



Legislation Text

---

File #: 13-0571, Version: 1

---

City of Alexandria, Virginia

---

MEMORANDUM

**DATE:** SEPTEMBER 19, 2012

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

**FROM:** RASHAD M. YOUNG, CITY MANAGER /s/

**DOCKET TITLE:**

Issuance of a Request for Proposals for the Renovation and Lease of the Beachcombers Building

---

**ISSUE:** Consideration of a request to proceed with the issuance of a Request for Proposal (RFP) for the renovation and lease of the Beachcombers building located at 0 Prince Street.

**RECOMMENDATION:** That City Council authorize the City Manager to issue a Request for Proposal (RFP) for the renovation and land lease of the Beachcombers building, with the goal of securing a lease of the building as a restaurant.

**BACKGROUND:** In February 2006 City Council approved the purchase of the properties at 0 Prince Street using the City's Open Space Fund dedicated real estate tax revenue funding. The Beachcombers building is located on the 0 Prince Street parcel. This parcel is a part of an effort to consolidate and make available land for public use and engaged activity on the City's waterfront.

**DISCUSSION:** 0 Prince Street is a parcel of approximately 7,765 square feet. The Beachcombers Building is a two-story, 3,630 square foot structure that stands on this parcel. The RFP will primarily focus on the lease and re-use of the east half of the 0 Prince Street parcel, which contains the Beachcombers Building. The remaining portion of the 0 Prince Street is currently used by Potomac Party Cruises, Inc. for commercial cruise ship operations of the *Dandy* and *Nina's Dandy* cruise ships. Until the consolidated commercial ship marina that is envisioned in the Waterfront Plan is implemented, the City would work with Potomac Party Cruises, Inc. to ensure that cruise ship operations can continue at this location, but with the land based storage and administrative functions moved off of the 0 Prince Street site. This move of the storage and administrative functions was contemplated at the time the City executed its lease with Potomac Party Cruises, Inc.

On April 4, 2012, City staff brought the Beachcombers building before the Old and Historic District Board of

Architectural Review (OHAD BAR) for determination of the property's historic value. The board voted 6-0 that the structure has historic value as this property was the first active restaurant use on the waterfront. Considerable desire was expressed by the OHAD BAR to return the building to restaurant use.

Additionally, City staff presented the summary of the RFP to the Waterfront Commission at its August 23, 2012 meeting. This input from the Commission in general supported the return of the Beachcombers building to its original restaurant use, with the caveat that the tax and lease revenue received be deposited in the City's Open Space Fund. A part of this Commission discussion also entailed consideration of private office use, however, this use would not be consistent with an ancillary use to park open space as contemplated and would not provide the active and engaged uses sought under the Waterfront Plan.

Additional public input will be solicited regarding the specific recommended proposal through the OHAD BAR process for any exterior building work, as well as Planning Commission and City Council approval through the 9.06 chapter of the City Code and Special Use Permit process. Council will also be requested to approve the restaurant lease.

At this time staff recommends a Request for Proposals (RFP) be issued publicly to solicit offers for the renovation and lease of the Beachcombers Building property as a commercial restaurant operation. There has been interest shown by restaurateurs in this site.

**RFP Criteria** - The RFP will define the selection criteria by which proposals will be evaluated. These criteria will include items such as the proposed use, the financial stability and experience of the restaurateur, the impact on the surrounding properties, the anticipated revenue impact to the City, and the financial viability of the proposed operation.

**RFP Schedule / Administrative Process** - With Council approval, the goal is to issue the RFP in October 2012 with an opening date for proposals set approximately sixty (60) days later in December 2012. The City will have one hundred fifty (150) days from the opening date of proposals (December 2012) for the review process and any subsequent negotiations. Staff will undertake an evaluation process to determine whether the proposals comply with the terms defined in the RFP and evaluate qualifying proposals to recommend a final proposal for consideration by City Council. It is anticipated that this process will take approximately two months (January and February) and may include additional interviews and information gathering efforts with the highest rated offerors. After the staff review process is complete, the proposal deemed most advantageous based on the stated criteria will be brought to City Council for consideration. Presentation of a recommendation to City Council is anticipated to occur in the March/April 2013 timeframe. City Council may then decide whether to accept or reject the proposal, or further negotiate the terms of the proposal.

A summary of the RFP appears as Attachment 1 to this memorandum and provides some additional details about the RFP language.

**FISCAL IMPACT:** The issuance of a Request for Proposal for the Beachcombers building is not anticipated to have any direct fiscal impact on the City. Subsequent acceptance of a lease proposal should result in new, ongoing revenues from lease payments as well as an ongoing tax revenue benefit to the City for its Open Space Fund. Such revenue impacts are variable and contingent upon the value of the proposed redevelopment. Additionally, the successful proposal would include a renovation plan for the Beachcombers Building, which would provide a private capital investment in a City asset.

**ATTACHMENTS:**

Attachment 1: Summary of the Beachcomber Building Request for Proposals

Attachment 2: Staff Memo to OHAD BAR for April 4, 2012 Meeting

Attachment 3: Timeline of 0 Prince Street

Attachment 4: Waterfront Concept

**STAFF:**

Jeremy McPike, Director, General Services

Alfred Coleman, Deputy Director, General Services

Michael Stewart, Division Chief, Administration