



Legislation Text

File #: 14-2652, Version: 1

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 4, 2014

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

DOCKET TITLE:

Public Hearing, Second Reading and Final Passage of an Ordinance to Sell City Property at 509 North Saint Asaph Street and 511, 513, and 515 Oronoco Street. [ROLL-CALL VOTE]

ISSUE: Consideration to sell City-owned real estate at 509 North Saint Asaph Street (Old Health Department building) and 511, 513, and 515 Oronoco Street.

RECOMMENDATION: That City Council pass the proposed ordinance authorizing the City Manager to sell 509 North Saint Asaph Street and 511, 513, and 515 Oronoco Street on second and final reading.

DISCUSSION: Staff is proposing that City Council authorize the City Manager to sell 509 North Saint Asaph Street (Old Health Department building) and 511, 513, and 515 Oronoco Street to Y-12 Investments (Mount Vernon Commons, LLC) for \$5,230,000 in accordance with section 9.06 of the City Code. The proposed sale of these parcels of land is the culmination of a competitive process where the City solicited proposals publicly, and from the seven different developer proposals selected the Mount Vernon Commons, LLC proposal as being in the City's best overall interest.

In February 2014, the City of Alexandria, together with Mount Vernon Commons, LLC., sought and received approval to convert the former Health Department building into nine residential townhouses and to construct seven new residential townhouses on the existing city-owned parking lot. The renovation of the Old Health Department building includes new third story penthouse additions on top of the north and south wings of the building, as well as a small bump-out of the rear exterior wall in the center section of the building. All units will have two-car garages to limit the impact to on-street parking in the area.

BACKGROUND: The property at 509 North Saint Asaph Street (Old Health Department) is a two-story building, owned by the City, and located at the southeast corner of North Saint Asaph Street and Pendleton

Street. The center portion of the building was constructed in the 1940's, with wings on the north and south being constructed in the early 1970's. The building served as the City of Alexandria's Health Department from its original opening until the 1990's. Since that time, the City has used the building for administrative office space and swing space for Transportation and Environmental Services (T&ES), Code Administration, and the Office of Historic Alexandria (OHA).

The properties at 511, 513, and 515 Oronoco Street, located at the northwest corner of Pitt Street and Oronoco Street, were purchased by the City in the 1960's and have been used as a City employee parking lot.

FISCAL IMPACT: The net proceeds after closing costs from the \$5,230,000 million total sales price are estimated to exceed \$5,000,000, plus approximately \$100,943 in affordable housing contributions. Per the adopted City Real Estate Disposition Policy proceeds will be designated as a source of funds in the City's Capital Improvement Program. Per the contingent sales contract, closing must occur within 60 days of final site plan approval, which is anticipated to be completed later this summer. This proposed sale will also place these parcels back on the City's tax roles as of the date of settlement.

ATTACHMENTS:

Attachment 1: Information on Proposed Ordinance

Attachment 2: Proposed Ordinance

Attachment 3: Planning Commission April 1, 2014 Docket #3: Case #2014-0001

STAFF:

Jeremy McPike, Director, General Services

Michael Stewart, Division Chief, General Services