

**PETITION PURSUANT TO VIRGINIA CODE SECTION 15.2-5153
FOR THE CREATION OF
THE LANDMARK COMMUNITY DEVELOPMENT AUTHORITY
TO THE CITY COUNCIL OF
THE CITY OF ALEXANDRIA, VIRGINIA**

WHEREAS, the City Council of the City of Alexandria, Virginia (the “Council”), is authorized, pursuant to §15.2-5152 of the Code of Virginia of 1950, as amended (the “Virginia Code”), to consider petitions for the creation of community development authorities;

WHEREAS, the undersigned (the “Petitioners”) are the fee simple owners of certain real property located in the City of Alexandria, Virginia (the “City”), collectively known as “Landmark Mall” and more particularly shown on Exhibit A attached hereto and incorporated herein by this reference (collectively, the “Property”);

WHEREAS, the Petitioners and the City desire to develop or redevelop the Property into a mixed-use development, which is anticipated to include, among other things, (a) multi-family residential apartment buildings, hotel space and retail space, (b) commercial and medical office buildings with healthcare service and retail components and (c) hospital and other medical facilities;

WHEREAS, the Petitioners desire to join with the Council to create a mechanism to support the funding of certain infrastructure improvements, facilities and services through the issuance of the City’s general obligation bonds, including any refunding bonds (the “City Bonds”), which infrastructure improvements, facilities and services are more specifically described herein and are necessary or desirable for development or redevelopment within or affecting the Property or to meet the increased demands placed upon the City as a result of development or redevelopment within or affecting the Property;

WHEREAS, the Petitioners, in cooperation with the City, have determined that a community development authority (the “CDA”) affords the best mechanism to provide financial support for the financing of such infrastructure improvements, facilities and services; and

WHEREAS, the provision of such infrastructure improvements, facilities and services will promote increased employment opportunities in the City and will facilitate the successful expansion of the City’s tax base through increased real property tax revenues, personal property tax revenues, retail sales tax revenues, transient lodging tax revenues and business and license fee revenues from the expansion of the tax base contemplated within the CDA district;

NOW, THEREFORE, the undersigned Petitioners, pursuant to Virginia Code §15.2-5153, do hereby petition the Council to establish, by ordinance pursuant to Virginia Code §15.2-5155, the CDA. In support of this Petition, the Petitioners state as follows:

1. Petitioners and District. The Petitioners are the fee simple owners of more than fifty-one percent (51%) of the land area or assessed value of the land proposed to be included within the geographic boundaries of the CDA (such real property to be located within the boundaries of the CDA is referred to herein collectively as the “CDA District”). Legal descriptions of the initial parcels to be included within the CDA District are attached to this Petition as Exhibit A, and the tax map parcel numbers of such initial parcels to be included within the CDA District are attached to this Petition as Exhibit B, all of which are incorporated herein by this reference. All of the initial parcels within the

CDA District are located exclusively within the City. The initial boundaries of the CDA District are shown on the map attached to this Petition as Exhibit C and incorporated herein by this reference, but (a) may be expanded by the Council by subsequent ordinance upon petition filed pursuant to the Virginia Code §15.2-5153 and (b) may be adjusted to exclude certain land as long as the owners of at least fifty-one percent (51%) of the land area or assessed value of land that will remain in the CDA District after the adjustment originally petitioned for the creation of the CDA. The Petitioners request that the CDA be called the “Landmark Community Development Authority.”

2. Description of Infrastructure, Facilities and Services. The CDA shall be formed for the purpose of providing financing support for, among other things, the acquisition, financing, funding, design, construction, equipping and provision for the construction, installation, operation, maintenance (unless dedicated to and accepted by the appropriate governmental entity other than the CDA), enhancement, replacement, relocation and alteration of all or portions of the public infrastructure, facilities and services identified on Exhibit D (or otherwise facilitating such undertakings by, and in cooperation with, the City), including, without limitation, (a) sanitary sewer mains and lines, (b) water mains and lines, pump stations and water storage facilities, (c) storm sewer mains and lines, (d) landscaping and related site improvements, (e) parking facilities, (f) sidewalks and walkway paths, (g) storm water management and retention systems (including best management practices, water quality devices and erosion and sediment control), (h) lighting (including street and decorative lights in public rights of way), (i) street and directional signage, (j) wetlands mitigation, (k) roads, curbs and gutters (inclusive of rights of way and easements related thereto), (l) public park, plaza and recreational facilities, (m) new or enhanced public access and open space areas, and (n) any and all facilities and services appurtenant to the above including the acquisition of land (collectively, all such existing and new public roads, utilities, facilities and services hereinafter, the “Infrastructure”). The CDA may contract for and incur all necessary expenses to accomplish the above and all related purposes, and all such operating expenses of the CDA, including, without limitation, administrative, underwriting, accounting, engineering and legal (all collectively hereinafter “the Operation of the CDA”), shall be included within the scope of any contractual obligations of the CDA as authorized under Virginia Code §§15.2-5101, 15-2.-5114, 15.2-5125 and 15.2-5158 (such obligations are referred to herein as “CDA Payment Obligations”). The CDA may perform or cause to be performed all work necessary to accomplish these purposes, including, without limitation, right-of-way and easement acquisition, permitting and/or relocation of existing utilities.

3. Description of Provision and Financing of Infrastructure and Operation of the CDA. The Infrastructure shall be constructed or acquired by, or on behalf of, the CDA or the City, and the costs thereof shall be paid for, or reimbursed by, the CDA or the City, upon availability of funding. As set forth in Paragraph 2 above, the CDA may contract for all services required for the Operation of the CDA and the provision of the Infrastructure. The City and the CDA may contract with each other and with other parties necessary or desirable for the Operation of the CDA and the provision of the Infrastructure or services directly related to the Operation of the CDA.

The proposed plan for the Operation of the CDA and for the provision of the Infrastructure within the CDA District is as follows:

(a) The Petitioners propose that the CDA request the City issue one or more series of City Bonds to finance the costs of (i) the Operation of the CDA, (ii) the provision of the Infrastructure or any portion thereof and (iii) the administrative and other authorized costs and

expenses of performing the work necessary to provide the Infrastructure or any portion thereof. The City Bonds shall be issued in a maximum aggregate principal amount sufficient to (x) generate \$86,000,000 in net construction proceeds and (y) pay capitalized interest on the City Bonds.

(b) The CDA may enter into one or more CDA Payment Obligations to finance (or, as applicable, to facilitate the financing of) the costs of (i) the Operation of the CDA, (ii) the provision of the Infrastructure or any portion thereof, (iii) the administrative and other authorized costs and expenses of entering into such CDA Payment Obligations and performing the work necessary to provide the Infrastructure or any portion thereof and (iv) the payment of all or a portion of the debt service on any City Bonds. Any CDA Payment Obligations shall be payable solely from revenues received by the CDA. The aggregate principal amount of the CDA Payment Obligations shall not exceed the principal amount of the City Bonds.

(c) The Petitioners propose that the CDA request the Council to establish special assessments upon the taxable real property within the CDA District to finance or otherwise provide for payment of all or a portion of the costs of the Infrastructure and the Operation of the CDA as provided in Virginia Code §15.2-5158(A)(5).

(d) The Petitioners propose that the CDA request the Council approve a tax increment contribution plan, using certain incremental tax revenues generated by development or redevelopment of the property within the CDA District, to finance or otherwise provide for the payment of all or a portion of the costs of the Infrastructure and the Operation of the CDA, with such tax increment contribution plan expiring following the repayment of any City Bonds and any CDA Payment Obligations. Installments of the special assessments described in Section 3(d) shall only be collected if such incremental tax revenues are insufficient to pay debt service on the City Bonds.

4. Expected Benefits from the Provision of Proposed Infrastructure and the Operation of the CDA. The provision of the Infrastructure and the Operation of the CDA will facilitate the City's efforts to attract new business and economic development to the City in furtherance of the City's business development and revitalization strategies. The Infrastructure and the Operation of the CDA are necessary or desirable for development or redevelopment within or affecting the CDA District or to meet the increased demands placed upon the City as a result of development or redevelopment within or affecting the CDA District. The development or redevelopment of the area within the CDA District, which will be enabled by the Infrastructure, will enhance the City's tax base by increasing tax revenues and real property values of property within and around the CDA District.

5. Members of the CDA. The CDA shall have five members appointed by the Council pursuant to Virginia Code §15.2-5113. The Mayor shall make recommendations for, and the Council shall approve, the appointment of such members. Members of the CDA shall be selected from and shall at all times be members of the Council. Each member of the CDA shall serve a term concurrent with their respective term as a member of the Council. No member of the CDA shall serve a term in excess of that permitted by Virginia Code §15.2-5113, provided that any member of the CDA may be reappointed for one or more terms (consecutive or otherwise).

6. Duration/Abolition of the CDA. The CDA may be abolished at any time by

appropriate action of the Council, provided that no such abolition shall occur while any CDA Payment Obligations remain outstanding. Furthermore, it is contemplated that the CDA shall continue to exist beyond the retirement of all of its obligations to the extent necessary and/or appropriate to provide the public infrastructure, facilities and services identified in this Petition.

7. Waiver. The Petitioners intend to provide waivers of the thirty (30) day period to withdraw their signatures from this Petition as provided in Virginia Code §15.2-5156(B).

ACCORDINGLY, for the reasons above, and in reliance upon the assurances and covenants set out herein, the Petitioners respectfully request that the Council establish the Landmark Community Development Authority for the purposes set forth in this Petition.

IN WITNESS HEREOF, the Petitioners have executed this Petition pursuant to due authority this 5th day of August, 2021.

Landmark Mall, LLC,
a Delaware limited liability company

By: *Peter F. Riley*

Name: Peter F. Riley

Title: Secretary

State of Texas

~~COMMONWEALTH OF VIRGINIA~~

CITY/COUNTY OF Montgomery

The undersigned Notary Public in and for the jurisdiction aforesaid hereby certifies that the foregoing instrument was acknowledged before me in the jurisdiction aforesaid by Peter F. Riley (name), Secretary (title), on behalf of Landmark Mall, LLC.

Given under my hand this 5th day of August, 2021.

My commission expires: 1-12-2025.

Brenda Koerber

Notary Public

My registration number is: 132863711.



Seritage SRC Finance, LLC,
a Delaware limited liability company

By: ML

Name: Matthew Fernand

Title: Vice President

State of New York
~~COMMONWEALTH OF VIRGINIA~~

CITY/COUNTY OF New York

The undersigned Notary Public in and for the jurisdiction aforesaid hereby certifies that the foregoing instrument was acknowledged before me in the jurisdiction aforesaid by Matthew Fernand (name), Vice President (title), on behalf of Seritage SRC Finance, LLC.

Given under my hand this 3rd day of August, 2021.

My commission expires: _____.

J. Nelson

Notary Public

My registration number is: _____.

JODIEANN NELSON
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01NE6266888
Qualified in Kings County
Commission Expires August 6, 2024

Exhibits:

Exhibit A - Parcel Descriptions in the CDA District

Exhibit B - List of Parcels by Tax Map Number

Exhibit C - Map of CDA District

Exhibit D - Description of Proposed Infrastructure

PARCEL DESCRIPTIONS IN THE CDA DISTRICT

Description of the Lands of Landmark Mall L.L.C.

Parcel B-2

Instrument 000007614

Lot 501

Instrument 170000324

Lot 500 and Lot 502

Deed Book 1720 at Page 1762

City Of Alexandria, VA

Beginning at a point on the southwesterly corner of the land of Combined Van Dorn Towers, LLC, as recorded in Instrument 190016436 among the land records of the City of Alexandria, VA; Said point also being on the westerly right-of-way of North Van Dorn Street, a variable width right-of-way; Thence departing the land of said Combined Van Dorn Towers, LLC and running with said North Van Dorn Street;

468.83 feet along the arc of a curve to the left having a radius of 898.89 feet and subtended by a chord bearing South 07°34'42" East a distance of 463.54 feet to a point;

South 22°31'14" East a distance of 4.34 feet to a point;

699.67 feet along the arc of a curve to the right having a radius of 714.22 feet and subtended by a chord bearing South 05°32'41" West a distance of 672.03 feet to an iron pipe found;

South 37°04'34" West a distance of 90.16 feet to a concrete monument found;

South 44°09'27" West a distance of 119.69 feet to a concrete monument found;

144.40 feet along the arc of a curve to the right having a radius of 291.56 feet and subtended by a chord bearing South 58°20'45" West a distance of 142.93 feet to a concrete monument found on the northerly right-of-way line of Duke Street, Virginia State Route 236, a variable width right-of-way; Thence departing said North Van Dorn Street and running with said Duke Street;

141.68 feet along the arc of a reverse curve to the left having a radius of 1512.69 feet and subtended by a chord bearing South 87°02'47" West a distance of 141.63 feet to a point;

South 86°05'08" West a distance of 63.40 feet to a point on the southeasterly right-of-way of the land of Seritage SRC Finance LLC, as recorded in Instrument 150011927 among the land records of City of Alexandria, Virginia; Thence departing said Duke Street and running with the land of said Seritage SRC Finance LLC;

North 60°36'01" West a distance of 603.02 feet to a point;

North 21°15'15" West a distance of 413.13 feet to a point;

North 26°01'06" East a distance of 611.98 feet to a point on the southerly right-of-way line of Henry G. Shirley Memorial Highway, Interstate Highway 395, a variable width limited access highway; Thence departing the land of said Seritage SRC Finance LLC and running with said Henry G. Shirley Memorial Highway;

526.35 feet along the arc of a curve to the left having a radius of 10000.00 feet and subtended by a chord bearing North 56°45'25" East a distance of 526.29 feet to a point;

North 51°36'25" East a distance of 133.19 feet to a concrete monument found;

North 31°28'43" East a distance of 140.72 feet to a concrete monument found;

North 43°10'11" East a distance of 124.06 feet to a concrete monument found on the westerly line of the land of the aforementioned Combined Van Dorn Towers, LLC; Thence departing said Henry G. Shirley Memorial Highway and running with the land of said Combined Van Dorn Towers, LLC;

South 21°18'19" East a distance of 467.89 feet to the point of beginning and containing an area of 1,450,091 square feet or 33.2895 acres, more or less.

Description of the Land of Seritage SRC Finance LLC
Parcel A-2
Instrument 150011927
City Of Alexandria, VA

Beginning at a point on the northwesterly corner of the land of Landmark Mall L.L.C. (Parcel B-2), as recorded in Instrument 000007614 among the land records of City of Alexandria, Virginia; Said point also being on the southerly right-of-way line of Henry G. Shirley Memorial Highway, Interstate Highway 395, a variable width limited access highway; Thence departing said Henry G. Shirley Memorial Highway and running with the land of said Landmark Mall L.L.C. (Parcel B-2);

South 26°01'06" West a distance of 611.98 feet to a point;

South 21°15'15" East a distance of 413.13 feet [passing through the westernmost corner of the land of Landmark Mall L.L.C. (Lot 500), as recorded in Deed Book 1720 at Page 1762 among the land records of City of Alexandria, Virginia at 30.99 feet] to a point; Thence continuing with the land of said Landmark Mall L.L.C. (Lot 500);

South 60°36'01" East a distance of 603.02 feet to a point on the northerly right-of-way line of Duke Street, Virginia State Route 236, a variable width right-of-way; Thence departing the land of said Landmark Mall L.L.C. (Lot 500) and running with said Duke Street;

South 86°05'08" West a distance of 631.05 feet to a point;

317.24 feet along the arc of a curve to the right having a radius of 1400.00 feet and subtended by a chord bearing North 87°25'22" West a distance of 316.56 feet to a point;

North 80°55'52" West a distance of 180.07 feet to a point;

283.79 feet along the arc of a curve to the right having a radius of 350.00 feet and subtended by a chord bearing North 57°42'15" West a distance of 276.08 feet to a point;

North 34°28'32" West a distance of 154.97 feet to a concrete monument found on the southerly right-of-way line of the aforementioned Henry G. Shirley Memorial Highway; Thence departing said Duke Street and running with said Henry G. Shirley Memorial Highway;

413.23 feet along the arc of a curve to the right having a radius of 450.00 feet and subtended by a chord bearing North 27°10'28" East a distance of 398.86 feet to a concrete monument found;

North 53°28'53" East a distance of 221.61 feet to a point;

North 56°03'08" East a distance of 95.82 feet to a point;

North 53°09'18" East a distance of 338.60 feet to a point;

North 56°26'03" East a distance of 294.13 feet to a point;

96.43 feet along the arc of a curve to the left having a radius of 10000.00 feet and subtended by a chord bearing North 58°32'28" East a distance of 96.43 feet to the point of beginning and containing an area of 791,782 square feet or 18.1768 acres, more or less.

**Description of Proposed Lot 601
Landmark Mall Redevelopment
City of Alexandria, VA**

Beginning at a point on a concrete monument found on the intersection of the rights-of-way of Duke Street, Virginia State Route 236, a variable width right-of-way and Henry G. Shirley Memorial Highway, Interstate Highway 395, a variable width limited access highway; Thence departing said Duke Street and running with said Henry G. Shirley Memorial Highway;

413.23 feet along the arc of a curve to the right having a radius of 450.00 feet and subtended by a chord bearing North 27°10'28" East a distance of 398.86 feet to a concrete monument found;

North 53°28'53" East a distance of 221.61 feet to a point;

North 56°03'08" East a distance of 95.82 feet to a point;

North 53°09'18" East a distance of 84.27 feet to a point; Thence departing said Henry G. Shirley Memorial Highway and running through the land of Seritage SRC Finance LLC, as recorded in Instrument 150011927 among the City of Alexandria;

South 21°20'48" East a distance of 181.98 feet to a point;

North 68°08'38" East a distance of 201.74 feet to a point;

South 21°51'22" East a distance of 298.33 feet [passing through the property of Landmark Mall L.L.C. (Parcel B-2), as recorded in Instrument 000007614 among the land records of City of Alexandria, Virginia at 64.12 feet and the land of Landmark Mall L.L.C. (Lot 500), as recorded in Deed Book 1720 at Page 1762 among the land records of City of Alexandria, Virginia at 118.19 feet] to a point; Thence continuing through the land of said Landmark Mall L.L.C. (Lot 500);

South 08°08'38" West a distance of 244.45 feet [passing through the property of said Seritage SRC Finance LLC at 55.98 feet] to a point; Thence continuing through the land of said Seritage SRC Finance LLC;

North 81°51'22" West a distance of 314.50 feet to a point;

South 08°08'38" West a distance of 34.00 feet to a point;

North 81°51'22" West a distance of 41.50 feet to a point;

South 08°08'38" West a distance of 291.22 feet to a point on the northerly right-of-way line of said Duke Street; Thence running with said Duke Street;

North 80°55'52" West a distance of 119.02 feet to a point;

283.79 feet along the arc of a curve to the right having a radius of 350.00 feet and subtended by a chord bearing North 57°42'15" West a distance of 276.08 feet to a point;

North 34°28'32" West a distance of 154.97 feet to the point of beginning and containing an area of 452,443 square feet or 10.3867 acres, more or less.

EXHIBIT B**LIST OF PARCELS BY TAX MAP NUMBER**

Parcels Owners	Tax Map Ref	Lot Size in SF⁽¹⁾	Area in Acres⁽¹⁾
Seritage SRC Finance, LLC	047.02-03-08	791,780	18.1768
Landmark Mall, LLC	047.02-03-09	504,510	11.5820
Landmark Mall, LLC	047.02-03-07	68,665	1.5763
Landmark Mall, LLC	047.02-03-05	380,317	8.7309
Landmark Mall, LLC	047.02-03-06	494,606	11.3546
	Total Land Area	2,239,878	51.4205

⁽¹⁾ Reflects approximate square footage and acreage.

EXHIBIT D

DESCRIPTION OF PROPOSED INFRASTRUCTURE

				Infrastructure Cost		Funding Allocation Table	
	Hard Costs ¹	Soft Costs ²	Total Cost	Public Infrastructure	Private Infrastructure with Public Access	City Funding	Developer Funding
				\$ Amount	\$ Amount	\$ Amount	\$ Amount
Off-Site CDD Infrastructure							
Off-Site Infrastructure (excl. I-395 Interchange)	\$27,270,000	\$9,640,000	\$36,910,000	\$36,910,000	\$0	\$36,910,000	\$0
Subtotal	\$27,270,000	\$9,640,000	\$36,910,000	\$36,910,000	\$0	\$36,910,000	\$0
On-Site Infrastructure (incl. Inova Pad-Ready)							
Preparation, Demolition, & Enablement ³	\$17,470,000	\$6,180,000	\$23,650,000	\$8,886,724	\$14,763,276	\$8,886,724	\$14,763,276
Contaminated Soils on Hospital Campus	\$5,000,000	\$0	\$5,000,000	\$0	\$5,000,000	\$0	\$5,000,000
General On-Site Utility Facilities ³	\$3,100,000	\$1,100,000	\$4,200,000	\$1,578,192	\$2,621,808	\$1,578,192	\$2,621,808
Parks & Open Spaces Improvements & Finishing	\$10,320,000	\$3,650,000	\$13,970,000	\$0	\$13,970,000	\$7,119,222	\$6,850,778
Existing Garage Rehab & Reconfiguration ⁴	\$13,580,000	\$4,800,000	\$18,380,000	\$3,485,862	\$14,894,138	\$3,485,862	\$14,894,138
Roadwork Infrastructure							
Road 1 (Private)	\$5,960,000	\$2,110,000	\$8,070,000	\$0	\$8,070,000	\$4,000,000	\$4,070,000
Road 2 (Public) & Transit Hub	\$6,170,000	\$2,180,000	\$8,350,000	\$8,350,000	\$0	\$8,350,000	\$0
Road 3 (Public)	\$1,560,000	\$550,000	\$2,110,000	\$2,110,000	\$0	\$2,110,000	\$0
Road 4 (Private)	\$2,890,000	\$1,020,000	\$3,910,000	\$0	\$3,910,000	\$2,000,000	\$1,910,000
Road 4 (Public)	\$1,170,000	\$410,000	\$1,580,000	\$1,580,000	\$0	\$1,580,000	\$0
Road 5 (Public)	\$4,050,000	\$1,430,000	\$5,480,000	\$5,480,000	\$0	\$5,480,000	\$0
Road 6 (Public)	\$2,020,000	\$710,000	\$2,730,000	\$2,730,000	\$0	\$2,730,000	\$0
Road 7 (Private)	\$3,060,000	\$1,080,000	\$4,140,000	\$0	\$4,140,000	\$0	\$4,140,000
Public Road Scope Contingency	\$1,310,000	\$460,000	\$1,770,000	\$1,770,000	\$0	\$1,770,000	\$0
Subtotal	\$77,660,000	\$25,680,000	\$103,340,000	\$35,970,778	\$67,369,222	\$49,090,000	\$54,250,000
Total	\$104,930,000	\$35,330,000	\$140,250,000	\$72,880,778	\$67,369,222	\$86,000,000	\$54,250,000
Total Infrastructure Cost & Bond Proceeds						\$140,250,000	

1. Includes hard cost contingency of 10%
2. Includes development fee of 7.0%
3. Percentage of "Public Infrastructure" calculated as Hospital Campus plus public roadways as a percentage of net site area (calculated as total site less existing garage and Block P, both undemolished)
4. Percentage of "Public Infrastructure" calculated as 550 stalls for Inova use as a percentage of total stalls in garage (2,900)