

Office of Economic Development  
610 East Market St., Room B230  
Charlottesville, VA 22902  
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## City Market/Mixed-use Development Request For Proposals (RFP)

*City of Charlottesville, Office of Economic Development*  
Proposals Due: Friday, March 28, 2014, 2:00 p.m. EST

The City of Charlottesville seeks proposals from qualified developers (individuals or firms) interested in presenting a viable design and development concept for a mixed-use development on five parcels of real estate located in Downtown Charlottesville, Virginia, owned by the City of Charlottesville ("Site"). The Site is currently being used as a surface parking lot and as home to the City's weekly farmers market, known locally as City Market. The City is looking for a creative approach to development that accommodates the market and enables significant mixed-used development to occur on the Site.

### 1. Background

The Site includes five City-owned parcels of real estate comprising the majority of the City block bounded by Water Street, South Street, 1<sup>st</sup> Street and 2<sup>nd</sup> Street, just south of the City's Downtown Pedestrian Mall. The Site is approximately 0.81 acre and consists of the property identified as Parcels 71–75 on City Tax Map 28. The Site currently includes a 102-space metered parking lot. The Site also serves as the current home for the City Market which operates on Saturday mornings, April through November. This Site represents one of the last large development opportunities in the Downtown area.

### 2. Required Elements

- Interested developers ***must*** accommodate the current operations of the City Market in their proposals. The market currently has 115 stalls which include 102 on Site and 13 in the 1<sup>st</sup> street right of way. Respondents are encouraged to review the Charlottesville Market District Feasibility Study for relevant information about the market and its requirements including the desired amenities for an improved market such as electricity, water, shelter, seating and restrooms. The minimum size for each market stall is

100 square feet.

- Interested developers **must** incorporate a vertical mixed-use development that recognizes the value of the Site as one of the few remaining undeveloped sites in the downtown area.
- Interested developers **must** design a development that provides significant on-Site parking facilities. A proposal that offers to provide 102 public parking spaces on non-market days is highly desirable.

### 3. Guiding Principles

- The City is interested in receiving proposals from developers having the financial resources and vision to create a unique addition to the heart of the Downtown business district.
- The City is interested in competitively-priced purchase offers. The City may also consider long-term lease arrangements (the maximum lease term would be 40 years). If the City Council determines that a lease of the Site is in the best interests of the City, the City will solicit bids for the lease through the competitive process set forth in Virginia Code sec. 15.2-2101.
- Proposals should describe in general terms the anticipated schedule for the project and specifically when the following milestones could be obtained: (i) approval of a final Site plan, Board of Architectural Review approval and all other required City approvals (including, without limitation, approval of a street-closing petition); (ii) commencement of construction; and (iii) completion of project with certificate of occupancy issued.
- The City would consider a permanent closure of 1<sup>st</sup> Street in connection with an approved mixed-use development plan. Developer would be required to bear the cost of relocation and undergrounding of utilities, and would be required to pay fair market value for the land within the vacated right-of-way.
- Developers may seek additional agreements with neighboring property owners in an effort to assemble more land to better accommodate the requirements of this RFP. Any such agreements must be stated in the response and verified with a letter of consent from the property owner(s).
- The City seeks a developer willing to accept the Site as-is, who will address environmental issues and clean-up as part of the development.
- The Site is located within the Water Street Corridor [Mixed Use] Zoning District, described within Chapter 34, Article VI of the City Code/City Zoning Ordinance (Mixed-Use Corridor Districts), and within the Downtown Architectural Design Control District. Proposals submitted should reflect the

developer's familiarity with the provisions of the applicable zoning districts (including the City's approved Design Guidelines), and with applicable provisions of the City's Comprehensive Plan. Access to the City Code and the Comprehensive Plan may be obtained through the City's website. Current zoning requirements require a mixture of retail and commercial uses along Water St.

- Proposals must evidence the developers' familiarity with urban design principals, with emphasis on pedestrian-friendly street edges and landscaping. Specifically, interested developers must design a development in accordance with the goals and objectives of the recently adopted 2013 Comprehensive Plan, as well as the urban design guidelines established by the 2000 Torti Gallas Corridor Study and the 2001 Comprehensive Plan for "A" Streets and urban design details in general and Water Street in particular. In addition, interested developers must demonstrate how their proposal executes the spirit of the 2001 Comprehensive Plan's Implementation Strategy for Water Street, which suggests that the existing structures across South Street and Water Street will complete the edge around this space. Ideally, these two blocks (bounded by Water St., 2<sup>nd</sup> St SW, South St. and 2<sup>nd</sup> St. SE) would develop simultaneously so a shared parking facility under 1st Street could be constructed as part of the whole scheme. If such holistic development is not practical, then development on the western block should still line South Street and partially line West 2nd Street. Architecturally, care should be taken that the development along these blocks does not appear to be monolithic; continuous facades spanning the length of a block should be avoided. The façade and overall structure, or massing, should be articulated individually and the details and scale of openings should change along the length of the building.

### **3. Process/Procedure**

Interested developers will be asked to follow a specific process in preparing and submitting proposals for consideration:

- a. Information Gathering: In addition to reviewing applicable provisions of the City's Comprehensive Plan, Zoning Ordinance and Design Guidelines, applicants should familiarize themselves with the layout and history of the Site.
- b. Submission of a Proposal: Proposals Due by Friday, March 28, 2014, 2:00 p.m. EST.
- c. Evaluation of Proposals by City: The City will review development proposals received and may select one or more developers whose professional and financial qualifications and Proposal are deemed meritorious. The City will then explore the development proposal through further discussions with the selected developer(s). Upon request, any Developer selected at this stage

shall provide any additional information requested by City staff to allow a thorough investigation of the Developer's ability to fully complete the proposed development and the business integrity and reliability necessary to assure good faith performance.

Final Selection: In the event the City identifies a Proposal that it deems to be in the best interest of the City, City staff will enter into negotiations with the selected developer, toward the end of developing a written sales contract for the Site. Any contract negotiated between a developer and City staff shall be subject to the final approval of City Council.

- d. City Council approval: Under Virginia law, the City may sell this Site only after an advertised public hearing and approval of an ordinance authorizing the sale, passed by a 4/5ths vote of City Council.

The City reserves the right to reject any or all proposals and retain ownership of the Site.

#### **4. Evaluation Criteria**

In addition to the preferences identified in Section 2, above, the following factors will be of priority for the City in reviewing development proposals for this Site:

- a. Whether the Proposal is likely to achieve a high quality mixed-use development that allocates sufficient space for the City Market and that enhances the architectural character and the economic viability of the city (e.g., tax revenues, jobs provided on-site, public parking offered on-site, etc.).
- b. Whether the Proposal is likely to achieve substantial financial benefit to the City of Charlottesville; both in the short term, through compensation received from a sale of the Site, and longer term, whether through various tax revenues or other means. Compensation offered by a developer shall be evaluated by the City in comparison with a current appraisal that may be obtained by the City.
- c. Qualifications and Experience of the Developer and his team, including investors, designated Project Manager(s), etc. Such experience may be demonstrated through References and through information as to other projects of similar scope and size successfully implemented by the Developer.
- d. Financial ability to complete the project in a timely manner. Such ability may be demonstrated by presenting recent financial statements or through a statement of financial sufficiency from a known and established bank that demonstrates the financial capacity to carry out the project.

## 5. Content of Proposals

In order to be considered for selection, offerors must submit a complete response to this RFP. One (1) original and three (3) copies of each proposal along with an electronic copy of the proposal on CD or flash drive either in Microsoft Word or PDF format must be submitted to the City as a complete sealed proposal.

Each proposal submitted in response to this RFP must contain, at a minimum, the following information:

- a. Concept: The Offeror should present a concept of the project that should demonstrate the Offeror's understanding of the City's goals and will address the following issues:

(1) Programming needs including:

Accommodating the current City Market

- Clearly state - # of market stalls provided (minimum on-site is 102)

Parking requirements

- Clearly state - # of publicly available parking spaces on non-market days
- Clearly state - # of private parking spaces

Mixed-use development

- Clearly state - Total building size (GSF)
- Clearly state - The amount of street level commercial space (GSF)
- Clearly state - The # of dwelling units

(2) Environmental issues.

(3) Urban design guidelines including:

Required street relationships and connections

Building frontage

Parking

Loading and service

Street hierarchies

Required open space for development

Building character

Structure height

Site requirements; maximum grades

Building elevations

(4) Provide Site plan sketch and illustrations of Site development concept.

- (5) A narrative statement addressing zoning or design review issues.
- (6) An Offer to Purchase the Site, including the Purchase Price offered by the Developer or proposed annual lease amount and desired terms.
- (7) A pro forma financial analysis that demonstrates the feasibility of the proposed project.
- (8) Each Proposal should include the name, address, phone number and type of project for at least four references.

## **6. General Conditions**

- (a) Proposals shall be submitted to:

Office of Economic Development  
P.O. Box 911, 610 East Market Street  
Charlottesville, VA 22902

- (b) Each Proposal shall be sealed and clearly marked with the following label:

### **Proposal for City Market/Mixed-use Development**

- (c) Each Developer understands that the City is a public entity subject to requirements of the Virginia Freedom of Information Act ("FOIA"). Once submitted to the City, items constituting "public records," as defined within §2.2-3701 of the Virginia Code may be open to inspection and copying by citizens of the Commonwealth, unless specifically exempted. Prior to awarding a contract the City may, in its discretion, withhold records relating to the negotiation and award of a contract for the sale of the Site, where the release of such records would adversely affect the bargaining position or negotiating strategy of the City. It shall be the sole responsibility of each developer to protect information it considers proprietary. The City shall not be liable to any developer for a disclosure of information required by the provisions of FOIA.

## **7. Additional Information**

The following information is provided as additional background:

- a. 2000 Corridor Study - Downtown Section
- b. 2007 Design Competition - Winning Entry
- c. City Market Financials 2009-2012
- d. City Market Layout
- e. City Market Observations-David O Neil

- f. City Market Rules
- g. City Market-Financial Snapshot 2000-2011
- h. City Parcels with Description
- i. Feasibility Report - Charlottesville Market District 2013
- j. Final Task Force Recommendations - July 6 2011
- k. JPC 2011 Public Data Summary
- l. JPC 2011 Public Data Summary
- m. UMDC Report 1996

Please access the following Dropbox link to view or download these documents:

<https://www.dropbox.com/sh/r1l0m2x34i8dx2m/6SETfhopBA>

Additional City GIS Information can be found at:

<http://gisweb.charlottesville.org/GISViewer/Account/Logon>

City Comprehensive Plan and Zoning Information can be found at:

<http://www.charlottesville.org/Index.aspx?page=3441>

## **8. Questions/Contact Person**

Questions concerning the RFP, or the review process may be directed to Chris Engel, by mail at Office of Economic Development, PO Box 911, Charlottesville, VA 22902; by email at [engel@charlottesville.org](mailto:engel@charlottesville.org); or by phone at 434-970-3111.