

2. Approve and accept the real property at 129 S. Gordon Street, contingent upon a successful action under VA Code § 58.1-3970.1.

BACKGROUND: City Staff received a letter from current owners of the parcel at 129 S. Gordon Street seeking to donate their ownership stake in the property to the City (Attachment 1). The property owners, who do not live at the property and are not residents of Alexandria, had received a delinquent real estate tax notice for the property from the City, and upon this notice, decided it would be preferable to donate their share to the City. These owners had no knowledge of their ownership interest in the property, as it had been inherited from prior owners unbeknownst to them.

The property at 129 S. Gordon Street is a long, thin parcel, covering 0.93 acres. The parcel is a split-zoned parcel, being designated both Parks and Open Space and Residential (R2-5, as marked in Attachment 3). It is adjacent to Tarleton Park, as well as a dog park. Additionally, 129 S. Gordon Street has an existing easement granted to the City extending over the entirety of the property, creating a walking trail from Gordon Street to both the dog park and Tarleton Park. This natural walking trail has a gravel walkway over it, and the City performs maintenance on the trail in the form of mowing, landscaping, and litter pickup. When contacted about the potential acquisition of the property, City staff at Recreation, Parks and Cultural Activities (RPCA) expressed their interest in the acquisition of the property, in order to acquire ownership of the property connecting the dog park and Tarleton Park as well as the natural walking trail. Furthermore, the walking trail over 129 S. Gordon Street provides the only access to the dog park, and securing and ensuring this access is in the interest of the City and its residents.

Staff undertook an investigation into the ownership status of the property, contacting the City's contractor Taxing Authority Consulting Services ("TACS"), who performs the City's tax delinquency collections. TACS had been issuing notices of delinquency to the owners of the property and tracing all owners of the property, identifying over 100 owners of the property at 129 S. Gordon Street.

Because acceptance of the offered ownership interest from the two property owners would not grant full title to the property, and instead enter the City into shared ownership status with over 100 joint owners, City Staff sought other avenues for acquisition of the property. Such an avenue exists under VA Code § 58.1-3970.1.

DISCUSSION: With the initiation of an action under VA Code § 58.1-3970.1, the City would be petitioning the Circuit Court to transfer title to the City due to the delinquent real estate taxes. The statute outlines several ratios which, if met by sufficient evidence, permits the Circuit Court to appoint a Special Commissioner to execute title to the property to the City. In this scenario, the City would be petitioning under § 58.1-3970.1(iii) (a), wherein the delinquent taxes (\$3,261.81) and any maintenance of the property performed by the City (over \$3,000.00 in past two years alone) must exceed 50% of the assessed value of the property (\$9,725.00 assessed, x 50% = \$4,861.50).

The City's contractor for tax collections, TACS, performs such actions as a part of their contract with the City at no additional cost, and would be charged with the filing of the petition in partnership with the City Attorney's Office, who would provide any and all supporting documentation needed. Staff at RPCA have provided necessary documentation showing the performance and payment of contracts for maintenance of the property.

While the documentation clearly qualifies the property for the appointment of a Special Commissioner, such a proceeding is an adverse litigation before the Circuit Court, ultimately making both success and specific timeframe uncertain. However, with a high chance of success, the acquisition of the property at 129 S. Gordon Street is likely. Thus, a council vote for acceptance of the property pursuant to VA Code § 15.2-1803- which

would be the outcome of a successful action- is appropriate at this time.

On March 5, 2024, the Planning Commission approved the proposed acquisition of property (129 S. Gordon Street) by the City of Alexandria as being consistent with the City of Alexandria Master Plan pursuant to Section 9.06 of the City Charter. With approval of the acquisition by the Planning Commission on the § 9.06 review, a simple majority vote is required for approval of the acquisition; acquisitions that do not receive approval before the Planning Commission require a three-fourths vote for approval by Council.

FISCAL IMPACT: Fiscal impact of the initiation of this action is anticipated to be minimal. TACS already conducts tax delinquency and collections actions, including the contemplated action. Some fees, such as a title examination and Guardian ad Litem fees, may be necessary and charged to the City, but each would be expected to be minimal. Additionally, maintenance of the parcel is already performed by the City.

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ATTACHMENTS:

1. Donation Letter of Heirs, 3/24/2023
2. 129 S. Gordon Street GIS Parcel View
3. Zoning Cap Image
4. Maintenance Fees Exhibit