

#### **CONSENT AGENDA ITEM**

If no one asks to speak about this case prior to the hearing, it will be approved without discussion as part of the Consent Agenda.

| Application  | General Data                 |                   |
|--|------------------------------|-------------------|
| Request:   | Planning Commission          | June 25, 2020     |
| Review whether the proposed purchase   | Hearing:                     |                   |
| of 4850 Mark Center Drive by the City  | <b>City Council Hearing:</b> | July 7, 2020 (For |
| of Alexandria is consistent with the   |                              | Information Only  |
| City of Alexandria Master Plan<br>pursuant to Section 9.06 of the City<br>Charter. | Zone:                        | CDD #4/OC         |
| Address: 4850 Mark Center Drive  | Small Area Plan(s):          | Beauregard        |

### Staff Reviewers:

Karl Moritz, Director, Planning & Zoning, <u>karl.moritz@alexandriava.gov;</u>

Natalie Brown, Planning & Zoning, Natalie.brown@alexandriava.gov;

Katherine Carraway, Planning & Zoning, <u>katherine.carraway@alexandriava.gov</u> David Wooden, Planning & Zoning, <u>david.wooden@alexandriava.gov</u>

**Staff Recommendation:** Staff recommends that the Planning Commission **approve** this request, finding that the proposal is consistent with Section 9.06 of the City Charter of Alexandria, Virginia, and with the City's Master Plan.



# I. DISCUSSION

The City proposes to purchase the property located at 4850 Mark Center Drive. Section 9.06 of the City's Charter requires that the Planning Commission review any acquisition or sale of public land. The Planning Commission is charged with ensuring that any such acquisition, sale or change is consistent with the City's Master Plan.

# II. BACKGROUND

DCHS and Health Department operations currently occupy over 210,000 square feet in eight different locations, with leases at four facilities expiring in the near term. In general, most of the current DCHS and Health Department space is overcrowded, outdated and does not meet modern standards for office and clinic space. In addition, the two largest leased DCHS buildings are on the eastern end of the city, while most DCHS clients now live on the western end of the city.

Following space programming, market survey analysis of available properties on the western end of the city, staff site tours, due diligence studies and space stacking exercises, three properties in the Mark Center office park bordered by I-395, Seminary Road and Beauregard Street were considered. The City is recommending the 4850 Mark Center Drive building as it best meets the needs for co-location, is the newest, is in the best physical condition and is the least expensive of the three options. The \$19 million cost differential between 4850 Mark Center Drive and the next lowest option, as well as the additional space available in the building for the Health Department, were considered in making this determination.

The building at 4850 Mark Center Drive is a 230,000 square foot, ten (10) story, Class B office building with a four (4) story below grade parking garage, built in 2001 and owned by the Institute for Defense Analysis (IDA). The property is zoned Coordinated Development District (CDD#4) with an underlying zoning of Office Commercial (OC). The building can accommodate all DCHS and Health Department requirements with approximately 30,000 square feet of remaining space available for future growth and/or swing space when City Hall is renovated. The City is electing to exercise its option to purchase the building for \$58.7 million prior to DCHS occupancy. The City determined that owning would be less expensive than leasing over time, however, it will entail the City issuing debt obligations to finance.

## III. CONSISTENCY WITH THE MASTER PLAN

### Beauregard Small Area Plan (2012)

The subject property is within the Beauregard Small Area Plan chapter of the Master Plan, which does not specifically focus on the Mark Center properties since these were already developed as office buildings prior to the 2012 planning process. City use of the site for

City Charter Section 9.06 Case #2020-00001 4850 Mark Center Drive

DCHS and Health Department office and clinic use is consistent with the Plan's goals to integrate transit, land use and urban design, as well as to encourage a diversity of uses. In this location, the DCHS and Health Department offices and clinic space will be within walking distance of the future West End Transitway, making it easier for clients and employees to access the site, and the uses are consistent with the commercial office use envisioned in the Plan.

### **IV. STAFF RECOMMENDATION**

Staff recommends that the Planning Commission find that the proposed acquisition of 4850 Mark Center Drive is consistent with Section 9.06 of the City Charter of Alexandria, Virginia and with the City's Master Plan, including specifically the Beauregard Small Area Plan.

STAFF:Karl Moritz, Director, Planning & Zoning<br/>Natalie Brown, Urban Planner, Planning & Zoning<br/>Katherine Carraway, Urban Planner, Planning & Zoning<br/>David Wooden, Urban Planner, Planning & Zoning