


City of Alexandria, Virginia

MEMORANDUM

DATE: JANUARY 6, 2012
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: RASHAD M. YOUNG, CITY MANAGER 
SUBJECT: ORDINANCE TO SELL CITY OWNED REAL ESTATE AT 716-718 NORTH COLUMBUS STREET

ISSUE: Consideration of an ordinance to sell City-owned real estate at 716 and 718 North Columbus Street.

RECOMMENDATION: That City Council pass the ordinance on first reading, and schedule it for second reading and final passage at Council's public hearing on Saturday, January 21.

BACKGROUND: 716-718 North Columbus Street (combined) is a two-story townhouse, owned by the City, zoned residential RB, located in the Parker Gray neighborhood. The exterior is wood siding and there is a small back yard with a wood deck and ramp. The first floor has two bedrooms, one full and one partial bath, living room with fireplace, dining room, and kitchen. The second floor has seven bedrooms and two full baths.

The most recent use of the property was by the Department of Community and Human Services (DCHS) as a Mentor Foster Home. The property is vacant and is maintained by the Department of General Services. Prior to its use as a Mentor Foster Home, this location served elderly residents as an Alexandria Residential Care Home (ARCH). The townhouses were renovated and combined into one unit for ARCH after the City acquired 716 North Columbus Street in 1983 under the Blighting Influences Program. The City acquired 718 North Columbus Street in 1985. When DCHS closed the facility, a neighborhood meeting was held to discuss future use of the property. Although the community accepted the Mentor Foster Home, the overall consensus, according to records, was that homeownership was the most acceptable option, preferably at market rate.

At its March 22, 2011 legislative meeting City Council declared 716-718 North Columbus Street as surplus property and authorized the City Manager to seek offers of bids, or auction the property, as described in the City Real Estate Disposition Policy. Staff recommended, as allowed for in the Policy, to sell the properties through a real estate agent. The Department of General Services received responses during a solicitation from three local real estate agents interested in providing realtor consulting services to the City of Alexandria, and a staff interagency interview panel selected Long & Foster represented by Elfie Biankini to provide the necessary services to sell the two properties. The contract was awarded to Long & Foster in June 2011.

DISCUSSION: The property was listed for the appraised value of \$830,000 for the combined properties, which reflected the significant work required to rehabilitate the two properties. On December 1, 2011, real estate agent Elfie M. Biankini provided General Services with a summary of the offers received from potential buyers. The three offers ranged from \$652,000 to \$662,000. The offers received are within \$10,000 of each other reflecting competitive pricing. These offers are 20% below the appraised value of \$830,000, however, they are within the range anticipated by the City's real estate agent given the property conditions. Ms. Biankini recommends that the City accept King Street Properties' offer of \$662,000 and staff concurs with this recommendation. The proposed ordinance enables the City to sell the properties to King Street Properties at the highest offer of \$662,000.

The Planning Commission considered the request to approve the sale under Section 9.06 of the City Charter at its meeting on Thursday, January 5 and approved the 9.06 request by a vote of 5-1 with one absent.

At the Planning Commission meeting there was a discussion of whether or not these two houses should be retained for affordable housing. City Office of Housing staff responded and indicated that with the cost of the extensive renovations required for these two homes, that this was not a cost effective use of affordable housing funds. In addition with \$234,178 of sale proceeds from these two residences to be repaid to the City's HOME program, a portion of the nearly \$1 million recent grant reduction in HOME and Community Development Block Grant funds can be covered with the HOME portion of the sale proceeds. The balance of the sale proceeds are programmed in the City's Capital Improvement Program.

FISCAL IMPACT: The net proceeds after commission and closing costs are anticipated to be \$620,218. As the property was acquired with CDGB funds the City is obligated to return \$234,178 to the program, leaving a balance of \$386,040. As these are one-time funds from the sale of an asset, they will be programmed in the FY 2013 Capital Improvement Program as recommended in the City Real Estate Disposition Policy.

ATTACHMENTS:

Attachment 1: Information on Proposed Ordinance

Attachment 2: Proposed Ordinance

Attachment 3: Planning Commission January 5, 2012 Docket #5: Case #2011-0004

STAFF:

Michele Evans, Deputy City Manager

Mark Jinks, Deputy City Manager

Jeremy McPike, Director, Department of General Services

Alfred Coleman, Acting Deputy Director, Department of General Services

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Introduction and first reading: 1/10/12
Public hearing: 1/10/12
Second reading and enactment: 1/21/12

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE approving and authorizing the sale of property owned by the City of Alexandria, located at 716 and 718 North Columbus Street in the City of Alexandria, Virginia to King Street Properties, LLLP.

Summary

The proposed ordinance authorizes the sale of the referenced real property and authorizes the City Manager to enter into all appropriate agreements to complete the sale.

Sponsor

N/A

Staff

- Mark Jinks, Deputy City Manager
- Michele Evans, Deputy City Manager
- Jeremy McPike, Director, General Services
- Farrol Hamer, Director, P&Z
- Al Coleman, Acting Deputy Director, General Services
- Christopher P. Spera, Deputy City Attorney

Authority

§2.03(g), Alexandria City Charter

Estimated Costs of Implementation

None

Attachments in Addition to Proposed Ordinance and its Attachments (if any)

None

ORDINANCE NO. _____

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AN ORDINANCE approving and authorizing the sale of property owned by the City of Alexandria, located at 716 and 718 North Columbus Street in the City of Alexandria, Virginia to King Street Properties.

WHEREAS, the City of Alexandria owns the real property located at 716 and 718 North Columbus Street in Alexandria, Virginia, having acquired the 716 property in 1983 and the 718 property in 1985 and consolidating the two properties into a single residential facility; and

WHEREAS, the City Council has previously declared 716 and 718 North Columbus Street to be surplus property and authorized the City Manager to negotiate for the potential sale of the property; and

WHEREAS, the City, through its authorized listing agent, has received multiple offers from potential purchasers to purchase 716 and 718 North Columbus Street; and

WHEREAS, the highest offer received was in the amount of \$662,000 from King Street Properties, LLLP; and

WHEREAS, the city manager has recommended the sale of this property to King Street Properties, LLLP for the sum of \$662,000, subject to the terms and conditions as set forth more specifically in the December 29, 2011 Docket Memorandum, the terms of which are incorporated by reference herein; and

WHEREAS, the city council is of the opinion that the sale of this property is in the public interest and will otherwise advance the City's land use goals; now, therefore,

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That the sale of the real property described below to King Street Properties, LLLP for the sum of \$662,000, subject to the terms and conditions as set forth more specifically in the December 29, 2011 Docket Memorandum, be, and the same is hereby, approved and authorized:

716 North Columbus Street, Tax Map Reference No. 054.04-07-09, as the same appears duly recorded in Deed Book 1112, Page 969, among the land records of the City of Alexandria; and

718 North Columbus Street, Tax Map Reference No 054.04-07-09, as the same appears duly recorded in Deed Book 1141, Page 427, among the land records of the City of Alexandria.

Section 2. That the city manager be and hereby is authorized, on behalf of the City of Alexandria, to do all things necessary and desirable to carry out the sale of the real property described in Section 1, including, but not limited to, the execution and delivery of a purchase agreement, deed and other appropriate documents.

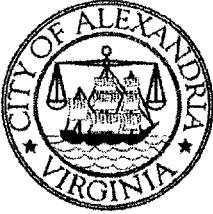
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Section 3. That the city clerk be and is hereby authorized to attest to the execution of the deed and other necessary documents executed by the city manager pursuant to Section 2, and to affix thereon the official seal of the City of Alexandria, Virginia.

Section 4. That this ordinance shall become effective upon the date and at the time of its final passage.

WILLIAM D. EUILLE, Mayor

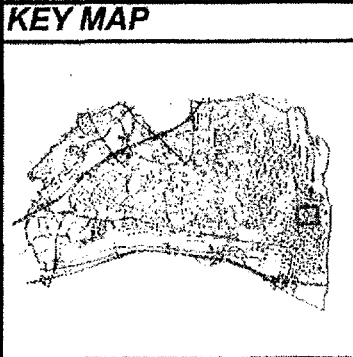
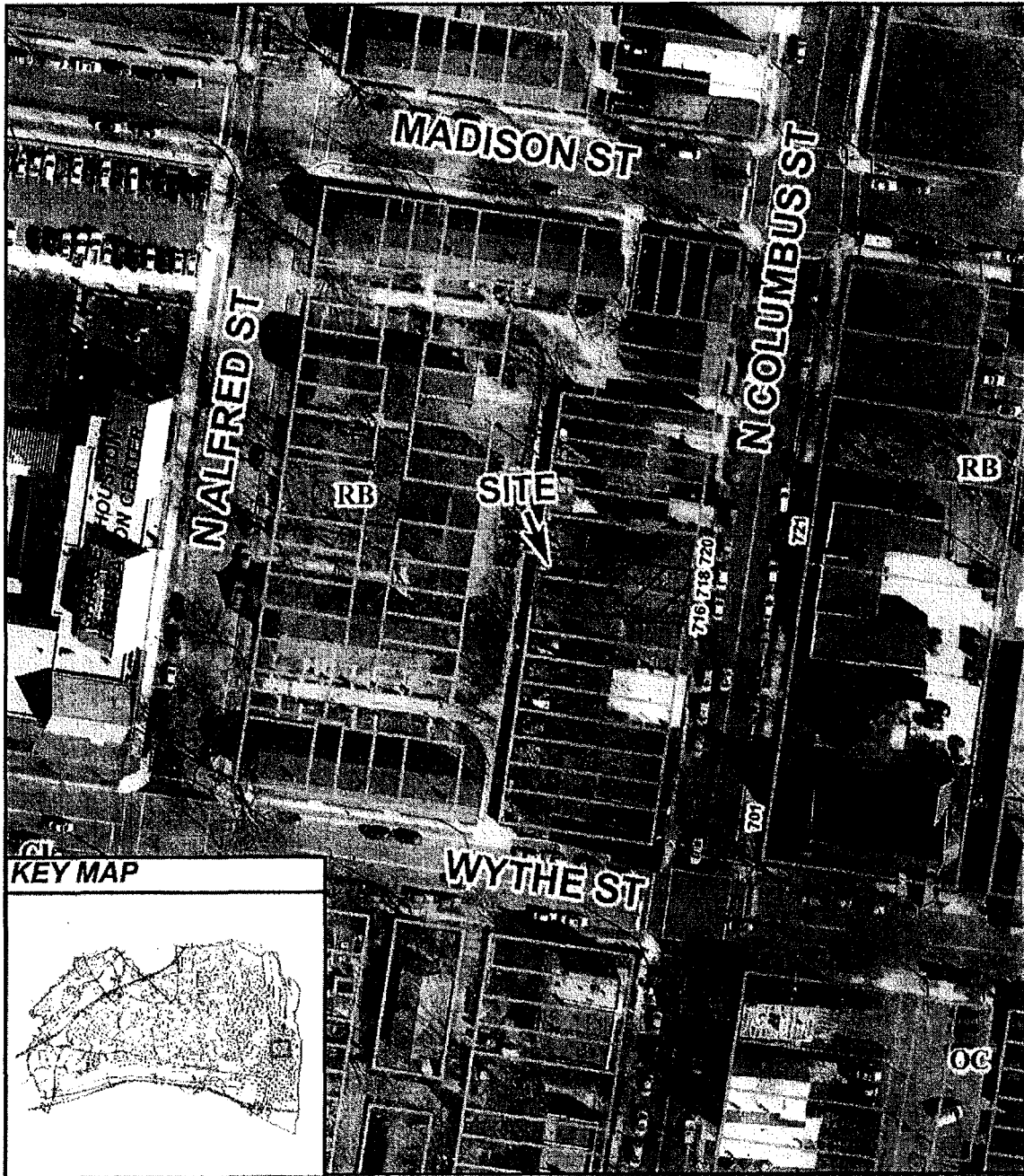
- Introduction: January 10, 2012
- First Reading: January 10, 2012
- Publication: January 10, 2012
- Public Hearing: January 21, 2012
- Second Reading: January 21, 2012
- Final Passage:



DOCKET ITEM #5
City Charter Section 9.06 Case #2011-0004
716 & 718 North Columbus Street

Application	General Data	
Request: Consideration of the sale of city property for consistency with the Master Plan, pursuant to section 9.06 of the City Charter.	Planning Commission Hearing:	January 5, 2012
	City Council Hearing	N/A
Address: 716-718 North Columbus Street	Zone:	RB/residential
Applicant: Department of General Services	Small Area Plan:	Braddock Road Metro

Staff Reviewers: Barbara Ross, Planning and Zoning barbara.ross@alexandriava.gov
Staff Recommendation: Approval



**CITY CHARTER
SECTION 9.06 # 2011-0004**

1/5/2012



I. DISCUSSION

The City is proposing to sell the property at 716-718 North Columbus Street in conjunction with its program to dispose of surplus property. Section 9.06 of the City's Charter requires that the Planning Commission approve any acquisition or sale of public land. The Planning Commission is charged with ensuring that any such acquisition, sale or change is consistent with the City's Master Plan.

II. BACKGROUND

716-718 North Columbus Street (combined) is two townhouses combined into one residential facility. It is zoned residential RB and located within the Parker-Gray Historic District. The exterior is wood siding and there is a small back yard with a wood deck and ramp. The first floor has two bedrooms, one full and one partial bath, living room with fireplace, dining room, and kitchen. The second floor has seven bedrooms and two full baths.

The most recent use of the property was by the Department of Community and Human Services (DCHS) as a Mentor Foster Home. The property is currently vacant and is maintained by the Department of General Services. Prior to its use as a Mentor Foster Home, this location served elderly residents as an Alexandria Residential Care Home (ARCH). The townhouses were renovated and combined into one unit for ARCH after the City acquired 716 North Columbus Street in 1983 under the Blighting Influences Program and 718 North Columbus Street in 1985. When DCHS closed the facility, a neighborhood meeting was held to discuss future use of the property. Although the community accepted the Mentor Foster Home, the overall consensus, according to records, was that private residential use and homeownership was the most acceptable option, preferably at market rate.

At its March 22, 2011 legislative meeting City Council declared 716-718 North Columbus Street as surplus property and authorized the City Manager to seek offers of bids, or auction the property, as described in the City Real Estate Disposition Policy. Staff recommended, as allowed for in the Policy, to sell the properties through a real estate agent.

Working with a real estate agent, the City has received three offers to purchase the property all within a range of \$652,000 to \$662,000. The offers reflect competitive pricing. They also are below the appraised value of \$830,000, however, but within the range anticipated by the City's real estate agent given the property conditions and the rehabilitation costs.

Alexandria Master Plan:

The property at 716-718 North Columbus Street is shown in the Braddock Road Metro Small Area Plan with a land use designation of RM/Residential Medium. The Plan shows the proposed zoning as RB/residential multi-family; the subject property and the blocks around it are zoned consistently as part of the RB zoning district. Assuming the property is sold, as planned, the new owners will be required to comply with the RB zone. Given the building construction and arrangement, the most likely use will be a continuation of the historical residential use. The Braddock Metro Neighborhood Plan and the Braddock East Small Area Plan, adopted in 2008 as amendments to the Braddock Road Metro Small Area Plan, focus on the area near the Braddock

metro station and on the blocks that include public housing, respectively. Neither changes the designated land use and zoning for the 700 block of North Columbus Street.

III. STAFF RECOMMENDATION

Staff recommends that the Planning Commission approve this request, finding that the proposal is consistent with Section 9.06 of the City Charter of Alexandria, Virginia, for the sale of city owned land. The sale is consistent with the Master Plan, including the Braddock Metro Neighborhood Plan and the Braddock Road Metro Plan.

STAFF: Jeremy McPike, Director, General Services
 Barbara Ross, Deputy Director, Planning and Zoning