

Special Use Permit #2020-00055 3601 & 3951 Richmond Highway

Application	General Data		
Request:	Planning	October 6, 2020	
Public Hearing and consideration of a	Commission		
request for a 5-year extension for the	Hearing:		
operation of an existing terminal	City Council	October 17, 2020	
station.	Hearing:		
	Zone:	CDD #10 - South Potomac	
		Coordinated Development	
		District	
		CDD #19 - North Potomac	
		Coordinated Development	
		District	
Address: 3601 & 3951 Richmond	Small Area Plan(s):	North Potomac Yard	
Highway		Potomac Yard/Potomac Greens	

Staff Reviewers:

Jeffrey Farner, Planning & Zoning, jeffrey.farner@alexandriava.gov;

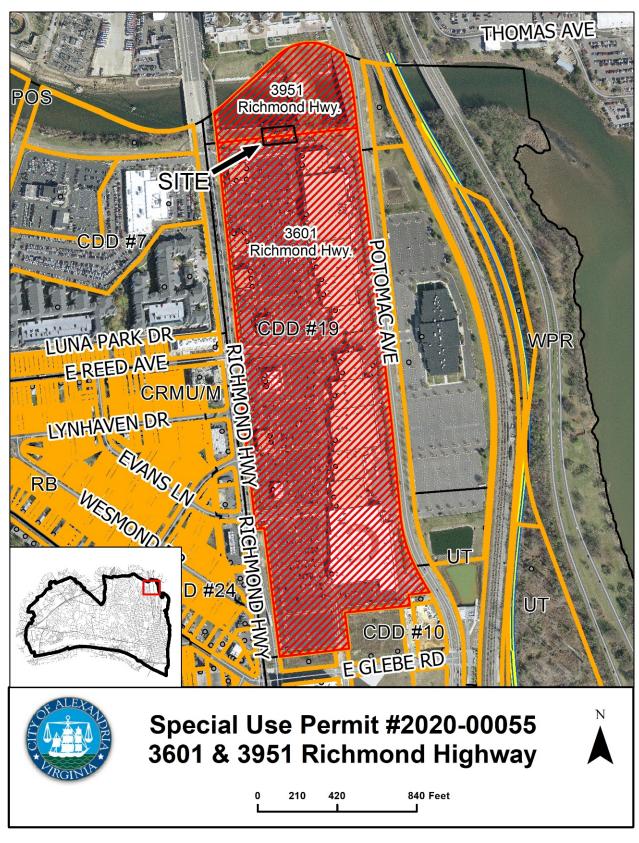
Carrie Beach, Planning & Zoning, <u>carrie.beach@alexandriava.gov</u>;

Margaret Curran, Planning & Zoning, margaret.curran@alexandriava.gov;

Staff Recommendation: APPROVAL subject to compliance with all applicable codes and ordinances and the recommended permit conditions which limit further extensions.

PLANNING COMMISSION ACTION, OCTOBER 6th, 2020: This item was removed from consent. On a motion by Commissioner Brown, seconded by Commissioner McMahon, the Planning Commission voted to recommend approval of Special Use Permit #2020-00055, as submitted. The motion carried on a vote of 7-0.

<u>Reason:</u> The Commission agreed with staff analysis. Commissioner Brown asked the applicant, represented by Stephen Mikulic, about any continuing financial responsibility with respect to any of the amenities and improvements in the vicinity of the property. Commissioner Brown wanted to confirm the applicant did not have responsibility for improvements for the property as recommended by the North Potomac Yard Small Area Plan. The applicant concurred with Commissioner Brown and confirmed before vacating the easement the applicant will remediate the soil and restore condition as decided in the Grading Plan.

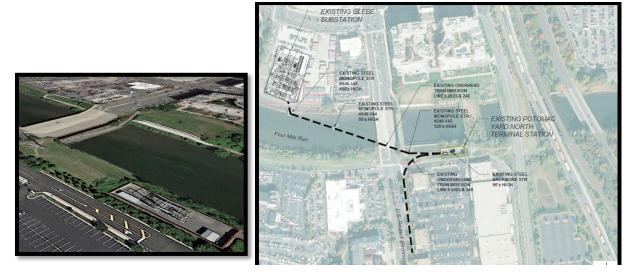


PROJECT LOCATION MAP

I. OVERVIEW

The Applicant, Dominion Energy (Dominion), is requesting an amendment to its special use permit (SUP#2011-00014), which was approved in 2013 for the existing Terminal Station (Figure 1) located adjacent to Four Mile Run in North Potomac Yard. The SUP established a use termination date of January 2021 to ensure that the use would not impact future redevelopment in Potomac Yard, the open space network, and the new Potomac Yard Metrorail Station. The amendment request is to extend the use termination date to January 2026 in order to provide additional time for Dominion to complete the complicated process of relocating the above grade line below grade and removing the existing facility.

Figure 1. Existing Facility with Substation and Overhead Transmission lines



In 2014, progress toward removal of Dominion's facility was delayed for several years by an unexpected and lengthy federal energy planning process to evaluate and augment regional electrical service by adding a potential new 230 kV line. After four years of study, that project was ultimately deemed unnecessary in 2018, and since then the applicant has begun moving forward in good faith with preparations as originally planned to remove the existing terminal facility. A summary of the project history is provided as Figure 2. Removal of the station requires a significant construction project that will bury the overhead portions of the 230 kV lines between Glebe Substation in Arlington and Alexandria, a portion of which will be below Four Mile Run, and remove the North Potomac Yard Terminal Station at an estimated cost of \$122.8 million in 2020 dollars.

Dominion has met SUP#2011-00014 conditions appropriate to this stage of the project and has already obtained some necessary approvals. The 5-year extension will not impact progress for Phase 1 North Potomac Yard projects including the Virginia Tech Innovation Campus and the future Potomac Yard Metrorail Station. However, any extension beyond 2026 could impact planned development in later phases of North Potomac Yard redevelopment, and as a result, it is recommended that no further extensions be granted.

Figure 2. Overview of Project Milestones

EST. TIME	MILESTONE
1996	SUP#96-00091 for North Potomac Yard terminal facility approved
1997	Substation at terminal facility built
2011	SUP Extension request (SUP#2011-0014) submitted; decision deferred
2013	Site for substation accepted; extension to 2021 granted
2014	Dominion in Northern Virginia found to be out of reliability compliance, began Glebe-Potomac River Project
MAY 2018	City of Alexandria Glebe-Potomac River Project Working group developed recommendations adopted by City Council
OCTOBER 2018	Dominion announced that the Glebe-Potomac River Project no longer needed due to improvements in the grid elsewhere
OCTOBER 2019	Virginia State Corporation Commission approved undergrounding
MAY 2020	U.S. Army Corps of Engineers authorized proposed project
OCTOBER 2020	Expected decision from Virginia Marine Resources Commission
OCTOBER 2020	Expected decision from Alexandria Planning Commission and Council on SUP extension
JANUARY 2021	Expected submission of Dominion's undergrounding grading plan for City approval
2022 – 2024	Rebuild of Glebe Substation
2022 – 2023	Boring underneath Four Mile Run
2024	Energization of new underground line
2025	Existing overhead transmission line removal
2025	Removal of the Potomac Yard Terminal Station
JANUARY 2026	Special Use Extension Deadline

II. BACKGROUND

The terminal facility was built in 1997 as part of the overall undergrounding of the 230 kV lines throughout the City. The terminal facility at Four Mile Run transitions the 230 kV lines from underground to overhead. At the Planning Commission and City Council hearings in 1996, there was considerable discussion about the impact of the proposed terminal facility on the visual quality of this important gateway to the City. In addition, concerns were raised that this terminal facility might preclude or impact future planning or development in the northern portion of

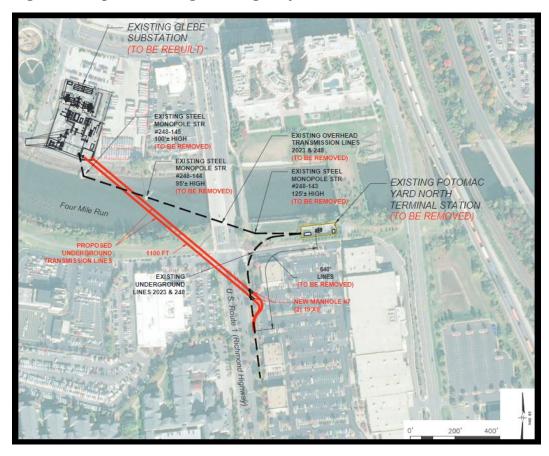
Potomac Yard. A 15-year expiration condition (Condition #5), was required as part of the special use permit (SUP#96-00091) approval.

In 2011, before the end of the use period, Dominion sought to eliminate this condition requiring the facility to be removed within 15 years. At its June 7, 2011 hearing, The Planning Commission deferred action on the application, requesting "that the applicant will (1) undertake a serious, detailed analysis of the options for relocating the terminal facility, to include such information as alternative locations, issues, engineering hurdles and possibilities, and costs; (2) meet with planning staff. landowners, WMATA, Arlington County, and other entities who may play a role in the potential relocation options; and (3) present the result of this work in a report to the City in time to present to the Commission for its November consideration."

As requested by the Planning Commission, an alternatives report was completed and submitted by Dominion. Six alternative sites and the retention of the existing site and facility were analyzed. The only option for relocation was the existing substation property in Arlington County, Glebe Road Station. Due to the complexity of the project, in 2013 an extension was granted to allow additional time for Dominion to remove the Potomac Yard substation and underground the surrounding powerlines to connect to the Arlington County Glebe Road Station as reflected in Figure 3. The new deadline established through SUP#2011-0014 was 2021.

The applicant reports several complicating factors that have slowed progress since 2013. Dominion's infrastructure network at the time was found to be in violation of reliability standards by the Northern American Electric Reliability Corporation ("NERC"). Needing to address the reliability concern as well as remove the North Potomac Yard Terminal Station, Dominion coupled the undergrounding project with a larger regional reliability project known as the Glebe-Potomac River project. Starting in 2014, Dominion began the federal process of transmission line planning for Glebe-Potomac River which required robust and complicated engagement with local, state, and federal agencies over the next several years. During this time, the Northern Virginia electric grid evolved, and several infrastructure improvements were implemented elsewhere in the region. Due to these improvements, updates in the September 2018 regional electrical forecasts showed there was no longer a need to implement the Glebe-Potomac River project. In March 2019, Dominion confirmed that it would forego the regional project and proceed with plans to remove the North Potomac Yard Terminal Station and underground the existing overhead transmission under Four Mile Run.

Figure 3. Proposed Undergrounding Project



III. SITE DESCRIPTION

The North Potomac Yard Terminal Station, constructed in 1997, contains equipment needed to connect the underground 230kV lines along Route 1 to the above-ground 230 kV lines that run west down the middle of Four Mile Run (Figure 4). The facility is an approximately 160' by 60' enclosure surrounding two 80' poles and other equipment measuring up to 47' tall. It is an unmanned facility and rarely accessed; access is provided on the east side of the facility.

Figure 4. Current Site Image



IV. ZONING AND MASTER PLAN

a. Zoning

The northern parcel at the site is zoned CDD# 10, while the southern parcel is zoned CDD #19. The underlying zoning for the site is I-Industrial. Sections 4-1402(Z) and 7-1202(B) of the Zoning Ordinance require a special use permit for the construction of transmission wires and facilities that exceed 65 feet in height as the three poles that cross Route 1 and Four Mile Run range in height from approximately 100' to 130'. The terminal facility spans both parcels and is located almost entirely within the Resource Protection Area (RPA).

b. Four Mile Run Restoration Master Plan

In 2006, Alexandria and Arlington jointly developed and subsequently approved the Four Mile Run Restoration Master Plan and Design Guidelines. The goal was to ecologically and aesthetically improve the Four Mile Run Stream Corridor while not compromising the flood protection project implemented in the 1970's. Since the Plan's adoption, the jurisdictions have made a continued effort to implement many of the Plan's in-stream ecological recommendations through Federal grants from the U.S. Environmental Protection Agency. The Plan also calls for transforming the Stream Corridor's adjacent open space areas into functional recreational and environmental destinations, in contrast with the former utilitarian or industrial uses of many of these areas. As such, the Four Mile Run Master Plan recommends "the undergrounding of the high voltage electrical transmission lines that currently occupy, and visually dominate, the

corridor, both in the stream and alongside it. "The recommendation is based on "numerous comments [raised by the public at the master planning meetings] regarding the visual blight caused by the existence of these lines, which are located both alongside and within the stream."

c. North Potomac Yard Small Area Plan

The North Potomac Yard Small Area Plan was updated in 2017. The Plan calls for a network of useable open spaces and parks with a strong connection to Four Mile Run. Removal of the terminal facility is consistent with the intent of the North Potomac Yard Small Area Plan to provide improved open space and enhance the visual quality of this gateway entrance to the City adjacent to Four Mile Run. Removal of this facility would eliminate the overhead lines, remove the facility from the resource protection area (RPA) and remove this structure from the middle of the 3.5 acres of open space planned adjacent to Four Mile Run. The North Potomac Yard open space, the Four Mile Run Restoration Master Plan, and the open space within Arlington County will result in a significant open space area for both the City and Arlington County.

V. STAFF ANALYSIS

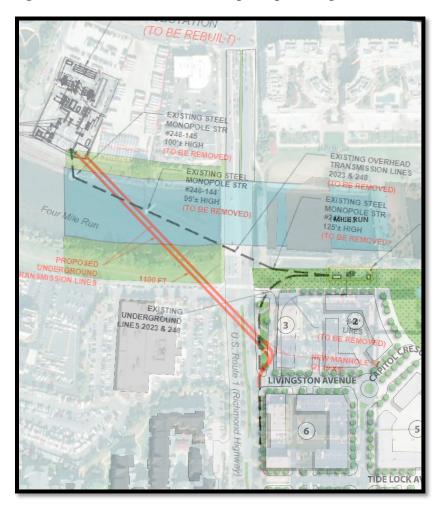
Since approval of the facility in 1996, there has been considerable land use, transportation, and open space planning and redevelopment within this portion of the City of Alexandria and Arlington County. The condition requiring removal of the facility within 15 years anticipated the planning and redevelopment that is occurring. The terminal facility now occupies a prominent site designated for open space within the City's North Potomac Yard Plan and the Four Mile Run Restoration Master Plan. Relocation of the facility is a key recommendation of each of these plans and enables implementation of the extensive open space network that supports environmental goals as well as the open space needs of future residents, workers, students, and visitors of Potomac Yard and the City as a whole.

Since Dominion's October 2018 decision not to pursue the larger regional 230 KV undergrounding project, Dominion has shown good faith efforts to progress in its preparations for undergrounding and removal and has met SUP#2011-00014 conditions by gaining critical regulatory approvals. In October 2019, a Certificate of Public Convenience and Necessity was approved by the Virginia State Corporation Commission (SCC) to rebuild the Glebe Substation in Arlington County, underground the overhead transmission lines, and ultimately remove the Potomac Yard North Terminal Station. The SCC approval determines the project should be completed and acknowledges past extensions but does not authorize continuing extensions. On May 5, 2020, the U.S. Army Corps of Engineers issued verification that the proposed project is authorized under Nationwide Permit 18 – Minor Discharges. The project will be on the October agenda for the Virginia Marine Resources Commission meeting and full Erosion and Sediment Control and Stormwater Management Plans will be submitted to the Virginia Department of Environmental Quality for approval within the next year. Moreover, for the remodeling, Dominion has diligently coordinated with Arlington County on Glebe Road Substation Conversion.

The next steps in the process will require City approval of a future grading plan for demolition. Upon approval by the Planning Commission, City Council, and the Virginia Marine Resources Commission, permitting can begin. After all permits are obtained and the design is approved, the construction is estimated to take three years to construct, concluding in 2025. Dominion has indicated that they will work with CPYR Shopping Center LLC, the owner of the Potomac Yard Shopping Center, to coordinate use of a portion of the shopping center to stage and set up drilling and boring operations that will enable the undergrounding and removal.

Staff evaluated the potential impacts of the new underground lines on planned development and open space in North Potomac Yard (Figure 5). The line will not impact Phase 1 development currently under review which is east of Potomac Avenue. Future phases of redevelopment adjacent to Route 1 may require some minor adjustments. Specifically, the open space in Block 3 will have some limitations on landscaping and plantings above the underground line. In this location, trees and significant landscaping may not be able to be installed because of the maintenance restrictions necessary for the line and the need for heat dissipation from the line. More detail on these limitations will be better known once the engineering work begins. While the underground line may create some limitations, it is something that the City has managed successfully and incorporated into other park and streetscape designs elsewhere in Potomac Yard and in other areas of the City. Staff will work with Dominion to mitigate impacts on the visual appeal of streetscaping and open space to maintain compliance with the CDD#19 vision for this important gateway.

Figure 5. North Potomac Yard Open Space Impact



Conclusion: Staff recommends the timeline be extended to 2026 to accommodate the remaining approvals and allow time for construction of the planned improvements. The 5-year extension will support the removal and undergrounding to improve the visual quality of the area and enable implementation of the North Potomac Yard and Four Mile Run Plans, beginning with the opening of the Potomac Yard Metrorail Station anticipated for 2022 and Virginia Tech's Innovation Campus in 2024. The construction timeline with the recommended five-year extension will not impact progress for these projects and those remaining in Phase 1 east of Potomac Avenue. The alignment of the underground line will not significantly impact planned redevelopment in future phases adjacent to Route 1, beyond some limitations on open space planting, which can be accommodated through design. Any extension beyond 2026 is not recommended as it may begin to impact planned development for the remainder of North Potomac Yard future phases, and other redevelopment envisioned for the Route 1 corridor.

VI. OUTREACH

As part of the 2013 SUP Approval, Staff presented this case to the Four Mile Run Joint Task Force, and the Parks & Recreation Commission, both of which supported relocation of the use to expand open space as envisioned in the North Potomac Yard and Four Mile Run Plans. In addition, although the Glebe-Potomac River Project was ultimately discontinued, the City implemented a robust community engagement plan to share information and encourage feedback about the project. City Council established an 11-member Underground Transmission Line & Substation Working Group, which met from 2014-2018 to develop recommendations to mitigate impacts from this major project on quality of life, economic, electric reliability, and environmental and transportation impacts. A city website documented all of this group's meetings and materials. In May 2018, City Council passed a resolution supporting the working group's recommendations for the project. Finally, more recent updates to the North Potomac Yard Plan, which maintains the previous recommendation for relocation of the substation and implementation of a complete open space network, benefitted from outreach processes with significant public participation.

VII. RECOMMENDED CONDITIONS

Staff recommends **APPROVAL** subject to compliance with all applicable codes and ordinances and the following conditions:

The owner is responsible for ensuring that the following conditions are adhered to at all times. Violation of any of the conditions may result in fines and/or referral by the Director to public hearing by the Planning Commission and City Council.

- 1. The special use permit for the Dominion Virginia Power Terminal Facility shall be valid until January 1, 2026, subject to the conditions and attachments herein.
- 2. Prior to January 1, 2026, the Applicant shall be responsible for relocating the Dominion Virginia Power terminal facility and all necessary terminal facility equipment and underground lines within the existing substation property to the facility located within Arlington County and for eliminating the three existing steel pole structures and associated lines and elements (P&Z)(RP&CA)
- 3. Maintain current approvals and prepare and file all necessary applications and plans with all other applicable agencies, including but not limited to Arlington County, Virginia Marine Resources Commission, Corps of Engineers, Virginia Department of Transportation, and comply with the Virginia Department of Environmental Quality's Erosion and Sedimentation Control and Storm Water Management requirements and all applicable requirements and approvals, to permit the relocation of the existing Dominion Virginia Power terminal facility to the Dominion Virginia Power substation property in Arlington subject to the conditions herein. (P&Z) (T &ES)

- 4. A Grading Plan showing all improvements and alterations to the site shall be required prior to any land disturbing activities and must be approved prior to issuance of a building permit. (5-6-224) The plans shall be to the satisfaction of the Directors of Planning and Zoning, Transportation and Environmental Services and Recreation, Parks and Cultural Activities. The grading plan shall be submitted for City review within ninety (90) calendar days of approval by City Council. The Applicant shall obtain all necessary permits and approval(s) as required herein, related to the plan. (P &Z)(T &ES)(RP &CA)
- 5. The Applicant shall provide a schedule to the City, within ninety (90) calendar days of approval of the special use permit, outlining the approval of the grading plan and all other necessary approvals to meet the time requirements herein. (P&Z)(T &ES)(RP&CA)
- 6. The Applicant shall vacate the all easements associated with the existing terminal facility upon removal of the terminal facility as required herein. (P&Z) (RP&CA) (CAO)
- 7. Any site contamination directly related to Dominion Virginia Power's operations shall be remediated by the Applicant prior to bond release. (RP&CA)(T &ES)

VIII. ATTACHMENT INDEX

ATTACHMENT #1: SUP2011-00014 Final Staff Report



Docket Item #3

Special Use Permit #2011-0014 3601 & 3951 Jefferson Davis Highway – Dominion Virginia Power Electrical Terminal

Application	General Data		
Consideration of a request for an	Planning Commission	October 1, 2013	
extension of an SUP approval and	Hearing:		
the removal of the Condition of	City Council	October 19, 2013	
Expiration for an electrical terminal	Hearing:		
station			
Address:	Zone:	CDD#10 – South Potomac	
3601 and 3951 Jefferson Davis		Coordinated Development	
Highway, Potomac Yard		District	
		CDD#19 – North Potomac	
		Coordinated Development	
		District	
Applicant:	Small Area Plan:	North Potomac Yard	
Dominion Virginia Power	4	Potomac Yard/Potomac Greens	

Staff Recommendation: APPROVAL subject to compliance with all applicable codes and ordinances and the recommended conditions.

Staff Reviewers: Amy Friedlander, Planning and Zoning, amy friedlander@alexandriava.gov

<u>CITY COUNCIL ACTION, OCTOBER 19, 2013:</u> City Council closed the public hearing and approved the Planning Commission recommendation.

<u>PLANNING COMMISSION ACTION, OCTOBER 1, 2013:</u> On a motion by Commissioner Wagner, seconded by Vice Chair Dunn, the Planning Commission voted to recommend approval of SUP #2011-0014 as amended. The motion carried on a vote of 7 to 0.

<u>Reason:</u> The Commission found the proposed application to be consistent with the intent of the Four Mile Run Restoration Plan and the North Potomac Yard Small Area Plan.

Speakers:

Howard Middleton, attorney for the applicant, represented the application.

Judy Nortake, representing the Parks and Recreation Commission and the Four Mile Run Joint Task Force, spoke in favor of the relocation of the terminal station and the consistency with the Four Mile Run Restoration Master Plan. She referenced the letters sent to Planning Commission from the Parks and Recreation Commission (dated September 30, 2013) and the Four Mile Run Joint Task Force (dated September 30, 2013).

PLANNING COMMISSION ACTION, JUNE 7, 2011: On a motion by Mr. Wagner,

seconded by Mr. Jennings, the Planning Commission voted to defer the SUP request. The motion carried on a vote of 6-0, with Mr. Robinson absent.

Reason: The Commission deferred consideration of this request until the November Planning Commission hearing, with the understanding that the applicant will 1) undertake a serious, detailed analysis of the options for relocating the terminal facility, to include such information as alternative locations, issues, engineering hurdles and possibilities, and costs; 2) meet with planning staff, landowners, WMATA, Arlington County, and other entities who may play a role in the potential relocation options; and 3) present the result of this work in a report to the City in time to present to the Commission for its November consideration. The Commission also noted that staff has agreed not to pursue enforcement against the applicant, given that the application for extension of time has been filed, and that Dominion Virginia Power has taken all steps it needs to do to keep its permit alive, and this approach is consistent with staff's approach in other similar cases.

In the intervening time, updates were presented to Planning Commission in November 2011 and February 2012 regarding the status of completion of Planning Commission's June 7, 2011 request.



I. OVERVIEW

The Applicant, Dominion Virginia Power, is requesting an amendment to the existing special use permit for the electric terminal facility (SUP#96-0091) to eliminate Condition #5, which requires the facility to be removed within 15 years from the original approval in 1996. (Attachment 1)

As part of the overall undergrounding of the 230 kV lines throughout the City, there was a need for a terminal facility at Four Mile Run. The terminal facility transitions the 230 kV lines from underground to overhead.

At the Planning Commission and City Council hearing in 1996, there was considerable discussion about the impact of the proposed terminal facility on the visual quality on this important gateway to the City. In addition, during the discussion by the Planning Commission and City Council in 1996, concerns were raised that this terminal facility might preclude or impact future planning or development in the northern portion of Potomac Yard, which is why the 15 year expiration condition was required as part of the special use permit approval

At its June 7, 2011 hearing, The Planning Commission deferred action on the application, requesting "that the applicant will (1) undertake a serious, detailed analysis of the options for relocating the terminal facility, to include such information as alternative locations, issues, engineering hurdles and possibilities, and costs; (2) meet with planning staff, landowners, WMATA, Arlington County, and other entities who may play a role in the potential relocation options; and (3) present the result of this work in a report to the City in time to present to the Commission for its November consideration."

As requested by the Planning Commission, an alternatives report was completed and submitted by Dominion Virginia Power (Attachment 2). Six alternative sites and the retention of the existing site and facility were analyzed (Figure 2).

Although six sites were evaluated as discussed in more detail below, site 6 (Figure 3) is the only viable option because of ownership, location, and use of the other proposed sites.

Relocation of the terminal facility to Site 6, the existing Dominion Virginia Power substation in Arlington, would allow the lines to be placed underground and overhead facilities to be removed. Dominion Virginia Power projects the cost to relocate the facility, lines, and remove poles to be approximately \$22 million in 2011 dollars.

After determining that Site 6 was the only viable alternative, City staff has been working with Dominion Virginia Power, Arlington County, WMATA, and the landowners of North Potomac Yard's Landbay F to find appropriate solutions for all the various issues that have been raised during the process.

The existing Dominion Virginia Power substation and the relocation option Site 6 are adjacent to the existing WMATA employee and bus parking facility on Four Mile Run. Construction of Site 6 will impact the WMATA bus parking area. It was originally believed that only a few buses on the WMATA bus parking lot would have to be relocated in order for Dominion Virginia Power to

adequately accommodate its construction areas but after more analysis and discussion with WMATA it was determined that all 110 buses would need to be relocated because the buses need to be located together for operational reasons. This was the major issue City staff has been working to resolve as locating 2 contiguous acres of paved surface for the displaced buses in close proximity to the current WMATA bus depot in Arlington proved to be challenging.

The process has been lengthy for many reasons including the complexity of the proposed relocation, existing leases, multiple property owners, constructability and timing, and logistical issues surrounding relocating WMATA bus parking. Staff believes that the solution proposed here to relocate buses to Landbay F after 2019 will allow for the future relocation of the terminal facility and appropriate accommodations for the impacted WMATA bus parking.

Because of the complex nature of the construction and the necessary coordination between multiple parties and two jurisdictions, staff is recommending the following, subject to approval by the State Corporation Commission and other applicable agencies:

- a. Relocation of the terminal facility to the existing Dominion Virginia Power substation site (site 6) as generally depicted in Figure 3;
- b. Removing the 3 existing poles and relocating the 230kV line below grade as generally depicted in Figure 3; and
- c. Extension of the special use permit until January 1, 2021.

Staff believes extension of the special use permit until 2021 is necessary to allow the continued operation of the facility because of the complicated and extensive approvals Dominion Virginia Power will need to obtain followed by the construction period to relocate the facility. Given the existing leases, the proposed timing allows the property owner of Landbay-F to work with existing tenants.

In addition to approval by the Planning Commission and City Council, relocation of the terminal facility will require approval by the State Corporation Commission (SCC) and coordination with Arlington County, WMATA, and the property owner of the Potomac Yard Shopping Center, Virginia Marine Resources Commission, Corps of Engineers, VDOT, and meet the Virginia Department of Conservation's Erosion and Sedimentation Control and Stream Water Management requirements.

II. ZONING/MASTER PLAN DESIGNATION

The northern parcel at the site is zoned CDD#10, while the southern parcel is zoned CDD#19. The underlying zoning for the site is I-Industrial (Figure 4). Sections 4-1402(Z) and 7-1202(B) of the Zoning Ordinance require a special use permit for the construction of transmission wires and facilities that exceed 65 feet in height as the three poles that cross Route 1 and Four Mile Run range in height from approximately 100' to 130'. The terminal facility spans both parcels and is located almost entirely within the Resource Protection Area (RPA).

III. PROJECT DESCRIPTION

The terminal facility, constructed in 1997, contains equipment needed to connect the underground 230kV lines along Route 1 to the above-ground 230 kV lines that run west down the middle of Four Mile Run (Figure 1). The facility is an approximately 160' by 60' enclosure surrounding two 80' poles and other equipment measuring up to 47' tall (Figure 5). It is an unmanned facility and rarely accessed; access is provided on the east side of the facility.

IV. TABLE 1: OVERVIEW OF POTOMAC YARD PLANNING & DEVELOPMENT

Agreement with RF&P 1996 Agreement with RF&P 1996 SUP #96-0091 1997 SIT#96-0021 1999 CDD#10 2003 DSUP#2002-0026 2003 DSUP#2002-0028 2006 DSUP#2004-0048 2006 DSUP#2004-0048 2007 DSUP#2006-0013 2008 DSUP#2006-0013 2009 DSUP#2006-0013 2008 DSUP#2006-0013 2009 DSUP#2006-0013 2008 DSUP#2006-0013 2009 DSUP#2006-0013 2008 DSUP#2006-0013 2009 DSUP#2007-0022 2009 DSUP#2007-0022 2009 DSUP#2007-0022 2009 DSUP#2007-0024 2000 DSUP#2007-0025 2000 DSUP#2007-0026 2000 DSUP#2006-0016 2000 DSUP#2006-0017 2000 DSUP#2006-0018 2000 DSUP#2007-0029 2000 DSUP#2007-0021 2000 DSUP#2001-0014 2000 DSUP#2001-0001 2000 DSUP#2001-00	37	T	A 4:	
transmission lines located in Potomac Yard below grade. The special use permit (SUP#96-0091) for the existing terminal facility is approved, which include a condition that required a "15-year expiration, for removal of the terminal facility." 1997 SIT#96-0021 Terminal facility constructed and operational. Approval of the South Potomac Yard CDD Zoning, Concept Plan and Design Guidelines 2003 DSUP#2002-0026 Potomac Greens approval 2004 Master Plan Four Mile Run Restoration Master Plan approved by Alexandria and Arlington 2006 DSUP#2004-0048 Landbay H& Partial Landbay I 2007 DSUP#2006-0026 Landbay G& Fire Station, affordable housing 2008 Master Plan Comprehensive Transportation Master Plan 2009 DSUP#2006-0013 Town Center Mixed-Use Development 2009 DSUP#2006-0018 Landbays I and J (East) 2010 CDD#19 CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards 2011 SUP#2011-0014 The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. 2012 DSUP#2011-0001 Landbay J, multifamily building with retail 2012 DSUP#2012-0012 Landbay J, multifamily building	Year	Туре	Action	
The special use permit (SUP#96-0091) for the existing terminal facility is approved, which include a condition that required a "15-year expiration, for removal of the terminal facility." 1997 SIT#96-0021 Terminal facility constructed and operational. 1999 CDD#10 Approval of the South Potomac Yard CDD Zoning, Concept Plan and Design, Guidelines 2003 DSUP#2002-0026 Potomac Greens approval 2004 Master Plan Four Mile Run Restoration Master Plan approved by Alexandria and Arlington 2006 DSUP#2004-0048 Landbay G & Fire Station, affordable housing 2008 DSUP#2006-0013 Approval of 23.66 acre linear park within CDD#10, Landbay K 2008 Master Plan Comprehensive Transportation Master Plan 2009 DSUP#2007-0022 Town Center Mixed-Use Development 2009 DSUP#2006-0018 Landbays I and J (East) 2010 CDD#19 CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards 2011 FEASIBILITY STUDY Potomac Metro Environmental Impact Study conducted 2014 SUP#2011-0014 Potomac Metro Environmental Impact Study conducted 2015 DSUP#2011-0014 Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. 2016 DSUP#2011-0014 DSUP#2012-0012 Landbay L, multifamily building with retail 2017 DSUP#2012-0012 Landbay J, multifamily building	1996	Agreement with RF&P		
Approval of the South Potomac Yard CDD Zoning, Concept Plan and Design Guidelines	1996	SUP #96-0091	The special use permit (SUP#96-0091) for the existing terminal facility is approved, which include a condition that required a "15-year expiration, for removal of the terminal	
Concept Plan and Design Guidelines DSUP#2002-0026 Potomac Greens approval DSUP#2002-0028 Landbay C approval, 901 Slater's Lane Four Mile Run Restoration Master Plan approved by Alexandria and Arlington DSUP#2004-0048 Landbay H & Partial Landbay I DSUP#2006-0026 Landbay G & Fire Station, affordable housing DSUP#2006-0013 DSUP#2006-0013 DSUP#2007-0022 Town Center Mixed-Use Development DSUP#2006-0018 Landbays I and J (East) CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards CDD zoning Per North Potomac Yard Small Area Plan & adoption of Urban Design Standards Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. DSUP#2011-0014 DSUP#2011-0001 Landbay L, multifamily building with retail DSUP#2012-0012 Landbay J, multifamily building	1997	SIT#96-0021	Terminal facility constructed and operational.	
2003DSUP#2002-0026Potomac Greens approval2003DSUP#2002-0028Landbay C approval, 901 Slater's Lane2006Master PlanFour Mile Run Restoration Master Plan approved by Alexandria and Arlington2006DSUP#2004-0048Landbay H & Partial Landbay I2007DSUP#2006-0026Landbay G & Fire Station, affordable housing2008DSUP#2006-0013Approval of 23.66 acre linear park within CDD#10, Landbay K2008Master PlanComprehensive Transportation Master Plan2009DSUP#2007-0022Town Center Mixed-Use Development2009DSUP#2006-0018Landbays I and J (East)2010CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards2011FEASIBILITY STUDYPotomac Metro Environmental Impact Study conducted2014SUP#2011-0014Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit.2011SUP#2011-0014The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report.2012DSUP#2011-0001Landbay L, multifamily building with retail2012DSUP#2012-0012Landbay J, multifamily building	1999	CDD#10	Approval of the South Potomac Yard CDD Zoning,	
DSUP#2002-0028 Landbay C approval, 901 Slater's Lane	2003	DSUP#2002-0026		
Four Mile Run Restoration Master Plan approved by Alexandria and Arlington DSUP#2004-0048 Landbay H & Partial Landbay I DSUP#2006-0026 Landbay G & Fire Station, affordable housing Approval of 23.66 acre linear park within CDD#10, Landbay K DSUP#2006-0013 Comprehensive Transportation Master Plan DSUP#2007-0022 Town Center Mixed-Use Development DSUP#2006-0018 Landbays I and J (East) CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards CDD zoning Design Standards Plan & Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. DSUP#2011-0014 The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. DSUP#2011-0001 Landbay L, multifamily building with retail DSUP#2012-0012 Landbay J, multifamily building	2003	DSUP#2002-0028		
DSUP#2006-0026 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2007-0022 DSUP#2007-0022 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2011-0014 Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. DSUP#2011-0014 DSUP#2011-0001 DSUP#2011-0001 DSUP#2011-0001 DSUP#2012-0012 DSUP#2012-0012 DSUP#2012-0012 Landbay J, multifamily building	2006	Master Plan	Four Mile Run Restoration Master Plan approved by	
DSUP#2006-0026 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2006-0013 DSUP#2007-0022 DSUP#2007-0022 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2006-0018 DSUP#2011-0014 Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. DSUP#2011-0014 DSUP#2011-0001 DSUP#2011-0001 DSUP#2011-0001 DSUP#2012-0012 DSUP#2012-0012 DSUP#2012-0012 Landbay J, multifamily building	2006	DSUP#2004-0048	Landbay H & Partial Landbay I	
DSUP#2006-0013 Approval of 23.66 acre linear park within CDD#10, Landbay K Comprehensive Transportation Master Plan DSUP#2007-0022 Town Center Mixed-Use Development DSUP#2006-0018 Landbays I and J (East) CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards CDD zoning Design Standards Potomac Metro Environmental Impact Study conducted Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. DSUP#2011-0001 Landbay L, multifamily building with retail DSUP#2012-0012 Landbay J, multifamily building	2007	DSUP#2006-0026		
2009DSUP#2007-0022Town Center Mixed-Use Development2009DSUP#2006-0018Landbays I and J (East)2010CDD#19CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards2011FEASIBILITY STUDYPotomac Metro Environmental Impact Study conducted2011SUP#2011-0014Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit.2011SUP#2011-0014The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report.2012DSUP#2011-0001Landbay L, multifamily building with retail2012DSUP#2012-0012Landbay J, multifamily building	2008	DSUP#2006-0013	Approval of 23.66 acre linear park within CDD#10,	
2010 DSUP#2006-0018 Landbays I and J (East) 2010 CDD#19 CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards 2011 FEASIBILITY STUDY Potomac Metro Environmental Impact Study conducted Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. 2011 SUP#2011-0014 The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. 2012 DSUP#2011-0001 Landbay L, multifamily building with retail 2012 DSUP#2012-0012 Landbay J, multifamily building	2008	Master Plan	Comprehensive Transportation Master Plan	
2010 CDD#19 CDD zoning per North Potomac Yard Small Area Plan & adoption of Urban Design Standards 2011 FEASIBILITY STUDY Potomac Metro Environmental Impact Study conducted Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. 2011 SUP#2011-0014 The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. 2012 DSUP#2011-0001 Landbay L, multifamily building with retail 2012 DSUP#2012-0012 Landbay J, multifamily building	2009	DSUP#2007-0022		
2011 FEASIBILITY STUDY Potomac Metro Environmental Impact Study conducted Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. SUP#2011-0014 The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. DSUP#2011-0001 Landbay L, multifamily building with retail Landbay J, multifamily building	2009	DSUP#2006-0018	Landbays I and J (East)	
Dominion Virginia Power filed a request for an amendment to the existing SUP to remove the 15 year limit. 2011 SUP#2011-0014 The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. 2012 DSUP#2011-0001 Landbay L, multifamily building with retail 2012 DSUP#2012-0012 Landbay J, multifamily building	2010		0 1	
2011 SUP#2011-0014 amendment to the existing SUP to remove the 15 year limit. 2011 SUP#2011-0014 The Planning Commission deferred the application to provide a detailed Alternatives Analysis Report. 2012 DSUP#2011-0001 Landbay L, multifamily building with retail 2012 DSUP#2012-0012 Landbay J, multifamily building	2011	FEASIBILITY STUDY	Potomac Metro Environmental Impact Study conducted	
provide a detailed Alternatives Analysis Report. 2012 DSUP#2011-0001 Landbay L, multifamily building with retail 2012 DSUP#2012-0012 Landbay J, multifamily building	2011	SUP#2011-0014	amendment to the existing SUP to remove the 15 year limit.	
2012 DSUP#2012-0012 Landbay J, multifamily building		SUP#2011-0014	provide a detailed Alternatives Analysis Report.	
	2012	DSUP#2011-0001	Landbay L, multifamily building with retail	
2012 DSUP#2011-0021 Landbay H/I, multifamily building	2012	DSUP#2012-0012		
	2012	DSUP#2011-0021	Landbay H/I, multifamily building	

V. FOUR MILE RUN RESTORATION MASTER PLAN

In 2006, Alexandria and Arlington jointly developed and subsequently approved the Four Mile Run Restoration Master Plan and Design Guidelines. The goal was to ecologically and aesthetically improve the Four Mile Run Stream Corridor while not comprising the flood protection project implemented in the 1970's. Since the Plan's adoption, the jurisdictions have made a continued effort to implement many of the Plan's in-stream ecological recommendations through Federal grants from the U.S. Environmental Protection Agency. The Plan also calls for transforming the Stream Corridor's adjacent open space areas into functional recreational and environmental destinations, in contrast with the former utilitarian or industrial uses of many of these areas. As such, the Four Mile Run Master Plan recommends "the undergrounding of the high voltage electrical transmission lines that currently occupy, and visually dominate, the corridor, both in the stream and alongside it." The recommendation is based on "numerous comments [raised by the public at the master planning meetings] regarding the visual blight caused by the existence of these lines, which are located both alongside and within the stream."

VI. NORTH POTOMAC YARD SMALL AREA PLAN (LANDBAY F)

In 2010, City Council approved the North Potomac Yard Small Area Plan and associated approvals for the existing retail shopping center. The Plan and CDD zoning builds on the Four Mile Run Restoration Master Plan, requiring a 2.3 acre Crescent Park adjacent to Four Mile Run as well as other improvements next to Four Mile Run intended to provide a wide range of opportunities for active and passive open space. Together, the Four Mile Run Master Plan and the North Potomac Yard approvals provide open space amenities along both sides of Four Mile Run and emphasize the valuable ecological and urban assets the area has to offer. Removal of the terminal facility is consistent with the intent of the North Potomac Yard Master Plan to provide improved open space and enhance the visual quality of this gateway entrance to the City, adjacent to Four Mile Run. Removal of this facility would eliminate the overhead lines, remove the facility from the resource protection area (RPA) and remove this structure from the middle of the 3.5 acres of open space planned adjacent to Four Mile Run (Figure 6 and 7). The North Potomac Yard open space, the Four Mile Run Restoration Master Plan, and the open space within Arlington County will result in a significant open space area for both the City and Arlington County.

VII. ALTERNATIVES REPORT

As requested by the Planning Commission, Dominion Virginia Power, in conjunction with the City and Arlington County, prepared an Alternatives Report (Attachment 2) to evaluate potential sites to relocate the existing terminal facility. The report evaluated six possible sites for relocation of the terminal facility and the retention of the existing facility, or no-build (Figure 2). The analysis details the availability of each site, feasibility, cost, operability, and permits required for each site. Because of technical requirements of the equipment, all options had to be located in close proximity to the existing substation and the existing 230 kV line. The alternatives report determined all six sites were determined viable for construction and operation.

Technological advances have been made which allow the terminal facility to be located on the

existing substation site in Arlington County, which was not feasible in 1996 when the option was first explored. The new equipment is smaller and therefore can be located within the substation site.

Through joint discussions with Arlington County, WMATA, and Dominion Virginia Power over the past year, it was agreed that Site 6 is the only viable alternative to the no-build option.

Site 1 and Site 2 were eliminated due to the significant impacts to the existing WMATA bus and employee parking. Sites 3, 4, and 5 were eliminated by the City (Sites 4 and 5) and Arlington County (Site 3) because they would significantly impact the existing Four Mile Run Park.

Therefore, the only remaining viable site is alternative 6, the site within the existing Dominion Virginia Power substation area.

Table 2: Summary of Alternatives Report

	Site 1	Site 2	Site 3	Site 4	Site 5	Site 6
Location (Figure 2)	Existing WMATA bus parking facility	Existing WMATA employee parking facility	On Arlington County 4MR parkland	Øn Alexandria 4MR parkland	On Alexandria 4MR parkland	On existing substation property in Arlington County
All 3 poles undergrounded	0	Q	O			0
Elimination of facility from RPA	0	8				0
Additional open space to Four Mile Run	Q	9				0
Consistent with Four Mile Run Restoration Master Plan	(0)	0				0
Permanently impacts WMATA parking	4		0	0	0	0
Cost (in 2011 dollars)	24,281,024	28,696,869	24,543,318	24,244,253	22,720,741	22,231,024

VIII. STAFF ANALYSIS

As outlined above, since the approval of the facility in 1996, there has been considerable land use, transportation, and open space planning and redevelopment in this area (Table 1). The condition requiring removal of the facility within 15 years anticipated the planning and redevelopment that

3601 and 3951 Jefferson Davis Highway

is occurring within this portion of the City of Alexandria and Arlington County. The terminal facility now occupies a prominent site within the inter-jurisdictional plans including the City's North Potomac Yard Plan, Arlington's Potomac Yard Plan, and the Four Mile Run Restoration Master Plan. The relocation of the facility is consistent with these inter-jurisdictional documents and augments the implementation of these plans.

In 2011, Dominion Virginia Power originally applied for the removal of the 15 year expiration on their SUP from 1996. At the hearing for this request, Planning Commission asked for alternative proposals and deferred the application. In the intervening time since the deferral, City staff has been working with the various parties involved to make the only viable alternative from Dominion Virginia Power's alternatives report possible.

Staff is recommending the removal and relocation of the terminal facility, but in order to accomplish that goal, the timeline has to be extended to 2021 to accommodate the remaining extensive and complicated approvals and enable the bus parking relocation in coordination with the existing leases on Landbay F.

PARKING RELOCATION (WMATA, CITY OF ALEXANDRIA, LANDBAY F)

The City has been working with Arlington, Dominion Virginia Power, and WMATA to find a suitable solution for the various issues that have come up during this relocation analysis. Initially it was thought that the construction impacts on the WMATA property would only displace a small number of buses. Various iterations of parking options for this scenario were developed and analyzed, including several sites in Alexandria and Arlington.

However, it was later determined that the best solution would be to relocate all 110 buses currently parked at the Four Mile Run site. Staff has worked with the property owner of Landbay F to secure an agreement (Attachment 3) to provide 2 contiguous acres to accommodate the 110 buses that will be displaced and to design and construct the temporary lot (Figure 8). The parking lot may require subsequent site plan approval by the Planning Commission.

WMATA has expressed support of this concept; further details will be resolved by the City and WMATA closer to the time of implementation.

ARLINGTON COUNTY

Arlington County approved its Potomac Yard Design Guidelines in October 2000. The design of Arlington Potomac Yard South Park includes a direct pedestrian connection across the bridge to remain in Four Mile Run to Alexandria. The existing terminal facility is located at the Alexandria end of this bridge. If the terminal facility is not relocated, it will be the first thing pedestrians see as they enter Alexandria from Arlington through Four Mile Run Park.

Arlington County is fully supportive of the relocation and has coordinated with the City and Dominion Virginia Power throughout this process. Arlington County Manager Barbara Donnellan has submitted a letter of support to the City (Attachment 4).

EASEMENT(S)

Before construction commences, the City and Dominion Virginia Power have to perform a property exchange and easement of the land in the Alexandria portion of Four Mile Run under which the 230kV lines will run. State law limitations (Article 7 Section 9) imposed on localities with respect to granting permanent easements prevent the City from directly granting Dominion Virginia Power the necessary authority to locate the line in the park area along Four Mile Run. Instead, the City would need to convey title to the relevant park area to Dominion Virginia Power. Dominion Virginia Power would then encumber the property with the sub-surface and construction easements needed to install and operate the lines and convey the fee interest back to the City.

Arlington County is exempt from the aforementioned state law limitations and would likely seek County Board approval for a permanent easement for Dominion Virginia Power for the portion of the underground line that goes under Arlington.

SUMMARY

There would be temporary impacts associated with construction in the work areas, but ultimately the improvements would be consistent with the inter-jurisdictional Four Mile Run Restoration Master Plan, Arlington's Potomac Yard Design Guidelines, Alexandria's North Potomac Yard CDD #19 Rezoning Conditions, and North Potomac Yard Urban Design Standards.

The terminal facility and the 130' backbone poles are the first things you see when entering the City from Arlington on Route 1. The first glimpse of Alexandria should not include tall, unsightly utilities that can be undergrounded. With the planned redevelopment and park improvements, this area will become a prominent and more appropriate gateway to the City.

The various iterations of the terminal facility were always intended to be temporary sites. The terminal facility could exist within the Dominion Virginia Power substation property in Arlington in perpetuity. Therefore, staff is recommending that the SUP extension should be approved subject to conditions requiring the future relocation of the facility to the Alternative 6 site.

IX. OUTREACH

Staff has presented this case to the Four Mile Run Joint Task Force, which oversees the implementation of the Four Mile Run Restoration Master Plan. The relocation of the terminal facility helps ensure the best possible outcome for implementation of the Four Mile Run Master Plan.

Staff has also presented to the Parks & Recreation Commission, which is in support of the relocation because it will allow the land currently occupied by the terminal facility to be returned to parkland.

X. ON-GOING COORDINATION – NEXT STEPS

Upon approval by the Planning Commission and City Council, and SCC, if received, Dominion Virginia Power will need to work with WMATA to obtain the necessary construction and underground easements to allow the required construction and access. Dominion Virginia Power must also obtain administrative approval from Arlington County for the relocation. After approval by Arlington County, Dominion Virginia Power is required to apply to the Virginia State Corporation Commission (SCC) to obtain a Certificate of Public Convenience and Necessity (CPCN). This involves a regulatory process before the SCC. After the CPCN is obtained, permitting can begin. After all permits are obtained and the design is approved, and after the end of calendar year 2018, the construction is estimated to take 12-14 months, with several required outages on various lines. Construction would be conducted in phases and there is some risk of outages for a few hours at a time. This particular substation cannot take any outages until 2015, but a majority of the construction work can be completed before an outage is required and potentially before the buses need to be relocated.

XI. RECOMMENDED CONDITIONS

Staff recommends **APPROVAL** subject to compliance with all applicable codes and ordinances and the following conditions:

- 1. The special use permit (SUP#2011-00014) for the Dominion Virginia Power terminal facility (Figure 3) shall be valid until January 1, 2021, subject to the conditions and attachments herein. (P&Z) (CAO)
- 2. Prior to January 1, 2021, the Applicant shall be responsible for relocating the Dominion Virginia Power terminal facility (Figure 3) and all necessary terminal facility equipment and underground lines within the existing substation property to the facility located within Arlington County as generally consistent with Alternative 6 and for eliminating the three existing steel pole structures and associated lines and elements as depicted in the Alternatives Report dated October 28, 2011. (P&Z)(RP&CA)
- 3. The Applicant shall prepare and file all necessary applications and plans with the State Corporation Commission (SCC) and all other applicable agencies, including but not limited to Arlington County, Virginia Marine Resources Commission, Corps of Engineers, VDOT, and the Washington Metropolitan Area Transit Authority (WMATA) and comply with the Virginia Department of Conservation's Erosion and Sedimentation Control and Storm Water Management requirements and all applicable requirements and approvals, to permit the relocation of the existing Dominion Virginia Power terminal facility to the Dominion Virginia Power substation property in Arlington (Figure 3) subject to the conditions herein. (P&Z) (T&ES)
- 4. The Applicant shall be responsible for the submission of a plan depicting all grading, including seeding and stabilization, demolitions, and associated elements as required and/or deemed necessary by the conditions herein to be approved administratively by the City. The plans shall be to the satisfaction of the Directors of Planning and Zoning, Transportation and

Environmental Services and Recreation, Parks and Cultural Activities. The Applicant shall obtain all necessary permits and approval(s) as required herein, related to the plan. (P&Z)(T&ES)(RP&CA)

- 5. The Applicant shall provide a schedule to the City, within ninety (90) days of approval of the special use permit, outlining the process and schedule to meet the time requirements herein. (P&Z)(T&ES)(RP&CA)
- 6. The Applicant shall vacate the all easements associated with the existing terminal facility upon removal of the terminal facility as required herein. (P&Z) (RP&CA) (CAO)
- 7. Any site contamination directly related to Dominion Virginia Power's operations shall be remediated by the Applicant prior to bond release. (RP&CA)(T&ES)
- 8. **[CONDITION AMENDED BY PLANNING COMMISSION]** In the event that the SCC or other necessary regulatory approvals are denied, then Conditions 1-6-7 herein shall not apply and the special use permit shall be redocketed for the Planning Commission and City Council, with an alternative plan. (P&Z) (CAO) (PC)

XII. ATTACHMENTS

- 1. SUP1996-0091 Staff Report
- 2. Alternatives Report
- 3. Lionstone/JBG/Landbay F Letter of Support
- 4. Arlington County Letter of Support
- 5. Email from City Attorney's Office to DVP regarding easement procedure
- 6. Email addendum to Lionstone/JBC/Landbay F Letter of Support

STAFF: Faroll Hamer, Director, Planning and Zoning;

Jeffrey Farner, Deputy Director, Planning and Zoning;

Christopher Spera, Deputy City Attorney;

Amy Friedlander, Urban Planner, Planning and Zoning

Bethany Carton, Park Planner, Recreation, Parks and Cultural Activities;

Dana Wedeles, Park Planner, Recreation, Parks and Cultural Activities; and

Claudia Hamblin-Katnik, Watershed Programs Administrator, Transportation and

Environmental Services

<u>Staff Note:</u> In accordance with section 11-506(c) of the zoning ordinance, construction or operation shall be commenced and diligently and substantially pursued within 18 months of the date of granting of a special use permit by City Council or the special use permit shall become void.

IV. STAFF REPORT GRAPHICS

Figure 1: Context



Figure 2: Alternatives analyzed

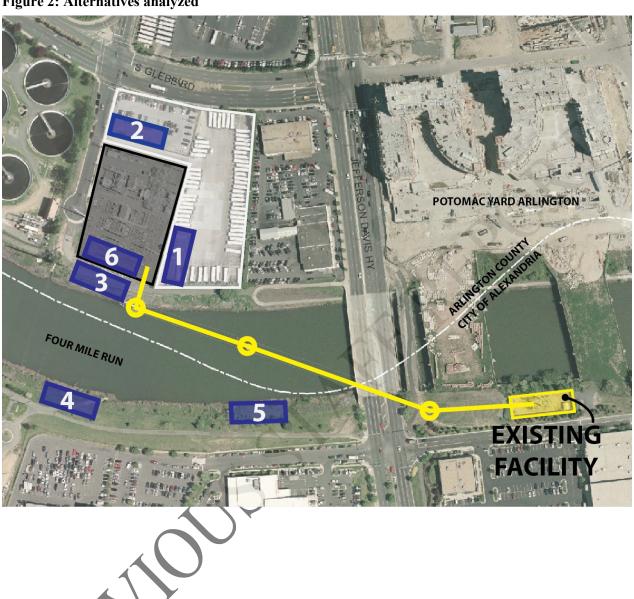


Figure 3: Staff Recommendation

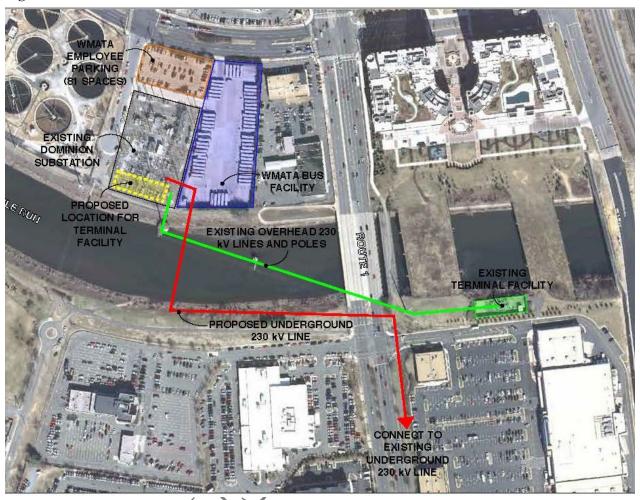


Figure 4: Existing Zoning and RPA Boundary



Figure 5: Terminal Facility

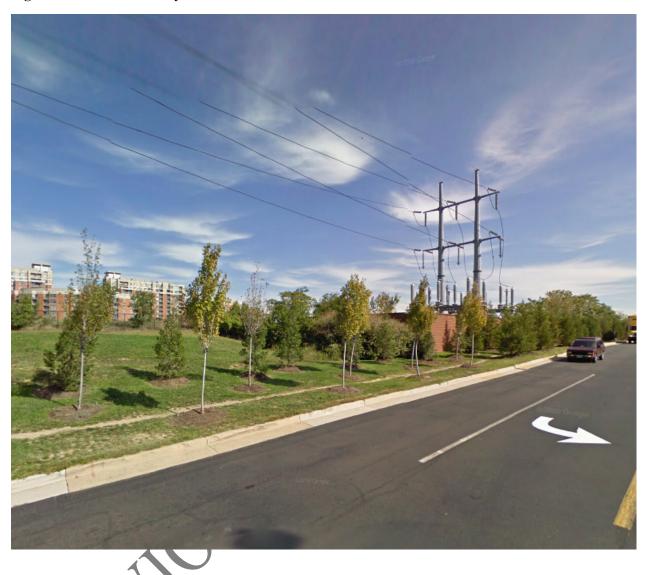


Figure 6: Four Mile Run Illustrative Plan



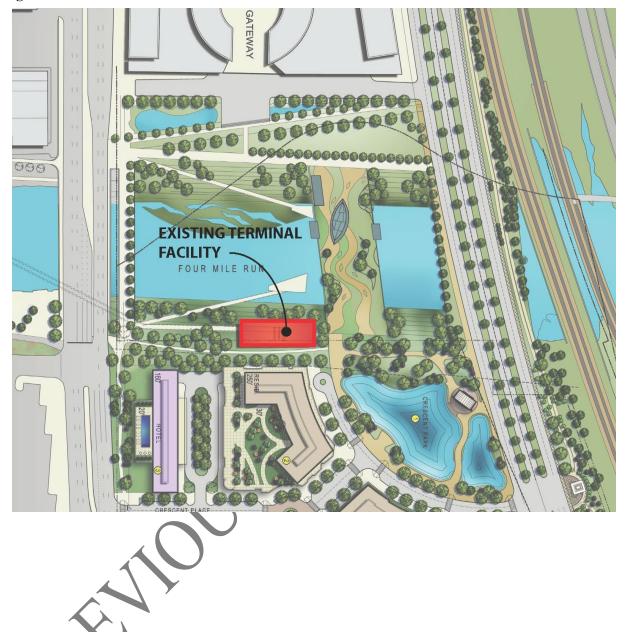
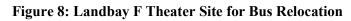


Figure 7: North Potomac Yard Illustrative Plan





CITY DEPARTMENT COMMENTS

Legend: C - code requirement R - recommendation S - suggestion F - finding

<u>Transportation</u> & <u>Environmental Services</u>:

No comments

Code Enforcement:

No comments

Health:

No comments

Parks and Recreation:

No comments

Police Department:

No comments



APPLICATION SPECIAL USE PERMIT

RCIDE	SPECIAL USE PERM	IIT #	
PROPERTY LO	CATION: 3601 & 3951 Ric	nmond Highway	
TAX MAP REFER	RENCE: portions of 016.01-05-01 a	and 008.03-02-01	CDD#19 & CDD#10 ZONE :
APPLICANT: Virginia El	ectric & Power Company, d/b/a Do	ominion Energy Virginia	
Name: Vilginia El	- Control of Company, arbita be	The state of the s	
Address:	3601 & 3951	Richmond Highwa	ny
PROPOSED US	Extension of SUP 2011-00	014 use termination	date
	RSIGNED, hereby applies for a Spe section 4-11-500 of the 1992 Zoning		
permission photograph	ERSIGNED, haxingx phteinssk xxeri to the City of Alexandria staff the building premises, land etc., co holding a perpetual e	and Commission Meml nnected with the applicat asement agreement fron	REXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
permission	to the City of Alexandria to post plad, pursuant to Article IV, Section 4-	card notice on the prope	
including al accurate to materials, or representat the applica illustrative of	RSIGNED, hereby attests that all I surveys, drawings, etc., required the best of their knowledge and be drawings or illustrations submitted ions made to the Director of Plannint unless those materials or represent general plans and intentions, support (A)(10), of the 1992 Zoning Ord	o be furnished by the ap lief. The applicant is her in support of this applic ng and Zoning on this a sentations are clearly s bject to substantial revis	plicant are true, correct and eby notified that any written ration and any specific oral pplication will be binding on stated to be non-binding or sion, pursuant to Article XI,
	gent and Jonathan P. Rak, Esquire, Agent	Musi J Skin	JAICP 8-21-20
Print Name of Appli	cant or Agent P, 1750 Tysons Boulevard, Suite 1800	Signature 703-712-5483	Date 703-712-5050
Mailing/Street Addre		703-712-0463 Telephone #	Fax #
Tysons, Virginia	22102	sakin@mcguirewoods	
City and State	Zip Code		il address

Last updated: 11.11.2019

PROPERTY OWNER'S AUTHORIZATION	N/A, See enclosed easement agreements dated 12/23/04 and recorded 1/3/05 at Instrument Nos. 050000048 and 050000050
As the property owner of	, I hereby
(Property Address)	
grant the applicant authorization to apply for	theuse as
	(use)
described in this application.	
Nome	Phone
Name:Please Print	- Holle
Address:	Email:
· · · · · · · · · · · · · · · · · · ·	
Signature:	Date:
floor and site plans. The Planning Direction request which adequately justifies a	te plan attached. See attached exhibit.
2. The applicant is the (check one):	
[] Owner	
[] Contract Purchaser	
[] Lessee or [] Other: permanent easement holder	of the subject property.
State the name, address and percent of ow unless the entity is a corporation or partnersh Dominion Energy Virginia is a wholly	rnership of any person or entity owning an interest in the applicant or owner, hip, in which case identify each owner of more than three percent. -owned subsidiary of Dominion Energy, Inc., a n the New York Stock Exchange with more than
<u></u>	

OWNERSHIP AND DISCLOSURE STATEMENT

Use additional sheets if necessary

1. Applicant. State the name, address and percent of ownership of any person or entity owning an interest in the applicant, unless the entity is a corporation or partnership, in which case identify each owner of more than three percent. The term ownership interest shall include any legal or equitable interest held at the time of the application in the real property which is the subject of the application.

Name	Address	Percent of Ownership
¹ Dominion Energy, Inc.	600 Canal PI, 20th FI, Richmond, Va 23219	100%
² None		
³ None		

Property. State the name, address and percent of ownership of any person or entity owning	g an
	(address),
unless the entity is a corporation or partnership, in which case identify each owner of more than t	hree
percent. The term ownership interest shall include any legal or equitable interest held at the time	of the
application in the real property which is the subject of the application.	

Name	Address	Percent of Ownership
CPYR Shopping Center, LLC (3601 Richmond Highway)	(See Attached)	(See Attached)
City of Alexandria (3951 Richmond Highway)	301 King Street Alexandria, VA 22314	100%
3.		

3. Business or Financial Relationships. Each person or entity indicated above in sections 1 and 2, with an ownership interest in the applicant or in the subject property are require to disclose any business or financial relationship, as defined by Section 11-350 of the Zoning Ordinance, existing at the time of this application, or within the12-month period prior to the submission of this application with any member of the Alexandria City Council, Planning Commission, Board of Zoning Appeals or either Boards of Architectural Review. All fields must be filled out completely. Do not leave blank. (If there are no relationships please indicated each person or entity and "None" in the corresponding fields).

For a list of current council, commission and board members, as well as the definition of business and financial relationship, click here.

Name of person or entity	Relationship as defined by Section 11-350 of the Zoning Ordinance	Member of the Approving Body (i.e. City Council, Planning Commission, etc.)
CPYR Shopping Center, LLC	(See Attached)	(See Attached)
City of Alexandria	n/a	n/a
3.		

NOTE: Business or financial relationships of the type described in Sec. 11-350 that arise after the filing of this application and before each public hearing must be disclosed prior to the public hearings.

As the applicant or the applicant's authorized agent, I hereby attest to the best of my ability that the information provided above is true and correct.

8-21-2020 Sheri L. Akin, AICP Signature Signature

3

OWNERSHIP AND DISCLOSURE STATEMENT

1. <u>Applicant</u>. State the name, address and percent of ownership of any person or entity owning an interest in the applicant, unless the entity is a corporation or partnership, in which case identify each owner of more than three percent. The term ownership interest shall include any legal or equitable interest held at the time of the application in the real property which is the subject of the application.

Applicant: Dominion Energy Virginia

600 Canal Plaza, 20th Floor Richmond, Virginia 23219

Wholly owned by:

Dominion Energy, Inc., a Virginia corporation publicly traded

on the New York Stock Exchange with more than 500

shareholders

2. <u>Property</u>. State the name, address and percent of ownership of any person or entity owning an interest in the property located at 3601 and 3951 Richmond Highway, unless the entity is a corporation or partnership, in which case identify each owner of more than three percent. The term ownership interest shall include any legal or equitable interest held at the time of the application in the real property which is the subject of the application

Property: 3601 Richmond Highway

Owner: CPYR Shopping Center, LLC

277 Park Avenue, 36th Floor

New York, NY 10172

Wholly owned by:

CPYR, LLC

277 Park Avenue, 36th Floor New York, NY 10172

To the best of our knowledge, no entity listed above has any business relationship, as defined by Section 11-350 of the Zoning Ordinance, within the 12-month period prior to the submission of this application with any member of Alexandria City Council, Planning Commission, Board of Zoning Appeals or either Boards of Architectural Review.

If property owner or applicant is being represented by an authorized agent such as an attorney, realtor, or o which there is some form of compensation, does this agent or the business in which the agent is employed business license to operate in the City of Alexandria, Virginia?	
[X] Yes. Provide proof of current City business license	
[] No. The agent shall obtain a business license prior to filing application, if required by the City Code.	
NARRATIVE DESCRIPTION	
3. The applicant shall describe below the nature of the request in detail so that the Planning Comm Council can understand the nature of the operation and the use. The description should fully discuss th activity. (Attach additional sheets if necessary.) See attached Narrative Statement	

NARRATIVE STATEMENT

SUP Extension for Dominion Energy Terminal Station

July 13, 2020

I. INTRODUCTION

Dominion Energy Virginia ("Dominion") hereby requests additional time to operate its existing electric terminal station (the "Terminal Station") located at 3601 and 3951 Richmond Highway, further identified as Tax Map Nos. 008.03-02-01 and 016.01-05-01, respectively (the "Property"). A five (5) year extension is requested in order complete the undergrounding of existing overhead transmission lines that run from the Terminal Station in the City of Alexandria, over Four Mile Run, and then terminating at Dominion's Glebe Substation in Arlington County (the "Undergrounding Project").

II. BACKGROUND

The Property has been the site of an existing Terminal Station since 1997, when it was originally approved by the Alexandria City Council in SUP#96-00091. In 2013, the SUP conditions were amended in SUP#2011-0014 to permit an extension of time for the facility to January 2021.

Since the last extension in 2013, Dominion actively worked on the necessary steps for the Undergrounding Project, which was previously part of a larger regional project known as the Glebe-Potomac River project. The purpose of the Glebe-Potomac River project was to address forecasted reliability concerns for the Alexandria, Arlington, and Fairfax areas and maintain reliable service in accordance with the Northern American Electric Reliability Corporation ("NERC") Reliability Criteria for the region. Before the Four Mile Run overhead transmission lines could be undergrounded and the Terminal Facility removed, an alternative transmission line was necessary elsewhere in the area, and from 2014 through 2018, Dominion pursued completion of the Glebe-Potomac River project which entailed extensive planning efforts and outreach to finalize location and logistics for the new line.

As the Northern Virginia electric grid evolved and several infrastructure improvements implemented elsewhere in the region, PJM Interconnection, LLC ("PJM"), the regional transmission organization responsible for ensuring reliable and coordinated movement of electricity through the northeastern territory, and Dominion determined that the need for a new power line was no longer necessary, and in July of 2018, the Glebe-Potomac River project was terminated. As a result, Dominion began separate development plans for the Undergrounding Project, which has its own unique engineering challenges and coordination efforts between two localities (Arlington County and the City of Alexandria), as well as state and federal agencies to obtain all necessary permits for the Undergrounding Project.

In order to place the overhead transmission lines under Four Mile Run, Dominion must rebuild its existing Glebe Substation in Arlington County to accommodate the new underground lines. At this time, Dominion is in the process of preparing and obtaining the necessary site plan and permits with Arlington County in order to complete that portion of the project. On the Alexandria side, Dominion is also in discussions with CPYR Shopping Center LLC ("CPYR), the property owner for the Potomac Yard Shopping Center to coordinate use of a portion of the shopping center to stage and set up drilling and boring operations for the underground lines.

Dominion has prepared and is filing simultaneously with this SUP extension request, the necessary site plan to use the shopping center property. Dominion anticipates a five year approval and construction process for the various components of the Undergrounding Project and respectfully requests an extension of the SUP to January 1, 2026. A detailed status and timeline is below.

III. CURRENT STATUS AND TIMELINE

On March 7, 2019, Dominion initiated the Undergrounding Project by filing its application for a Certificate of Public Convenience and Necessity (CPCN) to the Virginia State Corporation Commission (SCC) to rebuild the Glebe Substation in Arlington County, underground the overhead transmission lines, and ultimately remove the Potomac Yard Terminal Station. Approval of the CPCN was obtained from the SCC in October of 2019. Since that time, Dominion has been preparing various development plans for the project, and an estimated time-line with the various project steps is as follows:

Task:	Estimated Time-Line
Obtain SCC Approval for Undergrounding Project	Completed October 2019
DEQ Permitting	Current – End 2021
Site Plan Permitting (Arlington County) to rebuild Glebe Station	Current – End 2021
Rebuild of Glebe Substation	Begin 2022 – End 2024
Boring Underneath Four Mile Run (1-Year construction duration)	2022 – 2023
Energization of new Underground Line	End 2024
Existing Overhead Transmission Line Removal	2025
Removal of the Potomac Yard Transition Station	2025

IV. CONCLUSION

Dominion is actively pursuing the multiple steps necessary to complete the Underground Project, and has completed the important first step of obtaining SCC approval. As outlined above, it anticipates project completion by year-end 2025, and respectfully requests a 5-year extension of the Special Use Permit to January 1, 2026.

132653987_2.docx

USE CHARACTERISTICS

Please describe the capacity of the proposed use:			
A.	How many patrons, clients, pupils and		
	Specify time period (i.e., day, hour, or s		
В.	How many employees, staff and other		
	Specify time period (i.e., day, hour, or s	shift).	
Plea	se describe the proposed hours and days o	of operation of the proposed use:	
Day:	, ,	of operation of the proposed use: Hours: 24 hours per day	
Day:		Hours:	
Day:		Hours:	
Day:		Hours: 24 hours per day	
Day:	s per week	Hours: 24 hours per day	
Day: 7 day:	s per week	Hours: 24 hours per day from the proposed use.	
Day: 7 day:	s per week se describe any potential noise emanating Describe the noise levels anticipated fr	Hours: 24 hours per day from the proposed use.	

Pleas	e provide information regarding trash and litter generated by the use.
A.	What type of trash and garbage will be generated by the use? (i.e. office paper, food wrappers) _n/a
В.	How much trash and garbage will be generated by the use? (i.e. # of bags or pounds per day or week)
	n/a
C.	How often will trash be collected?
	n/a
D.	How will you prevent littering on the property, streets and nearby properties?
	n/a
	any hazardous materials, as defined by the state or federal government, be handled, stored, or generoperty?
(1 Y	es. [/] No.

11.		y organic compounds, for example paint, ink, lacquer thinner, or cleaning or degreasing solvent, be d, stored, or generated on the property?
	[] Ye	s. [/] No.
	If yes,	provide the name, monthly quantity, and specific disposal method below:
12.		methods are proposed to ensure the safety of nearby residents, employees and patrons? nange from existing use
ALC	оноц	SALES
13.	Α.	Will the proposed use include the sale of beer, wine, or mixed drinks?
		[] Yes [/] No
		If yes, describe existing (if applicable) and proposed alcohol sales below, including if the ABC license w include on-premises and/or off-premises sales.

PARKING AND ACCESS REQUIREMENTS

14.	A.	How many	parking spaces of each type are provided for the proposed use:
			Standard spaces
			Compact spaces
			Handicapped accessible spaces.
		n/a	Other.
			Planning and Zoning Staff Only paces for use per Zoning Ordinance Section 8-200A neet the requirement? [] Yes [] No
	В.	Where is re [✓] on-site [] off-site	equired parking located? <i>(check one)</i> N/A
	N/A	•	ed parking will be located off-site, where will it be located?
site pa	arking v ustrial u	vithin 500 feet	to Section 8-200 (C) of the Zoning Ordinance, commercial and industrial uses may provide off- of the proposed use, provided that the off-site parking is located on land zoned for commercial r uses must provide parking on-site, except that off-street parking may be provided within 300 all use permit.
	C.		on in the required parking is requested, pursuant to Section 8-100 (A) (4) or (5) of the Zoning complete the PARKING REDUCTION SUPPLEMENTAL APPLICATION.
		[] Parkin	g reduction requested; see attached supplemental form
15.	Plea	se provide info	rmation regarding loading and unloading facilities for the use:
	A.	How many	loading spaces are available for the use? N/A
	43.3	skii lisvatta idata (l	Planning and Zoning Staff Only If loading spaces for use per Zoning Ordinance Section 8-200 In meet the requirement? [] Yes, [] No

	B.	Where are off-street loading facilities located? N/A			
	C.	During what hours of the day do you expect loading/u N/A			
	D.	How frequently are loading/unloading operations expe			as appropriate?
16.		eet access to the subject property adequate or are any sasary to minimize impacts on traffic flow?		ents, such as a new to	urning lane,
	No c	change from existing use			
SITE	СНА	ARACTERISTICS			
17.	Will th	he proposed uses be located in an existing building?	[] Yes	[/] No	
	Do yo	ou propose to construct an addition to the building?	[] Yes	[/] No	
	How I	large will the addition be? n/a square feet.			
18.	What	will the total area occupied by the proposed use be?			
	n/a	sq. ft. (existing) + sq. ft. (addition if any	r) =sq	. ft. (total)	
19.	[]a: []a: []a: []a:	proposed use is located in: <i>(check one)</i> stand alone building house located in a residential zone warehouse shopping center. Please provide name of the center: n office building. Please provide name of the building: her. Please describe: existing Dominion terminal station			

End of Application



Department of Planning & ZoningSpecial Use Permit Application Checklist

Supplemental application for the following uses:
Automobile Oriented
Parking Reduction
Restaurant
Child Care
Signs
Substandard Lot
✓ Lot modifications requested with SUP use
Interior Floor Plan
Include labels to indicate the use of the space (doors, windows, seats, tables, counters, equipment)
If Applicable
✓ Plan for outdoor uses
Contextual site image
Show subject site, on-site parking area, surrounding buildings, cross streets

000373

Prepared by and after recording return to: Phyllis M. Rubinstein, Esq. McCandlish Holton P.O. Box 796 Richmond, VA 23218 Tax Map No. 16.02-01-01 Consideration: \$-0-

TRANSMISSION AND DISTRIBUTION EASEMENT AGREEMENT

THIS TRANSMISSION AND DISTRIBUTION EASEMENT AGREEMENT (this "Agreement"), dated as of the 23rd day of December, 2004, between CPYR, INC., a Delaware nonprofit corporation ("GRANTOR"), and VIRGINIA ELECTRIC AND POWER COMPANY, a Virginia public service corporation ("COMPANY") and "Grantee" for recording purposes.

WITNESSETH:

That for the sum of Ten DOLLARS (\$10.00), and other good and valuable consideration, the receipt whereof is hereby acknowledged, GRANTOR grants unto COMPANY, its successors and assigns, the perpetual right, privilege and easement of right of way, to construct, maintain and operate an underground to overhead electric substation and/or terminal station, together with all appurtenances, including transformers, regulators, capacitors, wires, poles, towers, structures, cables, conduits, mains, manholes, handholes, meters, attachments, ground connections, equipment, fences and all accessories desirable in connection therewith (collectively, the "Substation/Terminal Facilities"), over, under, through, upon and across the property of GRANTOR located in the City of Alexandria, Virginia, described as the southernmost 15 foot portion of the "North Terminal Site" on Exhibit "A" attached hereto and incorporated herein for the purpose of transmitting and/or distributing electric power and for internal communication purposes.

COMPANY shall at all times have the right to keep the Right of Way hereby conveyed clear of all buildings and structures. The Substation/Terminal Facilities shall at all times conform with all applicable statutes, orders, rules, regulations and specifications of any public body having jurisdiction thereof and shall not endanger GRANTOR or its successors and assigns, and their respective uses and operations on the property currently owned by GRANTOR and described in Exhibit "B" attached hereto (the "Grantor Property").

COMPANY shall not assign, transfer or encumber any part of the Right of Way (as defined below) without the prior written consent of GRANTOR. Notwithstanding the foregoing, COMPANY shall have the right to assign or transfer, without limitation, all or any part of the perpetual right, privilege and easements of right of way granted herein to a successor utility company in the business of providing electric transmission services. The parcel depicted on <a href="Exhibit "A" as the portion of the North Terminal Site located on the Grantor Property is hereinafter referred to as the "Right of Way."

MH - 399196v22

CPYR - Transm. & Distrib. Fasem. Agt.
Error! Unknown document property name.



The Substation/Terminal Facilities installed hereunder shall remain the property of COMPANY. COMPANY shall have the right to inspect, rebuild, remove, repair, improve and relocate the Substation/Terminal Facilities on the Right of Way, and make such changes, alterations, substitutions, additions to or extensions of the Substation/Terminal Facilities as COMPANY may from time to time deem advisable, provided that (i) COMPANY shall have the right to maintain all existing Substation/Terminal Facilities above-ground, but any replacements of the Substation/Terminal Facilities shall be below-ground, (ii) to the extent that COMPANY is unable to comply with the preceding clause (i), any replacements of the Substation/Terminal Facilities shall be designed in consultation with GRANTOR to minimize their impact on the Grantor Property, and (iii) any other material changes to the Substation/Terminal Facilities shall be subject to the approval of GRANTOR, such approval not to be unreasonably withheld, conditioned, or delayed.

COMPANY shall at all times have the right to trim or fell any tree inside or outside the Right of Way which, in the reasonable opinion of the COMPANY, constitutes a hazard or may endanger the safe or proper operation of Substation/Terminal Facilities. Such a tree shall be any tree that if it were to fall or did fall could or would reasonably be expected to adversely impact the Facilities and the Substation/Terminal Facilities, provided, however, that this right shall not alter COMPANY's obligation to plant and maintain landscaping as provided herein. All trees felled by COMPANY shall be disposed of by COMPANY within 48 hours after they are felled and, in any event, COMPANY shall use all reasonable efforts to ensure that any felling of trees shall not damage or otherwise interfere with the use or operation of the Grantor Property.

COMPANY agrees to plant and maintain such landscaping as is reasonably satisfactory to Grantor to create an attractive buffer between the Substation/Terminal Facilities and the Grantor Property, provided, such landscaping does not interfere with COMPANY's operations in the Right of Way and provided further that to the extent any existing or future landscaping interferes with COMPANY's operations, COMPANY will provide substitute landscaping. All such landscaping shall be planted in consultation with GRANTOR and shall be maintained in a neat and orderly manner. If COMPANY fails to comply with the foregoing obligations with respect to the landscaping, GRANTOR shall have the right to remedy such failure and COMPANY shall reimburse GRANTOR for any reasonable costs incurred by GRANTOR in connection therewith. In addition, if COMPANY is in compliance with its obligations hereunder, but GRANTOR desires to plant additional landscaping or modify the existing landscaping, GRANTOR may do so at its sole cost and expense so long as such additional landscaping does not interfere with COMPANY's use and enjoyment of the Right of Way.

COMPANY shall repair damage to fences, roads or other improvements and shall pay GRANTOR for any damage to GRANTOR's property, either inside or outside the Right of Way, when such damage results from the exercise of the rights herein granted, provided GRANTOR gives written notice thereof to COMPANY within sixty (60) days after such damage occurs.

MH – 399196v22

CPYR – Transm. & Distrib. Easem. Agt.

Error! Unknown document property name.

In its use and occupancy of the North Terminal Site, COMPANY will provide adequate fencing and other security measures necessary to ensure the safety of the public and will at its own expense make all corrections, repairs or additions to the Substation/Terminal Facilities that are necessary to ensure its compliance with federal, state and local safety, health, environmental and sanitation laws, rules, regulations and ordinances.

COMPANY, at its own expense, shall provide and keep in force with companies rated by Best's Insurance Reports or any successor publication of comparable standing, a AVIII or better or the then equivalent of such rating, public liability insurance for the benefit of GRANTOR and COMPANY against liability for bodily injury and property damage in the amount of not less than \$2,000,000.00 in respect to injuries to or death of any one person, and in the amount of not less than \$2,000,000.00 in respect to injuries to or death of more than one person in any one occurrence, and in the amount of not less than \$500,000.00 in respect to damage to property. GRANTOR shall have the right, exercisable by giving written notice thereof to COMPANY, to require COMPANY to increase such limits if, in GRANTOR's reasonable judgment, the amount thereof is insufficient to protect GRANTOR and COMPANY from judgments which might result from any potential claims, demands or actions. COMPANY shall furnish GRANTOR with a certificate of its insurance and whenever required shall satisfy GRANTOR that such insurance is in full force and effect. At its option, COMPANY shall have the right to self insure.

COMPANY will indemnify and save harmless GRANTOR, its successors and assigns, from and against all loss, cost, including attorneys' fees, damage and expense, and from and against any and all claims, suits, actions or demands on account of injury to persons or damage to property which may be asserted against or sustained or incurred by GRANTOR, by reason of or in any way connected with or arising out of COMPANY's occupancy, construction, maintenance, or operations on the Right of Way and COMPANY's access to the Right of Way. In case any action, suit or proceeding is brought against GRANTOR by reason of any such occurrence, COMPANY, upon GRANTOR's request, will at COMPANY's expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by COMPANY and approved by GRANTOR. COMPANY shall not be responsible or liable to GRANTOR for any loss or damage which may be occasioned by or through the negligent acts or omissions of persons on the Right of Way pursuant to any reservations and rights reserved by GRANTOR hereunder. COMPANY shall indemnify and hold harmless GRANTOR and repair damages to any property of GRANTOR and property of others caused by COMPANY in the exercise of any of its rights hereunder.

The Grantor Property currently is used as a retail shopping center, and at any time hereafter, the use or configuration of the Grantor Property may be modified, which modifications may require construction of additional buildings, streets, utilities and other facilities and improvements. COMPANY, for the purpose of constructing, inspecting, maintaining and operating the Substation/Terminal Facilities, is granted the non-exclusive and relocatable right of ingress and egress, over and upon the existing private

MH – 399196v22 CPYR – Transm. & Distrib. Easem. Agt. Error! Unknown document property name.

roads located along the northern boundary of the Grantor Property (including the interior access road of the shopping center and the gravel road depicted on Exhibit "A" attached hereto), provided that Grantor may alter or modify the location of such private roads so long as COMPANY continues to have reasonable access to the Right of Way. COMPANY shall not, except in cases of emergency, interfere in any way with GRANTOR's construction, use, development and operation of the Grantor Property and all rights of ingress and egress shall be exercised in such manner as shall cause the least practicable damage and inconvenience to GRANTOR.

COMPANY shall be responsible for and pay any costs for local zoning, construction or subdivision compliance, approval or permits relative to the Right of Way. In addition, all taxes associated with any COMPANY Facilities shall be paid by COMPANY.

The cash consideration hereinabove mentioned is paid by COMPANY and accepted by GRANTOR as full and total payment for the Right of Way, for all trees and other obstructions within the Right of Way and for all other rights and privileges hereinabove set forth and for any diminution in value of the Grantor Property.

COMPANY has heretofore been in possession of the Right of Way pursuant to that certain Lease Agreement dated October 31, 1996 and acknowledges that the environmental condition of the property underlying the Right of Way is suitable for the purposes contemplated herein, and that such use of the Right of Way by COMPANY has not, to the knowledge of COMPANY, violated any federal, state or local environmental laws. Neither party shall dispose of any waste of any kind, whether hazardous or not in the Right of Way.

In the event that Hazardous Materials (as defined below) upon, in or under the Right of Way are required to be removed by any governmental agency or entity having jurisdiction over the Right of Way, COMPANY shall be responsible for removing those Hazardous Materials arising out of or related to the use or occupancy of the Right of Way by COMPANY under this Agreement or the Lease. Notwithstanding the foregoing, neither party shall not take any remedial action in or about the Right of Way without first notifying the other party of its intention to do so and affording the other party the opportunity to protect its interest with respect thereto. Each party shall immediately notify the other party in writing of (i) any spill, release, discharge or disposal of any Hazardous Materials in, on or about the Right of Way, or any portion thereof; (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if such party has notice thereof) pursuant to any Hazardous Materia: Legal Requirements (as defined below); (iii) any claim made or threatened by any person against either party, the Right of Way, relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claim to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Right of Way (including any complaints, notices, warnings, reports or asserted violations in connection therewith). Each party also shall supply to the other party as promptly as possible, and in any event within five (5) business days

MH – 399196v22 CPYR – Transm. & Distrib. Easem. Agt. Error! Unknown document property name.

after such party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Right of Way or such party's use or occupancy thereof.

For all purposes herein, "Hazardous Materials" shall mean and refer to any flammable, corrosive or explosive materials, petroleum or petroleum products, natural gas or synthetic gas usable for fuel, radioactive materials, hazardous wastes or substances or toxic wastes or substances; including without limitation, any substances now or hereafter defined as, or included in the definition of, "hazardous substances," "hazardous wastes," "hazardous materials," "toxic materials" or "toxic substances" in an amount sufficient to violate any Federal, state or local statute, ordinance or regulation. "Hazardous Material Legal Requirements" shall mean and refer to any governmental orders or requirements issued by any public authority having jurisdiction over the Right of Way.

Any and all notices affecting this Agreement may be served by the parties hereto, or by their duly authorized agents, as effectively as if same were served by any officer authorized by law to serve such notices. The return of such party, or its duly authorized agent, showing the time, place and manner of service of such notice shall have the same force and effect in any legal proceedings based thereon as a return of service by any officer authorized by law to serve such notice.

All notices required by law to be served upon, and all noticed permitted by this Agreement to be mailed to a party to this Agreement shall be served upon or mailed to, as the case may be, to the following agents for each party who are hereby appointed and designated as such for the purpose of receiving all such notices:

GRANTOR's agent shall be Norton O'Meara, RREEF America, L.L.C., 875 North Michigan Avenue, Suite 4100, Chicago, Illinois 60611, with a copy to Seyfarth Shaw, 55 East Monroe Street, Suite 4200, Chicago, Illinois 60603, Attn. Joel D. Rubin, Esq.

COMPANY's agent shall be Manager of Electric Transmission Right-of-Way, 120 Tredegar Street, Riverside 5, Richmond, VA 23219, (804) 819-2952.

Each party shall immediately notify the other party, in writing, of any change of agents, and no change of agents shall be effective until such notice is given.

Where under the terms of this Agreement a notice is required or permitted to be mailed by certified or registered mail, return receipt requested, and such notice is not mailed in such manner, the notice shall be effective if actually received by the party, or its appointed agent, to whom the notice is directed.

GRANTOR covenants that it has the right to convey the easement of Right of Way, and the rights and privileges described herein; that COMPANY shall have use and enjoyment of the easement of Right of Way in the manner set forth herein and that GRANTOR shall execute such further assurances thereof as may be required.

MH - 399196v22 CPYR - Transm. & Distrib. Easem. Agt. Error! Unknown document property name.

NOTICE TO LANDOWNER: You are conveying rights to a public service corporation. A public service corporation may have the right to obtain some or all of these rights through the exercise of eminent domain. To the extent that any of the rights being conveyed are not subject to eminent domain, you have the right to choose not to convey those rights and you could not be compelled to do so. You have the right to negotiate compensation for any rights that you are voluntarily conveying.

[SIGNATURES ON FOLLOWING PAGES]

MH - 399196v22

CPYR - Transm. & Distrib. Easem. Agt.

Error! Unknown document property name.

WITNESS the	following	signatures.
-------------	-----------	-------------

GRANTOR:

CPYR, INC., a Delaware nonprofit corporation

By:

[The rest of this page is intentionally left blank]

MH - 399196v20 CPYR

VIRGINIA ELECTRIC AND POWER COMPANY, a Virginia corporation

By: Jelos tel

[The rest of this page is intentionally left blank]

MH - 399196v20 CPYR Error! Unknown document property name.

STATE OF JUINIS)
CITY/COUNTY OF COOK) ss:
Before me, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date <u>NORM F. NORM</u> , personally well known (or satisfactorily proven) to me to be the <u>NORM F. NORM</u> of CPYR, INC., a Delaware nonprofit corporation, and the person whose name is subscribed to the foregoing and annexed Transmission Right of Way Agreement, who, being by me first duly sworn, did acknowledge that said corporation is a party to the foregoing and annexed Transmission Right of Way Agreement, and that he, being duly authorized so to do, executed said Transmission Right of Way Agreement in the name of said corporation as its free act and deed for the uses and purposes therein contained. WITNESS my hand and official seal this 27th day of December, 2004.
WITHESS thy hand and ombial seal tills 27 day of December, 2004.
OFFICIAL SEAL KIMBERLY M. TREVINO INSIGN Explice Sep. 27, 2008
My Commission Expires: 921/18
Wiy Commission Expires.
MH - 399196v20 8 CPYR

COMMONWEALTH OF VIRGINIA)
) ss:
CITY/GOUNTY OF FLICHMOND	_)

Before me, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date TOHN D. SMATLAK, personally well known (or satisfactorily proven) to me to be the MANAGING DIRECTOR ELECTRIC TRANSMISSION OF ELECTRIC AND POWER COMPANY, a Virginia corporation, and the person whose name is subscribed to the foregoing and annexed Transmission Right of Way Agreement, who, being by me first duly sworn, did acknowledge that said corporation is a party to the foregoing and annexed Transmission Right of Way Agreement, and that he, being duly authorized so to do, executed said Transmission Right of Way Agreement in the name of said corporation as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this <u>23</u> day of December, 2004.

James 63. Hughes Jr.
Notary Public

[Notarial Seal]

My Commission Expires: 4 - 30 - 2007

MH - 399196v20

Error! Unknown document property name.

CONSENT OF BENEFICIARY

Nationwide Life Insurance Company, an Ohio corporation ("Lender"), as holder of the note secured by that certain Deed of Trust and Security Agreement dated May 28, 2004 from CPYR, Inc., a Delaware non-profit corporation, to Mary Jo George and Paul J. Miller, Trustees for Lender, which was recorded on June 2, 2004 as Instrument Number 040022737, hereby consents to the execution and recording of the above and foregoing Transmission and Distribution Agreement, and hereby subordinates the lien of said deed of trust to the provisions of the foregoing Transmission and Distribution Easement.

IN WITNESS WHEREOF, Lender has ex December, 2004.	secuted this instrument on this day of
	TIONWIDE LIFE INSURANCE COMPANY, Ohio corporation
	TODD A. HARROP ASSOCIATE VICE PRESIDENT MORTGAGE LOAN ACQUISITIONS
STATE OF OHIO) ss: CITY/COUNTY OF FRANKLIN)	
Before me, a Notary Public in and for the date <u>Toda A. HARREP</u> , personally well known (Associate Vice Prevent of Nationwide Life I the person whose name is subscribed to the foreg sworn, did acknowledge that said corporation is and that he, being duly authorized so to do, executorporation as its free act and deed for the uses a	nsurance Company, an Ohio corporation, and going Consent, who, being by me first duly a party to the foregoing and annexed Consent, uted said Consent in the name of said
WITNESS my hand and official s JESSICA G. SWINGLE Notary Public, State of Ohio My Commission Expires 06/28/2009	eal this 29 day of December, 2004. Notary Public
[Notarial Seal]	
My Commission Expires:	28 09
СН1 10834621.1	

LEGAL DESCRIPTION

The below described property is shown on a plat (#D-603) entitled "1999 ALTA/ACSM LAND TITLE SURVEY ON THE LANDS OF POTOMAC YARD RETAIL, INC.", prepared by Christopher Consultants, last dated 02/19/04.

Beginning at a point on easterly right-of-way line of Jefferson Davis Highway, U.S. Route 1; said point being a corner to Crescent Potomac Yard Development, LLC and being 163.00 feet southeast from the intersection of the City of Alexandria and Arlington County boundary line;

Thence, departing the easterly right-of-way line of Jefferson Davis Highway, U.S. Route 1 and running with the property lines of Crescent Potomac Yard Development, LLC, the following thirteen (i3) courses:

- I. N 83" 151 33" E, a distance of 820.00 feet;
- 2. 5 06° 44' 27" E, a distance of 118.88 feet;
- 3. N 83" 15' 33" E, a distance of 155.53 feet;
- 4. S 25" 47" 06" E, a distance of 570.69 feet to a point of curvature;
- 5. With a curve to the right having a central angle of 30° 10' 17", a radius of 2,322.01 feet, an arc distance of 1,222.75 feet and a chord length of 1,208.67 feet which bears 5 10° 41' 57" E to a point of tangency; 6. 5 04" 23' 12" W, a distance of 467.14 feet; 7. 5 83" 21' 10" W, a distance of 298.71 feet;

- 8. 5 06° 38' 50" E. a distance of 146.86 Feet;
- 9. 5 83° 21' 10" W, a distance of 120.00 feet;
- 10. 5 06° 38′ 50" F, a distance of 56.84 feet;
- II. 5 83° 21' 10" W, a distance of 344.98 feet;
- 12. 5 06° 36′ 24" E, a distance of 192.16 Feet;
- 13. 5 83° 21' 10" W. a distance of 410.47 feet to a point in the easterly right-of-way line of Jefferson Davis Highway, U.S. Route 1;

Thence, with said easterly right-of-way line, the following six (6) courses:

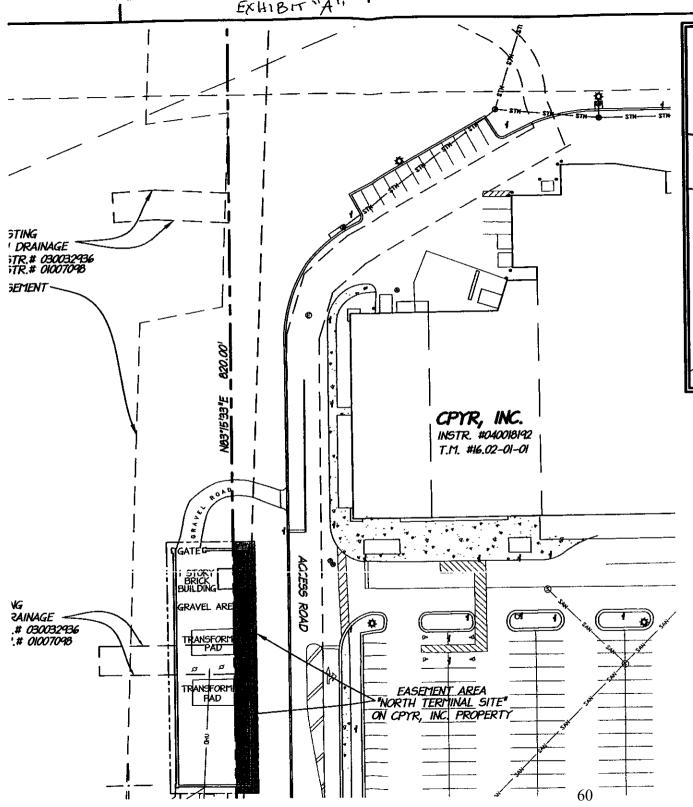
- 1. N 06° 43′ 36" W. a distance of 483.70 feet;
- 2. N 06° 45′ 32" N, a distance of 270.30 feet;
- 3. N 06° 40' 11" W, a distance of 594.66 feet; 4. N 83° 21' 10" E, a distance of 17.78 feet;
- 5. N 06° 38′ 50° VI, a distance of 829.99 feet;
- 6. N 06° 44' 27" VI, a distance of 537.80 feet to the point of beginning.

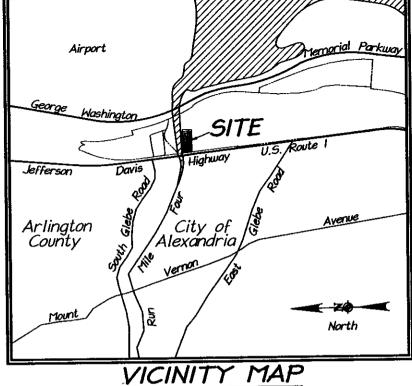
CONTAINING 3,008,589 SQUARE FEET OR 69.0677 ACRES MORE OR LESS.

INSTRUMENT #050000048 RECORDED IN THE CLERK'S OFFICE OF ALEXANDRIA ON JANUARY 3, 2005 AT 12:31PM EDWARD SEMONIAN, CLERK

RECORDED BY: AXM

Plat attached





NOTES:

I.) THE AREA DELINEATED BY THIS PLAT IS DESIGNATED AS CITY OF ALEXANDRIA ASSESSMENT MAP NUMBERS 025.04-01-01 16.02-01-01 AND ARE ZONED CD AND CDD#1, RESPECTIVELY.

SCALE: 1" = 2000'

- 2) THE BASIS OF BEARINGS, HORIZONTAL COORDINATES AND VERTICAL DATUM FOR THIS PLAT WERE TAKEN FROM CONTROL TRAVERSE INFORMATION OBTAINED FROM THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY.
- 3.) THE PROPERTY SHOWN HEREON IS LOCATED ON F.E.M.A. MAP COMMUNITY PANEL NO. 515519-0005D (5/15/91), DESIGNATED AS ZONE "X", AN AREA DETERMINED TO BE OUTSIDE THE 500-YEAR FLOODPLAIN.
- 4.) THE SUBDIVISION PLAT FOR THE POTOMAC YARD RETAIL CENTER IS RECORDED IN DEED BOOK 1691 PAGE 316.

opher consultants



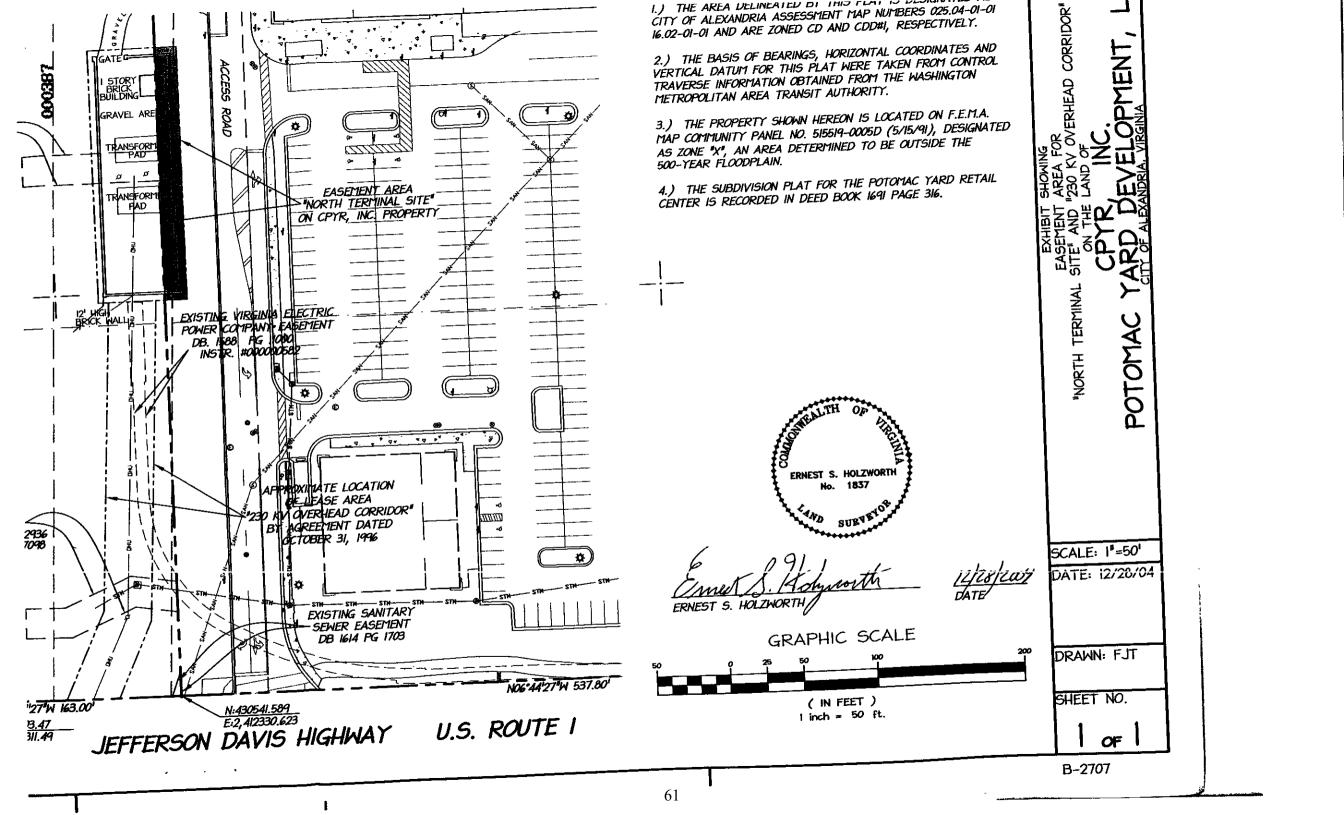


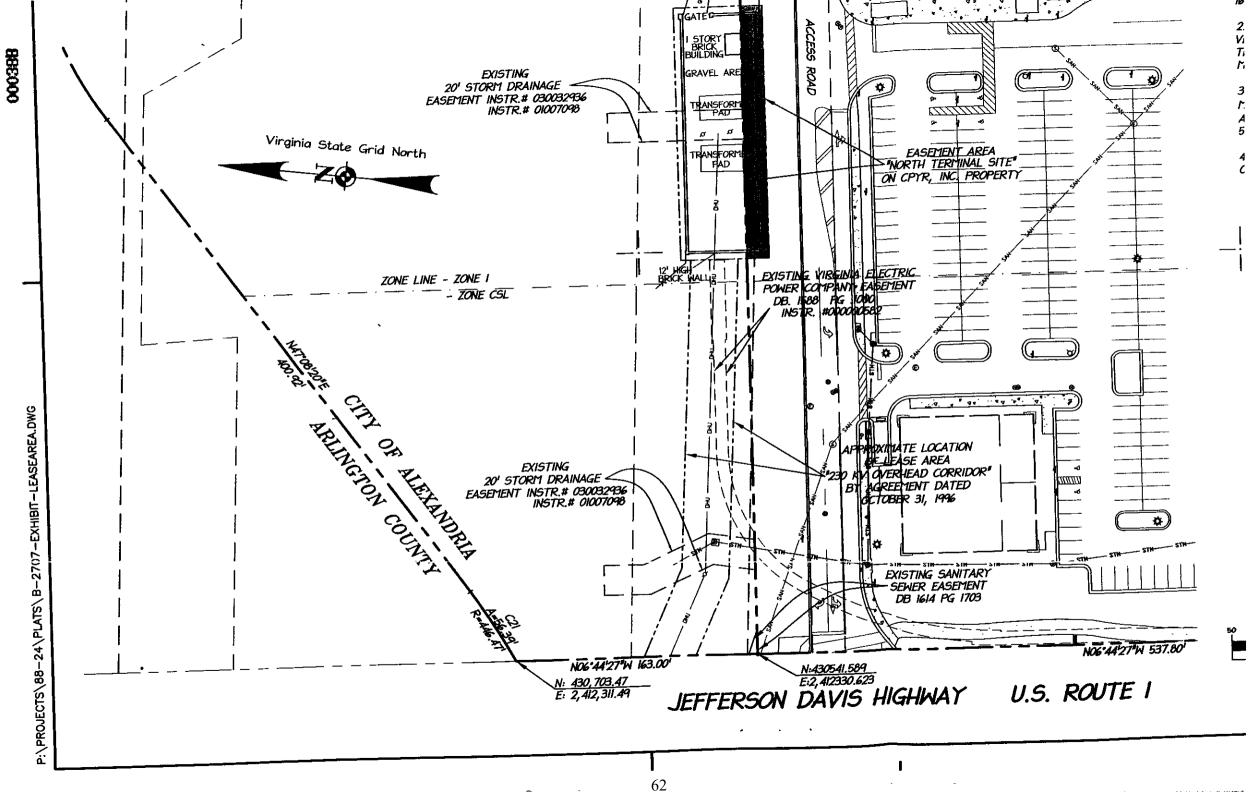
SEMENT AREA FOR ON THE LAND OF INC.

PYR INC.

DEVELOPMENT, LLC.

PARANDRIA, VIRGINIA





Prepared by and after recording return to: Phyllis M. Rubinstein, Esq. McCandlish Holton P.O. Box 796 Richmond, VA 23218 16. 02 -01-01

Tax Map No. 325,04-01-01

Consideration: \$1,200,000.00

DOMINION VIRGINIA POWER

Transmission Right of Way Agreement

THIS TRANSMISSION AND DISTRIBUTION EASEMENT AGREEMENT, made as of this 23rd day of December, 2004, between POTOMAC YARD DEVELOPMENT, LLC, a Delaware limited liability company, as grantor ("GRANTOR") and VIRGINIA ELECTRIC AND POWER COMPANY, a Virginia public service corporation, as grantee ("COMPANY").

WITNESSETH:

That for the surr of Ten DOLLARS (\$10.00), and other good and valuable consideration, the receipt whereof is hereby acknowledged, GRANTOR grants unto COMPANY, its successors and assigns, the perpetual right, privilege and easement of right of way 32 feet in width, over, under, through, upon and across the property of GRANTOR located in the City of Alexandria, Virginia, described as "32' Dominion Virginia Power Easement" (as shown on Exhibit "A" attached hereto and incorporated herein, which area may be also referred to herein as the "230KV Overhead Corridor") to lay, construct, operate and maintain one or more lines of poles, towers, structures, and one or more lines of cables and conduits, together with all wires, manholes, handholes, meters, attachments, equipment, accessories and appurtenances desirable in connection therewith (hereinafter referred to as "Facilities") for the purpose of transmitting and/or distributing electric power, for internal communication purposes and for lighting purposes. GRANTOR further grants unto COMPANY the right to lay, construct, operate and maintain one or more lines of underground conduits and cables including, without Imitation, one or more lighting supports and lighting fixtures as Company may from time to time deem necessary, and all wires, conduits, cables, transformers, transformer enclosures, concrete pads, manholes, handholes, connection boxes, accessories and appurtenances desirable in connection therewith for the purpose of transmitting and/or distributing electric power, for internal communication purposes and for lighting purposes.

COMPANY shall at all times have the right to keep the Right of Way (as defined below) hereby conveyed clear of all buildings and structures. Notwithstanding the foregoing, GRANTOR reserves the right to use and enjoy any and all of the land under COMPANY's Facilities within the 230KV Overhead Corridor portion of the Right of Way that is not inconsistent with the rights hereby granted including, but not limited to, the

399196v15

1



right to use, construct, operate, inspect, occupy, rebuild, remove, repair, improve, relocate and maintain underground water, sewer, fiber optic lines, telephone, communication facilities, electric or other utility facilities and lines, sidewalks, pathways, curbs, street lights, streets, roadways and related facilities and agricultural uses, provided that GRANTOR and its successors or assigns shall, with respect to any such future action, communicate with COMPANY to avoid interference with or endangerment of the construction, operation or maintenance of COMPANY's Facilities, and to ensure the safe use, operation and maintenance of such Facilities. COMPANY shall cooperate with GRANTOR to minimize any interference with other uses of the Right of Wav. provided that GRANTOR complies with the requirements of this paragraph. COMPANY, where necessary and if no other commercially reasonable alternative means is available, shall have the right to cross or cut through such encroachments and, to the least extent practicable, temporarily interrupt the use thereof, for the purpose of constructing, maintaining, operating, repairing, altering or replacing its Facilities or Substation/Terminal Facilities, provided that any damage done by COMPANY in the exercise of such right shall be promptly repaired at COMPANY's own cost and expense. GRANTOR and COMPANY shall cooperate with each other with regard to the exercise by GRANTOR of its rights and reservations herein. GRANTOR shall direct all communication efforts pursuant to this paragraph to the Coordinator, Right-of-Ways, Dominion Virginia Power, 120 Tredegar Street, Riverside 5, Richmond, Virginia, 23219. If COMPANY determines that such use, occupations or utility lines would substantially interfere with or endanger its Facilities, then GRANTOR, at COMPANY's request, shall eliminate such interferences or endangerments. All clearances of conductors in the transmission line will meet or exceed the requirements of the current edition of the National Electric Safety Code.

In addition, GRANTOR grants unto COMPANY, its successors and assigns, the perpetual right, privilege and easement of right of way, to construct, maintain and operate an underground to overhead electric substation and/or terminal station, together with all appurtenances, including transformers, regulators, capacitors, wires, poles, structures, cables, conduits, manholes, handholds, meters, attachments, ground connections, equipment, fences and all accessories desirable in connection therewith, over, under, through, upon and across the property of GRANTOR located in the City of Alexandria, Virginia, described as the "Easement Site Area" on Exhibit "A" attached hereto (which area may also be referred to herein as the "North Terminal Site"), less and except a strip of land 15 feet wide being the southernmost portion of the North Terminal Site. The electric substation and/or terminal station and appurtenances, and the wires, poles, towers, structures, cables, conduits, pipes, mains, manholes, handholes, meters attachments, equipment, accessories and appurtenances located over, under, upon, in and across such easement of right of way are hereinafter referred "Substation/Terminal Facilities." collectively as the to Substation/Terminal Facilities shall at all times conform with all applicable statutes, orders, rules, regulations and specifications of any public body having jurisdiction thereof so as not to endanger the operations, maintenance, employees or patrons of GRANTOR. In its use and occupancy of the North Terminal Site, COMPANY will provide adequate fencing and other security measures necessary to ensure the safety

300106v15

2

of the public and will at its own expense make all corrections, repairs or additions to its Substation/Terminal Facilities that are necessary to ensure its compliance with federal, state and local safety, health, environmental and sanitation laws, rules, regulations and ordinances. **COMPANY** shall at all times have the right to keep the North Terminal Site portion of the Right of Way clear of all buildings and structures.

COMPANY shall not assign, transfer or encumber any part of the Right of Way without the prior written consent of GRANTOR. Notwithstanding the foregoing, COMPANY shall have the right to assign or transfer, without limitation, all or any part of the perpetual right, privilege and easements of right of way granted herein to a successor utility company in the business of providing electric transmission services. The parcels depicted on Exhibit "A" as the (a) 32' Dominion Virginia Power Easement and (b) Easement Site Area are herein referred to collectively as the "Right of Way."

The Facilities and the Substation/Terminal Facilities installed hereunder shall remain the property of COMPANY. COMPANY shall have the right to inspect, rebuild, remove, repair, improve and relocate the Facilities and the Substation/Terminal Facilities on the Right of Way, and make such changes, alterations, substitutions, additions to or extensions of its Facilities and Substation/Terminal Facilities as COMPANY may from time to time deem advisable.

COMPANY shall at all times have the right to keep the Right of Way clear of all trees, stumps, roots and undergrowth, and shall have the further right to trim or fell any tree outside the Right of Way which, in the sole opinion of the COMPANY, constitutes a hazard or may endanger the safe or proper operation of its Facilities and Substation/Terminal Facilities. Such a tree shall be any tree which in falling or being felled could come within ten feet of the Facilities and Substation/Terminal Facilities. All trees felled by COMPANY shall be disposed of by COMPANY within one (1) month after they are felled. All trees felled by COMPANY and not removed by COMPANY shall be placed in piles on the Right of Way, subject to applicable regulatory requirements, where they will not block streams or drainage ditches.

Subject to the other provisions hereof, COMPANY shall have the right, but not the obligation (except as may be required by the owner of the retail shopping center located adjacent to the property owned by GRANTOR), to plant trees and shrubs within the Right of Way at public road crossings.

COMPANY shall repair damage to fences, roads or other improvements and shall pay GRANTOR for any damage GRANTOR's property, either inside or outside the Right of Way, when such damage results from the exercise of the rights herein granted, provided GRANTOR gives written notice thereof to COMPANY within sixty (60) days after such damage occurs.

In its use and occupancy of the Facilities and the Substation/Terminal Facilities, COMPANY will provide adequate fencing and other security measures necessary to ensure the safety of the public and will at its own expense make all corrections, repairs

399196v15

or additions to its Facilities or the Substation/Terminal Facilities which are necessary to ensure its compliance with federal, state and local safety, health, environmental and sanitation laws, rules, regulations and ordinances.

COMPANY, at its own expense, shall provide and keep in force with companies rated by Best's Insurance Reports or any successor publication of comparable standing, an A/VIII or better or the then equivalent of such rating, public liability insurance for the benefit of GRANTOR and COMPANY against liability for bodily injury and property damage in the amount of not less than \$2,000,000.00 in respect to injuries to or death of any one person, and in the amount of not less than \$2,000,000.00 in respect to injuries to or death of more than one person in any one occurrence, and in the amount of not less than \$500,000.00 in respect to damage to property. COMPANY shall furnish GRANTOR with a certificate of its insurance and whenever required shall satisfy GRANTOR that such insurance is in full force and effect. At its option, COMPANY shall have the right to self insure.

COMPANY will indemnify and save harmless GRANTOR, its successors and assigns. from and against all loss, cost, including attorneys' fees, damage and expense, and from and against any and all claims, suits, actions or demands on account of injury to persons or damage to property which may be asserted against or sustained or incurred by GRANTOR, by reason of or in any way connected with or arising out of COMPANY's occupancy, construction, maintenance, or operations on the Right of Way and COMPANY's access to the Right of Way. In case any action, suit or proceeding is brought against GRANTOR by reason of any such occurrence, COMPANY, upon GRANTOR's request, will at COMPANY's expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by COMPANY and approved by GRANTOR. COMPANY shall not be responsible or liable to GRANTOR for any loss or damage which may be occasioned by or through the negligent acts or ornissions of persons on the Right of Way pursuant to any reservations and rights reserved by GRANTOR hereunder. COMPANY shall indemnify and hold harmless GRANTOR and repair damages to any property of GRANTOR and property of others caused by COMPANY in the exercise of any of its rights hereunder.

GRANTOR will indemnify and save harmless COMPANY, its successors and assigns, from and against all loss, cost, including attorneys' fees, damage and expense, and from and against any and all claims, suits, actions or demands on account of injury to persons or damage to property or otherwise, which may be asserted against or sustained or incurred by COMPANY, by reason of or in any way connected with or arising out of GRANTOR's use and ownership of the land encumbered by the Right of Way. In case any action, suit or proceeding is brought against COMPANY by reason of such occurrence, GRANTOR, upon COMPANY's request, will at GRANTOR's expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by GRANTOR and approved by COMPANY. GRANTOR shall not be responsible or liable to COMPANY for any loss or damage which may be occasioned by or through the negligent acts or omissions of persons on the Right of Way pursuant to any reservations and rights reserved by COMPANY

399196v15

hereunder. **GRANTOR** shall indemnify and hold harmless **COMPANY** and repair damages to any property of **COMPANY** and property of others caused by **GRANTOR** in the exercise of any of its rights hereunder.

The area surrounding, but not included in, the Right of Way shall be planned, designed and developed, including construction of buildings, streets, utilities and other facilities and improvements. Subject to the right of GRANTOR to accomplish its objectives as stated in the preceding sentence, COMPANY, for the purpose of constructing, inspecting, maintaining and operating its Facilities and Substation/Terminal Facilities is granted the non-exclusive and relocatable right of ingress and egress, over and upon the adjacent lands of GRANTOR, to the extent such right of ingress and egress does not materially damage or unreasonably interfere with GRANTOR's use or intended use of its adjacent lands. COMPANY shall not, except in cases of emergency, interfere in any way with GRANTOR's construction, use, development and operation of its lands adjacent to the Right of Way. COMPANY shall have the further right of ingress to and egress from the Right of Way over such private roads as may now or hereafter exist on the property of GRANTOR, including, but not limited to, the gravel road shown on Exhibit "A". All rights of ingress and egress shall be exercised in such manner as shall cause the least practicable damage and inconvenience to GRANTOR.

COMPANY shall be responsible for and pay any costs for local zoning, construction or subdivision compliance, approval or permits relative to the Right of Way.

The cash consideration hereinabove mentioned is paid by **COMPANY** and accepted by **GRANTOR** as full and total payment for the Right of Way, for all trees and other obstructions within the Right of Way and for all other rights and privileges hereinabove set forth and for any diminution in value of **GRANTOR's** land.

GRANTOR represents, to the best of its knowledge, that the environmental condition of the property underlying the Right of Way is suitable for the purposes contemplated herein, and that such use of the Right of Way by COMPANY does not, to the knowledge of GRANTOR, violate any federal, state or local environmental laws. Neither party shall dispose of any waste of any kind, whether hazardous or not in the Right of Way.

In the event that Hazardous Materials (as defined below) upon, in or under the Right of Way are required to be removed by any governmental agency or entity having jurisdiction over the Right of Way, COMPANY shall be responsible for removing those Hazardous Materials arising out of or related to the use or occupancy of the Right of Way by COMPANY or its agents, but not those of its predecessors or by other users of the Right of Way. Notwithstanding the foregoing, neither party shall not take any remedial action in or about the Right of Way without first notifying the other party of its intention to do so and affording the other party the opportunity to protect its interest with respect thereto. Each party shall immediately notify the other party in writing of (i) any spill, release, discharge or disposal of any Hazardous Materials in, on or about the Right of Way, or any portion thereof; (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if such party

399196v15 4

has notice thereof) pursuant to any Hazardous Material Legal Requirements (as defined below); (iii) any claim made or threatened by any person against either party, the Right of Way, relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claim to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Right of Way (including any complaints, notices, warnings, reports or asserted violations in connection therewith). Each party also shall supply to the other party as promptly as possible, and in any event within five (5) business days after such party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Right of Way or such party's use or occupancy thereof.

For all purposes herein, "Hazardous Materials" shall mean and refer to any flammable, corrosive or explosive materials, petroleum or petroleum products, natural gas or synthetic gas usable for fuel, radioactive materials, hazardous wastes or substances or toxic wastes or substances; including without limitation, any substances now or hereafter defined as, or included in the definition of, "hazardous substances," "hazardous wastes," "hazardous materials," "toxic materials" or "toxic substances" in an amount sufficient to violate any Federal, state or local statute, ordinance or regulation. "Hazardous Material Legal Requirements" shall mean and refer to any governmental orders or requirements issued by any public authority having jurisdiction over the Right of Way.

Any and all notices affecting this Agreement may be served by the parties hereto, or by their duly authorized agents, as effectively as if same were served by any officer authorized by law to serve such notices. The return of such party, or its duly authorized agent, showing the time, place and manner of service of such notice shall have the same force and effect in any legal proceedings based thereon as a return of service by any officer authorized by law to serve such notice.

All notices required by law to be served upon, and all noticed permitted by this Agreement to be mailed to a party to this Agreement shall be served upon or mailed to, as the case may be, to the following agents for each party who are hereby appointed and designated as such for the purpose of receiving all such notices:

GRANTOR's agent shall be (i) Centex Homes, 3684 Centerview Drive, Suite 100, Chantilly, Virginia 20151, Attn: Robert K. Davis and Francis E. Lasch, with a copy to Womble Carlyle Sandridge & Rice, PLLC, 1401 Eye Street, N.W., Seventh Floor, Washington, D.C. 2005, Attn: Kenneth W. Logwood, Esq.; and (ii) Pulte Home Corporation, 10600 Arrowhead Drive, Suite 225, Fairfax, VA 22030, c/o Stanley F. Settle, Jr., with a copy to Haight, Tramonte, Siciliano, Flask, Yeonas & Roberts, P.C., Attn: Jill J. Roberts, Esq., 8221 Old Courthouse Road, Suite 300, Vienna, VA 22182-3839.

COMPANY's agent shall be Manager of Electric Transmission Right-of-Way, 120 Tredegar Street, Riverside 5, Richmond, VA 23219, (804) 819-2952.

399196v15

Each party shall immediately notify the other party, in writing, of any change of agents, and no change of agents shall be effective until such notice is given. Where under the terms of this Agreement a notice is required or permitted to be mailed by certified or registered mail, return receipt requested, and such notice is not mailed in such manner, the notice shall be effective if actually received by the party, or its appointed agent, to whom the notice is directed.

GRANTOR covenants that it has the right to convey the said easement of Right of Way, rights and privileges; that **COMPANY** shall have quiet and peaceable possession, use and enjoyment of the aforesaid easement of Right of Way and that **GRANTOR** shall execute such further assurances thereof as may be required.

This Transmission and Distribution Easement Agreement may be executed in one or more counterparts, each of which will be deemed an original.

NOTICE TO LANDOWNER: You are conveying rights to a public service corporation. A public service corporation may have the right to obtain some or all of these rights through the exercise of eminent domain. To the extent that any of the rights being conveyed are not subject to eminent domain, you have the right to choose not to convey those rights and you could not be compelled to do so. You have the right to negotiate compensation for any rights that you are voluntarily conveying.

(remainder of page intentionally left blank)

399196v15

7

WITNESS the following signatures.

POTOMAC YARD DEVELOPMENT, LLC,

a Delaware limited liability company

Centex Homes, a Nevada general partnership, By: Administrative Member Centex Real Estate Corporation, a Nevada corporation, Managing General Partner Robert K. Davis By: **Division President** Pulte Home Corporation, By: a Michigan corporation, Member By: By:
Name:

Title:

8 399196v15

WITNESS the following signatures.

POTOMAC YARD DEVELOPMENT, LLC,

a Delaware limited liability company

By: Centex Homes, a Nevada general partnership, Administrative Member

By: Centex Real Estate Corporation,

a Nevada corporation, Managing General Partner

By: _____

Robert K. Davis Division President

By: Pulte Home Corporation,

a Michigan corporation, Member

Name: Title:

Trie:

399196v15

8

COMMONWEALTH OF VIRGINIA)	
, r	ss:
CITY/COUNTY OF FAULGALL)	

Before me, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date Flobert K. Davis, personally well known (or satisfactorily proven) to me to be the Division President of Centex Real Estate Corporation, a Nevada corporation, which corporation is the managing general partner of Centex Homes, a Nevada general partnership, which general partnership is the administrative member of POTOMAC YARD DEVELOPMENT LLC, and the person whose name is subscribed to the foregoing and annexed Transmission Right of Way Agreement, who, being by me first duly sworn, did acknowledge that he is a party to the foregoing and annexed Transmission Right of Way Agreement, and that he, being duly authorized so to do, executed said Transmission Right of Way Agreement in the name of said corporation as its free act and deed for the uses and purposes therein contained.

WITNESS my hand and official seal this 2 day of December, 2004.

(Notary Public

[Notarial Seal]

My Commission Expires: 22 PM BER 31, 2004

[continued on next page]

399196v15

9

COMMONWEALTH OF VIRGINIA)
CITY/COUNTY OF Janfak) ss:
Before me, a Notary Public in and for the jurisdiction aforesaid, personally appeared this date 12-30-04, personally well known (or satisfactorily proven) to me to be the 12-20-04, personally well known (or satisfactorily proven) to me to be the 12-20-04, personally well known (or satisfactorily proven) to me to be the 12-20-04, personally well known (or satisfactorily proven) to me to be the 12-20-04, personally well known (or satisfactorily proven) to me to be the 12-20-04, personally well known (or satisfactorily proven) to me to be the 12-20-04, personally well known (or satisfactorily proven) to me to be the 12-20-04, personally well known (or satisfactorily proven) to me to be the 12-20-04.
Pronice Santemire Notary Public Commessioned AS
YERONICA KOCH
[Notarial Seal]
My Commission Expires:

399196v15

10

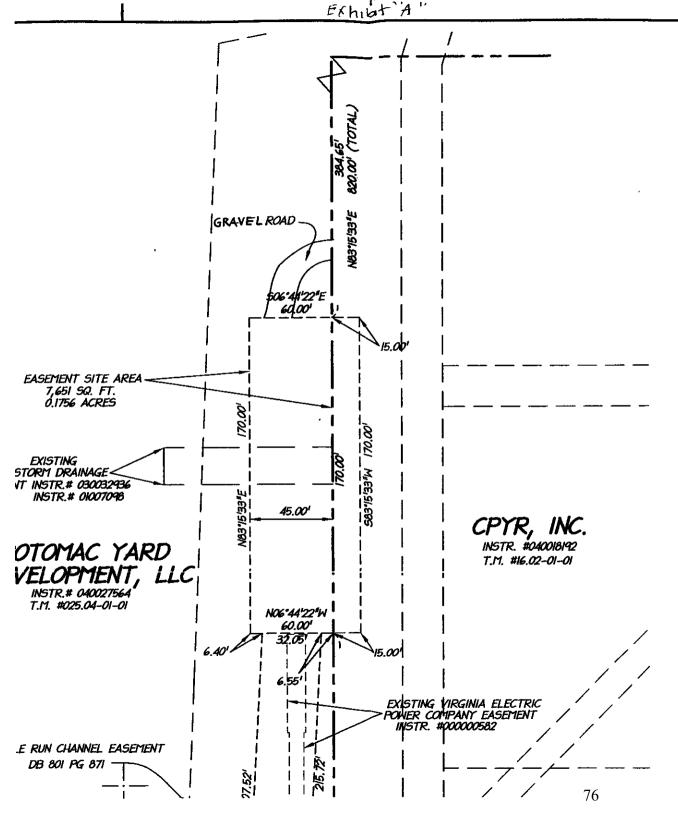
EXHIBIT "A"

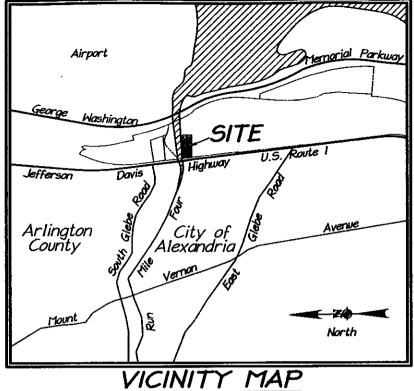
INSTRUMENT #050000000
RECORDED IN THE CLERK'S OFFICE OF
ALEXANDRIA ON
JANUARY 3, 2005 AT 12:37PM
EDWARD SEMONIAN, CLERK

399196v3

Page 11 of 11 WASHINGTON 120701v9 RECORDED BY: AXM

PLAT ATTACHED





NOTES:

I.) THE AREA DELINEATED BY THIS PLAT IS DESIGNATED AS CITY OF ALEXANDRIA ASSESSMENT MAP NUMBERS 025.04-01-01 16.02-01-01 AND ARE ZONED CD AND CDD#1, RESPECTIVELY.

SCALE: I" = 2000'

- 2.) THE BASIS OF BEARINGS, HORIZONTAL COORDINATES AND VERTICAL DATUM FOR THIS PLAT WERE TAKEN FROM CONTROL TRAVERSE INFORMATION OBTAINED FROM THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY.
- 3.) THE PROPERTY SHOWN HEREON IS LOCATED ON F.E.M.A. MAP COMMUNITY PANEL NO. 515519-0005D (5/15/91), DESIGNATED AS ZONE "X", AN AREA DETERMINED TO BE OUTSIDE THE 500-YEAR FLOODPLAIN.
- 4.) OWNER: MAP No. 16.02-01-01: CPYR, INC. INSTRUMENT NUMBER 040018192
 MAP No. 025.04-01-01: POTOMAC YARD

DEVELOPMENT, LLC, INSTRUMENT NUMBER 040027564.

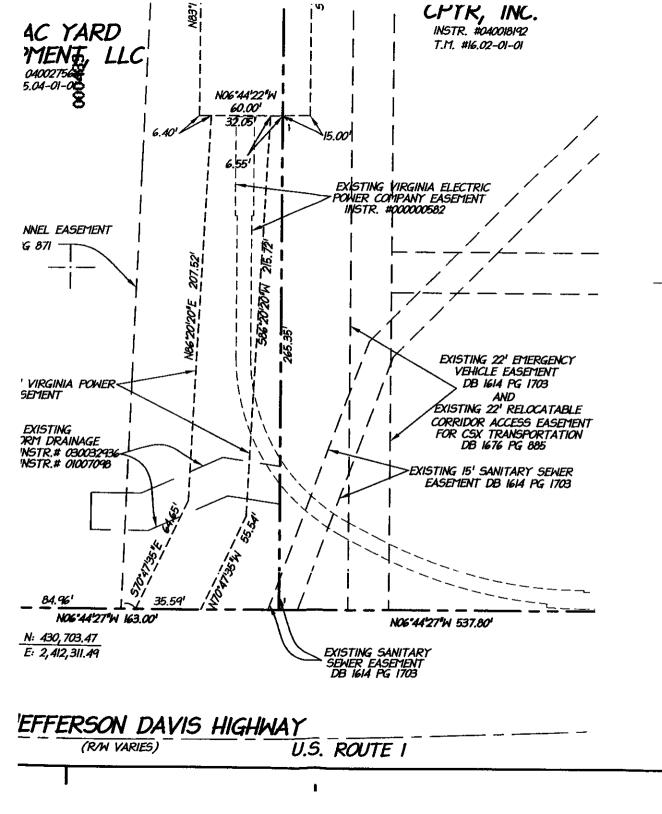
5.) THE SUBDIVISION PLAT FOR THE POTOMAC YARD RETAIL CENTER IS RECORDED IN DEED BOOK 1691 PAGE 316.

christopher CONSUltants engineering surveying land planning ohristopher consultants, ltd. 9900 main street (fourth floor). Tairtax, va 22031-3907



P. LAND OF ST. INC.

DEVELOPMENT, LL



- 1.) THE AREA VELINEATED BY THIS PLAT IS VESIGNATED AS CITY OF ALEXANDRIA ASSESSMENT MAP NUMBERS 025.04-01-01 16.02-01-01 AND ARE ZONED CD AND CDD#1, RESPECTIVELY.
- 2.) THE BASIS OF BEARINGS, HORIZONTAL COORDINATES AND VERTICAL DATUM FOR THIS PLAT WERE TAKEN FROM CONTROL TRAVERSE INFORMATION OBTAINED FROM THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY.
- 3.) THE PROPERTY SHOWN HEREON IS LOCATED ON F.E.M.A. MAP COMMUNITY PANEL NO. 515519-0005D (5/15/91), DESIGNATED AS ZONE "X", AN AREA DETERMINED TO BE OUTSIDE THE 500-YEAR FLOODPLAIN.
- 4.) OWNER: MAP No. 16.02-01-01: CPYR, INC. INSTRUMENT NUMBER 040018192 MAP No. 025.04-01-01: POTOMAC YARD

DEVELOPMENT, LLC, INSTRUMENT NUMBER 040027564.

5.) THE SUBDIVISION PLAT FOR THE POTOMAC YARD RETAIL CENTER IS RECORDED IN DEED BOOK 1691 PAGE 316. EASEMENT SITE AREA AND 32' DOMINION VIRGINIA POWER EASEMENT ON THE LAND OF CPYR, INC. POTOMAC YARD DÉVELOPME!

SCALE: 1"-40"

DATE: 12/27/04

DRAWN: FJT CHECKED:

SHEET NO.

OF

