



Department of Economic Development
City of Manassas
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CITY OF MANASSAS ECONOMIC DEVELOPMENT AUTHORITY TO ACQUIRE MANASSAS SHOPPING CENTER ON MATHIS AVENUE

Manassas, VA—March 13, 2024— The Economic Development Authority of the City of Manassas (EDA) is purchasing the Manassas Shopping Center at 9018 Mathis Avenue to help spur the long-planned redevelopment and revitalization of the Mathis Avenue corridor.

The EDA is chartered by the Virginia General Assembly and has broad powers defined in the Code of Virginia to promote economic development in the City. Those powers include the acquisition, disposition and management of property for a public purpose. Its directors are appointed by the Manassas City Council.

The Manassas Shopping Center, built in 1959, includes over 100,000 square feet of building space and sits on 13.5 acres. The \$16 million purchase price is funded by one-time American Rescue Plan Act (ARPA) and capital reserve funds, and is included in the FY2025 budget that begins on July 1, 2024. The proposed sale does not impact the City's tax rate.

In the short term, all existing leases in the shopping center will be honored. Existing tenants will be supported, but will eventually be relocated. New leases to existing or prospective tenants may be granted on a short-term basis. The shopping center now generates \$1 million annually from lease revenues, which will be retained for public use. Sales, meals, property and business taxes will still be paid, and the EDA will continue to pay real estate taxes and manage the property.

Long-term redevelopment plans for the property may include retail and office space, and could provide opportunities for the City to meet its attainable housing goals. The City is encouraging residents to share their ideas for the property, including interim adaptive uses, and expects the public conversation to be ongoing over the next several years.

"The acquisition of the Manassas Shopping Center offers a generational opportunity to redevelop Mathis Avenue, a key gateway into the City," said Interim City Manager Douglas Keen. "The shopping center has seen vacancy rates rise and its value decline. By redeveloping the property we will build value and create a space where residents will want to live, shop and visit. Support for redevelopment of our older commercial areas and gateways into the city has been expressed in past resident surveys."

The idea of redeveloping the Mathis Ave. corridor has a long history. "Citizen committees were contributing to the Mathis Avenue Sector Plan in the early 2000s," Mayor Michelle Davis-Younger noted. "During Community Conversations for the 2040 Comprehensive Plan, residents told us they would like to see a more walkable neighborhood, more affordable housing options, and more green space on Mathis Avenue. This purchase allows us to advance the long-term investment and vision of the residents and Council."

The Mathis Avenue Streetscape project, which complements the shopping center redevelopment, has been included in the Capital Improvement Budget since 2019 and is currently in the design stage. The streetscape project aims to enhance a major



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gateway into the City with more green space, better vehicle, pedestrian, and bicycle safety, and links to Historic Downtown. It originates from the 2006 Mathis Avenue Sector Plan and community input from the Manassas 2040 Comprehensive Plan.

In 2017 the Mathis Avenue corridor was designated as an Opportunity Zone under the Federal Tax Cuts and Jobs Act, which creates incentives for investors to support communities that have experienced uneven economic growth.

EDA Chair Denise Harrover sees the acquisition as a smart business investment. "When this property is redeveloped it will have a much higher value, so the City will realize higher proceeds when it is sold. It will also increase the property values of the larger Mathis Avenue corridor and Centreville Road area."

"The City is actively engaged in the acquisition, disposition, and (re)development of real estate for public purposes," said Patrick Small, Director of Economic Development. "While we acquire some properties for public use, like our new fire station and public safety facility, others like the Olde Towne Inn, and now this shopping center, are purchased for redevelopment into new projects that generate more revenue and improve the character of the community. We also occasionally identify surplus property that can be sold, and we sell property the City has land-banked for future development, like the recent sale to AWS by the Airport and our ongoing development of the Landing at Cannon Branch."

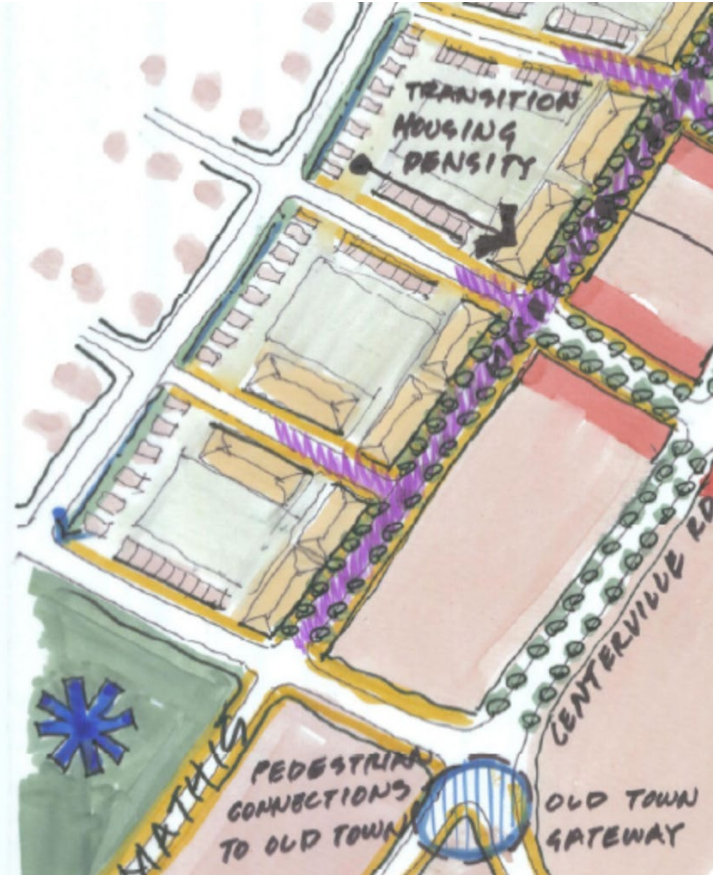
The purchase is expected to be complete in July or August. Residents are invited to weigh in on the proposed FY25 budget during a Town Hall Meeting scheduled for March 18 at 7:00 PM, and a public hearing on the budget, scheduled for April 22nd at 5:30 PM. Both will be held at Jennie Dean Elementary School, 9601 Prince William St.

Visit www.manassasva.gov/msc to track the project and share your redevelopment ideas for the Manassas Shopping Center.





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Renderings of redevelopment ideas for the Manassas Shopping Center from the Mathis Avenue Sector Plan

About the City of Manassas Department of Economic Development

The City of Manassas fosters economic development through collaborative partnerships, sustainable fiscal management and supportive City services. The Department of Economic Development (DED) is directly responsible for business attraction, retention, expansion and tourism initiatives in the City. As a resourceful and collaborative organization, we work in partnership with our key stakeholders to ensure that we have what businesses need; including a highly educated and technical workforce with access to major universities and first-class training providers. We take an active leadership role in all that we do, serving as a community builder, collaborator and agent of economic growth. For help with your business needs please visit: <https://choosemanassas.org/> or call 703.257.8882.

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