

Potential USPS Relocation of Wythe Street Operation
Timeline of Discussions
as of September 2019

10/26/12	Letter from CBRE (USPS’s nationwide real estate consultant) to Steve Kaii-Ziegler re: USPS Alternate Quarter Facilities for 1100 Wythe. Letter notes parameters that CBRE would analyze in order to determine potential USPS solutions for carrier and retail space at 1100 Wythe. CBRE provided a study of potential relocation sites and programs in order to move the facility out of Wythe St and redevelop the site. It was the City’s understanding that a number of options had been presented to USPS, including a financial analysis of redevelopment.
Summer-Fall 2013	COA had meetings with developers to discuss criteria for redevelopment of the Wythe St site. Developers were encouraged to contact USPS and CBRE to begin discussions. (Developers: KMS, Avalon Bay, Bonaventure Group and W-ZHA)
August 2013	Discussions with CBRE, USPS national real estate consultant, regarding the ongoing study of the disposition of the post office site and report of recommendations forthcoming from CBRE. Information provided to CBRE that the property rights (FAR/developable density) retained for the City owned portion and that the combination of FAR is considered a part of the transaction (in return for land area for the park)
September – October 2013	Discussions with Jane Bjork, regional real estate manager for the USPS, regarding the intention of the City for the Wythe Street USPS block to redevelop according to the BMNP. Provided with regional contact of Manager for Realty Asset Programs (Gabriel Benvenuto), initiated contact to provide information regarding the City of Alexandria plans in relation to the Wythe Street post office.
November 2013	Further discussions with CBRE regarding the operational needs evaluation of the USPS. City is informed that CBRE has completed a real estate analysis for the immediate area, including discussion of alternate locations. City attempted to arrange a meeting with CBRE, request eventually denied. Manager of Realty Asset Programs for USPS (Gabriel Benvenuto) requests that City of Alexandria staff no longer contact CBRE directly for information; denies request for package assembled by CBRE, stating that it is proprietary information.
Spring 2014	Regular monthly calls made to Manager of Realty Asset Programs, no return calls received.
Spring 2014	Contact made by City Manager’s Office, BIAG members, others, to Representative Moran’s office. Outcome is that the District Manager, regional postmaster and others agreed to meet with the CMO, Mayor, and City Staff.
06/25/14	COA/USPS meeting regarding potential relocation of Wythe St operation Take aways: <ul style="list-style-type: none"> • USPS ran a “node study” to determine potential to relocate their operations from the Wythe Street location. This study returned negative results with no viable alternatives given that would offset additional labor, fuel, and transportation costs. • The existing retail facility of the Wythe Street Post Office (and possibly the distribution) may be slightly oversized for the need. Some slight reduction in space may be possible in the future / future locations. • The USPS does have split operations (area distribution center separate from retail), but not a preferable model.

	<ul style="list-style-type: none"> • USPS indicated that if the Regional Director (Mr. McAdams) relayed to the facilities & real estate divisions that the Regional office is positive on a redevelopment proposal, that it would assist in moving the project through these divisions. To receive a positive indication, the Regional office would need to know the following. <ul style="list-style-type: none"> ○ The location of a distribution center would be equally convenient to or within the delivery zip codes of 22301 and 22305. ○ No capital outlay would be necessary from the USPS <ul style="list-style-type: none"> ▪ A “profit” is not necessary for the USPS, but they have to be made whole+ (ie new distribution facility within proper zip codes) ○ The retail facility would be at a desirable, high traffic location. • USPS committed to providing data for the COA to analyze in reference to locations within the above stated zip codes for potential redevelopment. • USPS will reach out to their facilities and real estate divisions to contact the COA concerning the CBRE plan process and/or other studies currently under way. <ul style="list-style-type: none"> ○ COA to inform USPS representatives if no response results from facilities and real estate divisions. • Next steps were to be: <ul style="list-style-type: none"> ○ USPS to provide COA with contact information for responsible staff within USPS facilities and real estate divisions. ○ USPS to provide COA with space program for Wythe Street Post Office & distribution center ○ USPS to provide COA with growth projections for subject zip codes ○ COA to work with data provided to generate options for USPS consideration
July 2014	Local (Virginia) contacts at the USPS redirect questions for program, operational needs, and other information to regional Manager of Realty Asset Programs (Gabriel Benvenuto). Contact made, Manager commits to route request for information through internal channels. Manager emphasizes that USPS does not intend to dispose of the Wythe Street property.
August 2014	City obtains new local USPS real estate office contact of David Rouse (Realty Asset Manager), contact made to brief Mr. Rouse on the City plans and obtain information regarding progress of analysis and programmatic needs for relocation
August 6, 2014	<p>Email received from Manager providing generic information on programmatic/operational needs of facility as follows:</p> <ol style="list-style-type: none"> 1) Minimum square footage requirement is 10,000 usable square feet <ol style="list-style-type: none"> a. All square footage must be contiguous in one building and location 2) Minimum parking requirements 100 parking spaces for the exclusive use of the USPS <ol style="list-style-type: none"> a. All parking shall be on the same site as the building 3) A new location shall be within a half mile radius from the existing USPS site located at 1100 Wythe St. Alexandria, VA. <p>Information contradicts that provided by regional postmaster and other attendees of the June 2014 meeting. Emphasized that USPS does not intend to dispose of Wythe Street property.</p>

August 8, 2014	Outreach to USPS local coordinators (for regional Postmaster, etc) to discuss conflicts, determine authority to resolve conflicts. Response received that Manager of Realty Asset Program is responsible for the property and criteria, and would take precedence over information provided by local agents.
September 2014	Outreach to David Rouse regarding information received by Manager, conflicts with June meeting. In follow-up, call received from Manager, stating previous information.
Feb 2015	Per email to CMO on 3/18/15, COA contacted USPS in February 2015 (confirmed, emailed and called)
03/18/15	PZ forwarded CMO a status update along with potential relocation sites, per <i>Next Steps</i> identified in June 2014 meeting
June 2015	Email and phone attempts to contact USPS Manager and local rep
10/25/15	BIAG sent letter to USPS regarding site and potential relocation
11/12/15	USPS Response to BIAG offered no new information
11/13/15	COA/USPS conference call - Nathan Imm and Katherine Carraway, PZ; David Rouse, Realty Asset Manager, Facilities, Real Estate & Assets, US Postal Service Call to follow up on 2013/2014 conversations regarding the possibility of the US Postal Service relocating or selling its property on Wythe Street. <ul style="list-style-type: none"> • David Rouse indicated “there is not a key driver prompting the USPS to make any move.” • Splitting up the retail and distribution operations is not desirable. • Even if a developer approached with an offer that provided incentive to USPS, the property would still have to be marketed publicly. COA will follow up in 2016.
9/26/16	Congressman Beyer’s office contacted COA to obtain some information in response to a request from a constituent regarding the Wythe Street Post Office site. Information was provided on communications to date.
10/11/16	Emailed David Rouse requesting a follow up call to last year’s conversation
10/14/16	COA/USPS conference call – City staff; David Rouse, Realty Asset Mgr, Facilities, Real Estate & Assets, USPS Call to follow up on November 2015 conversation regarding the possibility/feasibility of USPS relocating (all or part) or selling property on Wythe Street. <ul style="list-style-type: none"> • David Rouse reiterated that there is ‘not a key driver prompting USPS to consider relocating all or a portion of its facility on Wythe Street’ • It would be difficult to find an alternative location that serves USPS customers adequately, remains a convenient location for the letter carriers, and provides adequate parking for the service vehicles. • Per Mr. Rouse, the ability to deliver mail and serve customers trump any potential dollar figure offered by a developer. • Mr. Rouse did, however, request USPS operations to look at the Duke Street location to determine if there is any potential benefit to moving part of the Wythe St operations there. If any noteworthy information is shared with him he will contact the City, but does not anticipate that this would be a solution.

10/27/16	David Rouse emailed to confirm that operations looked at the possibility of relocating USPS letter carrier operations from Wythe Street to the Memorial Annex on Duke Street. The result is that this option is not feasible due to space constraints.
6/9/17	Noah Simon with Congressman Beyer’s office contacted PZ to confirm that the USPS relocation was still a priority and if so that he would facilitate setting up a conference call with USPS.
8/22/17	Conference Call between City of Alexandria USPS (Michael Mintz, Attorney, Tom Samra, VP-Facilities, and Cory Brown, Government Relations), and Congressman Beyer’s office (Noah Simon and Jocelyn Garay); City staff provided summary of the Braddock Plan objectives for a community park for the site as part of redevelopment and increased density, as well as a summary of the steps outlined above since the plan was approved. Mr. Samra provided a summary of how the USPS process work. Main point was that USPS will be willing to move to a location that suits their requirements if the City provides site options that fit the requirements, then coordinates the purchase and construction for a new site, and reimburses USPS for any difference in Real Estate Value for the new site. The USPS has a new “Letter of Intent” to establish the protocol for this type of process. This has been sent to the City and is included in the file. One key detail Mr. Samra emphasized is that no private entity can benefit from the transaction.
9/7/17	Meeting held with PZ and City Attorney’s office to review the Letter of Intent (LOI) option and discuss next steps. Discussed the highly limiting and frankly unrealistic nature of the LOI, particularly in that it does not allow public private partnership. At the end of the meeting, the following next steps were determined: 1) research other USPS redevelopment sites (past, current); 2) contact USPS to indicate the City is still interested in redevelopment but that we have a series of follow up questions: is there a LOI for private entities – are there examples of that? Are there any other options than the LOI – particularly with regard to the pub/private partnership needs; could we work with them to make some interim improvements to the site – on USPS fence, streetscape, etc.
1/31/18	Conference Call between City of Alexandria and USPS (Michael Mintz, Attorney, and Joseph/Jody Lowe, Real Estate Specialist); Staff reviewed the vision for the site outlined in the Braddock SAP and inquired about examples where the LOI could be used with public private partnerships. Mr. Lowe provided the following information: The LOI is a narrow exception to their policy used when a local government is involved. The USPS has executed deals with cities (e.g., Portland) where private development was allowed on the site, however in those cases, the parcel was already for sale on the market and the city was the highest bidder. From USPS’ perspective, the City is requesting to purchase the site without it going to market through a competitive bidding process. If there is private interest, USPS should have the opportunity to benefit from the sale. USPS does not need to sell the building but could if there is an alternative site that meets their requirements. Before considering a sale, two thresholds need to be met. First, the Financial Threshold needs to be met which includes the sale of the property at or above market value. Second, the Operational threshold needs to be met which includes a site that addresses facility needs and this site cannot cost more than the value of the current site. Even when these two thresholds are met, the site still has to go to market and the City has to be the best offer. There are no criteria per se for future sale of USPS sites, but they are constantly evaluating their real estate portfolio and whether their

	<p>needs match their available space. Placing USPS land for sale on the market does not happen often. They have been approached by several developers about the Wythe Street facility. City staff inquired about site improvements such as repairing the fence adjacent to the Braddock Interim Open Space. USPS staff stated that site improvements need to meet a health and safety need, not aesthetic or cosmetic improvements. He offered to review photos of the fence to see if it meets the threshold for repair and noted that chain link fences are standard. COA thanked USPS for joining the call and concluded that the city would follow up with photos and next steps.</p> <p>Subsequent to the call, City staff photo documented the fence; however, there were no health and safety issues.</p>
8/23/19	<p>City staff reached out to Jody Lowe and Mike Mintz on 8/16/2019 and received an email response stating that Mike Mintz moved to another agency and confirming that nothing has changed in terms of the facility's functions. Lowe reiterated that USPS is currently not working to relocate facility operations. Staff will continue to periodically check in with USPS regarding the City's interest in implementing the park.</p>