


An architectural rendering of a proposed urban redevelopment project. The scene is set at dusk or night. On the left, a modern building with a complex, layered wooden facade and a glass-walled ground floor is visible. To the right, a large, illuminated structure with a series of red, angled, rib-like supports and a translucent, blue-tinted canopy dominates the skyline. The ground is a wide, paved plaza filled with a large, diverse crowd of people walking, standing, and socializing. In the foreground, there are landscaped areas with green plants and small trees. A small food stand or kiosk is visible in the middle ground. The overall atmosphere is vibrant and suggests a lively public space.

Wellness Circle, LLC **CITY OF NORFOLK**

Proposal for the
Military Circle Redevelopment

May 14, 2021



*Growth without limits
for the people and
City of Norfolk.*



A. LETTER OF TRANSMITTAL

May 14, 2021

Jared Chalk
Director of Economic Development, City of Norfolk
999 Waterside Dr.
Norfolk, VA 235120

Re: Response to Military Circle RFP

Dear Mr. Chalk,

Wellness Circle, LLC is pleased to present the following proposal for our vision of the redevelopment and revitalization of Military Circle. We remain aligned with the City’s vision to “transform an underperforming and aging Norfolk landmark into a holistic and vibrant wellness-centered community.”

“Wellness” is the central theme of our proposal and is weaved throughout every project component—most notably the “Wellness Loop.” The “Wellness Loop” is a one-mile trail that re-imagines the suburban Ring Road as a beautifully landscaped multipurpose trail, providing access and connectivity throughout the entire development.

Another aspect of “wellness” is a focus on building human and social capital – not simply financial capital. Quality of life in the community will result from a dense, vibrant, inclusive, and walkable open and green urban core with ample community and public spaces. Our objective is to maximize both quality of life and economic impact.

Other project components include over 4.6 million SF of mixed use development, including office, residential, education, retail, food and beverage, community, arena, hotel, and ample public space. We truly believe that each of these pieces will harmonize to form a highly active mixed-use and mixed-income community centered on health and wellness, cultural enrichment, and social inclusion. We truly believe that each of these pieces will harmonize to form a highly active mixed-use and mixed-income community centered on health and wellness, cultural enrichment, and social inclusion.





We are honored to have the opportunity to expand our team to include The Miles Agency, Drs. Vinod Agarwal and Robert McNab with the Department of Economics at Old Dominion University, JLL Capital Markets, Terrence Thornton, Real Property Research Group, S.L. Nusbaum Realty Co., Stone Planning, and the YMCA of South Hampton Roads, who have all come together to help further our initial vision and create the enclosed proposal.

Please allow this letter to serve as confirmation that Wellness Circle, LLC is a registered legal entity authorized to do business in the Commonwealth of Virginia by the State Corporation Commission. This proposal is genuine and without collusion in all respects. It will remain valid for 180 days from the date hereof, unless withdrawn by Wellness Circle, LLC, as permitted in the City of Norfolk Military Circle Redevelopment Request for Proposals (RFP) dated April 2, 2021.

Should you have any questions or need any further clarification of anything contained in this Proposal, please contact Donna MacMillan-Whitaker (1081 19th Street, Suite 202, Virginia Beach, VA 23451 | 757.620.0606 | donna@venturerealtygroup.com), who is authorized to act on behalf of Wellness Circle, LLC.

We would like to thank the City of Norfolk for the opportunity to present our vision. It is our hope that the City will allow this project and the private and public investments to set a new standard and definition of community. This project isn’t simply about real estate – it is about humanity.

Sincerely,



PHARRELL WILLIAMS	ADJAYE ASSOCIATES	HARLO CAPITAL / WESTDALE REAL ESTATE	ARMADA HOFFLER PROPERTIES		
LIVE NATION	VENTURE REALTY GROUP	OAK VIEW GROUP	GENSLER	PACIFIC RETAIL	
PIPER SANDLER	RAYMOND JUNGLES, INC.	ROCKWELL GROUP	KIMLEY-HORN	YELLOW	INTERFACE
YMCA OF SOUTH HAMPTON ROADS		TERRENCE THORNTON	THE MILES AGENCY	JLL CAPITAL MARKETS	
DR. VINOD AGARWAL & DR. ROBERT MCNAB		REAL PROPERTY RESEARCH GROUP	S.L. NUSBAUM REALTY CO.	STONE PLANNING	

When we think without boundaries, we can create growth for human beings, families, and our cities. The north star for our vision of a new and remarkable place here in Norfolk is the well-being of our community. Everything we have imagined, everything we've planned prioritizes wellness and inclusiveness, whether through the lenses of housing, health, education, enjoyment, or the public realm.

“I believe this unlimited thinking will lead to an extraordinary outcome: a wellness-centered and resilient community with the purpose to improve the lives of all people.”

–Pharrell Williams, Lead Developer



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Executive Summary



A Future Shaped by Wellness

The Wellness Circle is a redevelopment plan shaped entirely by wellness-centered urban planning, inspiring design, and highly curated amenities; all focused on dramatically improving the quality of life for a diverse community and the City of Norfolk. We see this as a resilient model community of the future, purposefully designed for the wellbeing of all who live, work and visit here.

The team behind the Wellness Circle is a collective who understand the enormous long-term community-building and financial potential of an immersive wellness-centered community. We believe that every new development is an opportunity for a city to define itself and convey a message to the world about its values.

While this development centers on the Military Circle site, we see it as an opportunity for the City of Norfolk to set a new standard for thoughtful and intentional broad community-based design.

The Future of Norfolk is The Future of the Region

Like many urban centers, Downtown Norfolk emerged at the waterfront because of the maritime and shipping industries. It's time to establish an upland economic center for emerging health and technology industries to not only provide economic development, but also to enhance the quality of life of our residents.

Wellness Circle can provide the economic development anchor our region has been missing for decades. Its commitment to attracting healthcare companies will help the region stake a new regional wellness mission and identity. Its central geographic location, size, scope, and intentional design will provide benefit for all surrounding communities in Hampton Roads and will signal to the Commonwealth, the country and world at large that Norfolk is a place building its future today.

Tenets of the Wellness Circle

Community at the Core

Level the playing field for disadvantaged communities with a place of belonging rooted in community needs and programs that make abundant opportunities for all.

Resilient Environment

A green, inclusive, and connected active public realm made to stimulate growth. A commitment to resource stewardship and resilient ecology for the site, infrastructure, and built environment.

Health & Wellbeing

Centered on holistic principles of health/wellbeing for all residents, visitors, and businesses. A walkable and safe neighborhood with community clinic, food accessibility, and healthy indoor/outdoor environments.

Housing for All

Diverse residential: market-based multifamily, age-focused, lower-income interwoven with inclusive, community-oriented spirit.

Education Throughout

Innovative education programs in a holistic and experiential environment, including K-12 and medical.

Employment & Workplace

Intentional commitment to attracting like-minded tenants/investors who believe in wellness, diversity, and growing locally-based employment.

Entertainment & Play

A community-based entertainment and sports arena, ample active recreation and sports venues, interwoven retail and F&B, playgrounds, and playful landscapes infused throughout

Introduction

The Wellness Circle is about people and community. Great neighborhoods mean great communities: a sense of unity and a feeling of fellowship with others. While the Wellness Circle will be engaging and experiential with a rich and diverse mix of uses , the glue that will hold it together is a sense of inclusion and belonging. As Pharrell notes, our public spaces must be welcoming to all.

Our plan is also conceived to address the objectives of the City: to create a thriving, transit-oriented mixed-use development with great public spaces; to conceive a holistic, walkable wellness community grounded in resilience and inclusivity that grows employment opportunities for all; to establish a sound fiscal plan optimizing private investment, increasing tax revenue, and minimizing public risk; to enhance city life overall; and to meet or exceed the City’s Resilience Goals.

Overview

Wellness Circle is intended to be the first East Coast “Wellness Community” development. Located in the City of Norfolk, Virginia, the Wellness Circle will include 89 acres located on the site currently known as Military Circle Mall.

This urban revitalization development will encompass mixed-income, mixed-use (commercial and residential), transit-oriented infrastructure, and a state of the art 15,400-16,500-seat arena.

This project will challenge the balance between urban development and social inclusion, with a focus on community spaces, mixed-income housing, diverse retail and commercial opportunities dedicated to supporting inclusion and authenticity.

The development has been designed to promote and attract businesses and tenants who have adopted high sustainability goals and are rooted in the ideas of “community” and “wellness.”

Two thirds of the project will be dedicated to public uses, including publicly owned facilities, green space, and public infrastructure.

Land assembly, planning, and permitting will begin in the 4th quarter of 2021 with an anticipated phased 7 to 8 year full build out.

Total project investment will be approximately \$1.1 billion, which will include private investment of approximately \$853 million funded by institutional lending and other federal programs, and public investment of approximately \$332 million for infrastructure (\$63 million), parking (\$50 million), and arena (\$219 million), funded by project revenues and creation of a CDA which will issue private bonds.

Project Highlights

4.63 million SF on 89 acres, which includes:

- Office: 1,000,000 SF, which includes medical office campus
- Residential: 1,253,488 SF, which includes 708 units of market-rate multifamily, 288 units of LIHTC housing, and 147 for sale townhomes
- Retail: 143,000 SF
- Food & Beverage: 80,000 SF
- Arena/Entertainment: 489,000 SF, which includes a 15,400-16,500 seat arena for, concerts, family shows, sporting, and other events. Well-positioned access to I-64 and I-264
- Community Space: 54,700 SF, which includes YMCA community facility
- Hotel: 210,000 SF 200-room hotel, operated by the team behind the goodtime hotel in Miami, FL
- Education: 94,000 SF, which includes the innovative YELLOW School as well medical learning facility/clinic
- Wellness Loop: 1-mile multipurpose pedestrian trail replacing Ring Road with existing natural resources and enhanced outdoor features

Key Components of the Wellness Circle

1. THE WELLNESS LOOP

The plan replaces the mall’s Ring Road with a highly activated green path that encircles the community to promote walking, exercise, and social engagement. At the center of the Loop is an urban park called “Trident Park” that provides an inspiring focal point and anchor to promote redevelopment. Where the Loop and park intersect, the project team envisions a large sculpture – sure to become a Norfolk icon – that welcomes the visitors to the Wellness Circle. As the planning process unfolds, we welcome community engagement on helping to shape the Loop’s programming, design, and cultural spaces.

2. THE PROGRAMMING

The plan includes over 4.6 million SF of development designed to create positive outcomes for its residents, guests and customers—and a seismic economic impact on the City of Norfolk and beyond:

- **MEDICAL**
The community is anchored by over 500,000 SF of health care offices and medical service space that not only ground the project in “wellness” and health equity, but also create a critical mass of employment and commerce. We intend to partner with this community anchor and collaborate in the ultimate vision and final agreed-upon master plan with the City and would require a successful negotiation for the acquisition and relocation of the existing Sentara/Optima facility.

- **EDUCATION**
Another cornerstone of the project is education, including a potential medical college and the YELLOW School – the nonprofit private school model is designed for the next generation of innovators and entrepreneurs, supported by Amazon, Geico, Adidas, Warby Parker, and the Walton Family Foundation.
- **RESIDENTIAL**
The plan envisions 708 multifamily units, 147 townhome units, 288 low income housing tax credit units, and an approximately 200 key hotel. Housing options will be available to a diverse group of residents and incomes. All housing will be designed with a high-design aesthetic to inspire visitors and residents creatively and socially as well as promote conversations about the development.
- **COMMERCIAL**
The commercial plan includes over 1 million SF of office space (including medical facilities), and 200,000 SF of retail and restaurants. Retail users will provide needed food, services and amenities to the community.
- **ENTERTAINMENT**
The plan provides the option for an 15,400-16,500 seat arena, providing a world-class regional destination for culture, sports and civic engagement.
- **COMMUNITY**
We are intending to build an inclusive place of belonging rooted in community needs where the diversity of the city is welcome and opportunities for education,





play, youth development, and personal growth are abundant. This commitment is realized through our partnership with the YMCA, provisions for ample community recreation space, community farming, affordable housing, and jobs.

- **INFRASTRUCTURE**

The stakeholders are aware of the site's substantial parking, transit, utility and stormwater needs. The master plan anticipates over 4,500 structured parking and at-grade spaces located throughout the walkable street grid. The plan proposes integration of future light-rail development while providing convenient automobile access and pedestrian circulation.

- 3. **RESILIENCE AND SUSTAINABILITY**

With the significant addition of green space to the site and this project's scale and community impact, the project team has elevated the concept of resource stewardship and community resilience throughout the planning and design process. We are targeting 85% water reduction and 40% energy efficiency reduction over business as usual constructing utilizing a wide range of strategies. For stormwater, we are satisfying City and State requirements for water quality control, channel protection, flood protection, and resilience, and will provide partial mitigation for existing downstream flooding.

- 4. **THE DESIGN**

The development team includes a cast of internationally acclaimed professionals. Perhaps most notable is Sir David Adjaye, whose works include the Smithsonian Museum

of African American History. Accompanying Sir Adjaye is global architectural firm Gensler and acclaimed landscape architect Raymond Jungles. Each has been charged to deliver art-inspired design elements to each component of the project, with a focus on equality of design in all levels of housing.

- 5. **THE TRANSFORMATIONAL DEVELOPMENT PLAN**

Traditional suburban shopping malls are intended to be convenient, accessible, and utilitarian. One of a suburban mall's most distinguishing features is the Ring Road that encircles its indistinct retail boxes and acres of parking. The architect of the modern shopping mall, Victor Gruen, intended the Ring Road to serve as a "Ringstrasse", like the grand malls of his native Vienna. These roads contained wide sidewalks and gardens that encouraged walking, exercise, and gardens—not prowling minivans stalking parking spaces.

The Wellness Circle reclaims the ubiquitous suburban Ring Road for its original intent: to bring people together in a civic space where walking is encouraged, and design is inspiring. Our proposed development reimagines contemporary live-work-play environments with an emphasis on promoting the physical, social, emotional, and intellectual needs of the community. This is not a "mixed-use development" designed around a retail shopping anchor; rather, it is an inclusive place of belonging that aims to improve the quality of life for a diverse group of people using wellness-centered land planning, inspiring design, and highly curated uses.

Our plan is sized for growth. It provides significant amount of public space, either through outdoor amenities, parks, roads, and public realm, or through the arena and community uses and buildings. As the community grows beyond its bounds, it promotes the increased use and sharing of these public amenities.

As we transform the mall to a wellness-centered community, we move from dependence (one use) to interdependence (a mix of uses); from an underutilized asset to one with vibrancy and optimized density. We evolve from an emphasis on cars and asphalt to prioritizing people, parks and healthy outcomes, and create a catalyst for co-development. As such, the Wellness Circle will be a model for community, resilience, and wellness; an anchor and icon for the city; and a catalyst for neighborhood regeneration and growth.

6. THE OUTCOMES

The Wellness Circle objectives include tangible health, economic, social, and financial outcomes. With the diverse programming, we are working to facilitate uplifting intersections among residents, students, visitors, and employees. For example, if a student sees a healthcare professional at work, or on their way to work, they are more likely to see healthcare as an attainable profession. Once developed, the Wellness Circle will evaluate the performance of these outcomes using metrics determined during the development process.

7. THE FINANCE STRATEGY

The finance proposal emphasizes optionality to allow the City maximum flexibility in considering its investment alternatives. The proposal recommends a highly creative investment structure including TIF, CDA, and other structured finance vehicles.





Development Team Membership,
Organization and Management

Wellness Circle LLC is a Virginia limited liability company comprised of the following principals and business affiliates:

1. Pharrell Williams, international artist, producer and entrepreneur

2. Harlo Capital / Westdale Real Estate, Toronto and Texas-based firms specializing in a wide range of mixed-use and residential development throughout United States and Canada

3. Armada Hoffler Properties, a Virginia Beach-based Real Estate Investment Trust trading on the NYSE as AHH

4. Venture Realty Group, a local development leader

5. Live Nation, the world's leading live entertainment company

6. Oak View Group, a full-service venue management and event programming company

7. YELLOW, a non-profit working to even the odds for all youth through education

8. Adjaye Associates, a multidisciplinary design architecture firm

9. Gensler, an architecture firm with a philosophy of value-based design and comprehensive services

10. Raymond Jungles, Inc. a landscape design firm with a dynamic practice inspired by the ethic of stewardship of the land

11. Rockwell Group, an architecture firm with roots in theater and set design
12. Kimley-Horn, a consulting firm recognized as a leader in providing comprehensive and innovative planning, environmental, transportation planning and engineering, and civil and structural services

13. Pacific Retail, one of the nation's premier retail operating groups

14. Piper Sandler, a full service financial services firm

15. Terrence Thornton, a Musician, Music Executive, Philanthropist and Advocate

16. YMCA of South Hampton Roads, a 501(c)3 FOR IMPACT nonprofit organization

17. The Miles Agency, a local Virginia Beach Marketing and Public Relations firm

18. Dr. Vinod Agarwal & Dr. Robert McNab, Economic Impact

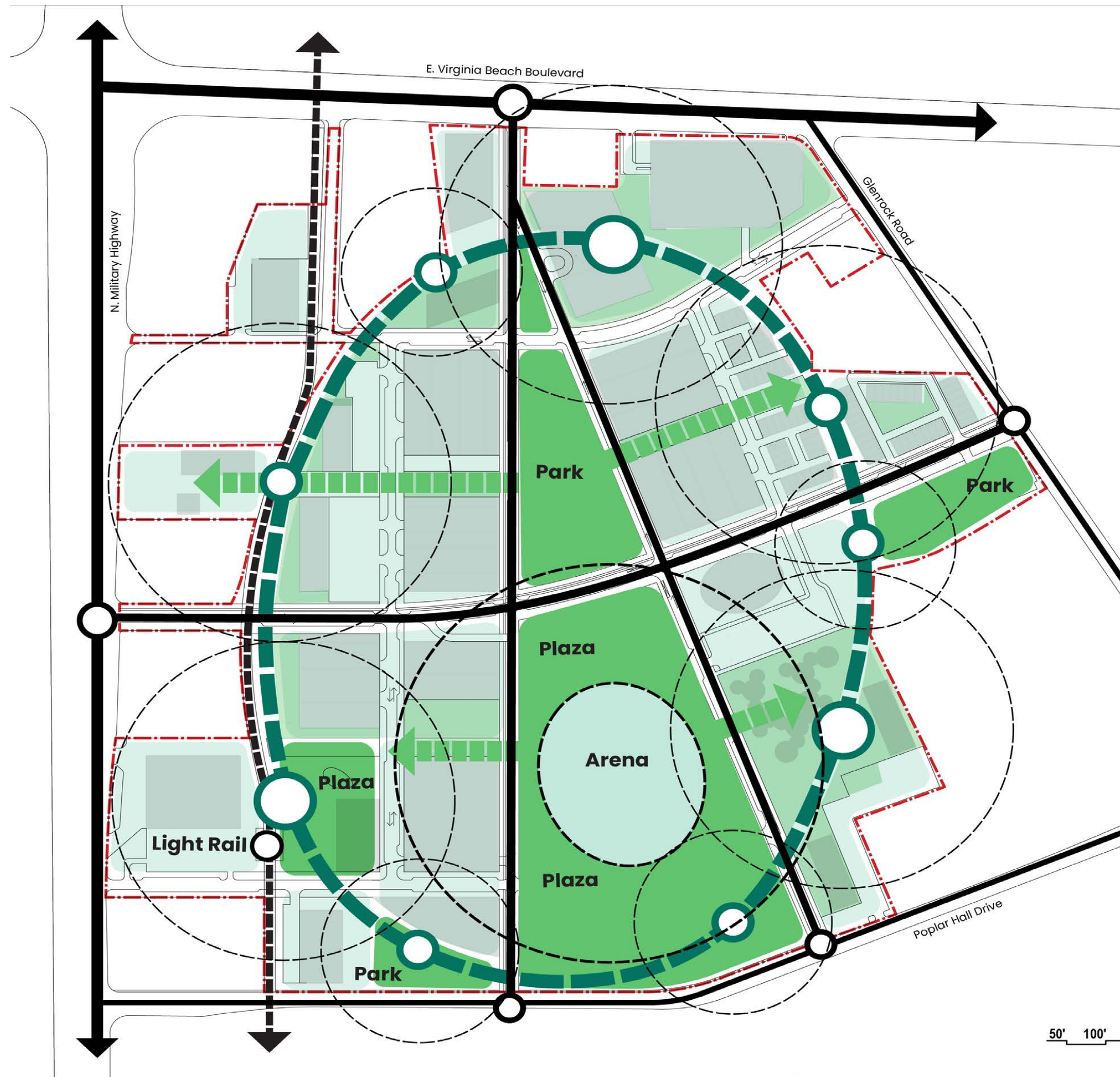
19. JLL Capital Markets, JLL is a truly global professional services and investment firm, specializing in real estate

20. Real Property Research Group, a multi-disciplinary real estate and economic consulting firm

21. S.L. Nusbaum Realty Co., one of the largest real estate development companies in the southeastern United States

22. Stone Planning, a boutique consulting firm that assists in the planning of sports, entertainment, and other public-assembly venues and events

23. Interface Engineering , a multi-discipline mechanical and electrical engineering firm





East Virginia Beach Blvd.

North Military Highway

Poplar Hall Dr.



