



## **UNSOLICITED PROPOSAL PROCEDURES**

### **OVERVIEW:**

The City of Hampton (City), Economic Development Authority (EDA), and Hampton Redevelopment and Housing Authority (HRHA) thank you for your interest in the City. These unsolicited proposal procedures have been adopted by all three entities to guide interested parties through the process by which these entities consider unsolicited proposals for the sale, lease, use or other disposition of real property. These procedures do not apply to solicited proposals, which are those that are submitted in response to a publicized invitation, such as a Request for Proposals (RFP). Once a proposal is submitted, the proposer will be contacted by a staff member from the applicable entity. That staff member will serve as a single point of contact with the City, EDA, or HRHA.

The unsolicited proposal process consists of three (3) phases:

- (1) Early Concept Phase,
- (2) Detailed Feasibility Phase, and
- (3) Implementation Phase.

In the **Early Concept Phase**, proposers are required to provide high-level information about the proposal, including a letter of interest identifying the subject property, the proposed use, and proposed purchase price. If the City, EDA, or HRHA desires to proceed to the **Detailed Feasibility Phase**, the proposer will be required to provide additional submittals, such as detailed concept plans, financial information, and such other materials as the City, EDA, or HRHA determines are necessary to memorialize terms in a legal agreement. The **Implementation Phase** commences upon execution of a legal agreement and requires the proposer to comply with all closing contingencies and other terms of the agreement.

Please be advised that the City, EDA, and HRHA are not obligated to accept solicited or unsolicited proposals for disposition of property and reserve the right to modify these procedures on a case-by-case basis depending on the unique scope and features of a proposal. Incomplete submittals provided during any phase of the process may be rejected.

### **Virginia Freedom of Information Act Notice**

Proposers are advised that the City, EDA, and HRHA are public bodies subject to the Virginia Freedom of Information Act. Records in the custody of the public entities may be subject to disclosure under FOIA. Accordingly, **proposers who desire to include proprietary information as part of an unsolicited proposal must label the proprietary information as confidential**. Upon receipt, the public entities will review the information and determine whether it is exempt from disclosure under the Virginia Freedom of Information Act.

## **EARLY CONCEPT PHASE:**

In the Early Concept Phase, proposers are asked to provide high-level information about the proposal. Staff will receive the proposal, perform a completeness check, and forward the materials to City management, HRHA, Economic Development, Finance, City Attorney, Community Development, and other staff for review. Once staff recommendations are compiled, the matter may be set for discussion with the City Council, EDA, and/or HRHA in closed session. Alternatively, the public entities may reject the proposal prior to any closed session discussion if it is inconsistent with adopted policy or future plans for the property. If rejected, the public entities will provide a written explanation to the proposer as well as any alternative paths available.

- A. Submittal Requirements: Each proposal must contain, at a minimum, the following information with documentation suitable for evaluation, unless waived or modified by the public entities:
1. A letter of interest explaining the proposer's interest and commitment to develop the parcel(s).
  2. A written detailed description of the proposed development including the types of uses, square footage of each use, and the development objectives (e.g., key outcomes, such as jobs).
  3. A proposed price to be paid for the parcel(s).
  4. Any must-have conditions of the proposer (e.g., access from a certain street; particular uses permitted).
  5. Illustrative drawing(s) of the proposed development and/or examples of comparable completed projects. Such drawings may, but are not required to be, prepared by a design professional.
  6. Proposed timeline for development.
  7. A statement of qualifications of the development team including resumes of key individuals and examples of previous development work. Please indicate whether the team has worked together on past projects. Financial information about the development team may be required upon request.
  8. Other information pertinent to the proposal that the City, EDA, or HRHA may require.
- B. Tools Available: During or at the conclusion of this phase, the public entities may agree to execute a **letter of intent, non-disclosure agreement, right of entry agreement**, or other similar agreement(s) to facilitate due diligence by the proposer and to indicate a willingness to proceed to the Detailed Feasibility Phase, if appropriate.

## **DETAILED FEASIBILITY PHASE:**

Upon receipt of notice from the City, EDA, or HRHA that the entity desires to proceed to the Detailed Feasibility Phase, the proposer will be required to provide the additional submittals identified below, as well as any other materials or information that the entity determines are necessary to complete the Detailed Feasibility Phase and to memorialize terms in a legal agreement and/or term sheet. Some of the submittals identified below may be required as part of the Implementation Phase rather than Detailed Feasibility Phase, at the discretion of the public entity. For example, a detailed conceptual plan may be required as a closing contingency after execution of a development agreement.

- A. Submittal Requirements: Each proposal must contain, at a minimum, the following information with documentation suitable for evaluation, unless waived or modified by the public entities:
1. Financial information for the proposal including acquisition costs; site development and building construction costs; professional fees; sources and amounts of equity, construction and permanent financing; indication of tenancy interest or commitments; and other sources of operating income. Proposers should submit any additional information or financial data which would assist in evaluating the financial viability of the proposal (e.g., tax revenues or other income generations) presented as a pro forma or the equivalent, including projected employment levels and other key financial data as may be determined necessary by the public entities. The developer should also provide a recent certified financial statement.
  2. Detailed construction timetable (from start to completion).
  3. Price to be paid for the parcel(s) and any incentives, terms or contingencies desired. The staff may require the developer to provide a fair market value appraisal of the property.
  4. Design review submittals, including a "Concept Plan" as defined below; concept elevation drawings of all sides of all proposed buildings, including descriptions of all building materials; general floor plans of all buildings; landscape and streetscape plan, if not incorporated into the Concept Plan; and sample building materials, if requested by the public entities.
    - a. The "Concept Plan" shall mean a plan of the proposed development of the property prepared by a duly licensed professional engineer, land surveyor, architect, or landscape architect authorized to do business in the Commonwealth of Virginia, showing the property boundaries, existing and proposed buildings and uses, yards, open spaces, pedestrian walkways, landscaping, screening and buffering, fences, signs, access to the property, on-site parking and vehicular circulation, easements, water bodies, floodplains, wetlands, and other natural features, existing and proposed streets, infrastructure improvements, utilities, stormwater and drainage facilities within one-quarter-mile of the subject property. The Concept Plan shall also include the north point and shall be to-scale. A site plan generated to comply with Chapter 35.1 of the Hampton City Code may be submitted in lieu of a Concept Plan, provided that the site plan includes all such information described in this paragraph.

5. A detailed analysis demonstrating how the proposal advances City plans, policies, and objectives, including but not limited to the ability of the project to achieve multiple public benefits, such as job creation, tax revenue generation, placemaking, long term sustainability and resiliency, higher-value housing, etc.
- B. Tools Available: During or at the conclusion of this phase, the public entities may agree to negotiate a **term sheet, development agreement, right of first refusal, option agreement**, or other similar agreement(s) to facilitate development of the property.
- C. Process. Upon conclusion of the Detailed Feasibility Phase, staff may bring the matter back to closed session for review by the City Council, EDA, or HRHA. Upon review, such public bodies may direct staff to (a) proceed with the drafting of appropriate documents to be placed on a meeting agenda for a public hearing or other formal action; (b) direct staff to renegotiate certain deal points and return with a revised proposal; (c) direct staff to reject the proposal; or (d) direct staff to reject the proposal and schedule the property for solicited proposals to which the developer may respond.

## **IMPLEMENTATION PHASE:**

During the Implementation Phase, the proposer will be required to follow all terms and conditions of the approved legal agreement, which may include additional submittals.

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## **EVALUATION CRITERIA:**

The City, EDA, and HRHA review unsolicited proposals based upon a number of criteria, including but not limited to those set forth below:

1. Conformance of proposal with City plans, policy and objectives. The ability of the project to achieve multiple public benefits, such as job creation, tax revenue generation, placemaking, long term sustainability and resiliency, high-value housing, etc.
  2. The qualifications and experience of the developer and project team/consultants.
  3. Project economics, including the economic feasibility of the project, revenue generation/job creation and other economic impacts.
  4. The overall quality of the design concept.
  5. The financial offer and other income generated to the City, EDA, or HRHA.
  6. The overall development and construction schedule.
  7. Adequacy of promotion, marketing, and management plans, as applicable.
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Please submit proposals to:

### **City or EDA Property:**

Director of Economic Development  
City of Hampton  
1 Franklin Street, Suite 600  
Hampton, VA 23669

### **HRHA Property:**

Executive Director, HRHA  
City of Hampton  
1 Franklin Street  
Hampton, VA 23669

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