



Stantec Consulting Services Inc.
226 Causeway Street 6th Floor, Boston MA 02114-2155

January 11, 2018

Trevor Henry
Director, Facilities & Environmental Services
Albemarle County
401 McIntire Road
Charlottesville, VA

By email: thenry@albemarle.org

**Reference: Real Estate Advisory Services, County Development Pre-Marketing Services
Project Order 3 (Contract #2017-29)**

Dear Trevor:

Thank you for the opportunity to continue to work with you and the County. Pursuant to the directive from the Board of Supervisors following the December 20, 2017 meeting, I am pleased to submit this proposal to provide Development Pre-Marketing Services as a new project order under the prime Contract #2017-29 between Stantec Consulting Services Inc and the County of Albemarle.

Goal

The Stantec/Greystone team will conduct market testing to determine the potential for development/redevelopment of existing parcels in Albemarle County. The goal of this testing will be to identify the answers to three key questions:

1. Are there available parcels for development in Albemarle, and what are the property owners' willingness to develop/redevelop their property or partner with a developer, if the County were to participate in some manner?
2. What type of County participation would be most attractive? Would the owners likely respond to a solicitation for expressions of interest?
3. What is the development community's appetite for the Albemarle market with a County tenancy? Would the developer(s) be interested in responding to a solicitation for expressions of interest?

Scope of Work:

Task 1: Information Gathering and Prep

The Stantec/Greystone team will convene a meeting/conference call with the County staff to discuss the marketing message and objectives of the County that will be communicated to the market. We will require input from the County staff on needs and desire for civic and cultural uses. We will assemble marketing materials and talking points for our outreach in order to maintain

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Reference: Pre-Marketing Services Proposal, Real Estate Advisory Services

consistent messaging to outside parties. We will develop a brief marketing piece (maximum of two pages) about Albemarle that will include the most recent updates from the County's Rio+29 Small Area Plan initiative.

Additionally, the team will work with the County to identify the key stakeholders and target developers and will conduct outreach to determine the potential response in the event of a County-issued solicitation for expressions of interest. Stakeholders/developers will include the following groups:

- County-identified landholders or developers who have expressed an interest in participating;
- Already identified landowners in/around the Rio/29 corridor;
- Other landholders along Route 29 or in relatively central areas of land that is suitable for mixed-use development; and
- Local, regional and/or national developers who have a history of projects in the greater DC / Charlottesville / Roanoke / Richmond markets.

In coordination with the County, the team will prepare a questionnaire that will help to standardize responses from the outreach effort. The team will prepare separate questionnaires for both *landowners and developers* intended to help the County identify how different stakeholders might respond in terms of willingness to offer land, desirability of a County Office Building and/or other civic, community or cultural building, and in terms of market interest for development of walkable, mixed-use projects.

Task 2: Outreach & Pre-Marketing

The Consultants will schedule and conduct in-person meetings with the identified key stakeholders and target developers, but might conduct phone outreach to regional players in order to expedite findings. As part of this effort, the Consultants will have more detailed discussions with the Rio/29 landowners with whom they met previously.

We will seek to gather the following information from the pre-marketing process:

- Interested property owner(s)
- Interested developer(s)
- For each of the above an understanding of (as applicable):
 1. general pros/cons of a target location;
 2. existing zoning and key zoning issues;
 3. comprehensive plan conformity, as relevant;
 4. the developer's need to acquire a site or partner with an owner;
 5. the need for or desirability of site assemblage;
 6. a preliminary assessment of site readiness; and
 7. the need for certain improvements/commitments by County.

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The above information with key takeaways from all discussions will be summarized in a deliverable that will identify stakeholders interviewed, a summary of discussions, key takeaways from the activity, and a summary of overall recommendations. The purpose of activities conducted under this task are to inform a solicitation strategy and process such as a Request for Expressions of Interest or Request for Qualifications/Proposals. The discussions held with potential landowners or developers should help to sharpen the solicitation document with regards to the following:

1. Market constraints and opportunities;
2. The portfolio of potential options for development parcels;
3. How participants view the County tenancy as an anchor for new development;
4. How developers would use this tenancy to promote additional development and economic activity;
5. Interest/willingness to provide a “walkable, mixed-use development”; and
6. How the County should structure potential incentives or terms in order to ensure maximum participation, as well as maximum economic development potential.

We have included time to prepare a presentation and to attend and present our findings at one Board of Supervisors meeting.

Compensation:

We propose to perform the scope of work described above in accordance with the following workplan:

| | Hours | Rate | Total Fee |
|--|-------|------------------------------|-----------------|
| Task 1 (allowance for 3 hours of review with County Staff) | | | |
| Stantec Real Estate | 44 | \$295 Principal/ \$225 PM | \$10,600 |
| Greystone | 13 | \$295 Project Exec. | \$3,835 |
| Subtotal | | | \$14,435 |
| Task 2 (allowance for 8 or 9 property owners, 4 or 5 local and 4 regional developer meetings and 3 conference calls with County Staff) | | | |
| Stantec Real Estate | 88 | \$295 Principal/ \$225 PM | \$22,740 |
| Greystone | 44 | \$295 Project Exec. | \$12,980 |
| Subtotal | | | \$35,720 |
| Total | | | \$50,155 |



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| Travel Budget | | | |
|--|-----------------|-------------------|----------------|
| Stantec Real Estate & Financial Services | 3 trips x 2 ppl | \$800/trip/person | \$4,800 |
| Greystone | 3 trips x 1 ppl | \$250/trip/person | \$750 |
| Reimbursable Expenses Budget | | | \$5,550 |

Based on the above workplan, we propose to provide the additional services as described above for a not-to-exceed fee of \$50,000 plus reimbursable travel expenses (including airfare, vehicle, lodging), which will be billed at cost, estimated at \$5,550. We will make every effort to schedule the meetings in an efficient manner in order to minimize travel costs. If this proposal meets with your approval, please sign below, and return this letter to us. Your signature will serve as our Notice to Proceed.

Sincerely,

STANTEC CONSULTING SERVICES INC.

Drew M. Leff, Principal
Phone: (617) 654-6039
Drew.Leff@stantec.com

Approval of Notice to Proceed:

Name

Date