

ODBC CITY 90-DAY NEGOTIATIONS

REVISED BEACHCOMBERS/MOVE OPTION PROPOSAL

Final Proposal, March 13, 2014

This document is the product of negotiations between the Old Dominion Boat Club and the City of Alexandria between December 2013 and March 2014. The City understands that as with all proposals, any proposal is subject to ODBC Membership ratification, and likewise, ODBC understands that any proposal is subject to City Council ratification:

- 1) The City would exchange 0 Prince (the former Beachcombers building) and 200 Strand which the City owns, for the ODBC properties of 1 King (ODBC club building and claim to King Street Park) and 2 King (ODBC parking lot, claim to the Strand Street, claim to Extended Wales Alley, and 9 spaces adjacent to the Mai Thai restaurant).
 - a. ODBC would then construct at its direction and cost a new facility on the Beachcomber site incorporating all or some of the existing Beachcomber structure and footprint. As part of its development approvals to construct the new facility, ODBC may request any waiver of the Resource Protection Area (RPA) regulations as may be allowed in the Zoning Ordinance. The City will review and consider such application as it would any similar request. The ODBC should be aware that waivers of the RPA regulations are rarely, if ever, approved by the City.
 - b. It appears that an ODBC facility of about 8,000 square feet with outdoor rooftop and balcony areas totaling up to as much as 4,000 square feet could be created.
 - c. ODBC would then construct a parking lot with at least 30 parking spaces and a boat ramp for launch and trailering of pleasure boats at its direction and cost on 200 Strand. The City will incorporate the ramp into its flood control design in this area at the cost to ODBC. ODBC would permit occasional City government or first responder use of the boat ramp. ODBC could also add 8 additional parking spaces in front of the Beachcomber in lieu of an expanded ground floor ODBC building.
 - d. If and when the City acquires 204 Strand in a manner which would permit subsequent conveyance to ODBC, the City shall convey a portion of 204 Strand (including riparian rights) immediately adjacent to the 200 Strand parcel to ODBC for its use as an additional estimated 15 tandem parking spaces. Until such time as the City acquires 204 Strand as contemplated above, the ODBC shall be granted an exclusive license to use at least 14 existing parking spaces at Waterfront Park. If the City has not acquired 204 Strand as contemplated above within 5 years of this agreement or

within 1 year of the issuance of a certificate of occupancy for the new ODBC building at the Beachcomber site, whichever occurs first, the City, subject to the approval of an amendment to the 1981 Land Use Agreement by the United States government, shall convey the Waterfront Park parking spaces to ODBC in fee simple. The City warrants that it shall diligently seek to secure the necessary approval for this land transfer transaction from the United States. As the Waterfront Park parking spaces will not be fenced in, the City shall provide signage indicating ODBC's exclusive use of the Waterfront Park parking spaces, as well as sufficient written authorization to enable ODBC to enforce its rights through a towing contractor.

- e. Simultaneous with the City-ODBC property exchange, in order to allow time for ODBC to plan and to build its new facility, ODBC shall remain a tenant in its existing building, main ODBC parking lot and boat ramp (excluding area adjacent to Mai Tai) for a period not to exceed five years, or until issuance of a Certificate of Occupancy for its new facility, whichever occurs earlier, at \$0 rent due to the City but with full responsibility for maintenance and utilities in its current building and main parking lot. ODBC shall diligently plan and design their new clubhouse and parking lot facility at 0 Prince and 200 Strand, and to diligently pursue all applications, approvals and construction of such clubhouse and parking lot facility.
 - f. Simultaneous with the-ODBC property exchange, and prior to the start of the construction of the ODBC clubhouse and parking lot facility at 0 Prince and 200 Strand as described in paragraph e above, ODBC shall permit the City to lease, with \$0 rent due to ODBC, 0 Prince and 200 Strand. The City may sublease or license these areas at its sole discretion to a private entity or entities for any permitted uses, with full responsibility for maintenance and insurance, holding ODBC harmless.
 - g. If 5 years after this agreement, ODBC has not constructed its new clubhouse and parking lot facility as measured by receiving a certificate of occupancy for its new clubhouse, then the ODBC's lease of its current property at 1 and 2 King shall terminate and the City shall take control of the property. Simultaneously, the City's lease of 0 Prince and 200 Strand would terminate and ODBC would take control of those properties.
- 2) In regard to 0 Prince, 200 Strand, and the portion of 204 Strand to be transferred to ODBC, the City would retain approximately 25 feet of land from the bulkhead from each of these parcels along the waterfront for a future 25 foot wide public esplanade, and approximately 15 feet of land along the Strand Street for a public sidewalk. Because the shoreline is uneven, and what state and federal regulatory agencies may approve is unknown, the amount of current existing fast land

needed may be more or less than 25 feet as shown on the City exhibit dated 1/3/14.

- 3) This agreement contemplates that, at full maturity, ODBC will possess riparian rights to 0 Prince, 200, 204, and 208 Strand, and the City would actively support ODBC non-monetarily in securing any necessary approvals from appropriate government agencies. Transference of the riparian rights to 0 Prince and 200 Strand shall occur immediately as described herein, while those riparian rights associated with 204 Strand and 208 Strand may occur later as further provided herein. Until such time as it begins construction at 0 Prince or 200 Strand, ODBC would license the riparian area to the City at \$0 per year in order to permit the Dandy ship pier and the Dandy ship to remain in place. The City would agree to charge The Dandy at least \$2,252 per month (for use of the slip) and remit those Dandy lease payments to ODBC. The Dandy offices and its storage shed would be moved offsite at the Dandy's own expense prior to the initiation of ODBC construction of its clubhouse facility. As part of its construction of the piers contemplated above, ODBC shall be permitted to erect security gates from the esplanade to ensure its exclusive use of and access to the piers.
- 4) Although the City would now own 1 King, ODBC would retain its existing North pier and the riparian rights and access it now owns and enjoys necessary to operate that pier, until such time as it has completed construction of pier(s) or established slips for ODBC members at the City-owned portion of 204 Strand, and/or 208 Strand. Then the current ODBC pier and riparian rights at 1 King would transfer to the City. If permission to build piers at 204 and 208 Strand are not granted or used within 10 years from the date the ODBC receives the riparian rights to the City-owned portion of 204 and 208 Strand, then the riparian rights at the City-owned portion of 204 and 208 Strand would revert back to the City and the ODBC would retain exclusive rights to their existing North pier and the riparian rights and access necessary to operate it, and shall be permitted to erect security fencing and gates to ensure exclusive use of and access to the pier. Further, the City would relinquish all interest in and claims to the Fayette Alley right of way riparian rights.

ODBC would lose its small boat pier with its 17 useable slips (number of slips subject to ODBC confirmation) that was constructed within the King Street Park riparian area. In exchange for that pier loss, the City would grant ODBC temporary, exclusive rights to the City's A/B pier which has 27 boat slips. The parties shall be responsible for their own dredging and maintenance, cooperatively if mutually desired.

If permission to build piers at the City-owned portion of 204 Strand, and/or 208 Strand are not granted or used within 10 years from the date the ODBC receives the riparian rights to such parcels, then the ODBC's temporary rights to the A/B dock boat slips would become permanent. During any such temporary or permanent use of the A/B dock boat slips, ODBC's use of the piers shall be

- exclusive and ODBC shall be permitted to erect a security gate from the Torpedo Factory boardwalk area. Additionally, the City shall grant ODBC a license of commensurate duration for unrestricted access to the North and A/B piers. In the event ODBC's use of such slips becomes permanent as contemplated above, ODBC shall have the right, in its sole discretion, to sever the A/B dock from the Torpedo Factory boardwalk area and connect to ODBC's North Pier for access.
- 5) The land area between the Beachcomber and the 25' esplanade would become ODBC property for its exclusive use.
 - 6) ODBC would transfer its claimed property rights to the City to the Strand Street, Wales Alley extended right of way, and King Street Park. Where applicable any ODBC claimed riparian rights would also transfer to the City for these parcels.
 - 7) The property exchanges described in paragraphs #1 through #6 above would be fee simple to fee simple in nature, with all properties and rights being valued at fair market value.
 - 8) In recognition of ODBC's member parking needs, at the wide range between its highest and lowest parking use patterns, the following parking solution is offered:
 - a. 200 Strand appears that it can be designed for a capacity of approximately 30 to 38 spaces (including 2 handicapped spaces), and the City will permit use of or permanently convey (as provided herein and subject to federal government approval if applicable) an additional 14 spaces at Waterfront Park or 15 spaces at 204 Strand.
 - b. The ODBC would apply for a special use permit to operate a valet parking stand on the Strand Street.
 - 9) In addition to the transfer of land as described here, the City will pay to ODBC \$5,000,000 in cash at the time of settlement.
 - 10) The parties acknowledge that as issues arise in the implementation of this proposal, there will be a need for further discussion of details.