



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 5, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Authorization for Early Acceptance of Robinson Landing Pier.

ISSUE: Acceptance of City ownership of the Robinson Landing Pier, earlier than approved under the conditions of the Robinson Terminal South Development Special Use Permit (DSUP #2014-0006).

RECOMMENDATION: That City Council:

- 1) Agree to accept the Robinson Landing Pier consistent with the terms outlined below; and
- 2) Authorize the City Manager to execute the necessary documents.

BACKGROUND: The Robinson Landing development DSUP #2014-0006 was approved by City Council on April 18, 2015. The development is located on the waterfront and fills a complete city block bounded by Duke, Union and Wolfe Streets. An existing industrial era pier extending into the Potomac River occupies the waterfront side of the block. Providing enhanced public access to the water was a major focus of this development as recommended in the Waterfront Master Plan. Water access was achieved through extensive public access easements throughout the site, a central roadway leading to the water, construction of a promenade deeded to the City and future ownership of the expansive pier. This pier was a major component to achieving the enhanced public access.

Condition #33 of the 2015 DSUP laid out the terms for the renovation and eventual dedication of the existing pier to the City. The condition in part states that, *Upon completion of the pier construction, the applicant shall submit as-built plans (to include the structural plans / drawings) certified by a licensed professional engineer registered in the Commonwealth of Virginia to the City for review and approval. After approval of the as-built plans by the City, the applicant shall maintain the pier for five years, including but not limited to structural and*

operational maintenance. At the end of the five-year period, the applicant shall dedicate the pier to the City. Prior to acceptance by the City, the applicant shall demonstrate that the pier has been stabilized and maintained as required herein. The bond shall be maintained in good standing until final acceptance of the pier and dedication to the City.

A key element of the pier dedication was DSUP Condition #136 which stated that, *The applicant, and or its successors and assigns shall provide an annual contribution of \$75,000 to be adjusted annually by the Consumers Price Index dedicated to the construction, operations, maintenance and programming of public improvements and activities within the Waterfront Plan area, or portion thereof, including the pier. The first annual contribution shall be provided to the City in a designated fund for Waterfront management and maintenance prior to acceptance of the pier by the City pursuant to condition #33 (noted above).*

DISCUSSION: The Robinson Landing development was substantially completed by the end of 2020 with the completion of all townhouses, condominiums and retail space. The reconstruction of the historic warehouse office building has yet to occur. The opening of the Promenade, internal streets and walkways also occurred. Much of the pier and the pier-based Barca restaurant opened early in 2021.

EYA, the developer of Robinson Landing is requesting an early transfer of the pier ownership to the City. Instead of dedicating the pier to the City in five years from the completion date of the development, EYA wishes to transfer the ownership immediately. The primary reason for the early transfer, cited by EYA, is the cost of the liability insurance premiums the Robinson Landing Homeowners Association is paying on the pier. The fact that there is no public access easement on the pier to guarantee the public continues to have access to the space is also a reason to shift the pier to public ownership at this time.

In order to accept the early transfer of the pier, the City has ensured that there is compliance with the conditions of the DSUP and no financial hardship for the City is created. The following is being proposed and staff is recommending Council approval:

1. The City takes ownership of property and obligations for liability and insurance.
2. The Pier is open to the public and all pier activities are controlled and managed by the City.
3. The City assumes responsibility for all maintenance and operations at commencement of ownership.

Furthermore, in order to accept early dedication of the pier, the Director of Planning and Zoning has determined that the following meet the requirements of the DSUP conditions:

\$750,000	Annual payments of \$150,000 /year (\$37,500/quarter) with annual CPI adjustment
\$200,000	Installation of railings at non active water sides of pier to match BARCA railings
<u>\$200,000</u>	50% of the cost of acquiring and installing of promenade railing
\$1,150,000	TOTAL CONTRIBUTION TO CITY

The following additional agreements have been proposed to address the administrative and technical aspects of the early acceptance:

1. At year 6 of City ownership, the payment obligation reduces to \$75,000/year. This payment is consistent with the DSUP conditions. Payments continue to be adjusted annually according to the CPI (March 1, 2027).
2. The City receives rental income from the pier tenant beginning at Year 6 (March 1, 2026).
3. City events (public or private) on the Pier will comply with City of Alexandria Noise Control Ordinance (including the now pending ordinance).
4. City Turnover Commencement date is assumed to be effective March 1, 2021, and Year 1 Annual payment is prorated accordingly.
5. Association has the right to utilize the Pier a minimum of five times per calendar year to satisfy the Activation Obligation under the DSUP.

In 2016, EYA applied for and received a grant from the U.S. Fish and Wildlife Service Boating Infrastructure Grant (BIG) program in the amount of \$684,559 towards the construction of the transient docking facility on the Robinson Landing Pier. The grant stipulates that improvements constructed with the BIG funds must continue to serve the purpose for which they were constructed throughout their useful life, and that income generated by the collection of user fees be used to support operations and maintenance of the facility. Upon transfer of ownership, the City will become subject to these requirements. This is consistent with how the City intends to operate the facility, and the City would have been subject to these if transfer occurred at five years as originally anticipated.

FISCAL IMPACT: In order to comply with the terms of the DSUP, the developer will provide a financial and in-kind contribution totaling up to \$1.15 million during the first five years of City ownership of the pier. This contribution will cover the City's additional costs during this time period. Starting at year 6, the annual contribution will be reduced to \$75,000 per year as was anticipated in the previously City approved DSUP for the period of City ownership.

ATTACHMENT: Draft Determination Letter

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