

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 18, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

SUBJECT: ACQUISITION OF 2600 ALEXANDRIA BUSINESS CENTER DRIVE FOR PARK AND RECREATION PURPOSES PURSUANT TO THE WOODROW WILSON BRIDGE SETTLEMENT AGREEMENT

ISSUE: Acquisition of the eastern portion of the Alexandria Business Center site, at 2600 Business Center Drive and 20 Roth Street, for park and recreation purposes, pursuant to the Woodrow Wilson Bridge Settlement agreement.

RECOMMENDATION: That City Council authorize the City Manager and City Attorney to acquire the property, along the lines discussed in this memorandum.

DISCUSSION: In August, 2002, the City, together with the Federal Highway Administration on behalf of the Woodrow Wilson Bridge Project, identified the parcel of land known as 2600 Business Center Drive, south of Duke Street, and west of the intersection of Duke Street and Telegraph Road, for the construction of a recreational facility in lieu of construction of the large urban deck and attendant recreational facility as originally planned for the project. The Business Center Drive site is shown on Attachment 1, and contains approximately 13.9 acres. The WWB project settlement agreement between the City and FHWA includes \$19.8 million for the acquisition and construction of this facility, plus a contingency of \$3.3 million, and the City and FHWA are obligated to proceed with such acquisition and construction. When completed, the facility will be owned and maintained by the City. The conceptual schematic for this facility which Council approved in 2002 is shown on Attachment 2. The final design of the facility will be approved by City Council prior to construction.

The site's owner, the CSX Railroad, has contracted to sell the site to a Texas Company, Nolan Bros. of Texas, Inc., which proposes to construct a self-storage warehouse on the site, as permitted by right under the zoning ordinance. After being convinced of the City's intended acquisition of the site for public use, by eminent domain if necessary, Nolan Bros. has agreed to sell the site 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 end of June. Based upon appraisals obtained by the City and Nolan Bros., the agreed upon price is \$10.2 million, which is within the WWB project budget. In addition, the City will not close on the property until funding for the acquisition has been released by the project. Contract negotiations between the City and Nolan Bros. will be finalized during Council's summer recess.

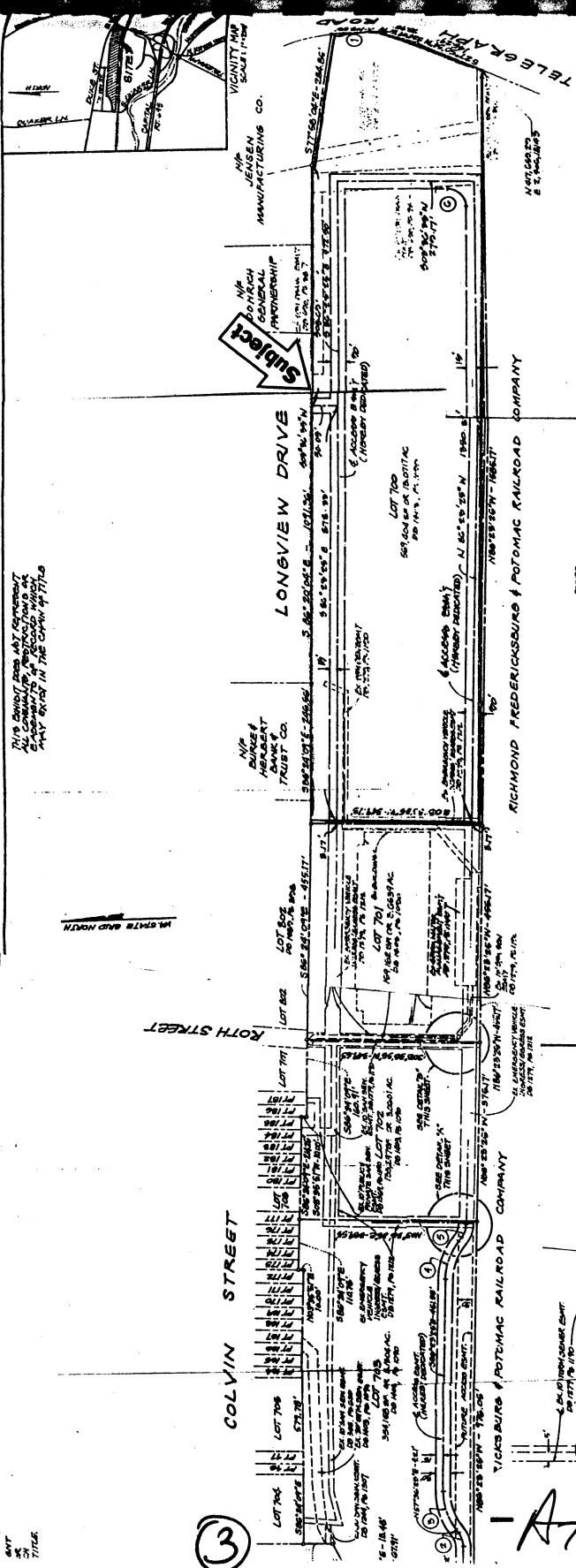
We believe that it is in the City's advantage to secure the property at this time, before any development activity occurs on the site. Accordingly, we recommend that City Council authorize the negotiation and execution of a contract for the purchase of the property, at the price of \$10.2 million, with closing contingent on the receipt of funding from the project.

FISCAL IMPACT; Acquisition of this property will be funded by the Woodrow Wilson Bridge Project.

We will be pleased to answer any questions concerning these issues on June 22nd.

Attachments

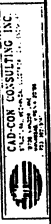
Staff: Richard Baier
Director, T&ES



THIS EXHIBIT DOES NOT REPRESENT
 A COMMITMENT BY CAD-COR WHICH
 MAY EXIST IN THE COPIES OF THIS

EXHIBIT "A"
 FOR
**DECLARATION OF COVENANTS,
 CONDITIONS AND RESTRICTIONS**
 FOR
ALEXANDRIA BUSINESS CENTER
 THE PROPERTY OF
CSX REALTY DEVELOPMENT, LLC

CITY OF ALEXANDRIA, VIRGINIA
 PROPERTY ZONED I/INDUSTRIAL
 FEBRUARY 12, 1999
 SCALE: 1" = 100'



OWNER:
 CSX REALTY DEVELOPMENT, LLC
 C/O DEWITT LAMASTER
 100 EAST CAMP STREET
 FALLS CHURCH, VIRGINIA 22034

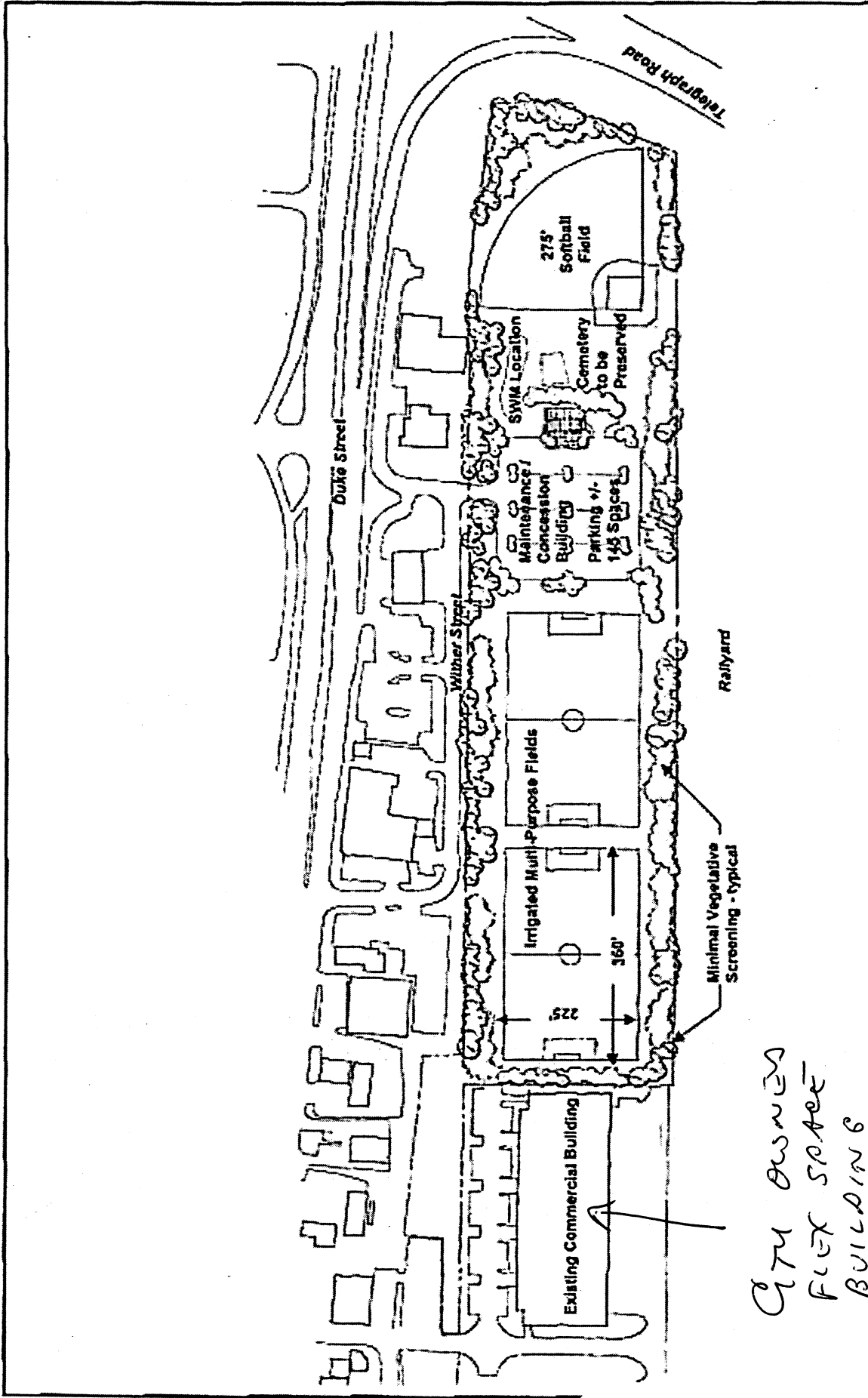
Certified Correct



NO.	CHORD	DELTA	TANGENT	ARC	CHORD	C. BEARING
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- ATTACHMENT 1



CITY OWNED
 FLEX SPACE
 BUILDING

WOODROW WILSON BRIDGE PROJECT
 DESIGN PROGRAM FOR
 WITHER STREET OFF-SITE
 RECREATION COMPLEX
 ALEXANDRIA, VIRGINIA
 ATTACHMENT A - EXHIBIT A4
 August 2002

Conceptual Schematic
 To Be Refined Through Design Efforts

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- ATTACHMENT 2