



RUDEE LOOP

RFI Response

Proposed Development Team

Bruce Smith Enterprise, LLC, Madison Marquette, and Armada Hoffler LP

July 25, 2022

City of Virginia Beach
Development Authority/Department of Economic Development
Taylor Adams, Director
4525 Main Street, Suite 700
Virginia Beach, VA 23462

Re: Rudee Loop RFI Response

Bruce Smith Enterprise, LLC, Madison Marquette Development Team and Armada Hoffler LP submit this non-binding Letter of Interest to the City of Virginia Beach for the public-private, large-scale, mixed-use development of the Rudee Loop Site— an approximately 11 acre parcel located at the southern peninsula oceanfront adjacent to the Rudee Inlet and bordered by Atlantic and Pacific Avenues located in Virginia Beach, VA.

The Proposed Development will sustainably strengthen and diversify the City for generations by creating thousands of temporary and permanent jobs; broadening the residential, retail and hospitality tax base; expanding hospitality, retail, for-sale and for-rent housing options, as well as fulfilling demand for much-needed public spaces and accompanying amenities. To achieve maximum impact, the Proposed Development as outlined in the Scope of Work creates an anchor at the Southern end of the City as established by the City's Comprehensive Plan.

The Development Team is led by Bruce Smith Enterprise, a nationally recognized local developer of luxury mixed-use projects whose successful local and regional developments include Hyatt House, 27 Atlantic Luxury Apartments, Cosmopolitan Apartments, Smith's Landing Apartments, and Hilton Garden Inn. The development team also includes Madison Marquette, one of the nation's leading investors, developers and operators of mixed-use real estate. Together the Development Team has the combined expertise and resources needed to actualize the Proposed Development and bring a trophy project of this magnitude to fruition. To accomplish said endeavor, this uniquely qualified team will draw on both their local and national expertise, their exceeding knowledge of public-private partnerships and their extensive portfolio of large-scale, mixed-use developments that showcase world class public spaces and amenities. The Development Team's record of completing comparable projects can therefore attract the institutional investors and credit tenants necessary to realize the vision of the Proposed Development.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bruce Smith', written over a white background.

Bruce Smith
Bruce Smith Enterprise, LLC

Development Team

Bruce Smith Enterprises - Developer

Leading Mid-Atlantic Investor and Owner/Operator

In 2004, Pro Football Hall of Famer Bruce Smith founded Bruce Smith Enterprise (BSE), a commercial real estate firm that specializes in the development of premier mixed-use projects. Headquartered in Virginia Beach, VA, the eponymous company has developed notable properties throughout the Mid-Atlantic region that feature the cohesive and seamless integration of residential, Class A office, hospitality, and retail space.

Since retiring from professional football in 2004 after a prolific 19-year career, the NFL's All-Time Sack Leader has endeavored to bring the same level of unparalleled excellence, diligence, and leadership he honed as a veteran on the field to the management of Bruce Smith Enterprise. After exceeding the odds of the average three-year NFL career with such distinction, Smith's living knowledge of resilience and longevity correlate directly to the firm's stability and implacable client commitment. The successful development of timeless mixed-use properties that will survive and withstand the trends of the marketplace is BSE's primary mission. As a native of Norfolk, VA, and current resident of Virginia Beach, VA, Smith is also personally committed to creating jobs and generating revenue in his greater hometown community. Attracting industry to and developing stellar assets within Hampton Roads to help strengthen and invigorate the local economy is also a core mission for the firm.

Development and Construction Service Provider with Local Execution Expertise

BSE has flourished since its inception, partnering with Armada Hoffler, construction company since 1995 in the development of Blocks 7 and 10 at The Town Center of Virginia Beach, as well as Mandarin Oriental Hotel, The Swedish Embassy, and Harbourside Office Building in Washington, D.C. Smith is especially proud of the Hilton Garden Inn and Smith's Landing apartment complex that the firm built in Blacksburg, VA to serve the needs of students, alumni, and their families at his Virginia Tech alma mater. BSE is also a local owner of the Hyatt House hotel and the 27th Atlantic Apartments at the oceanfront in Virginia Beach, VA.

Madison Marquette - Developer

Leading U.S. National Investor and Owner/Operator

As a full-service real estate provider, Madison Marquette manages an investment portfolio valued at over \$6 billion and delivers integrated leasing and management services to a diverse portfolio of 330 assets in 20 states. The company partners with global, institutional and private investors to provide industry-leading investment and advisory services across asset classes. Founded in 1992, Madison Marquette built a reputation on the successful development, repositioning and redevelopment of landmark mixed-use assets, and now leverages its performance legacy to provide clients with exceptional asset services and investment advice.

Madison Marquette is uniquely qualified to undertake this project leveraging its successful development of large-scale mixed-use waterfront projects including Asbury Park, NJ (www.apboardwalk.com) and The Wharf in Washington DC. (www.wharfdc.com)

Full-Service Provider with Expertise Across Asset Classes and a Nation-wide Execution Platform

Madison Marquette invests, develops and provides full-service advice and service across all major asset classes. The company has a market leading specialty in adding value through the integration of multiple uses whether in creating vibrant new projects or enhancing the performance of existing properties. In addition, Madison Marquette's investment management expertise provides a sharp ownership focus that drives performance as a third-party service provider.

Full-service includes:

- Development Services
- Construction and Project Management
- Investment Management
- Property and Asset Management
- Marketing, Leasing and Sales
- Capital Markets Advisory
- Corporate Solutions

Service across all major asset classes includes:

- Mixed-use
- Retail
- Hospitality
- Multi-family
- Office
- Senior Housing
- Medical
- Industrial
- Land

Armada Hoffler LP

Armada Hoffler is a vertically integrated, self-managed real estate investment trust

With over four decades of experience developing, building, acquiring, and managing high-quality office, retail, and multifamily properties located primarily in the Mid-Atlantic and Southeastern United States.

The skilled and knowledgeable Development team offers a broad array of client-driven commercial real estate services. Our regional presence, full-service capabilities and financial strength make us one of the premier developers.

Project types have included mixed-use town centers, apartment and condominium buildings, luxury hotels, Class A and B office space, build-to-suit and speculative flex-tech office buildings, retail space, power centers and neighborhood retail centers, medical and special purpose complexes, as well as industrial, distribution and manufacturing projects. It has been the organization's performance across the broad spectrum of real estate products and development services that has fueled Armada Hoffler's growth and success.

Armada Hoffler Construction Company

Leading general contracting firm with a longstanding reputation for building high-quality commercial real estate in the Mid-Atlantic and beyond

Armada Hoffler Construction Company (AHCC) will serve as the Development Team's construction partner. Daniel A. Hoffler founded AHCC in 1982. Since its inception, AHCC has built millions of square feet worth billions of dollars and has been ranked among the "Top 400 General Contractors" nationwide by Engineering News Record, as well as among the "Top 50 Retail Contractors" nationwide by Shopping Center World.

Headquartered in Virginia Beach, VA, AHCC offers general contracting and construction management services, as well as a broad spectrum of pre-construction services. Designed to effectively reduce costs and streamline the construction process, these services include site evaluation, conceptual estimating, comprehensive scheduling, construction analysis and value engineering. Additionally, AHCC possesses a wide range of experience and is intimately familiar with every facet of construction—managing challenges associated with budgets, schedules and safety through hard work, innovative management techniques, and stringent cost and scheduling controls.

Proposed Development – Conceptual Masterplan

The Development Team's Rudee Loop Conceptual Masterplan envisions a cultural and entertainment district anchoring the Southern end of the City as established by the City's Comprehensive Plan.

Plan components include:

- Creating a vibrant cultural and entertainment district featuring activated open spaces, a multitude of food and beverage offerings, unique local and national retailers, for-sale and for-rent residences, three- and four-star hotels and accompanying public and private parking.
- Proposed Development program:
 - Retail, Food and Beverage – 75,000 SF
 - 4-Star Hotel and Conference – 225,500 SF, 12 levels
 - Condominium Hotel – 85,000 SF, 9 levels
 - Residential Apartments – 132,000 SF, 13 levels
 - 3-star Hotel – 123,000 SF, 13 levels
 - Rudee District features a tower and new pedestrian connection at General Booth Boulevard Bridge and the south beach trail.
 - 875 proposed parking spaces, (replacing current existing 361 surface parking, 48 street and 10 bus parking spaces). New parking includes structured and street parking (57 spaces) along with specialty parking for surfers.
 - Public Space includes:
 - Programmable park and plaza open space of 4.11 acres – 180,000 SF (~37% of the total area) including landscaping, plazas, parks and promenades
 - Activated pedestrian sidewalks of 1.62 acres – (~15% of the total area)
 - A new half-acre (0.5 acres) park at the Atlantic Avenue and the Rudee Inlet terminus.
 - A new 1.5-acre harbor-front sunset park facing Rudee Lake (Neptune Park is 0.8 acres)
 - Public Amenities, Arts, Architecture, Culture and Entertainment includes:
 - Community Art and sculpture program to enhance the outdoor space.
 - Public sports and athletic courts including basketball, multi-sport courts, playgrounds (including water features) and access to water sports.
 - A focal feature tower, recognizing the history and location of the public entertainment district including its geographic location at the Virginia Beach Boardwalk terminus.
 - An outdoor, covered performance stage with integrated seating on the harbor front for fishing and live entertainment.
 - A dog recreation park for community residents.

- A myriad of food and beverage concepts, comprising a range of price points, including street vendors, food trucks, modern casual and fine dining, coffee shops, beverage bars and food halls.
 - Dedicated amenities for surfers including parking, storage and changing rooms, as well as other amenities and access.
 - Dedicated cyclist amenities for storage, repair, rental and sales.
 - Public space pavilions for performance, street fairs and entertainment.
- Optimizing circulation of the existing road network of Atlantic Avenue, 2nd street, 3rd street and Rudee Loop with minimal realignment to improve community oceanfront access.
- Preserving existing uses and oceanfront promenade and bike path access while increasing access on the south and west sides of the oceanfront for walking, cycling, and fishing by enhancing:
 - Fishing areas including a south fishing promenade at Rudee Inlet, a fishing promenade at the west terminus of 2nd Street, and an accessible connection to the water's edge.
 - Access to Grommet Island Park and the surfing statue, the first of its kind fully accessible oceanfront playground and park located south of 2nd street.
 - Pedestrian and cyclist paths from the oceanfront to the harbor-front at Rudee Lake and links the Rudee Heights neighborhood via a new pedestrian connection from General Booth Boulevard Bridge directly to a tower feature and oceanfront promenade.
 - Existing Oceanfront Resort District form-based code with access to the water at the numbered cross streets and conforming to the heights, widths and recommendations in the code.

Developer's Financial Capacity and Request of the City of Virginia Beach

The Development Team of Bruce Smith Enterprise, LLC, Madison Marquette and Armada Hoffer, LP will fully fund the proposed development with the exception of the infrastructure, public parking garage, public park and potential convention space for the hotel, if needed, to be funded by the City of Virginia Beach.

Disclosure of any potential conflicts of interest that could be relevant to this project in any manner.

Bruce Smith Enterprise, LLC, Madison Marquette and Armada Hoffer, LP do not have any potential conflicts of interest related to this project.

Development References

Virginia Tech Foundation – 902 Prices Fork Road, Blacksburg, VA 24061 – 540.231.2861

Armada Hoffer – 222 Central Park Ave, Virginia Beach, VA 23462 – 757.366.4000

Virginia Beach Economic Development – 4525 Main Street, Virginia Beach, VA 23462 – 757.385.6464

HYATT HOUSE

Virginia Beach, VA

The Hyatt House hotel accommodates 156 guestrooms, all of them featuring private balconies with ocean views, separate living spaces, and full kitchens in select rooms. Nestled on the shore of the Atlantic Ocean the hotel will feature a heated indoor swimming pool, 24-hour Workout Room, on-site parking, "H" Market and close to 2,000 square feet of meeting space for business or social gatherings.

PROJECT TYPE

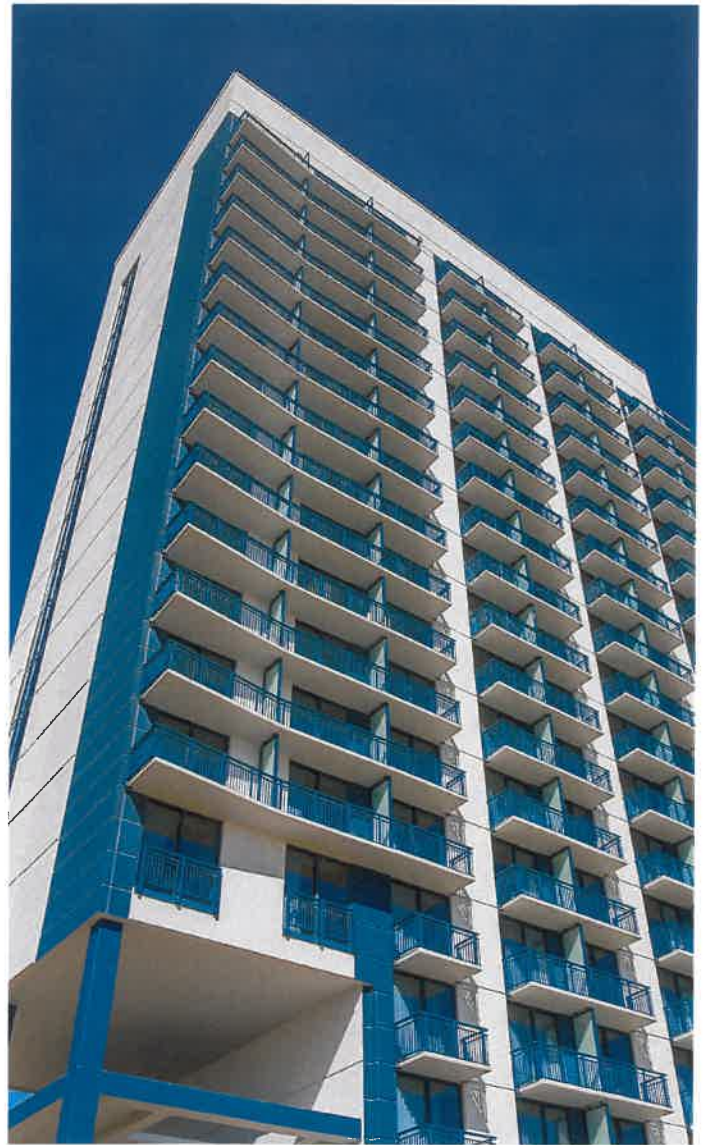
Hospitality

NUMBER OF UNITS

156

COMPLETED

2017



27 ATLANTIC APARTMENTS

Virginia Beach, VA

Located on 27th street at the oceanfront, 27 Atlantic is multifamily building featuring studio, one, two, and three-bedroom apartments. With a full array of services and amenities such as a breathtaking rooftop pool, exclusive resident health club, controlled access building with concierge, and even a dog washing station.



PROJECT TYPE

Multifamily

NUMBER OF UNITS

240 Units

COMPLETED

2021



THE WHARF

Washington, D.C.

The Wharf is reestablishing Washington, DC, as a true waterfront city and destination. This remarkable mile-long neighborhood along the Washington Channel of the Potomac River—which first opened in October 2017—brings dazzling water views, hot new restaurants, year-round entertainment, and waterside style all together in one inspiring location. The Wharf, situated along the District of Columbia's Waterfront just blocks south of the National Mall, features world-class residences, offices, hotels, shops, restaurants, cultural attractions, private event spaces, marinas, and public spaces including waterfront parks, promenades, piers, and docks.

Construction is nearly finished on the final phase of The Wharf. When The Wharf is completed in late 2022, it will span another half mile of waterfront, completing the full mile-long neighborhood.

THE WHARF BY THE NUMBERS

\$3.6 billion of total investment

3.25 million square feet of residential, hotel, office, restaurant, retail, and cultural space

1 mile of waterfront with **24 acres** of land and **50 acres** of riparian rights in the historic Washington Channel

1,393 residences

821 rooms in four hotels

300,000 square feet of restaurant and retail space

945,000 square feet of Class A office space

6,000-person-capacity music venue, The Anthem, for live music and cultural events

2,500 parking spots in a below-grade garage

10 acres of parks, open spaces, and civic areas

400 new trees planted on the site

4 public-use piers

400 boat slip



THE WHARF

Washington, D.C.

