


City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 21, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER 

SUBJECT: ISSUANCE OF A REQUEST FOR PROPOSALS FOR THE DISPOSITION AND DEVELOPMENT OF 1505 POWHATAN STREET

ISSUE: Consideration of a request to proceed with the issuance of a Request for Proposals (RFP) for the disposition and development of 1505 Powhatan Street.

RECOMMENDATION: That City Council authorize the City Manager to issue a Request for Proposals (RFP) for the sale and redevelopment of 1505 Powhatan Street, following the process as described in the City Real Estate Disposition Policy.

BACKGROUND: On May 26, 2009 the Alexandria City Council designated 1505 Powhatan Street as surplus property and authorized the City Manager to begin negotiations with Alexandria Housing Development Corporation (AHDC) to sell the site the AHDC. Due to market conditions, site constraints and limited financing options, a successful AHDC project could not be structured. Subsequently, on March 22, 2011, Council was updated with AHDC's conclusion and indicated that staff seek citizen feedback on uses. On November 22, 2011, City Council was provided with an update on discussions with the community centered on market rate development proposals. Staff has completed the development of the RFP and concluded with final comments from the Northeast Civic Association on June 14, 2012 and have been incorporated into the RFP (Attachment 1).

DISCUSSION: 1505 Powhatan Street is a lot of approximately one acre in size with an existing building of approximately 5,000 square feet. Until the late 1980s, it was the site of the City's Traffic Division operations. Since then various City departments have periodically used the property for equipment storage. In the late 1990's the City signed a sales contract with the adjacent land owner of what was a large vacant lot, and approved a retail office development plan. The contract contingency was a certain % had to be leased and since the contract buyer never achieved that % he lost his deposit and the contract expired. The building is currently vacant with no plans for future use by the City.

The property is currently zoned CSL (Commercial Service Low), which allows for a multitude of uses, including multifamily (condominium and townhouse styles) mixed-use development. Staff

