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## City of Alexandria, Virginia

## MEMORANDUM

**DATE:** JUNE 21, 2012**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL**FROM:** RASHAD M. YOUNG, CITY MANAGER *RMY***SUBJECT:** ISSUANCE OF A REQUEST FOR PROPOSALS FOR THE DISPOSITION OF  
509 NORTH SAINT ASAPH AND 511, 513, AND 515 ORONOCO STREET

**ISSUE:** Consideration of a request to proceed with the issuance of a Request for Proposals (RFP) for the disposition of 509 North Saint Asaph Street (former Health Department) and 511, 513, and 515 Oronoco Street (City employee parking lot).

**RECOMMENDATION:** That City Council authorize the City Manager to issue a Request for Proposals (RFP) for the sale and adaptive reuse of 509 North Saint Asaph Street and 511, 513, and 515 Oronoco Street, following the process as described in the City Real Estate Disposition Policy.

**BACKGROUND:** On November 22, 2011 the Alexandria City Council received an update on the City properties at 509 North Saint Asaph Street and 511, 513, and 515 Oronoco Street. Multiple alternatives were presented to Council for addressing these properties, which included options for renovating and reusing the building for City purposes, selling the property for demolition and redevelopment, and selling the property for private renovation and reuse of the building. Additional information was being compiled at that time including completion of an independent appraisal and Old and Historic Alexandria District Board of Architectural Review (OHAD BAR) input on the building at 509 North Saint Asaph Street.

**DISCUSSION:** Inspections of the former Health Department building and City staff analysis conclude that renovating the facility for reuse by the City is cost prohibitive. Additionally, the location of this facility is not ideal for City operations and service delivery. As a result, staff does not recommend pursuing future City-use options for this building and does recommend selling the property at 509 North Saint Asaph Street along with 511, 513, and 515 Oronoco Street.

At the April 4, 2012 meeting of the OHAD BAR, the Board elected to defer discussion until an onsite work session was scheduled. On April 18, 2012 members of the OHAD BAR, members of North Old Town Citizen Association, Old Town Civic Association and the public completed a site visit of the old Health Department building. The OHAD BAR examined the architectural

features and site context in order to make a finding about the building's historical significance. The OHAD BAR found the former Health Department building to be both architecturally and historically significant and recommended protection and preservation. In addition, OHAD BAR determined that designs should be consistent with established Old and Historic District guidelines; and support residential use proposals that incorporate an adaptive reuse of the building and are consistent with the surrounding neighborhood.

The properties are currently zoned RM (residential townhouse), which allows for a few different types of residential uses. The public comments by members of North Old Town Independent Citizens Association (NOTICe), Old Town Civic Association and other neighborhood residents at the OHAD BAR meeting indicate support for adaptive reuse of the building with residential uses. Both citizen and OHAD BAR input have been incorporated into the final RFP language and the proposal review process.

Accordingly, staff recommends moving forward at this time with a Request for Proposals for the sale of these properties and adaptive reuse of the old Health Department building. By utilizing an RFP process to dispose of these properties, the City can better direct the future design and use of these properties.

**RFP Criteria** - The RFP will define the selection criteria by which proposals will be evaluated. These criteria will include items such as the proposed use, the financial stability and experience of the developer, the impact on the surrounding properties, the anticipated revenue impact to the City, and offering price. The RFP will define a minimum affordable housing contribution based on the square footage of the development proposal, with additional affordable housing units or monetary contributions above the minimum requirements factoring during evaluation.

**RFP Schedule / Administrative Process** - With Council approval, the goal is to issue the RFP in July 2012 with an opening date for proposals set approximately sixty (60) days later in September 2012. Staff will then undertake an evaluation process to determine whether the proposals comply with the terms defined in the RFP and then score qualifying proposals to create a shortlist of proposals. It is anticipated that this process will take approximately two months (October and November) and may include additional interviews and information gathering efforts with the offerors on the shortlist. Presentation of a recommendation to City Council is anticipated to occur in the December/January timeframe. The City will have one hundred fifty (150) days from the opening date of proposals (September 2012) for the review process and any subsequent negotiations.

After the staff review process is complete, the proposal deemed most advantageous based on the stated criteria will be brought to City Council for consideration. City Council may then decide whether to accept or reject the proposal, or further negotiate the terms of the proposal.

A summary of the RFP appears as Attachment 1 to this document and provides some additional details about the RFP language.

**FISCAL IMPACT:** The issuance of a Request for Proposals for 509 North Saint Asaph Street and 511, 513, and 515 Oronoco Street is not anticipated to have any direct fiscal impact on the

City. Subsequent acceptance of a development proposal should result in a one-time revenue realization from the real estate sale price as well as an ongoing tax revenue benefit to the City. Based on a third party analysis of these parcels, the City is estimated to realize revenue anywhere from \$3.1 million to \$4.1 million for all four parcels depending on the proposed reuse. Such revenue impacts are variable and contingent upon the value of the proposed redevelopment.

**ATTACHMENTS:**

Attachment 1 – Summary of the 509 North Saint Asaph and 511, 513, and 515 Oronoco Disposition and Redevelopment Request for Proposals

Attachment 2 – Site Aerial Photo

Attachment 3 – Memorandum to OHAD BAR April 18, 2012

**STAFF:**

Jeremy McPike, Director, General Services

Alfred Coleman, Deputy Director, General Services

## CITY OF ALEXANDRIA

DISPOSITION AND REDEVELOPMENT OF 509 SAINT ASAPH STREET AND  
511, 513, AND 515 ORONOCO STREET REQUEST FOR PROPOSALS  
SUMMARY**PURPOSE**

The purpose of this Request for Proposals (RFP) is to select a real estate purchase and development proposal for the surplus City property at 509 North Saint Asaph Street and 511, 513, and 515 Oronoco Street. The successful proposal will provide the optimal combination of financial benefits to the City with an adaptive reuse of the building that is consistent with the surrounding neighborhood and Old and Historic District design guidelines. The RFP process will enable the City to guide redevelopment to a greater degree than a traditional sale of the property.

The proposal will include a defined affordable housing contribution based on the square footage of the development plan, with the option to include additional affordable housing elements either as a monetary contribution or equivalent affordable housing units on site. The proposal will also include a detailed schedule of financing, planning, permitting and construction, as well as conceptual design plan for the property.

**SCOPE OF THE RFP**

The RFP will provide the following information about the property to potential offerors:

- Planned schedule for the RFP process and subsequent City decision making process;
- Legal descriptions, including current zoning allowances;
- Positive features of the property;
- Available environmental reports;
- Affordable housing contribution requirements;
- Minimum acceptable sales price;
- Design guidelines;
- Selection Criteria; and
- Inspections or visitations of the property.

The RFP will require the following elements to be included in proposals:

- Financing plan;
- Profile of the offeror (past development experience; history of the firm; references, etc.)
- Schedule of necessary events (plan preparation, approvals, permits, construction, etc.)
- Design proposal (at a minimum to include a schematic plan depicting building footprints, streets, open space, density, unit mix, height, massing, major utilities, landscaping, and color architectural elevations that describe building materials);
- A narrative describing how the design concept will be compatible with the zoning and land use policy for the surrounding area.

### **BOARD AND CITIZEN INPUT**

The Old and Historic District Board and Architectural Review did a site visit of the property along with members of the public on April 18, 2012. The following input came out of that process, which will help guide the RFP development and review process:

- The former Health Department building is architecturally and historically significant and should be protected and preserved;
- Designs should be consistent with established Old and Historic District guidelines; and
- Support for residential use proposals that incorporate an adaptive reuse of the building and are consistent with the surrounding neighborhood.

### **CRITERIA FACTORS FOR CONSIDERATION**

Staff will use the following criteria to score proposals and provide a recommendation to City Council:

- Proposed use;
- Financial ability of the developer;
- Experience of the proposer in developing similar properties;
- Effect of the use on other properties;
- Compatibility with City's Master Plan;
- Offer price for the real estate; and
- Anticipated tax and other City revenues

### **ANTICIPATED KEY STEPS IN THE RFP PROCESS: SUMMER/FALL/WINTER 2012**

#### **Summer 2012**

- Finalize RFP language
- Issue RFP
- Inspection of Property by Offerors
- Close RFP

#### **Fall 2012**

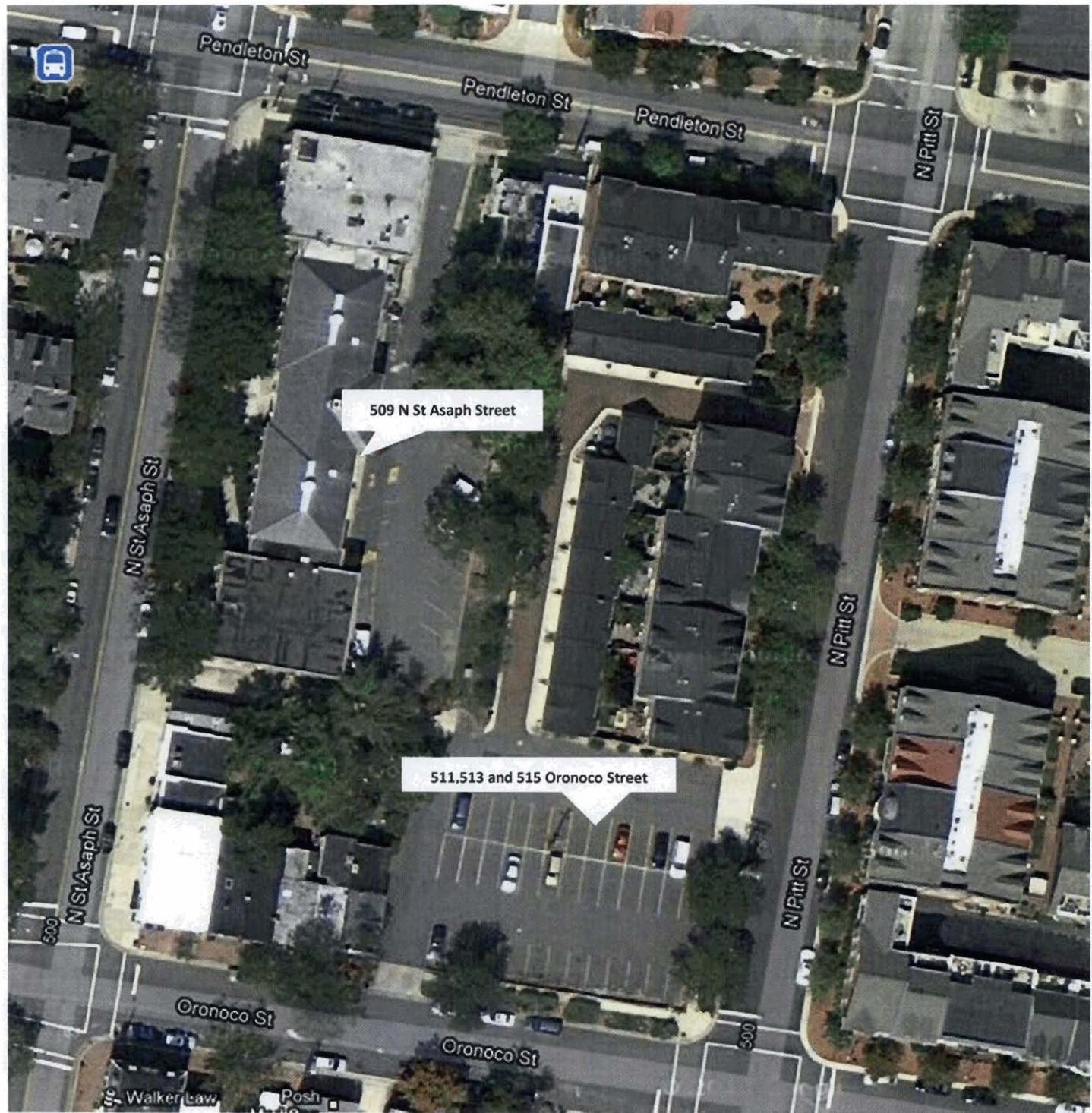
- Develop Shortlist of Proposals
- Additional Information Gathering/Interviews
- Community Meetings

#### **Winter 2012/2013**

- Recommendation of Successful Proposal to City Council

ATTACHMENT 2

509 N St Asaph Street,  
511,513 and 515 Oronoco Street



# City of Alexandria, Virginia

## MEMORANDUM

**DATE:** APRIL 4, 2012, UPDATED APRIL 18, 2012

**TO:** CHAIRMAN AND MEMBERS OF OLD AND HISTORIC ALEXANDRIA DISTRICT BOARD OF ARCHITECTURAL REVIEW

**FROM:** AL COX, FAIA, HISTORIC PRESERVATION MANAGER

**SUBJECT:** 509 AND 517 NORTH SAINT ASAPH STREET (FORMER HEALTH DEPARTMENT BUILDING)

### *Update*

*After the Board's comments and deferral at the April 4, 2012 OHAD BAR hearing, a site visit has been scheduled for Board members and the public at 6:45pm on Wednesday, April 18, 2012 prior to the regular hearing. This will give the Board members an opportunity to examine the exterior architectural features and site context of the building before making a finding about historic significance. Staff has also had the opportunity to do additional research on the history of the building and new information is noted below in italics.*

By this memo, City Staff is requesting a determination from the OHAD BAR regarding historic and architectural significance for the former Health Department building located at 509/517 North Saint Asaph Street, pursuant to release of an RFP for disposition of this surplus City property. The cornerstone of the central block of the building reads *1947 however the building was designed and construction began in 1944*. An addition was constructed at the north end in 1970. The BAR approved the mirror image southern addition in 1974. The south portion of the building is in the Old and Historic Alexandria District so, by prior City Attorney opinion and longstanding BAR practice, if any portion of a building is within the district boundaries, the entire building is regulated by the Board.

### **History**

When the OHAD district was originally created in 1946, the entire newly constructed Health Department building site was located within the district's boundaries. In 1951, the boundaries changed to cut this block approximately in half—with the southern half (closer to Oronoco St) remaining in the district and the northern half (closer to Pendleton) out of the district. The reason half of the block was removed from the district in 1951 was, likely, to allow for high rise construction in North Old Town and because there were few historic resources in this area. A boundary change in 1958 did not affect this site.

In 1965 this block was again affected, with the western portion (adjacent to North Saint Asaph) remaining in the district and the portion adjacent to North Pitt St removed from the district. Effectively, this left only the southwest quarter of the block, bounded by North Saint Asaph, North Pitt, Oronoco and Pendleton streets (including the southern end of the Health Department building) subject to BAR review. While the district boundaries were changed again

in 1970 and 1984, there was no impact on this particular block.

*The BAR did not review the original portion of the building, as construction began in 1944 and the BAR did not first meet until late in 1946 (that is when our minutes start). On September 18, 1974 the BAR did review and approve an addition to the Health Department building, which we take to be the southern wing, though we have no application graphics from that period to confirm what portions they reviewed.*



### Architecture

*The 1944 center block was designed by Riggin Buckler and George Corner Fenhagen of Buckler & Fenhagen, a highly-regarded architecture firm from Baltimore, Maryland. The firm designed a number of prominent buildings throughout the mid-Atlantic region including the Federal Reserve Bank in Richmond (1915), the Mausoleum and other improvements at Green Mount Cemetery in Baltimore (1924), and Baltimore City College (1928), a Gothic Revival design selected from 18 entries in a design competition. The original Alexandria Health Center, as it is referred to on building plans, is an excellent example of the Colonial Revival style displaying a high degree of material selection and craftsmanship with its Flemish bond brickwork, limestone sills and door surround, and the hipped roof with slate shingles and pair of cupolas.*

### Application of the Demolition Criteria

While the old Health Department building is partially located within the Alexandria National Register historic district, it falls outside the presently defined 1749 to 1934 period of significance, which was last updated in 1984. At the time it was updated, it included all buildings 50 years or older as contributing resources, a nationally accepted preservation practice. Alexandria does not have a locally defined period of significance or published list of historic buildings. By longstanding practice, all buildings within the Old and Historic Alexandria District are considered significant if they meet any of the following criteria listed in zoning ordinance section 10-105(B) when considering a permit to capsule or demolish:

- (1) Is the building or structure of such architectural or historical interest that its moving, removing, capsulating or razing would be to the detriment of the public interest?
- (2) Is the building or structure of such interest that it could be made into an historic shrine?
- (3) Is the building or structure of such old and unusual or uncommon design, texture and material that it could not be reproduced or be reproduced only with great difficulty?
- (4) Would retention of the building or structure help preserve the memorial character of the George Washington Memorial Parkway?
- (5) Would retention of the building or structure help preserve and protect an historic place or area of historic interest in the city?
- (6) Would retention of the building or structure promote the general welfare by maintaining and increasing real estate values, generating business, creating new positions, attracting tourists, students, writers, historians, artists and artisans, attracting new residents, encouraging study and interest in American history, stimulating interest and study in architecture and design, educating citizens in American culture and heritage, and making the city a more attractive and desirable place in which to live?

The old Health Department building remains remarkably intact, with a majority of its original exterior features and materials, and is an excellent representation of post-war Colonial Revival architecture. Furthermore, it exemplifies the City's institutional architecture program from the post-war period. This two story red brick, slate roofed, Colonial Revival Style building is solidly constructed, well-proportioned and has a significant amount of architectural detail, such as the delicate leaded glass transoms over the entrance and carved stone surrounding the entry doorways. In Staff's experience, this 68 year old building is clearly of "old and unusual or uncommon design, texture and material" that could only be reproduced today with great difficulty (*criteria #1 & #3*).

*In addition, the structure is representative of the work of a well-known regional architecture firm who excelled at various Revival architectural styles. While many buildings constructed in the DC area at the end of World War II and immediately thereafter featured minimal ornament and a very pared down red brick Modernist architectural style, this building had a much more deliberate design intention that, like the Alexandria Union Station or Alexandria City Hall, reflected a conscious aspiration to high quality civic architecture in a traditional or historic revival style.*

The building is across North Saint Asaph Street from Robert E. Lee's boyhood home, constructed 1795, and adjacent to two late 19<sup>th</sup> century buildings at the south end of the block. The historic Portner Brewery bottling building is across Pendleton Street to the north. The urban design qualities of the existing building are, therefore, in scale with the surrounding historic and more recent townhouses buildings. There are mature trees in the front yard and an appropriate set back from North Saint Asaph Street to emphasize its civic status. (*criteria #5*)

The Historic Preservation section of the City's Master Plan calls for protection and preservation of historic resources and development in a manner that is compatible with the historic character and resources of the site and surrounding neighborhood. Further, the structure represents a significant amount of embodied energy and preservation of these materials is consistent with the goals of the City's Green Building Policy.

#### **Summary**

Due to the architectural significance of the building, the primary Colonial Revival character-defining features and details, as well as the existing mass, scale and overall character, at least the original central portion of the building should be maintained on the exterior. Staff believes there are opportunities to renovate and modify the building for a number of compatible uses that may include potential additions to the rear of the property or on the flat roofs of the north and south wings. Staff notes that the adaptive reuse of the old Portner's Brewery building in the 600 block of North Saint Asaph Street represents the successful preservation of a large historic building and its conversion to residential use. The reuse of 509 N. St. Asaph will likely require substantial interior alteration, including structural and accessibility improvements, and may require some additions and alterations to the existing structure to meet modern program needs. The design of these alterations or new construction must, of course, be compatible with the overall character of the building and will be brought to the OHAD BAR for a Certificate of Appropriateness at that time.

*As Staff noted at the previous hearing, potential City uses for this building have been studied many times since the Health Department moved and each time they have been rejected. The building has now been placed on the list of surplus City real estate and will be sold. While the future use of the building, including necessary interior alterations and associated costs are not within the purview of the BAR, City Staff and several consultants have studied a number of viable alternatives for residential and commercial reuse of the structure.*

#### **Staff Recommendation**

Staff recommends that the Board find the old Health Department building architecturally significant under criteria #1, #5 and #6 and recommends that it be retained and adaptively reused, with any necessary alterations and modifications to be approved by the BAR in the future.

#### **Images**

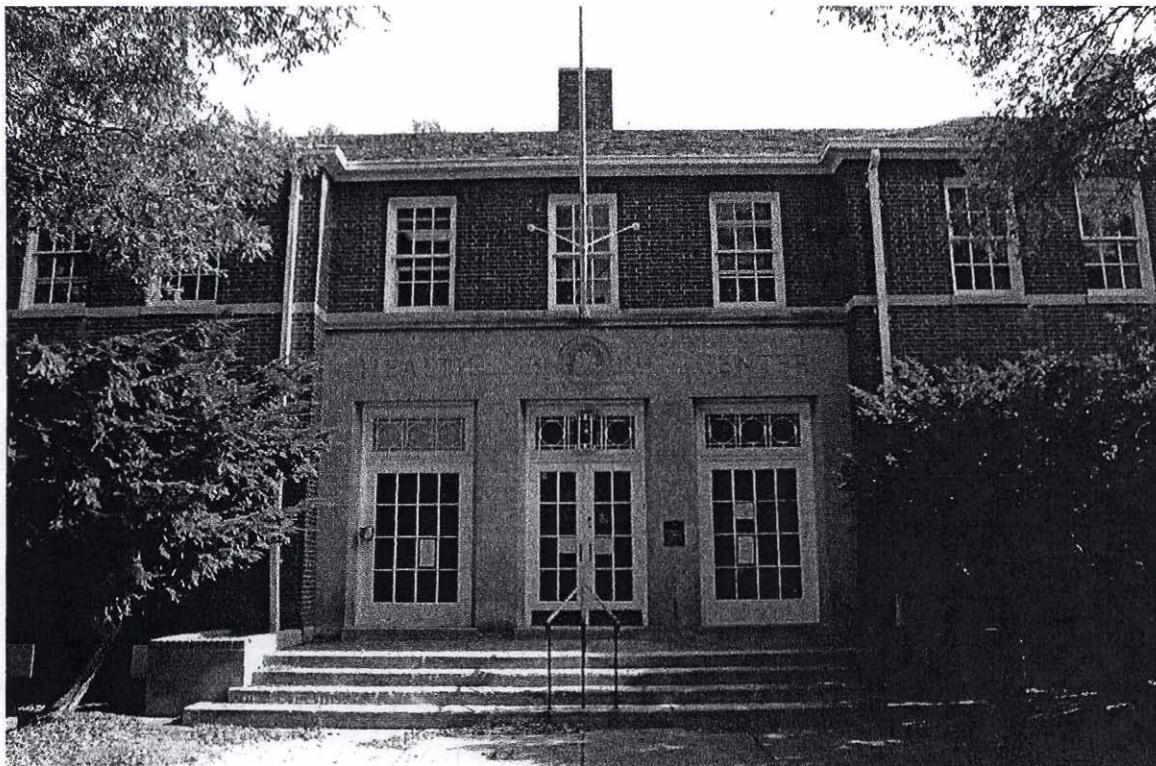


Figure 1. Front (west) elevation and central entrance at the original, main building block.

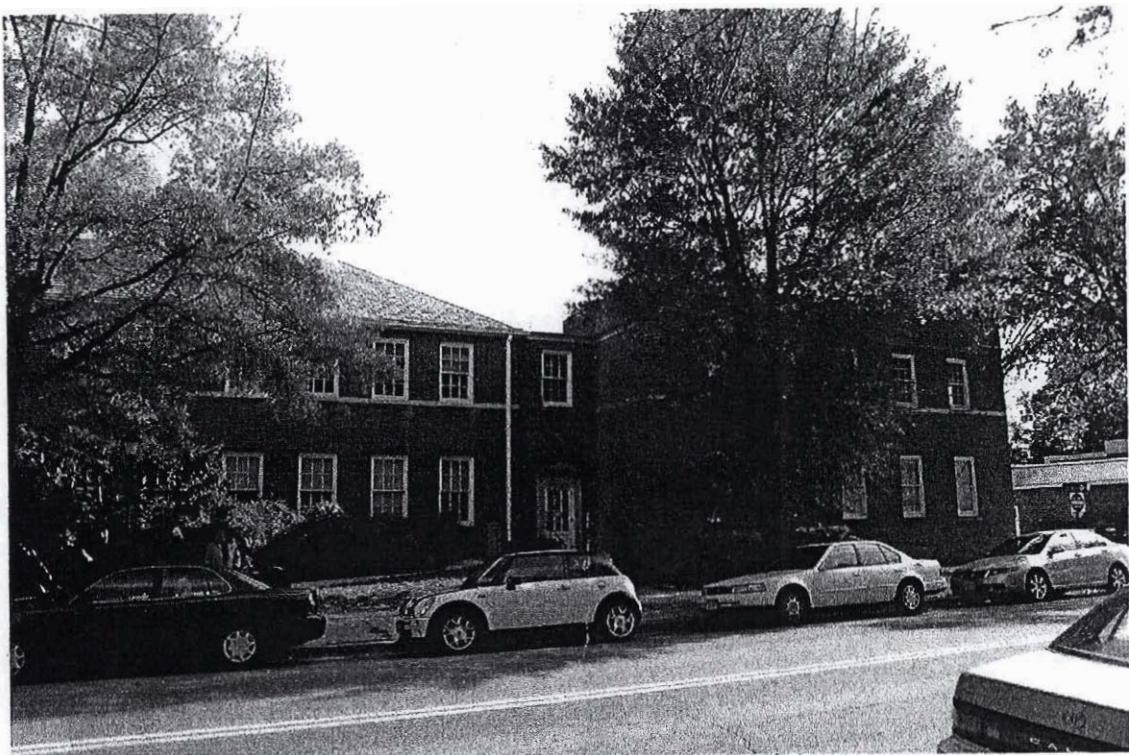


Figure 2. Front (west) elevation showing main block and southern addition.

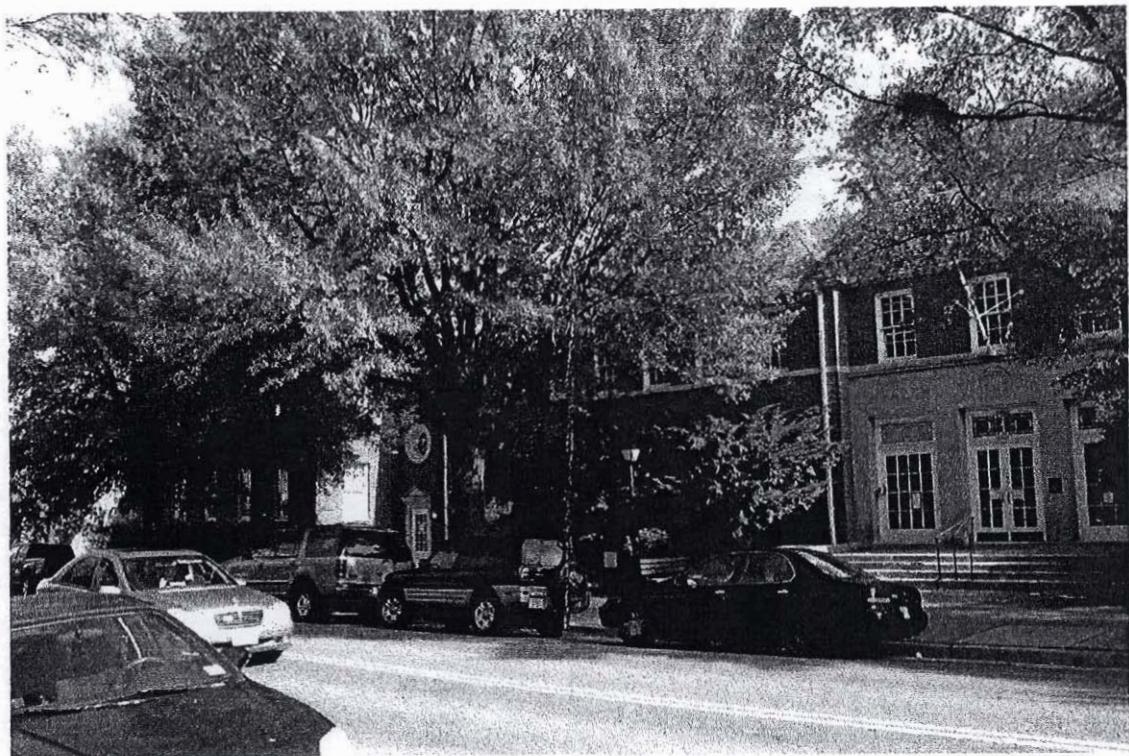


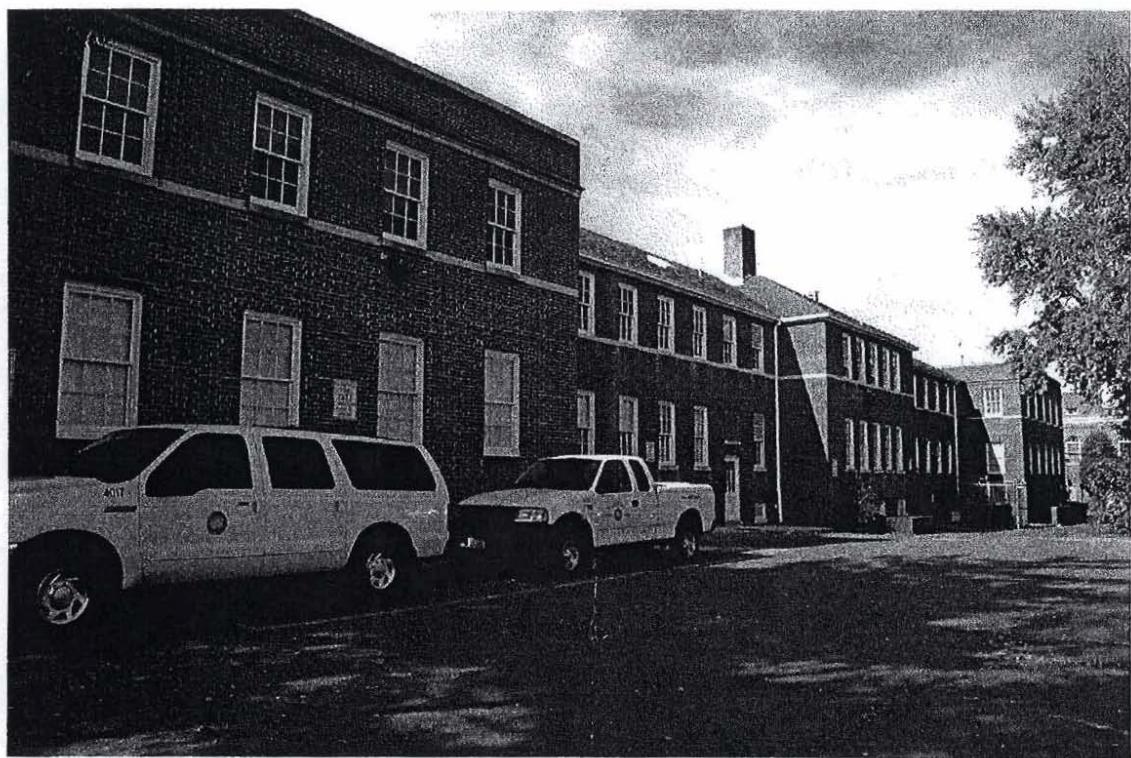
Figure 3. Front (west) elevation main block and northern addition.



Figure 4. Limestone carving over front entrance.



Figure 5. Detail of leaded glass at front entry.



**Figure 6.** Rear (east) elevation and parking lot.