

CITY OF HARRISONBURG CITY MANAGER

409 SOUTH MAIN STREET, HARRISONBURG, VA 22801 OFFICE (540) 432-7701 • FAX (540) 432-7778

DEVELOPMENT OPPORTUNITY COVER PAGE

ISSUE DATE: August 27, 2025	CONTACT Brian Vandenberg, Assistant to the City Manager	FOR: 301 S. Main St.
DATE/TIME LAST DAY FOR QUESTIONS: Monday, October 6, 2025 on or before 12:00pm (noon) local time Questions to: brian.vandenberg@harrisonburgva.gov	DATE/TIME PROPOSALS DUE: October 14, 2025 on or before 5:00pm	PROPOSALS DELIVERED (HARD COPY ONLY) TO: City Manager's Office 409 S. Main St., Third Floor Harrisonburg, VA 22801

<u>DEVELOPER INFORMATION</u>	
Developer Name:	
Address:	
Contact Name:	
Contact Phone Number:	
Contact Email Address:	

The purpose of this Development Opportunity by the City of Harrisonburg, Virginia (City) is to solicit unsealed proposals from companies or organizations ("Offeror") interested in owning and redeveloping property in downtown Harrisonburg to utilize the space in the best possible manner while also complementing and enhancing the existing downtown area.

The property is located at 301 S. Main St., Harrisonburg, VA 22801 and consists of approximately 5,000 square feet of commercial business space and property from Main Street curb to ten (10) feet to the rear of the back porch located within the City's downtown business district. Unlike a traditional sale of City-owned property, this Development Opportunity approach will provide the Offeror(s) an opportunity to present plans for the use(s) and redevelopment of the property. It is very important to the City that the Offeror(s) demonstrates how they will maintain the existing historical features of the building in their proposal submission.

Prior to final sale or gift, the Harrisonburg City Council will consider the disposition of the property after conducting a public hearing and after mutually agreeing upon terms and conditions of reuse and redevelopment of the property through a negotiated contract with the future owner(s) or tenant(s). Please note that a final sales contract or gift must be approved by a public vote of the Harrisonburg City Council.

Questions related to this Development or requests for clarification shall be directed to Mr. Brian Vandenberg at the above email and by the date and time listed above. It is the responsibility of all Offerors to ensure that they have received all addenda and to include signed copies of any and all addenda with their proposal submission.

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1.0 BACKGROUND

The City of Harrisonburg is an independent city located in the central Shenandoah Valley region of Virginia. It is the county seat of Rockingham County and encompasses 17.3 square miles, serving a population of approximately 56,000. Harrisonburg is located along Interstate 81 and is only two hours away from both Richmond, Virginia and Washington, D.C. Harrisonburg is home to two university campuses – James Madison University and Eastern Mennonite University – as well as numerous other businesses, non-profit organizations and a vibrant downtown. From 2020-2024, Harrisonburg was the 5th fastest growing city in Virginia out of 38 cities. The Harrisonburg Metropolitan Statistical Area (Harrisonburg and Rockingham County) population is 143,930. For additional information regarding the City's economic development and market information, visit: https://harrisonburgdevelopment.com/.

2.0 DEVELOPMENT OPPORTUNITY INFORMATION

The City is interested in conveying the property located at 301 S. Main Street, Harrisonburg, VA 22801 and will consider both purchase offers and proposals for conveyance at no cost. The successful Offeror will submit a detailed proposal with a clear vision for the site that demonstrates a high likelihood for successfully developing the property to reflect the highest and best possible use(s) for the space while ensuring the preservation of the historic features of the building to complement and enhance the existing downtown area. The Offeror will be fully responsible for all associated costs and risks.

2.1. THE PROPERTY

The project site consists of a 0.22-acre rectangular shaped parcel developed with one building that is adjacent to the Asbury Methodist Church at 301 South Main Street in downtown Harrisonburg. The property is identified as City tax map parcel 25-J-12-A.

As part of the <u>Harrisonburg Downtown Historic District</u>, the project site includes a two-story Greek/Italianate/Classical Revival house dating back to 1856. The house was expanded and renovated in the first decade of the 1900s. The City acquired the property in 1956 and housed the Recreation Department within it. It was later used by the Harrisonburg-Rockingham Historical Society in the 1970s and 80s. In 2000, the Virginia Quilt Museum occupied the building and vacated in 2024.

Proposals for the property at 301 S. Main Street will need to address site assessment, continuity with existing downtown buildings and a description of the design principles proposed to be utilized in the building's redevelopment. Both categories are further defined below.

2.2. SITE ASSESSMENT

The proposal for this property will need to reflect the highest and best possible use(s) for this building. Development will need to be sensitive, however, to adjoining properties, buildings and their respective uses. Proposals will also need to consider planning elements which address the downtown business district including the City's zoning ordinances (see Attachment B) for B-1 zoned property. Through the site assessment, each Offeror should identify existing constraints to the conceived development use(s) of the building and how the constraints will be addressed. A visit to the site can be arranged by contacting Brian Vandenberg at 540-432-7701 or brian.vandenberg@harrisonburgva.gov.

2.3. CONTINUITY AND DESIGN PRINCIPLES

The location of 301 S. Main Street in downtown Harrisonburg provides a unique opportunity for the adaptive reuse of an existing character building in a thriving downtown location. The proposal will need to identify how the use(s) of the building and renovations/alterations to the building will complement and

enhance the existing downtown area. Concepts, rough sketches or design ideas are welcome to be submitted with the proposal.

It is very important to the City that the Offeror(s) demonstrates how they will maintain the existing historical features of the building in their proposal submission.

Offeror(s) are encouraged to refer to various planning documents including the City of Harrisonburg's Comprehensive Plan, Chapter 15, as well as other documents contained in this Development Opportunity. The proposal should include how the concept will integrate with the building's interior and exterior, provisions for ingress and egress of tenants and visitors to the building including commercial delivery, if applicable, and provisions for tenant and visitor parking. Note that the property is in close proximity to several public parking options. The Offeror(s) must be able to demonstrate how the building and proposed uses of the property will function within the existing downtown setting.

2.4. TIMELINE

The sale and subsequent revitalization of this property are considered a high priority for City Council. The planning and design of the property should begin immediately following the contract award and proceed through construction and occupancy in a timely and uninterrupted manner. Offerors should provide an anticipated project timeline.

2.5. QUALIFICATIONS

Those interested in responding to this Development Opportunity must have a sound understanding of the goals of this solicitation and the financial resources necessary to satisfactorily complete the work.

Proposals will be evaluated on overall feasibility as demonstrated by a highly capable team, reliable credit and financial history, relevant successful past experience, and capacity for project financing. Examples of documents that Offerors may include in their proposal to demonstrate such qualifications may include: budget, schedule, site concepts and/or renderings, references, a list of past projects or experience, list of project team members and qualifications (i.e. resumes or bios of key project team members), and project team organizational chart.

3.0 PROPOSAL REQUIREMENTS

The proposal shall provide information necessary for City of Harrisonburg to evaluate the qualifications, experience, and expertise of the Offeror as well as the intended use for the space as outlined in Section 2.0.

Each proposal shall be limited to twenty (20) typewritten pages, excluding illustrative material, which shall be included as appendices. All information included in any submitted proposal(s) shall be considered public record only after an interim agreement has been reached between the City of Harrisonburg and the selected Offeror.

Each proposal must contain the following elements organized into separate sections, as the Organization may deem appropriate:

SECTION 1

- Development Opportunity Cover Page, completed
- Table of Contents all pages are to be numbered;
- Cover Letter/Executive Summary (5 pages maximum) on company letterhead, signed by a person with the corporate authority to enter into any contract which results from this Development Opportunity. The letter should summarize the proposed project, including key technical and

	financial details, the overall approach to development, and a high-level description of the project's alignment with identified local needs. It should also introduce the development team and highlight relevant experience and qualifications related to adaptive reuse of historic buildings and work with local governments that indicate the ability to successfully execute the project.
SECTION 2	ORGANIZATIONAL INFORMATION & QUALIFICATIONS
	• Information demonstrating the Offeror has a capable team, reliable credit and financial history, relevant successful past experience, and capacity for project financing. See Section 2.5 for a list of potential documents and/or information to provide in this section.
	• Subcontractor Information, if applicable - Name, location and telephone number of the Offeror's representative to contact regarding all matters. In the case of a team submission, the primary contact needs to be clearly noted
SECTION 3	DEVELOPMENT PLAN
	 Detailed description or conceptual vision of the proposed use for the space, giving special consideration to how you will maintain the existing historical features of the building Site Assessment information per Section 2.2
	 Continuity and Design Principles information per Section 2.3
	Proposed timetable after contract award per Section 2.4
SECTION 4	PURCHASE PROPOSAL
	Non-binding purchase price for the property, including justification
SECTION 5	ADDENDA, signed (if any)

4.0 SUBMISSION INSTRUCTIONS

Proposals should be clearly marked: "**Development Opportunity: 301 S. Main Street**". Proposals shall clearly indicate the legal name, address and telephone number of the Organization. All expenses for making a proposal to the City shall be borne by the Offeror. Proposals shall be received no later than the date and time listed on the Cover Page of this document.

Any material which is identified as proprietary/confidential by the Offeror(s) must be clearly and prominently noted at the time of submission. Financial data and other proprietary information should be identified and separated within the proposal, preferably in an appendix. If proprietary/confidential information is identified, Offeror is required to submit a redacted copy of their proposal in addition to the required number of proposals requested. Redacted copies should be provided in electronic PDF format on flash drive. All electronic copies shall be exact PDF scanned copies of the original, signed, completed documentation.

Although the City will generally endeavor not to disclose information designated proprietary/confidential, the City will independently determine whether the information is exempt from mandatory disclosure under Virginia law. Moreover, exempt information may be disclosed by the city, at its discretion, unless otherwise prohibited by law, and the city shall have no liability related to such disclosure. In all cases, the city will adhere to the Virginia Freedom of Information Act (Va. Code § 2.2-3700 et. seq).

Proposal documents shall be mailed or hand-delivered to the City Manager's Office c/o Brian Vandenberg at 409 South Main Street, Third Floor, Harrisonburg, VA 22801. Office hours are Monday through Friday, 8:00am to 5:00pm, except City holidays (www.harrisonburgva.gov/city-holidays). Faxed or emailed proposals will not be accepted. Proposals shall be received by the City Manager's Office no later than the date and time listed on the Cover Page of the Development Opportunity. Any proposals received after this date and time will

not be accepted. The City of Harrisonburg is not responsible for delays in the delivery of the mail by the U.S. Postal Service, private couriers, or the inter-office mail system. The Offeror has the sole responsibility to have the proposal received by the Harrisonburg City Manager's Office at the above address and by the above stated time and date. Proposals will not be publicly opened.

All documents contained within the proposal submission shall be completed in their entirety and signed and dated where required.

5.0 PROPOSAL EVALUATION CRITERIA

Selection of the successful proposal will be based upon submission of proposals meeting the selection criteria. Proposal evaluations will be based on a points scale, using the following minimum selection criteria:

Evaluation Criteria	
Quality and thoroughness of proposed plan and timeline for the property to meet a compelling	
interest of the residents of Harrisonburg	
Qualifications of personnel, references and financial stability of Offeror and team	
Demonstrated ability to preserve historical features of the building	
Technical approach and methodology	
TOTAL AVAILABLE POINTS	100

As part of the evaluation process, the City may ask questions of a clarifying nature from Offerors as required.

6.0 PRE-REQUISITES TO FINAL AWARD

The proposal evaluation criteria will be utilized to score and rank proposal submissions based on the criteria above. One or more finalist(s) of the most highly scored proposals will be asked to appear for an interview. If invited for an interview, those individuals identified in the proposal as key personnel must participate. Interviews will be conducted in person (or virtually, if requested, at the discretion of the City of Harrisonburg) in Harrisonburg at a time and place to be determined. The City of Harrisonburg will not be responsible for any costs associated with development of this proposal or attendance for the interview(s).

Following the evaluation, scoring and interviews, if applicable, the City of Harrisonburg will select at least one (1) proposal for further discussions and negotiations to review the proposed scope of work et al. Following these negotiations the invited Offeror(s) will be given the opportunity to submit a final and best proposal. This final proposal will become the basis for the development agreement and will be incorporated into a final contract between the Owner (City of Harrisonburg) and the Buyer(s) or Tenant (Offeror).

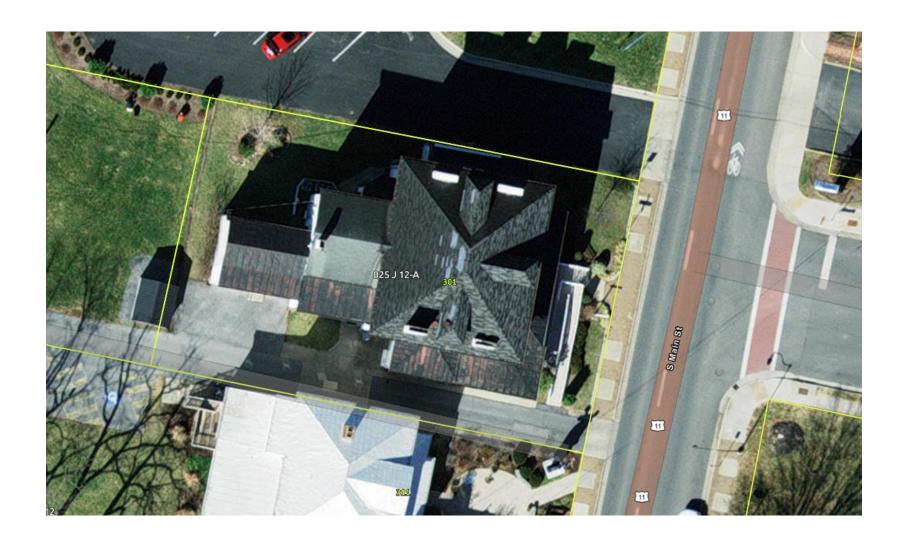
City staff will select the most highly scored and favorable proposal to present to Harrisonburg City Council and recommend a contract be awarded for the conveyance of the property. After holding a public hearing, City Council must vote to approve the selection of any Offeror who will be conveyed the property described in this Development Opportunity. City Council may or may not choose to accept the offer recommended by staff.

7.0 REVERSION

In the event of a sale, the City intends that the purchaser will hold full title, and the property will not revert to the City if development does not proceed as planned. In the event of a conveyance at no cost, the ownership of the property will only revert to the City if the recipient is unable or unwilling to complete the project, in which case the City reserves the right to reclaim ownership of the property in order to re-market it for development. In the event of a no-cost conveyance, recipients will not be able to list the property for sale for a period of 10 years.

ATTACHMENT A. PROPERTY PHOTOS & PROPERTY CARD 301 S. MAIN STREET





301 S MAIN ST

Location 301 S MAIN ST Acct# 025 J 12-A

Owner CITY OF HARRISONBURG Building Name

Assessment \$1,069,300 Building Count 1

Legal Description QUADRANT 4 WS S MAIN ST Bill Acct Num P1004065

Assessing District Quadrant 4

Current Value

Assessment					
Valuation Year Building Extra Features Outbuildings Land Total				Total	
2025	\$932,300	\$3,300	\$0	\$133,700	\$1,069,300

Owner of Record

 Owner
 CITY OF HARRISONBURG
 Sale Price
 \$0

 Co-Owner
 Book & Page
 1818/279

 Address
 409 S MAIN ST
 Sale Date Instrument
 06/18/2024

 Instrument
 23

HARRISONBURG, VA 22801

Ownership History

Ownership History				
Owner Sale Price Book & Page Instrument Sale Date				
CITY OF HARRISONBURG	\$0	1818/279	23	06/18/2024
THE VIRGINIA QUILT MUSEUM INC	\$0	0/0	00	11/16/2017

Building Information

Building 1 : Section 1

Year Built:

Living Area: 6,807
Building Percent Good: 85

Building Attributes			
Field Description			
Style	Museum		
Model	Comm/Ind		
Quality			
Story Height	9		
Num Units	0.00		
Bsmt 4 Area			
AC Type			
Bsmt Type			
Fpl Type			
Heat Type			
Full Bath(s)			

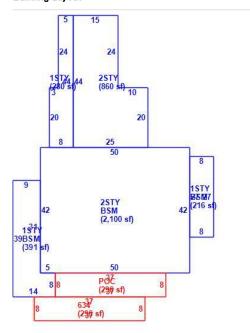
Building Photo

Building Photo

(https://images.vgsi.com/photos/HarrisonburgVAPhotos//default.jpg)

Wood/Steel Frame Ext Walls
000C
6808
2.00
1.5
2.00
2

Building Layout



(ParcelSketch.ashx?pid=3533&bid=22029)

	Legend		
Code	Description	Gross Area	Living Area
2STY	2.00 Sty	2,960	5,920
1STY	1 Sty	887	887
634	Extra	296	0
BSM	Basement	2,707	0
POC	Covered Porch	296	0
		7,146	6,807

Extra Features

Extra Features <u>Leg</u>				<u>Legend</u>
Code	Description	Size	Assessed Value	Bldg #
POC	Porch , Covered	296.00 SQFT	\$3,000	1
634	Extra	1.00 SQFT	\$300	1

Land

Land Use		Land Line Valuation	
Use Code	481	Size (Acres)	0.22
Description	Museum	Frontage	0
Zone	B1	Depth	0
Neighborhood	Quadrant 4	Assessed Value	\$133,700
Alt Land Appr	No		
Category			

Outbuildings

Outbuildings		
No Data for Outbuildings		

Valuation History

Assessment							
Valuation Year	Building	Extra Features	Outbuildings	Land	Total		
2024	\$975,300	\$3,300	\$0	\$129,000	\$1,107,600		
2023	\$975,300	\$3,300	\$0	\$129,000	\$1,107,600		

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CHAPTER 5. - ARTS AND CULTURAL DISTRICT

ARTICLE A. - GENERAL PROVISIONS

Sec. 9-5-1. - Purpose.

The City of Harrisonburg finds that the continued development and success of its arts and cultural venues requires incentives, and determines that the most appropriate method of offering incentives for the area described below is to create an arts and cultural district in that area, as authorized by section 15.2-1129.1 of the Code of Virginia. The city believes that the establishment of an arts and cultural district will improve the economic conditions of this geographic area located in the central portion of the city which could, in turn, benefit the welfare of the citizens of Harrisonburg.

(Ord. of 6-12-01(2))

Sec. 9-5-2. - Administration.

The administrator of the Harrisonburg Arts and Cultural District shall be the city manager or his designee. The administrator shall determine the procedures for obtaining the benefits created by this chapter and for the administration of this chapter.

(Ord. of 6-12-01(2))

Sec. 9-5-3. - Definitions.

For the purposes of this chapter, and unless otherwise indicated to the contrary, the following term(s) shall have the following meaning(s):

Creative economy business shall mean a business whose primary economic activities are the generation or utilization of innovation, knowledge and information involving individual creativity, skill and talent which activities have a potential for wealth and job creation through the generation of ideas, products and/or services. Standard categories may include, but are not limited to: advertising, architecture, art and antiques, designing computer games or software, culinary arts, crafts, design, designer fashion, film and video, music performing arts, publishing, TV and radio.

Expanded business shall mean a qualified arts organization that is currently located in the City of Harrisonburg and does one (1) of the following: (i) Makes a capital investment in the qualified arts organization of at least ten thousand dollars (\$10,000.00). Capital investments are amounts spent to acquire or upgrade productive fixed assets (such as buildings, machinery and equipment, vehicles) to increase the

capacity or efficiency of a firm for more than one (1) accounting period. Capital investments do not include funds spent for working capital or day-to-day operation of the business; or (ii) creates at least one (1) new full-time job at the qualified arts organization.

Incentives for an expanded business will apply only to the increased amount of business, professional and occupational license taxes ("BPOL") and increased admission taxes that the expanded business pays after it qualifies as an expanded business.

When applying for any benefit afforded under this chapter, the applicant shall have the burden of proving qualification as a qualified arts organization. The application for a new business or an expanded business must be filed within six (6) months from its startup or its expansion.

New business shall mean a qualified arts organization that is not currently located within the City of Harrisonburg.

Qualified arts organization shall mean a new business or expanded business, as defined below or not-for-profit organization that carries on at least one (1) of the following business activities in the arts district and has been classified by the administrator as a qualified organization for the purposes of this chapter:

- (1) A business for profit or not-for-profit organization that presents live performances of theatre, dance, music or other imaginative work and/or produces or exhibits physical works created by, or under the direction of one (1) or more artists, which are intended for unique production or limited reproduction. Museums or historic sites, the primary mission of which is education, history, or historic preservation, shall also qualify as arts and culture organizations.
- (2) A creative economy business.

In no case shall an office use such as a bank, real estate office, medical office, attorney's office or any other general office use qualify as a qualified arts organization for the purposes of this chapter. In no case shall a restaurant qualify as a qualified arts organization for the purposes of this chapter. Additionally, in no case shall a retail shop that is a franchise or chain with three (3) or more physical locations qualify as a qualified arts organization for the purposes of this chapter.

(Ord. of 6-12-01(2); Ord. of 3-13-12(30); Ord. of 7-26-16, eff. 9-1-16)

Sec. 9-5-4. - Boundaries.

The arts and cultural district shall be located in the central portion of the city, defined by the following borders. Beginning at the intersection of Washington and Main Streets, the boundary line follows Washington Street northwest to Liberty Street, then follows Liberty Street south to Johnson Street, then follows Johnson Street east to the railroad tracks, then follows the railroad tracks southwest to Rock Street; west along Rock Street to High Street; south along High Street to West Market Street, west on Market Street to Dogwood Street; southwest on High Street from Wes Market Street intersection to Grace Street; east along Grace Street to the railroad tracks; follows the railroad tracks southeast through the James Madison City of Harrisonburg, VA - 301 S. Main St. Development Opportunity

University campus to Martin Luther King Jr Way; west along Martin Luther King Jr Way to Mason Street; north along Mason Street to Newman Avenue; east along Newman Avenue to Ott Street; north along Ott Street to Market Street; west along Market Street to Broad Street; north along Broad Street to Elizabeth Street; west along Elizabeth Street to Community Street; north along Community Street to Johnson Street; east along Johnson Street to Broad Street; south along Broad Street to Kelley Street; east along Kelley Street to Simms Ave; north along Simms Avenue to Washington Street; northwest along Washington Street to the intersection with Main Street.. All parcels located within the boundaries described above are included in the Harrisonburg Arts and Cultural District. Properties fronting either side of these border streets and the railroad tracks shall be included within the district. Boundary adjustments must be approved by city council.

(Ord. of 6-12-01(2); Ord. of 7-26-16, eff. 9-1-16)

Secs. 9-5-5—9-5-9. - Reserved.

ARTICLE B. - TAX EXEMPTIONS

Sec. 9-5-10. - Taxes eligible for exemption.

- (a) Business, professional and occupational license ("BPOL") taxes and fees. Qualified arts organizations shall be exempted from the payment of the BPOL taxes and fees imposed by chapter 1 of title 12 of the Harrisonburg City Code for the first three (3) full years following the actual occupation and/or certification of the qualified arts organization with the arts and cultural district.
- (b) *Admission taxes.* All businesses physically situated within the district and with current business licenses issued by the City of Harrisonburg shall be exempt from the fees for admission taxes imposed by chapter 2 of <u>title 4</u> of the Harrisonburg City Code.

Upon certification by the administrator and proof that no taxes are outstanding at the time of the application, the qualified arts organization shall be entitled to the exemptions created by this section. Failure of the qualified arts organization to pay taxes when due or to comply with the requirements of this chapter shall result in the loss of the qualification under this chapter and the loss of the above tax exemptions.

(Ord. of 6-12-01(2); Ord. of 3-13-12(30); Ord. of 7-26-16, eff. 9-1-16)

Secs. 9-5-11—9-5-19. - Reserved.