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6-25-02

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 21, 2002

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER  
IGNACIO B. PESSOA, CITY ATTORNEY *PS*  
*IBP*

SUBJECT: ACQUISITION OF DATATEL BUILDING

**ISSUE:** City Council consideration of a resolution to authorize the acquisition of the Datatel Building at 3700 Mt. Vernon Avenue.

**RECOMMENDATION:** That City Council adopt the resolution.

**BACKGROUND:** The City has for the past several months discussed the possible acquisition of the Datatel Building in order to remove this blighted structure and facilitate implementation of the Upper Potomac West Concept Plan. The Datatel property is the subject of a pending contract for purchase. Under the contract, the purchasers are required to determine on or before July 8, 2002, whether to proceed to closing, or forfeit their deposit. The contract purchasers have expressed a willingness to resell the property to the City, at a price and under terms and conditions which staff believes are favorable to the City, provided that the City commits to acquire the property prior to the July 8 deadline. Contract negotiations between the City and the purchasers will likely not be finalized prior to Council's summer recess. In addition, the owner of the building has approached the City about selling the property in the event the contract purchasers back out of their deal.

**DISCUSSION:** The proposed resolution authorizes the City Manager and City Attorney to negotiate and execute a contract for the purchase of the property, at a price reasonably related to the property's fair market value. The property's assessed value is \$1.6 million dollars. In the event no purchase contract can be agreed to, the proposed resolution authorizes the acquisition of the property by condemnation.

The City has offered \$1.4 million dollars to the contract purchasers for the property, pending receipt of an estimate for the demolition of the building. The proposed resolution allocates \$1.4 million dollars for the acquisition, and authorizes the City Manager to transfer additional funds if required to complete the acquisition.

This procedure is designed to give the City the necessary flexibility to take advantage of the relatively unique circumstance of having two prospective sellers of the property, and to act during the Council's summer recess to acquire this problem property.

We anticipate that, after demolition, the City will utilize the site as a metered surface parking lot on an interim basis, pending approval and implementation of a permanent redevelopment plan by City Council. A surface lot could accommodate 35 spaces, and up to 85 spaces if the adjacent properties were included.

We will be pleased to answer any questions concerning these issues, and provide Council with updated information, on June 25th.

**ATTACHMENTS:**

Attachment 1. Resolution

**RESOLUTION NO. \_\_\_\_\_**

WHEREAS, the City of Alexandria, Virginia desires to acquire by purchase or eminent domain that certain real property located in the City at 3700 Mt. Vernon Avenue and commonly known as the Datatel Building; and

WHEREAS, the City is empowered by Chapter 13 of its charter to acquire by purchase or eminent domain private property for the purpose of carrying out its powers and duties; and

WHEREAS, the City Council finds and determines that the acquisition of the property at this time is necessary and convenient (1) to implement the Upper Potomac West Concept Plan heretofore approved by the Planning Commission and City Council, (2) to promote the orderly and proper economic redevelopment of the Upper Potomac West Area, and (3) to remove a blighting and deteriorated influence on the neighborhood; and

WHEREAS, the City Council further finds and determines that a public necessity exists for the acquisition of the property for such aforesaid public uses and purposes; and

WHEREAS, the City Council wishes to authorize the City Manager and City Attorney to proceed with the acquisition of the property;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL  
OF THE CITY OF ALEXANDRIA, VIRGINIA:**

1. That the City Manager and City Attorney be, and hereby are, authorized and directed to negotiate with and execute on behalf of the City a contract to acquire by purchase the real property located in the City at 3700 Mt. Vernon Avenue and commonly known as the Datatel Building, at a price reasonably related in their judgement to the fair market value of the property, and on such terms and conditions as they deem advantageous to the City, and any such contract is hereby ratified and confirmed by the City Council; and

2. That in the event no such contract can be agreed upon, the City Manager and City Attorney be, and hereby are, authorized and directed to institute appropriate condemnation proceedings in the Circuit Court of the City of Alexandria for the acquisition of the property by eminent domain; and

3. That there is hereby allocated by the City Council, from funds heretofore appropriated in the FY 2003 to FY 2008 Approved Capital Improvement Program, the sum of \$1,400,000.00 for the acquisition of the property; and

4. That the City Manager be, and hereby is, authorized and directed to transfer, from funds heretofore appropriated and allocated, such additional funds as may be necessary for the purchase of the property as authorized pursuant to Paragraph 1, or to pay any condemnation

award as may be entered in any proceeding authorized pursuant to Paragraph 2; and

5. That the City Manager and City Attorney be, and hereby are, authorized and directed to take such additional actions as may be necessary or convenient to accomplish the acquisition of the property as required by this Resolution; and

6. That the City Clerk be, and hereby is, authorized and directed to affix the seal of the City to such documents as may be necessary or convenient to accomplish the acquisition of the property as required by this Resolution; and

7. That this Resolution shall be effective immediately.

ADOPTED: \_\_\_\_\_

\_\_\_\_\_  
KERRY J. DONLEY, MAYOR

ATTEST:

\_\_\_\_\_  
Beverly I. Jett, CMC, City Clerk

**RESOLUTION NO. 2038**

**WHEREAS**, the City of Alexandria, Virginia, desires to acquire by purchase or eminent domain that certain real property located in the City at 3700 Mount Vernon Avenue and commonly known as the Datatel Building; and

**WHEREAS**, the City is empowered by Chapter 13 of its charter to acquire by purchase or eminent domain private property for the purpose of carrying out its powers and duties; and

**WHEREAS**, the City Council finds and determines that the acquisition of the property at this time is necessary and convenient: (1) to implement the Upper Potomac West Concept Plan heretofore approved by the Planning Commission and City Council, (2) to promote the orderly and proper economic redevelopment of the Upper Potomac West Area, and (3) to remove a blighting and deteriorated influence on the neighborhood; and

**WHEREAS**, the City Council further finds and determines that a public necessity exists for the acquisition of the property for such aforesaid public uses and purposes; and

**WHEREAS**, the City Council wishes to authorize the City Manager and City Attorney to proceed with the acquisition of the property;

**NOW, THEREFORE, BE IT RESOLVED BY THE  
CITY COUNCIL OF ALEXANDRIA, VIRGINIA:**

1. That the City Manager and City Attorney be, and hereby are, authorized and directed to negotiate with and execute on behalf of the City a contract to acquire by purchase the real property located in the City at 3700 Mount Vernon Avenue and commonly known as the Datatel Building, at a price reasonably related in their judgement to the fair market value of the property, and on such terms and conditions as they deem advantageous to the City, and any such contract is hereby ratified and confirmed by the City Council; and

2. That in the event no such contract can be agreed upon, the City Manager and City Attorney be, and hereby are, authorized and directed to institute appropriate condemnation proceedings in the Circuit Court of the City of Alexandria for the acquisition of the property by eminent domain; and

3. That there is hereby allocated by the City Council, from funds heretofore appropriated in the FY 2003 to FY 2008 Approved Capital Improvement Program, the sum of \$1,400,000.00 for the acquisition of the property; and

4. That the City Manager be, and hereby is, authorized and directed to transfer, from funds heretofore appropriated and allocated, such additional funds as may be necessary for the purchase of the property as authorized pursuant to Paragraph 1, or to pay any condemnation award as may be entered in any proceeding authorized pursuant to Paragraph 2; and

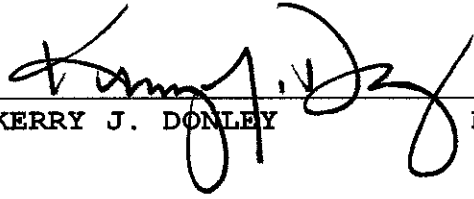
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6. That the City Clerk be, and hereby is, authorized and directed to affix the seal of the City to such documents as may be

necessary or convenient to accomplish the acquisition of the property as required by this Resolution; and

7. That this Resolution shall be effective immediately.

Adopted: June 25, 2002

  
KERRY J. DONLEY MAYOR

ATTEST:

  
Beverly I. Jett, CMC City Clerk