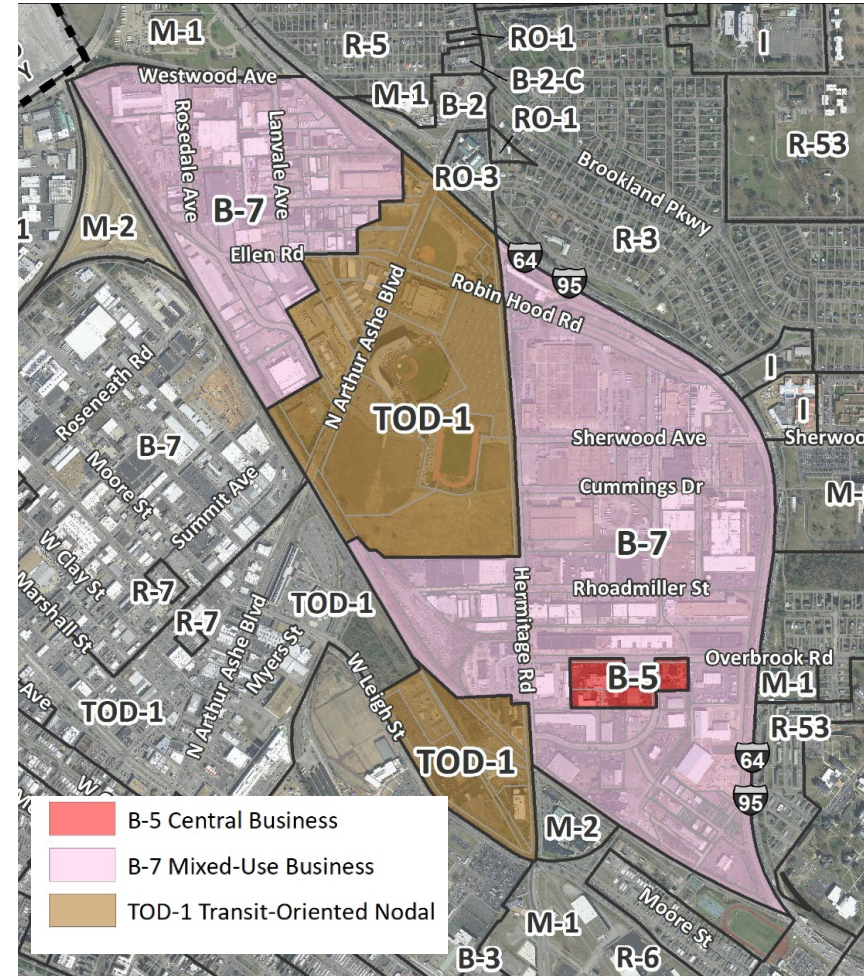
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# Previous Zoning



# New Zoning (as of July 2021)





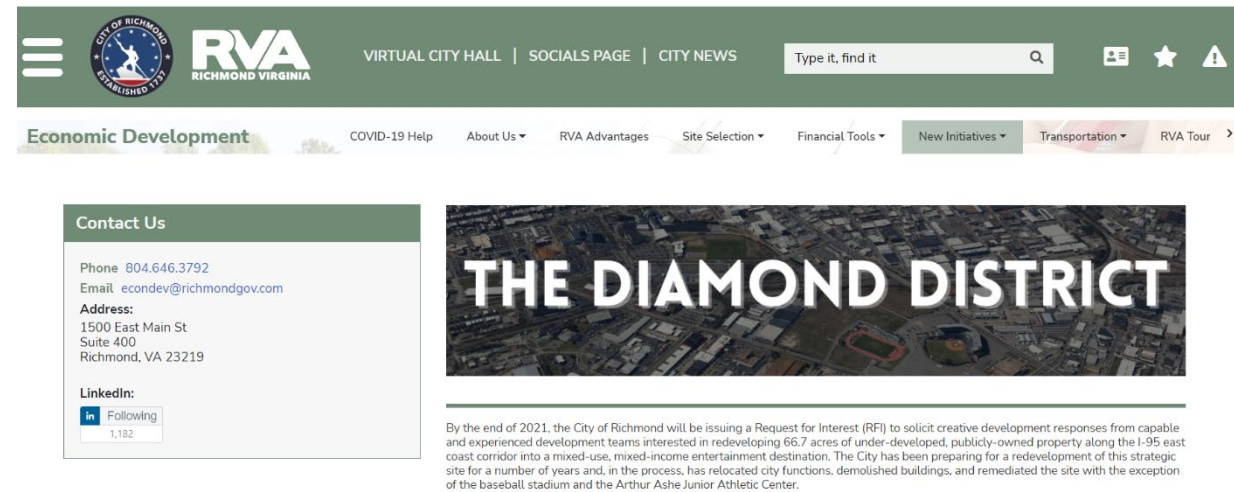
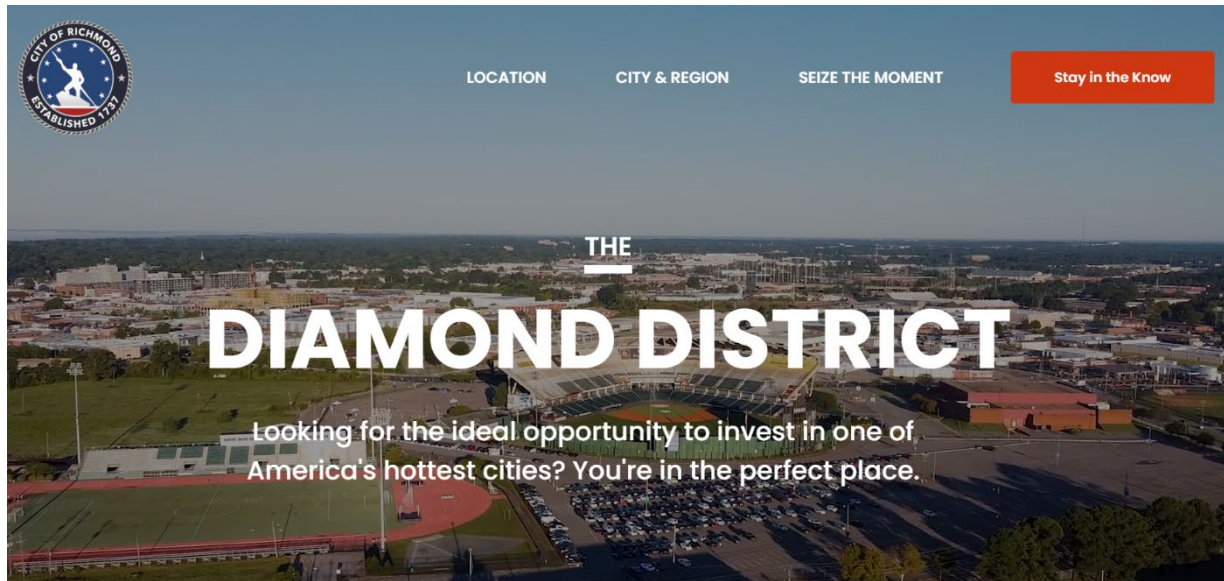
# Solicitation Process



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# Marketing



[rva.gov/economic-development/diamond](https://rva.gov/economic-development/diamond)

[rvadiamond.com](https://rvadiamond.com)



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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 Engagement<sup>2</sup>
- **Megan Field** – Senior Policy Advisor to the Chief Administrative Officer<sup>2</sup>
- **Sabrina Joy-Hogg** – Deputy Chief Administrative Officer, Administration<sup>2</sup>
- **Lynne S. Lancaster** – Deputy Director for Capital Projects and Parking Enterprise<sup>1</sup>
- **Dironna Moore-Clarke** – Administrator, Office of Equitable Transit and Mobility<sup>2</sup>
- **Billy Vaughan** – Senior Deputy Director, Department of Public Utilities<sup>2</sup>
- **Kevin Vonck** – Director, Department of Planning and Development Review<sup>2</sup>
- **Matthew A. Welch** – Policy Advisory, Planning and Economic Development Portfolio<sup>1</sup>
- **Sheila White** – Director, Finance<sup>2</sup>

**External Advisors:** AECOM, Davenport, Legal Counsel

<sup>1</sup> Attended all evaluation panel meetings; <sup>2</sup> 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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Deputy Director  
Department of Planning and Development Review  
maritza.pechin@va.gov  
(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

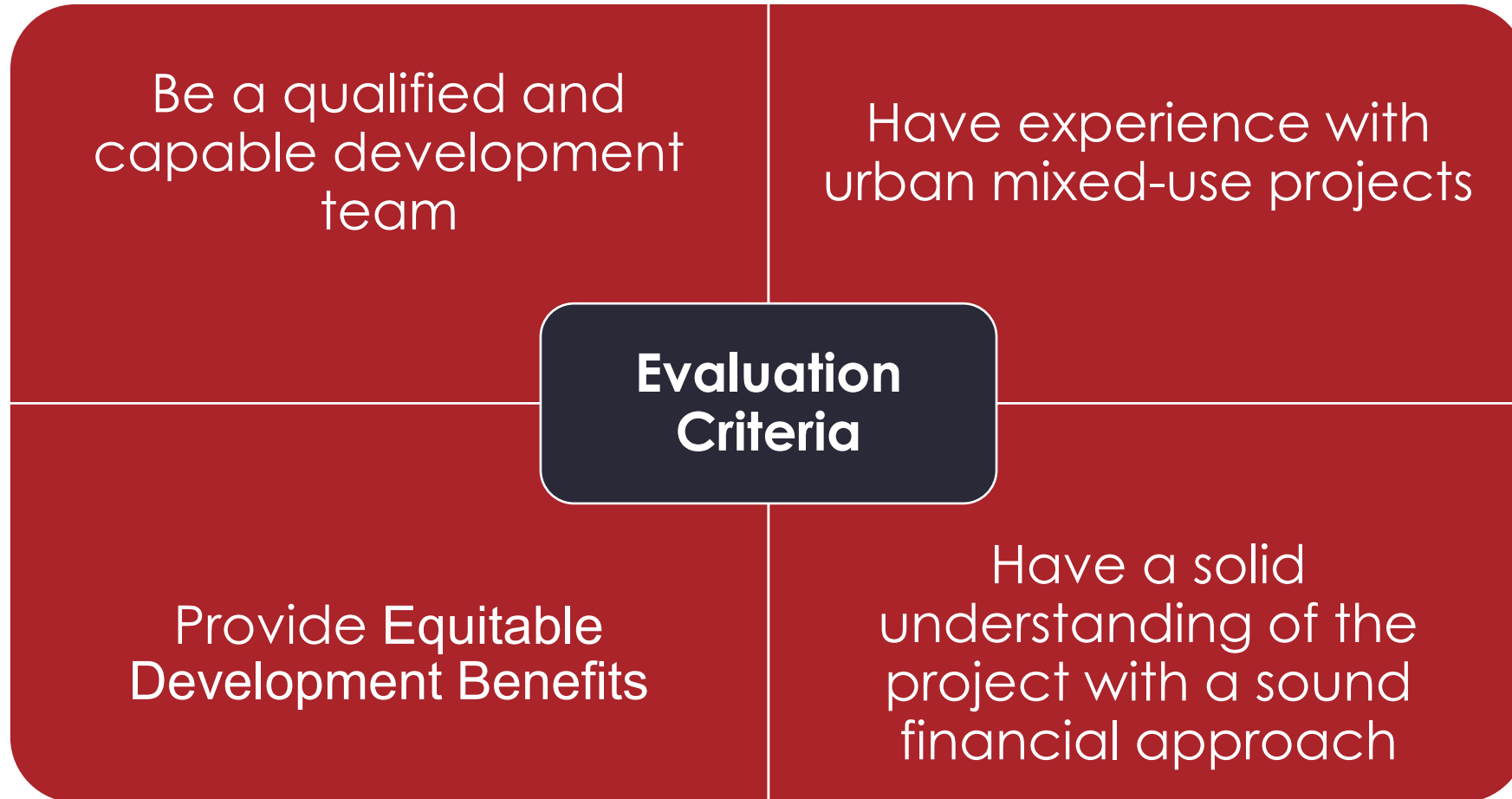
- Create a New Urban Neighborhood
- Families and Children Focused
- Provide Connectivity to Surrounding Neighborhoods
- Create a Model Sustainable District
- Honor the Legacy of Arthur Ashe Jr.
- Employment
- Promote Diversity, Equity & Inclusion
- Ensure Minority Business Enterprises and Emerging Small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

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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# RVA Diamond Partners

# Republic



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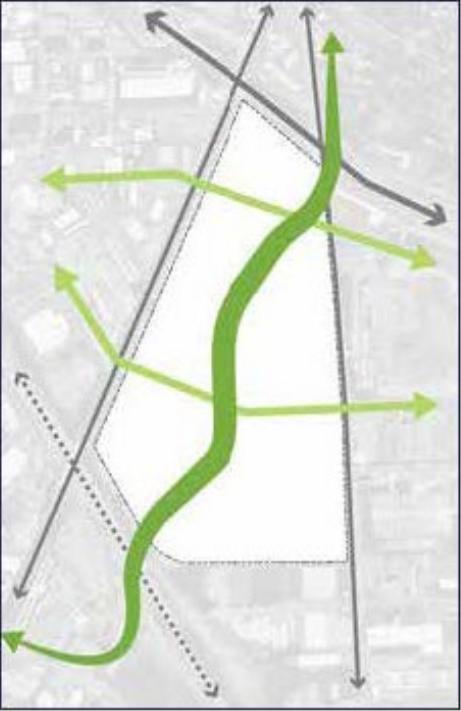
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# The Site

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



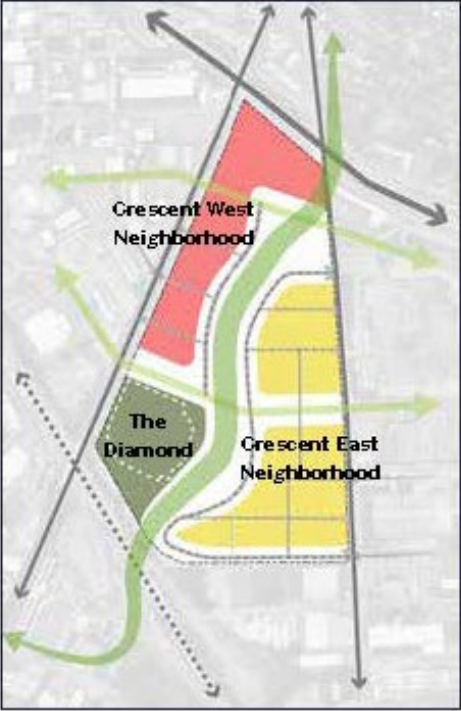
# The Plan



Crescent Park and Green Streets



Street Grid



Development Zones



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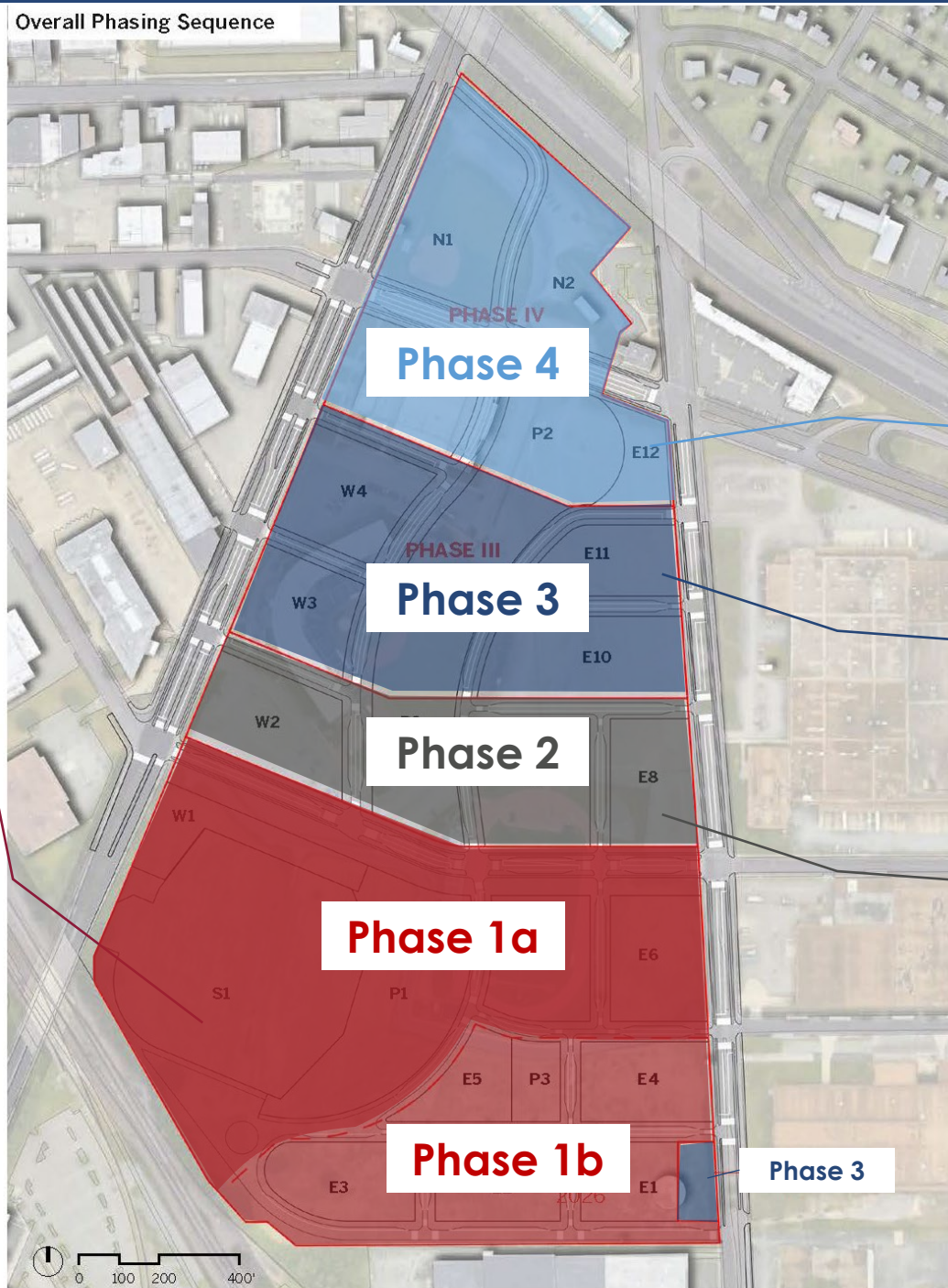
# The Plan

	Phase 1	Total Build Out (Phases 1-4)
<b>Rental Housing</b>	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)]
<b>For-sale Housing</b>	92 units (18 at 60-70% AMI)	157 (31 at 60-70% AMI)
<b>Office</b>	Ability to convert multi-family parcel to office	935,000 SF
<b>Hotel</b>	1 hotel with 180 rooms	2 hotels with 330 rooms
<b>Retail</b>	58,018 SF	195,000 SF
<b>Parking</b>	1,695 structured parking spaces	6,800 structured parking spaces
<b>Other</b>	Baseball stadium 4.2 acres park space Streets and infrastructure	11.1 acres park space Streets and infrastructure
<b>Minimum investment</b>	\$627.6 million	\$2.44 billion





# Phasing



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

**Phase 4**  
Target Purchase Date: 2033

**Phase 3**  
Target Purchase Date: 2030

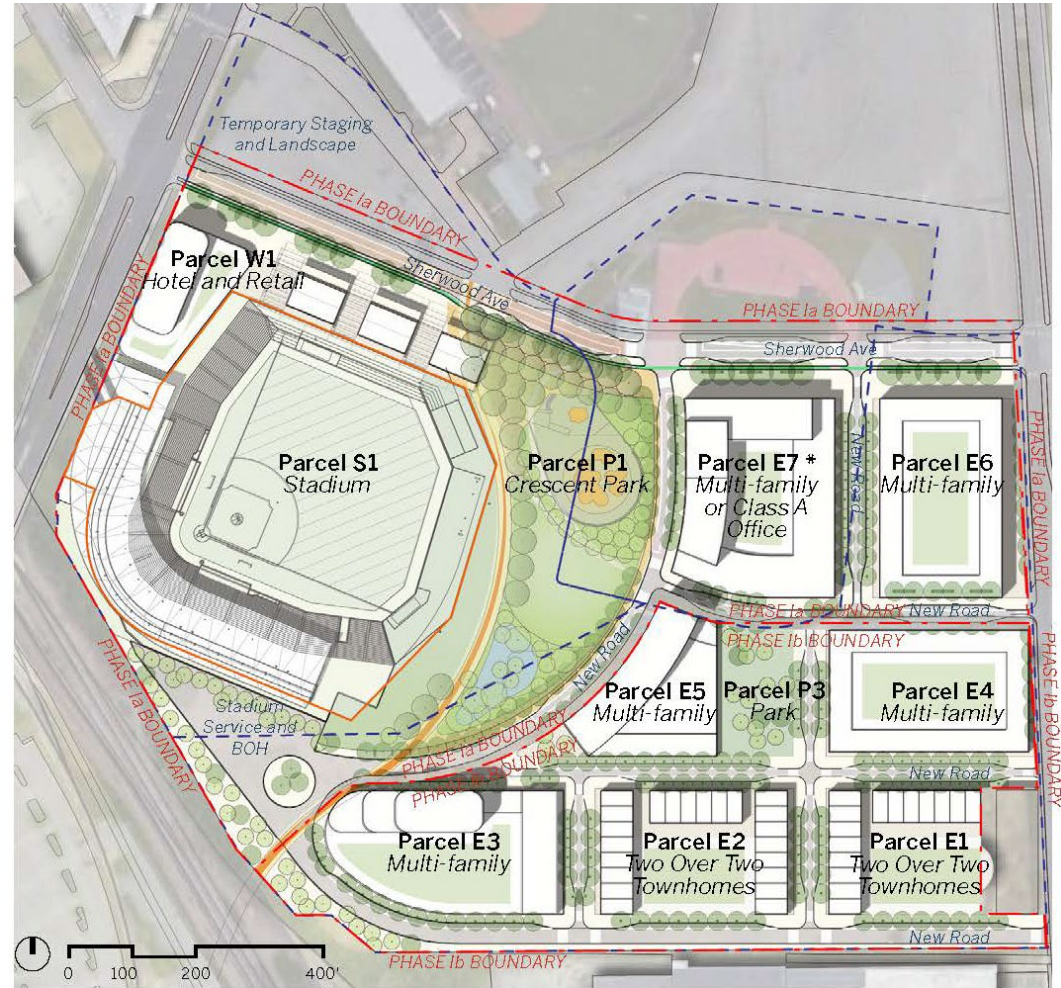
**Phase 2**  
Target Purchase Date: 2027



# Phase 1 Program

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

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



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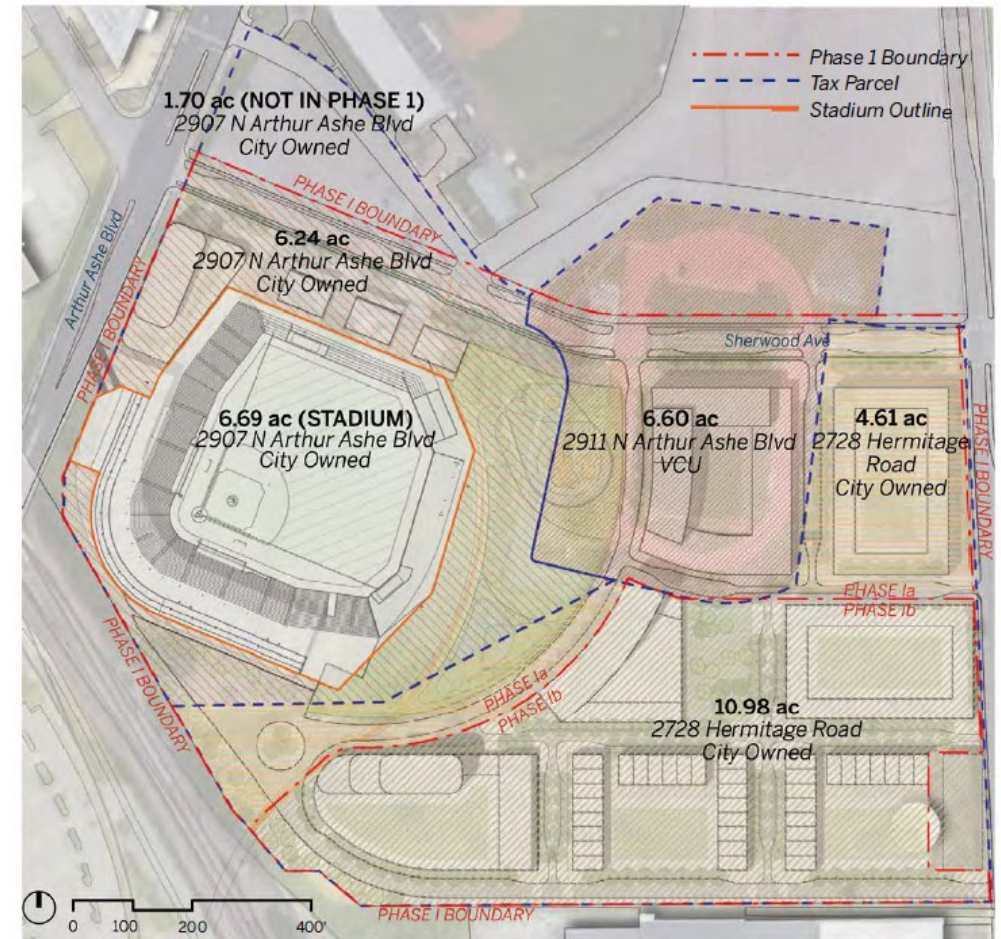
# Phase 1 Investment and Purchase Price

## City-owned Properties

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

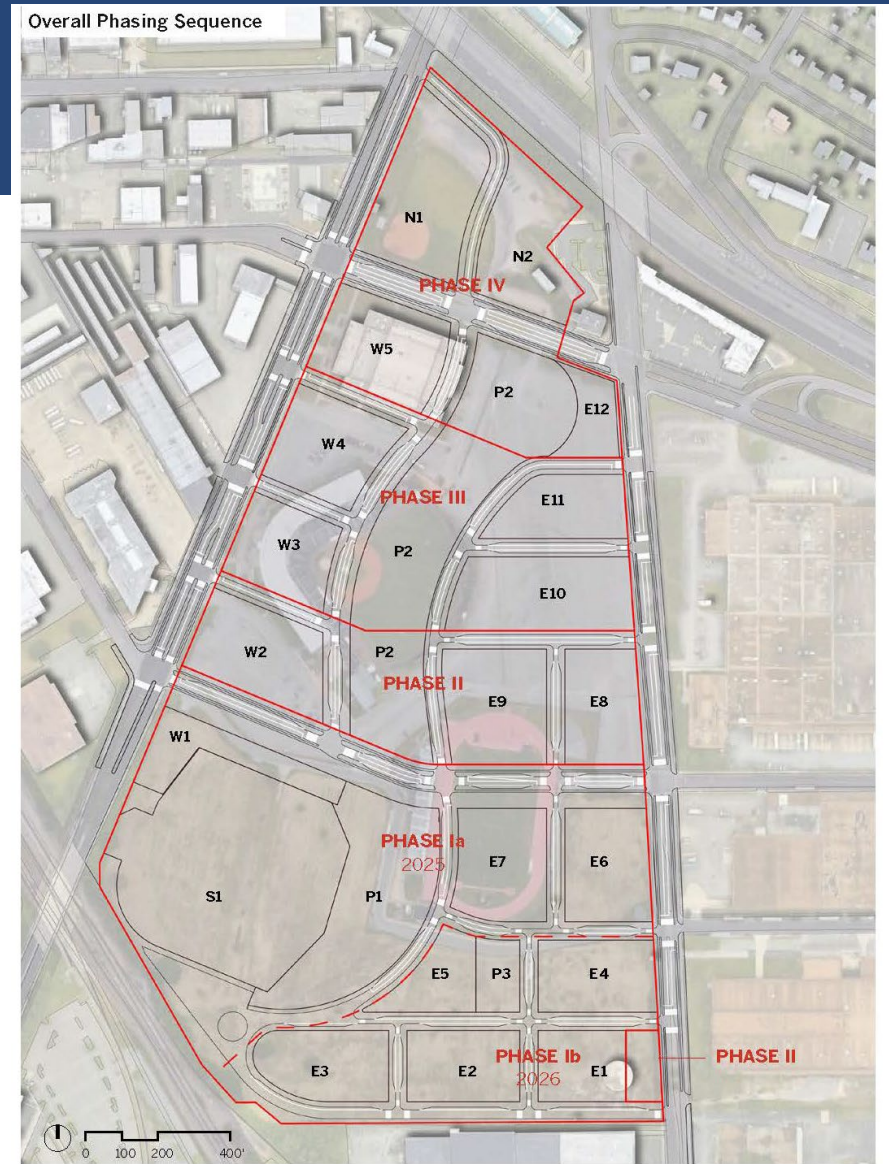
## Sports Backers Stadium Property

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



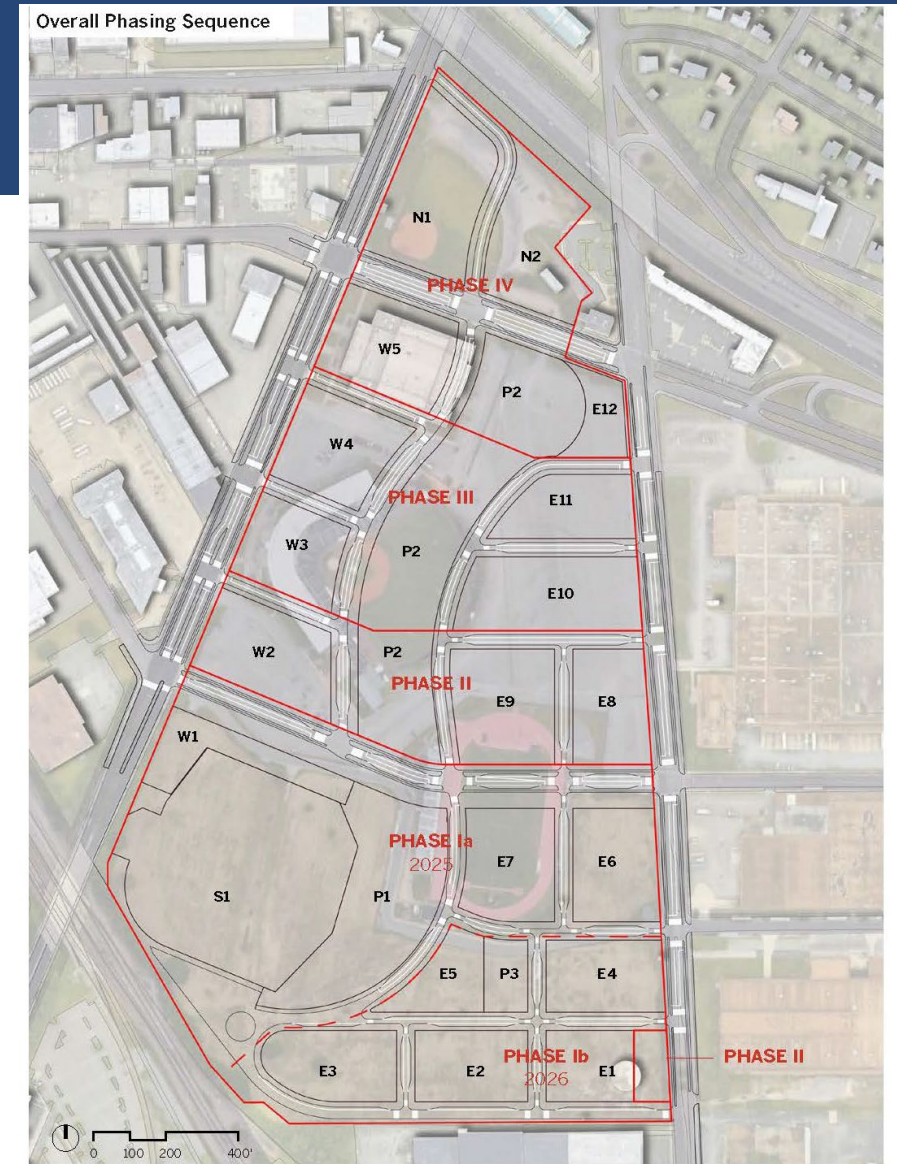
# Phases 2-4 Purchase Price

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

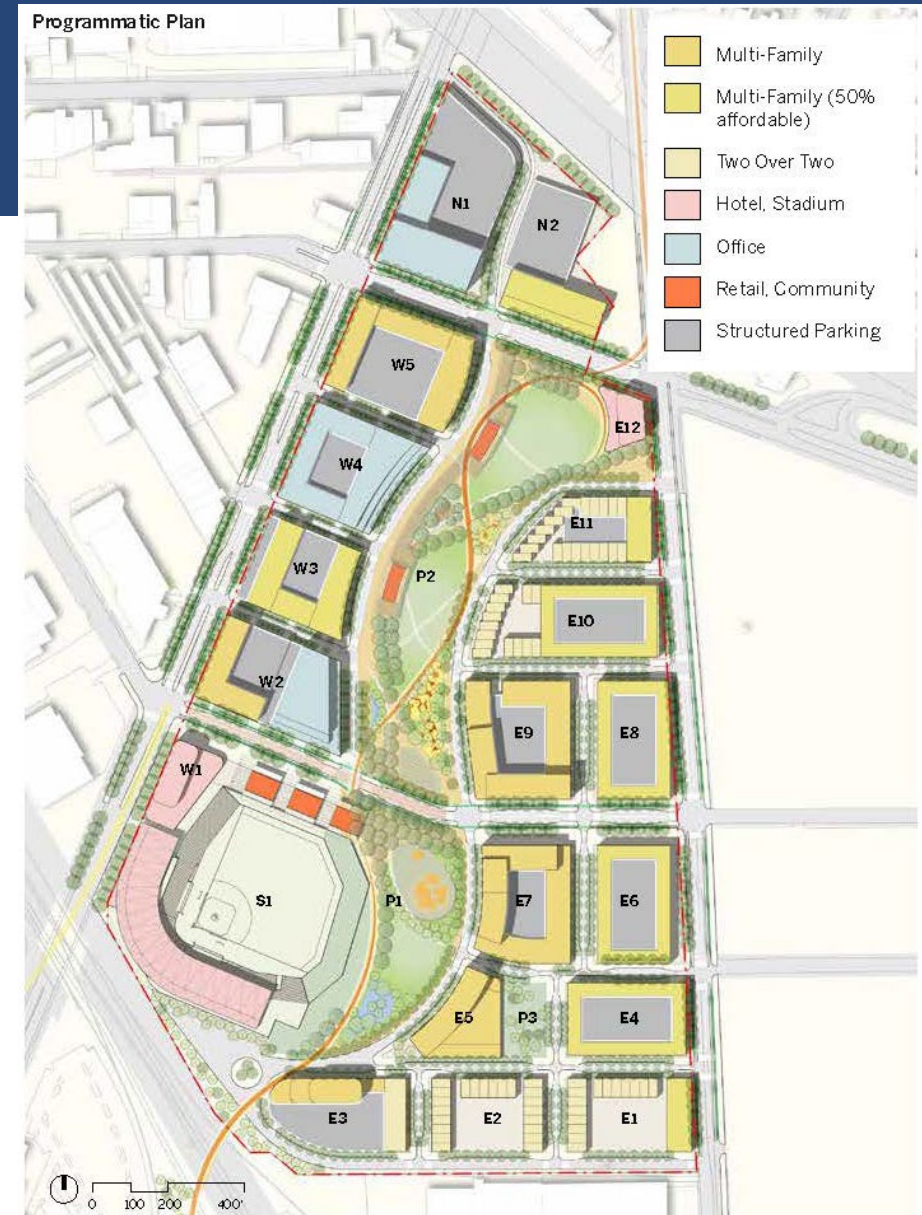
- Developer to construct all required public infrastructure
- Developer to construct a park
- Developer to develop a Traffic Impact Analysis
- City and Developer to create Design Guidelines
- City to designate a Project Expeditor





# Retail, Office and Hotel

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



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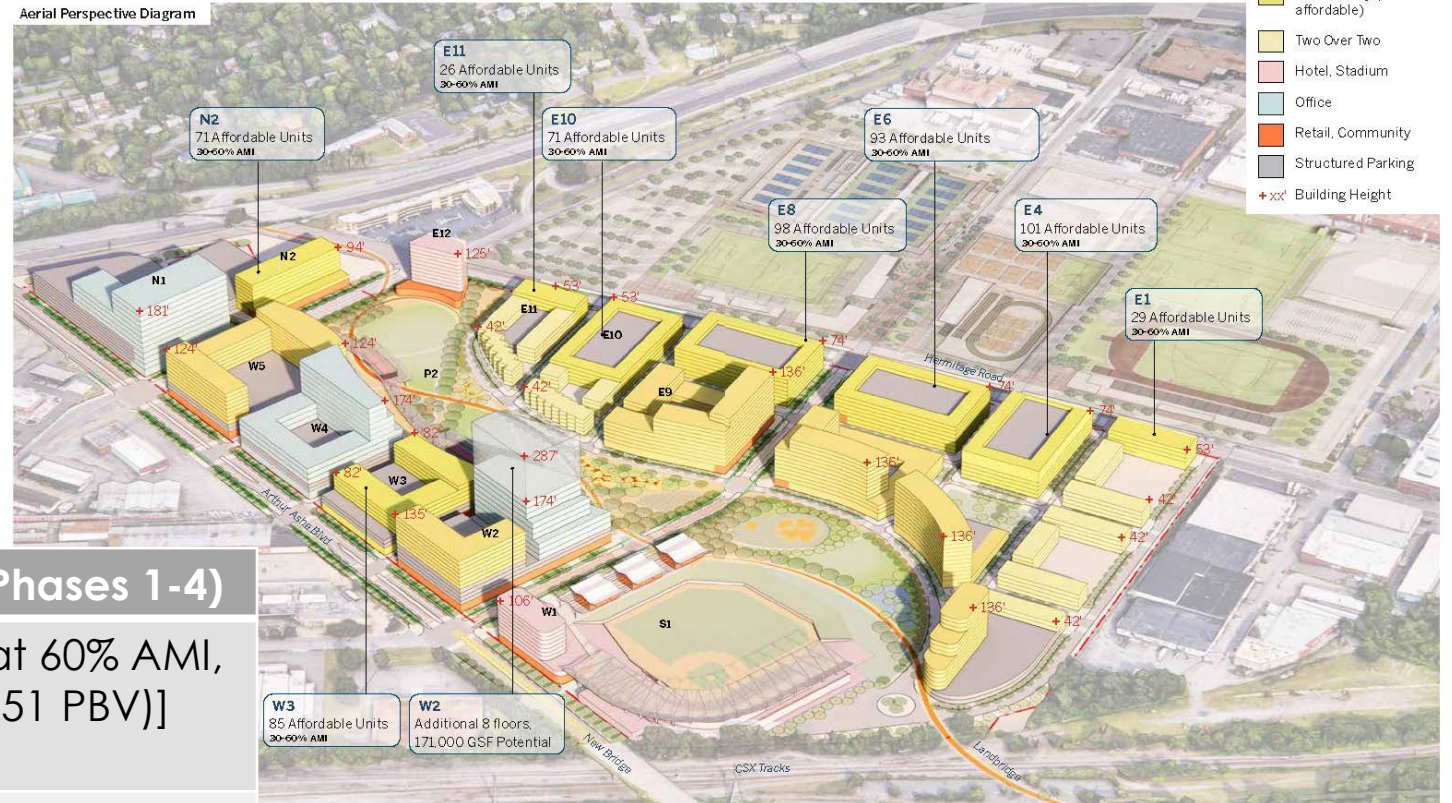
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# Affordable Housing

- 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

Aerial Perspective Diagram



	Phase 1	Total Build Out (Phases 1-4)
<b>Rental Housing</b>	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)]
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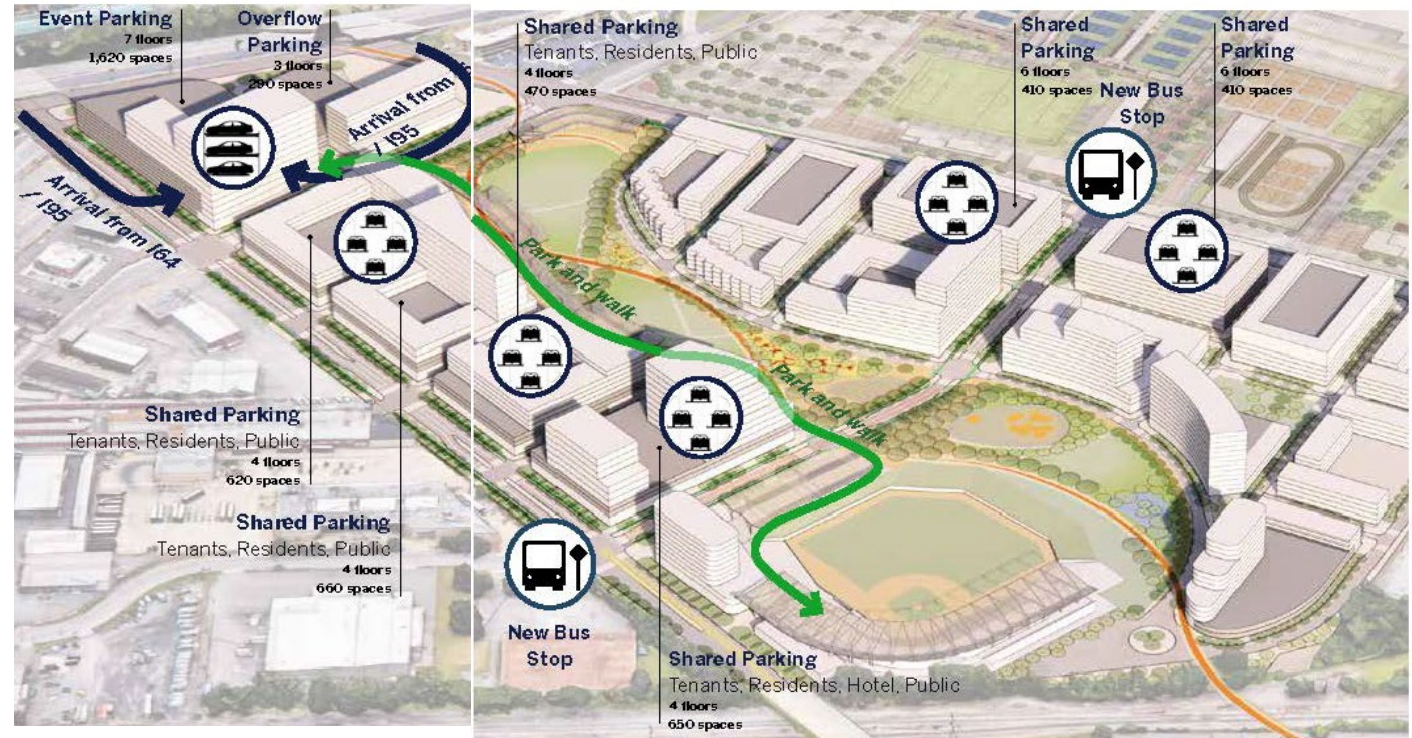
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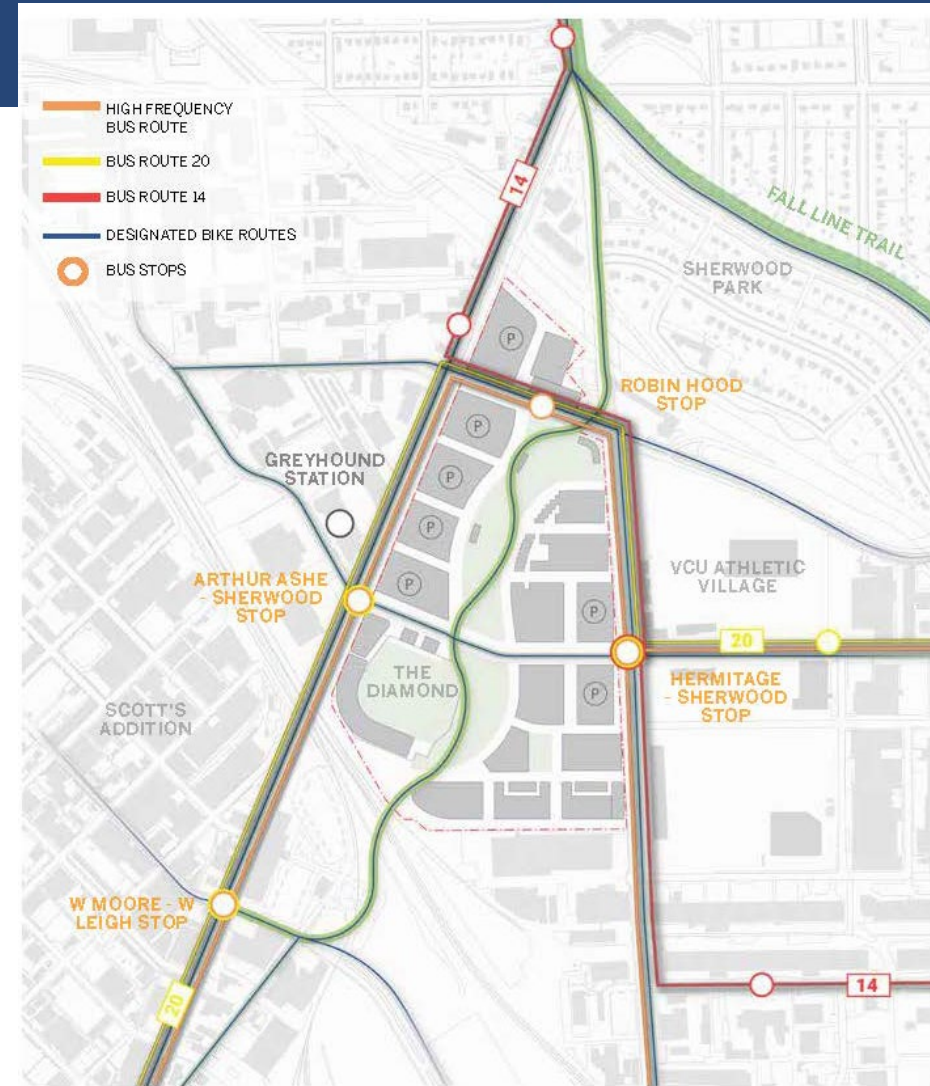
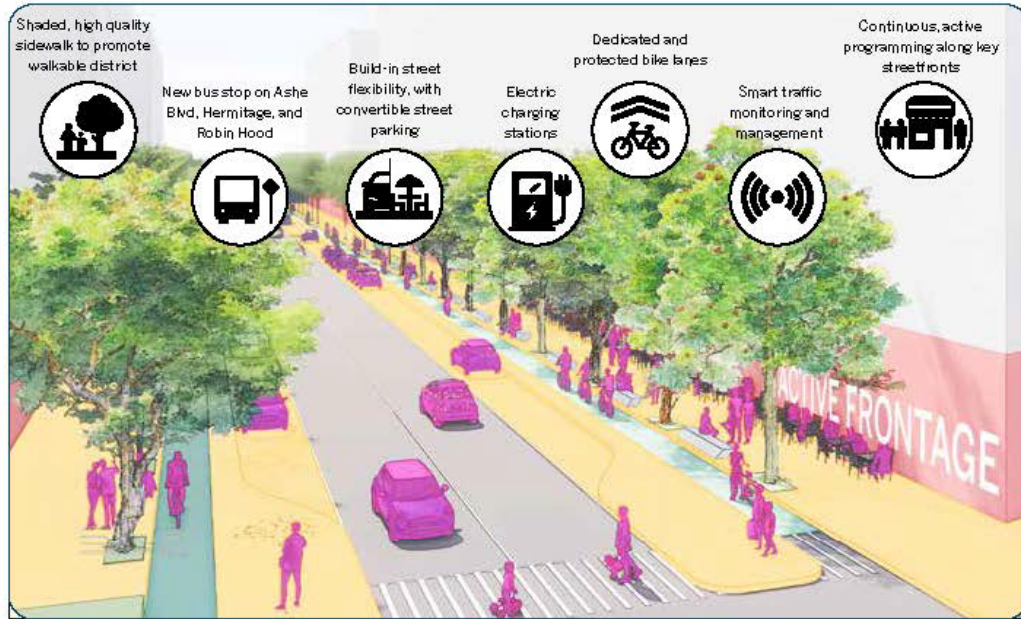
# Shared Parking Strategy

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

Proposed on-street parking locations

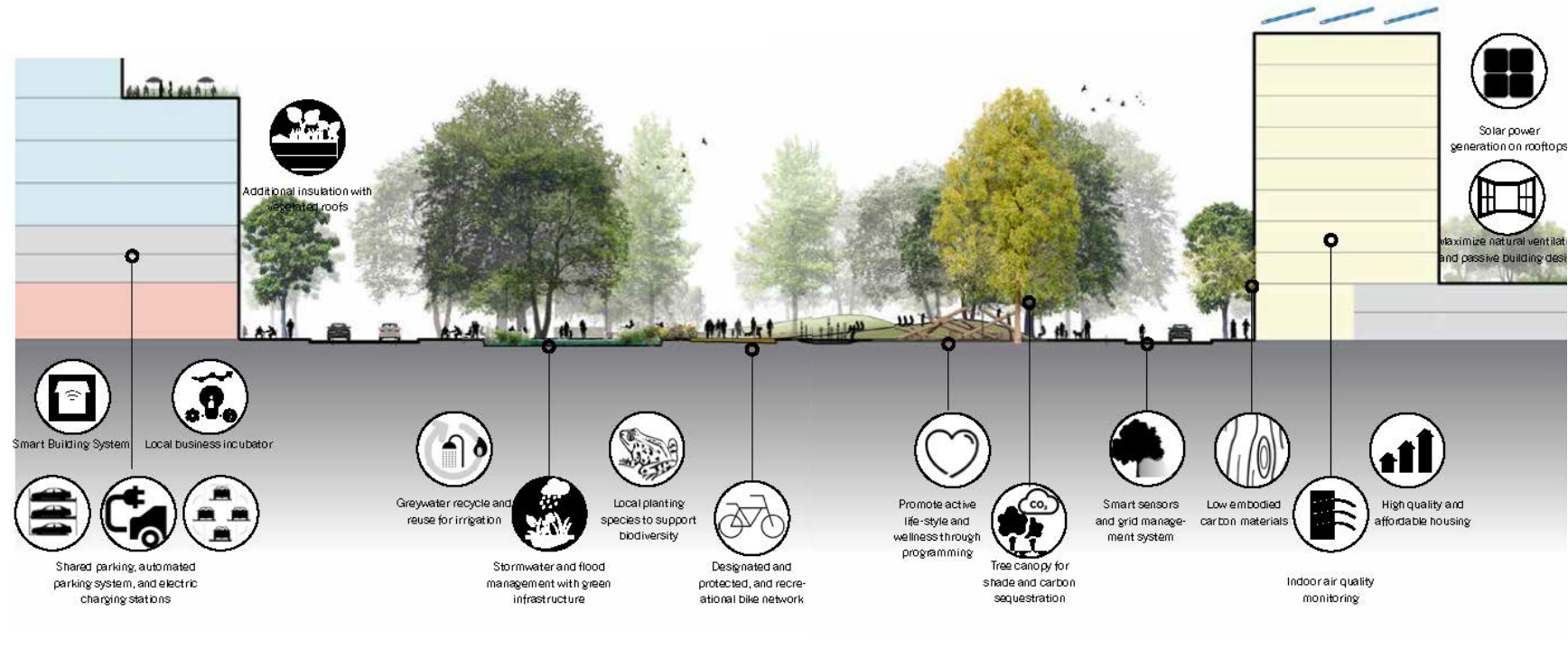


# Mobility



# 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



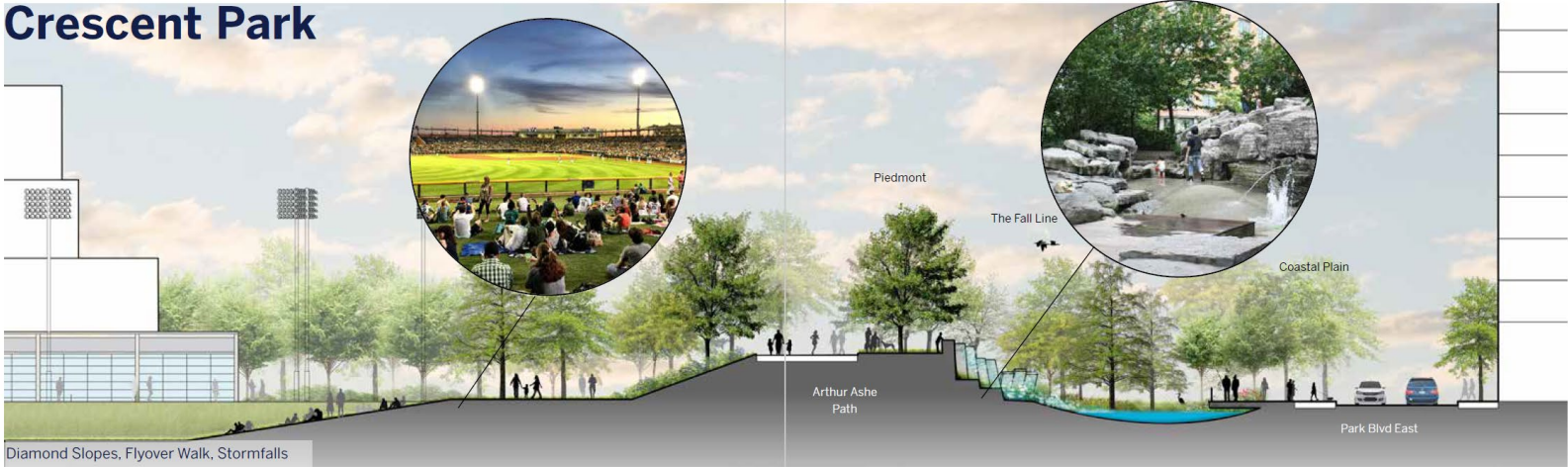
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# Community Benefits – Park

## Crescent Park



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# Community Benefits – Public Space Activation

- Creative place making
- Public art
- Arthur Ashe Path

**Gateways:** Lighting Installations / Mural Arts



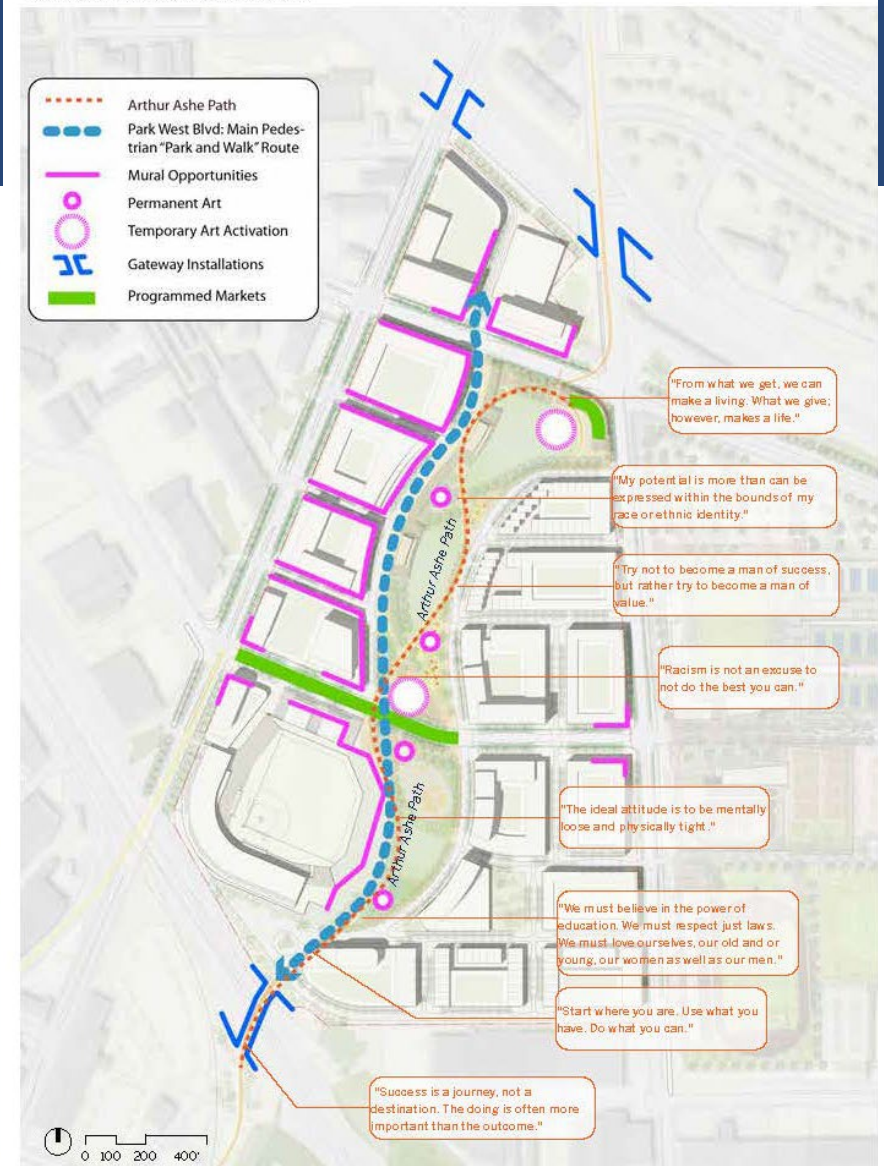
**Temporary & Permanent Art:** Sculptural Play / Permanent Objects / Seasonal Installations



**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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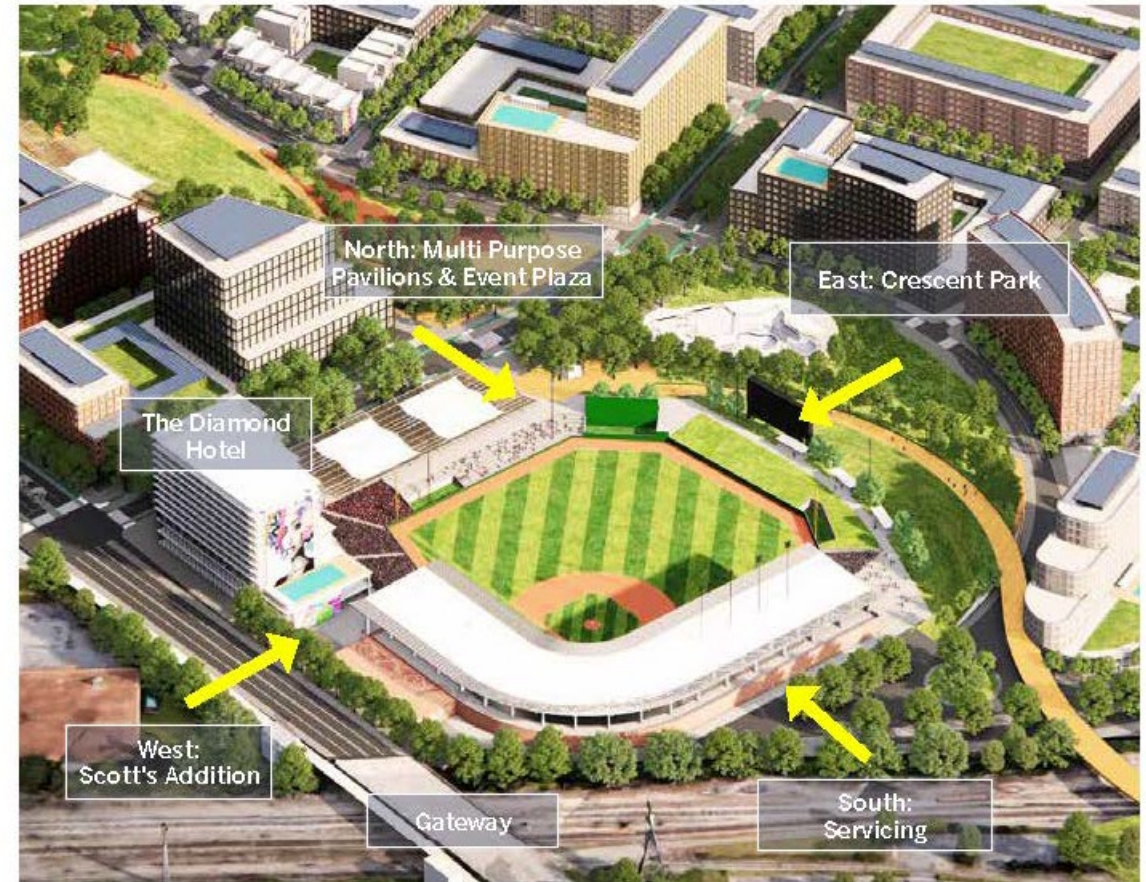
# Community Benefits – Diverse Ownership

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



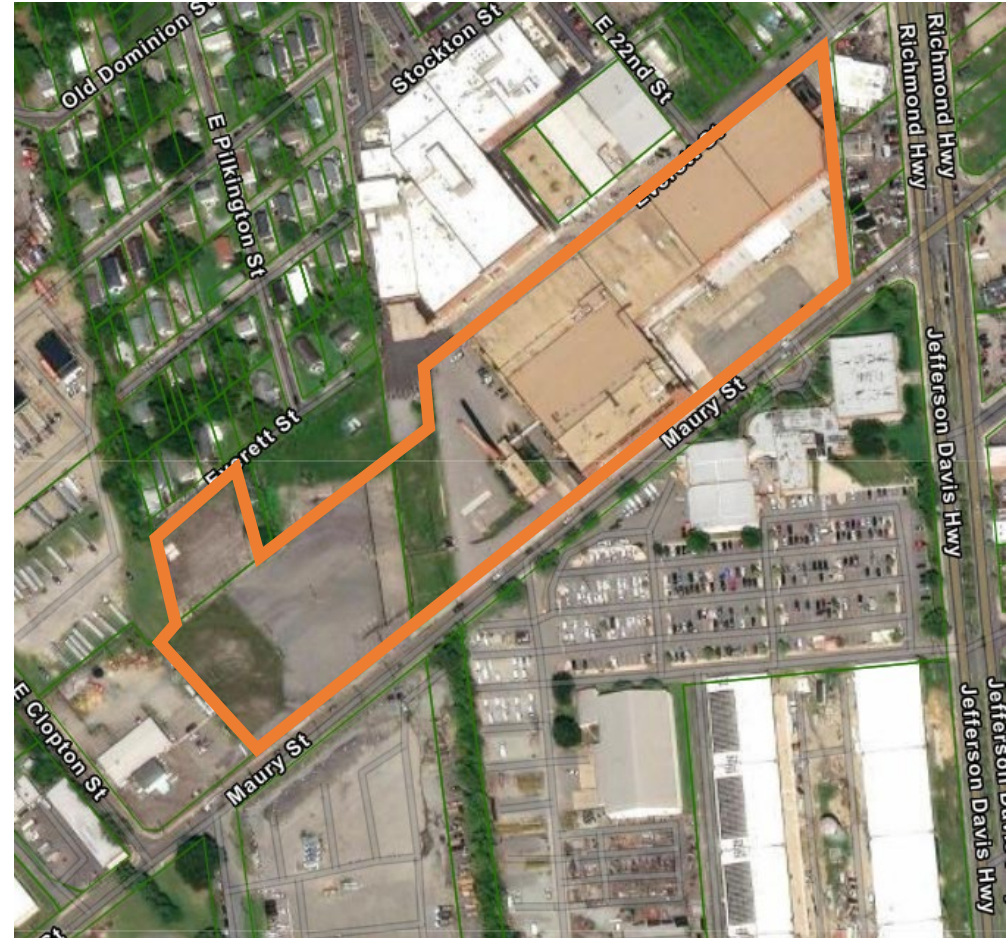
# Community Benefits – Training & Small Business Growth

- 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
  - Park
  - 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 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 of reversion



# Next Steps

- **September 20, 6:30pm** – Telephone Town Hall
- **September 21, 6pm** – Joint 2<sup>nd</sup> and 3<sup>rd</sup> District Meeting at the Diamond
- **September 26, 6pm** – City Council meeting
- **Fall 2022** – Develop definitive agreements and bring them back to City Council for approval

[www.rva.gov/economic-development/diamond](http://www.rva.gov/economic-development/diamond)



DEPARTMENT OF  
**ECONOMIC  
DEVELOPMENT**

DEPARTMENT OF  
**PLANNING AND  
DEVELOPMENT  
REVIEW**

**RVA  
DIAMOND  
PARTNERS**  
THALHIMER /  
LOOP CAPITAL /  
REPUBLIC

# Thank You!

