

AN ORDINANCE NO. 87-148-140
ADOPTED JUN 22 1987

To provide for granting by the City of Richmond, Virginia, to the person, firm or corporation to be ascertained in the mode prescribed by law, Article VII, Section 9 of the Constitution of Virginia, and Title 15.1, Chapter 9, Article 2 §§ 15.1-307 through 15.1-316 of the Code of Virginia, the lease, right and privilege to occupy and to use that land and structure known as the "Pumphouse", as shown on the site plan attached as Exhibit A to the Request for Lease Proposals, which is incorporated into and made a part hereby by reference, upon certain terms and conditions.

Patron - City Manager

Approved as to form and legality
by City Attorney

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That there may be granted in the mode prescribed by law, Article VII, Section 9 of the Constitution of Virginia, and Title 15.1, Chapter 9, Article 2, §§ 15.1-307 through 15.1-316 of the Code of Virginia, to the person, firm or corporation, the lease, right and privilege to occupy and to use certain property owned by and lying in the City of Richmond, known as the "Pumphouse", as shown on the site plan attached as Exhibit A to the Request for Lease Proposals (RFLP) which RFLP is attached to the draft of this ordinance and which is incorporated into and made a part hereof by reference, for the term and upon the conditions,

limitations and agreements stated within the RFLP.

§ 2. The City of Richmond requests lease proposals for the Pumphouse in accordance with the specific terms and conditions of a Request for Lease Proposals (RFLP), a copy of which may be obtained from the office of the City Clerk. The term of the offered lease is up to forty (40) years. The Pumphouse is located on Pumphouse Drive adjacent to Byrd Park. The City of Richmond will consider leasing the Pumphouse for a use that maximizes the ability of the general public to view and use the facility. The lessee will be required to rehabilitate the structure to accommodate the proposed use. Any person interested in submitting a proposal must conform the proposal to the specific requirements of the RFLP. Proposals must be received by the Director of General Services no later than 4:30 p.m. on August 17, 1987. Copies of the RFLP and the full text of the ordinance authorizing the issuance of the RFLP may be obtained from the City Clerk. The cost of this advertisement shall be reimbursed to the City by the person, firm or corporation to whom an award is made. The City shall have the right to reject any and all bids for the Pumphouse.

§ 3. The Director of General Services shall submit all proposals along with his recommendations to the City Council at its regular meeting at 7:00 p.m. on September 28, 1987.

§ 4. Upon passage of this ordinance it shall be the duty of the City Clerk to cause to be advertised once a week for four (4) successive weeks in a newspaper of general circulation published in the City of Richmond, a descriptive notice of the RFLP contained in § 2 of this ordinance.

§ 5. This ordinance shall be in force and effect upon adoption.

PUMPHOUSE
REQUEST FOR LEASE PROPOSALS

The purpose of this request for lease proposals ("RFLP") is to enter into a lease agreement that will result in the rehabilitation and reuse of the Pumphouse in Byrd Park, between Pumphouse Drive and the James River.

It is proposed that the City enter into a lease agreement to permit the use of the Pumphouse in a manner compatible with its surroundings and to require the rehabilitation of the structure in a manner suitable for a structure on the National Register of Historic Places.

The structure is located in the 3-mile lock part of the James River Park. No part of the park land will be leased with the structure with the exception that it may be necessary to develop a parking area that would be for park users and Pumphouse users. The City will provide access to the Pumphouse across a newly constructed bridge shown on the attached site plan.

The City will provide certain public improvements to the surrounding site, detailed below, while the lessee will be expected to bear all other responsibility for preparing the structure for the use proposed, as well as performing all work necessary to ensure the structural integrity of the Pumphouse.

The lessee will be responsible for investigating and evaluating the physical condition of the structure.

THE PROPERTY

Location - The Pumphouse is located south of Pumphouse Drive west of the Boulevard Bridge. The Pumphouse is located in the 3-mile lock segment of the James River Park, adjacent to the Kanawha Canal and the Pumphouse Canal. The Park is not yet developed, but a bridge has recently been built over the Pumphouse Canal and public use of the park area can be expected to increase.

Description of Property - The Pumphouse, built in 1883, is on the National Register of Historic Places. The building consists of the ground floor, or turbine room which is now vacant of equipment, and the upper floor containing the main pavillion, east and west wings, and the hydroelectric and boiler rooms which were added at a later date.

The upper floor contains approximately 6,300 square feet. The City's primary interest is in the lease of this upper floor. The City prefers to retain control of the ground floor or turbine room for future use related to the park or the canal system. However, proposals may include the ground floor and such proposals will be evaluated on the extent to which public access is provided.

Currently there are sections of antique bateaus stored in the turbine pits. The lessee shall not remove these or any other items of personal property located in the Pumphouse without the prior written consent of the City.

Use - The Pumphouse is currently zoned R-2 Single Family Residential. The City recognizes that this zoning does not support the rehabilitation and re-use of the structure and will assist and support the lessee in obtaining the necessary legislation to permit an acceptable use.

The City has no preconception of the best use of the property. The City's interest is that public access to the restored structure is maximized, even though the use proposed may be private. By way of illustration such uses as a restaurant or meeting hall could meet the City's interest. Parking will have to be provided by lessee to meet zoning requirements for the use proposed. The bidder may consider a proposal that includes a parking area jointly improved by the lessee and the City for the use of park visitors and pumphouse visitors.

Utilities - The lessee shall be responsible for determining the availability of and providing utilities to the structure.

Public Improvements - The City will consider making certain improvements in and around the Pumphouse. All other improvements will be the responsibility of the lessee. The City may:

- a. Spend up to \$20,000 to repair leaks in the north wall of the turbine room;
- b. Spend up to \$30,000 on a joint use parking facility that will provide parking to meet the needs of park visitors and Pumphouse users;
- c. Spend up to \$25,000 in safety improvements in the area immediately around the Pumphouse, but not in the structure itself; and
- d. Spend up to one-half the cost of installing a traffic signal at Pumphouse Drive and the

Boulevard. Because of possible traffic impacts, six months after the opening of the renovated Pumphouse, the City will conduct an analysis of traffic impacts and if warranted the City and lessee will share equally the cost of installing traffic devices at Pumphouse Drive and the Boulevard.

All costs not noted above shall be the responsibility of the lessee.

SCHEDULE FOR LESSEE IMPROVEMENTS

From the date of execution of the lease agreement, the lessee shall have twelve months to begin renovation of the Pumphouse. All lessee improvements must be completed and a certificate of occupancy obtained from the City within eighteen months of start, thirty months from execution of lease agreement. It is anticipated that the lease will allow these time periods to be extended upon demonstration of good cause. Failure to meet or adhere to this schedule would give the City the right to terminate the lease agreement. The lessee would have no claim against the City for lessee improvements installed at the time of such termination.

DESIGN OF LESSEE IMPROVEMENTS

The Pumphouse is an historic structure, therefore all improvements should meet standards developed by the Secretary of the Department of Interior for the rehabilitation of historic structures. In addition, all plans and specifications shall be subject to the review and approval of the Director of Community Development of the City of Richmond.

CONSIDERATION FOR LEASE

One major purpose of this RFLP is to locate a lessee who will improve the property and prevent its further deterioration. Accordingly, the City is willing to consider as part of the consideration to be paid to the City under a lease, the value of improvements necessary to prevent deterioration of the building and to enhance its availability to use by the public. In addition to improvements, the bidder should consider periodic payments of rent to the City. The City is willing to consider a proposal that uses a formula where rent is paid as a percentage of profit.

TERM OF LEASE

The City is willing to consider any term up to forty (40) years.

LEASE PROPOSAL REQUIREMENTS

Each lease proposal must contain five (5) copies of the items numbered below:

1. Cover letter

A letter signed by a principal of the bidder warranting that the facts set forth in the lease proposal are true to the best of his information, knowledge and belief.

2. Information regarding bidder's intentions

A. A statement of the bidder's willingness to:

- i. Rehabilitate the Pumphouse based on the requirements of the RFLP;
- ii. Lease the Pumphouse for a term up to forty (40) years under the terms and conditions described herein;
- iii. Apply for a special use permit to obtain suitable zoning for the bidder's proposed use of the Pumphouse; and
- iv. Cooperate with the City in the installation of public improvements in the vicinity of the Pumphouse.

B. A statement of the construction schedule proposed by the bidder that reflects the construction requirements herein.

C. A narrative statement describing the use, quality and scope of the lessee improvements. This statement may be accompanied by conceptual plans.

D. A statement of the cost of lessee improvements indicating amounts and sources of equity capital and amounts and sources of other financing.

E. An operating pro forma indicating projected revenues and expenses of the project including debt

service, lease payments and cash flow to financial participants.

3. Information About the Bidder

A. The bidder's firm name, address, telephone number and authorized representative;

B. A description of the bidder's present or proposed form of business organization;

C. A summary of the previous experience of the bidder; and

D. The names and addresses of bank references for the bidder.

4. Bond Requirements

The proposal submitted by the bidder must be accompanied by a proposal guarantee in the amount of five percent (5%) of the proposed cost of lessee improvements to ensure that if the award is made to the bidder, the bidder will enter into a lease agreement with the City. At the option of the bidder, the guarantee may be a bond secured by a surety company legally authorized to do business in Virginia and acceptable to the City, or a certified check made payable to the City. The proposal guarantees submitted by unsuccessful bidder will be returned as soon as practicable after the award is made.

B. The City will also require that the lessee and its general contractor furnish material and labor payment completion bonds in an amount of one hundred percent (100%) of the cost of lessee improvements at the time the lease agreement is executed.

Offering and Selection Procedure

Prospective lessees are required to respond with a written proposal no later than 4:30 p.m. on August 17, 1987. Proposals should be mailed or hand-delivered to the office of the Director of General Services of the City of Richmond, City Hall located at 900 East Broad Street, Richmond, Virginia 23219. The City will not consider proposals submitted after that time.

During the period when proposals are being submitted, no oral interpretation of RFLP requirements will be given by the City. Requests for interpretation and clarification may be made in writing to the Director of

General Services of the City, 900 East Broad Street, Richmond, Virginia 23219. All replies by the City will be issued as addenda to all prospective bidders who have received copies of the RFLP. Such requests for interpretation must be received by the City no later than 5:00 p.m. on August 1, 1987; and any received after that time will not be honored.

The City reserves the right to request additional information from any prospective lessee during the selection period and reserves the right to reject any or all proposals for any reason.

Proposals will be submitted to a selection committee for review and evaluation. Each proposal will be evaluated in accordance with the following criteria:

1. Improvement and use of the facility in a manner that promotes public accessibility and enjoyment;
2. Quality and extent of lessee improvements to the Pumphouse;
3. Ability to secure adequate financial resources to start and complete lessee improvements within the time frame described herein;
4. Lease payments to be made to the City; and
5. Qualifications, experience and ability of the lessee to develop and operate the Pumphouse in the manner proposed.
6. Level of minority participation in the ownership of lessee, financing and construction of lessee improvements.

Selection will be made of two or more prospective lessees deemed to be fully qualified and best suited among those bidders submitting proposals and negotiations will then be conducted with each bidder so selected. Upon conclusion of the negotiations, the selection committee will recommend to the City the lessee which, in its opinion, has made the best proposal. Should it be determined based upon the proposals that only one prospective bidder is fully qualified, then the selection committee may negotiate with only that bidder and recommend that proposal to the City. The City reserves the right to reject any or all bids for any reason.

ORDINANCE OR RESOLUTION SUMMARY
CITY OF RICHMOND, VIRGINIA

Resolution
Ordinance No. 87-148

Requested by City Manager

Received City Manager's Office -----

Summarized June 15, 1987

Subject

Long term lease proposal
for Pumphouse.

SUMMARY

This Ordinance would authorize advertisement and issuance of a request for Lease Proposal concerning long-term lease (up to 40 uears) arrangements for the Pumphouse. The Pumphouse is located on Pumphouse Drive adjacent to Byrd.

The City will consider leasing the Pumphouse for a use that maximizes the ability of the public view and use the facility. The lease will be required to rehabilitate the structure to accommodate the proposed use.

COUNCIL ACTION

On Docket 6/22/87

Amended

Adopted

Rejected



SITE PLAN
OLD PUMP HOUSE

EXHIBIT "A"



SCALE - 1" = 200'