

PETITION PURSUANT TO VIRGINIA CODE SECTION 15.2-5153
FOR THE CREATION OF
THE MOSAIC DISTRICT COMMUNITY DEVELOPMENT AUTHORITY
TO THE BOARD OF SUPERVISORS OF
THE COUNTY OF FAIRFAX, VIRGINIA

WHEREAS, Eskridge (E&A), LLC, a South Carolina limited liability company (“EEA”), is the owner of certain real property located in the County of Fairfax, Virginia (the “County”), and Merrifield Mixed Use, LLC, a Virginia limited liability company (“MMU”) (EEA and MMU are collectively “Developer”) is the holder of a contractual right to purchase certain other real property from National Amusements, Inc. (“NAI”) located in the County, more particularly shown on Exhibit A attached hereto and incorporated herein by this reference (collectively, the “Property”); and

WHEREAS, the Developer is undertaking the development of the Property into a mixed-use development to include commercial, retail and residential components (the “Project”), which is in the public interest of the County and its environs and which benefits the Commonwealth of Virginia (the “Commonwealth”) and its citizens by facilitating the public purpose of economic development and revitalization in the County; and

WHEREAS, the Board of Supervisors of the County (the “Board”) is authorized, pursuant to § 15.2-5152 of the Code of Virginia of 1950, as amended (the “Virginia Code”), to consider petitions for the creation of local community development authorities; and

WHEREAS, Developer and NAI (together the “Petitioners” and each separately a “Petitioner”) desire to join with the Board to create a mechanism for the funding of certain infrastructure improvements, facilities and services, including, among others, public roads, public parks and plazas, landscaping, public open spaces, public utilities, parking facilities, public school improvements, wetlands mitigation and storm water management to be located in and around the area in which the Property is located, and that are necessary to meet the increased demands placed on the County as a result of the development of the Project; and

WHEREAS, Petitioners have determined that a community development authority (the “CDA”) affords the best mechanism for providing all or a portion of such infrastructure improvements and services in and around the area in which the Project is located; and

WHEREAS, the provision of such infrastructure improvements and services will facilitate the successful expansion of the County’s tax base through increased real property tax revenues, personal property tax revenues, retail sales tax revenues and business and license fee revenues from the expansion of the tax base contemplated within the proposed community development authority district; and

NOW, THEREFORE, the undersigned Petitioners, pursuant to Virginia Code § 15.2-5153, do hereby petition the Board to establish, by ordinance pursuant to Virginia Code § 15.2-5155, the CDA. In support of this Petition, Petitioners state as follows:

1. Petitioners and District. Petitioners collectively are the owners of at least fifty-one percent (51%) of the land area or assessed value of land proposed to be included within the

geographic boundaries of the CDA, and individually are either (i) the fee simple owners of or (ii) the holder (or an affiliate or subsidiary thereof) of a purchase right to acquire one hundred percent (100%) of the value and acreage of the real property proposed to be included within the geographic boundaries of the CDA (such real property, which is located within the boundaries of the Property, is herein referred to collectively as the "CDA District"). A list of the parcels to be included within the CDA District is attached to this Petition as Exhibit B and is incorporated herein by this reference. All parcels within the CDA District are located exclusively within Fairfax County, Virginia. The CDA District boundaries are shown on the map attached to this Petition as Exhibit C and incorporated herein by this reference, but may be expanded by the Board by subsequent ordinance upon petition filed pursuant to the Virginia Code. Petitioners request that the CDA be called the "Mosaic District Community Development Authority."

2. Description of Infrastructure, Facilities and Services. The CDA shall be formed for the purposes of, among other things, acquiring, financing, demolition, constructing, equipping and providing the installation, operation, maintenance (unless dedicated to and accepted by the appropriate governmental entity other than the CDA), replacement, relocation and alteration of all or portions of the public infrastructure, facilities and services identified on Exhibit D, including, without limitation, (a) sanitary sewer mains and lines; (b) water mains and lines, pump stations and water storage facilities; (c) storm sewer mains and lines; (d) landscaping and related site improvements; (e) parking facilities; (f) sidewalks and walkway paths; (g) storm water management and retention systems (including best management practices, water quality devices and erosion and sediment control); (h) lighting (including street and decorative lights in public rights of way); (i) street and directional signage; (j) wetlands mitigation; (k) roads, curbs and gutters (inclusive of rights of ways and easements related thereto); (l) public park and plaza facilities; (m) open space areas; (n) public school improvements; and (o) any and all facilities and services appurtenant to the above including the acquisition of land (collectively, all such existing and new public roads, utilities, facilities and services hereinafter, the "Infrastructure"). The CDA may contract for and incur all necessary expenses to accomplish the above and all related purposes, and all such operating expenses of the CDA, including, without limitation, administrative, underwriting, accounting, engineering and legal (all collectively hereinafter "the Operation of the CDA"), may be included within the scope of any bonds issued by the CDA. The CDA may perform or cause to be performed all work necessary to accomplish these purposes, including, without limitation, right-of-way and easement acquisition, permitting, and/or relocation of existing utilities.

3. Description of Provision and Financing of Infrastructure and Operation of the CDA. The Infrastructure shall be constructed by the CDA upon availability of funding. As set forth in paragraph 2 above, the CDA may contract for all services required for the Operation of the CDA and provision of the Infrastructure. The County and the CDA may contract with each other and with other parties necessary or desirable for the Operation of the CDA and provision of the Infrastructure or services directly related to the Operation of the CDA.

The proposed plan for the Operation of the CDA and for the provision of the Infrastructure within the CDA District is as follows:

- (a) The CDA or, in part or in whole and at the option of the Board and the CDA, the Fairfax County Economic Development Authority, may issue revenue bonds,

in one or more series, for the Operation of the CDA and for the provision of the Infrastructure or any portion thereof, and for the administrative and other authorized costs and expenses of issuing such bonds and performing the work necessary to provide the Infrastructure or any portion thereof. The bonds will be payable solely from revenues received by the CDA and shall be sufficient in an aggregate principal amount to produce amounts available for public improvement costs equaling \$72,000,000, subject to and in accordance with the terms of a Memorandum of Understanding between the Developer, the County and the CDA (the "Memorandum of Understanding"), a copy of which is attached hereto as Exhibit E.

(b) Petitioners propose that the Board to establish a special assessment upon taxable real property within the CDA District to finance all or a portion of the Infrastructure and the Operation of the CDA as described in and in accordance with the terms of the Memorandum of Understanding.

(c) Petitioners propose that the Board authorize a special tax on taxable real property within the CDA District in the event the special assessment described in (b) above is determined to be legally unenforceable in a final decree by a court of competent jurisdiction as described in and in accordance with the terms of the Memorandum of Understanding. Each Petitioner requests that, if necessary, any such special tax be at a rate in excess of the limit set forth in Virginia Code Section 15.2-5158(A)(3) as described in, and in accordance with, the terms of the Memorandum of Understanding.

(d) Petitioners propose that the Board approve a plan to make certain advances of County funds to the CDA using certain increased real property tax revenues generated by the development of the property within the CDA District, to finance a portion of the cost of the Infrastructure and the Operation of the CDA as described in and in accordance with the terms of the Memorandum of Understanding.

4. Expected Benefits from the Provision of Proposed Infrastructure and the Operation of the CDA. The provision of the Infrastructure and the Operation of the CDA will facilitate the County's efforts to attract new business and economic development to the County in furtherance of the County's business development and revitalization strategies. The Infrastructure and the Operation of the CDA are necessary to meet the increased demands placed upon the County as a result of the development of the Project. The development of the Project, which would be enabled by the Infrastructure and the Operation of the CDA, will enhance the County's tax base by increasing tax revenues and by increasing the value of the real property within the CDA District.

5. Members of the CDA. The CDA shall have five members appointed by the Board pursuant to Virginia Code § 15.2-5113. Members shall serve four-year staggered terms.

6. Duration/Abolition of the CDA. The CDA may be abolished at any time by appropriate action of the Board, provided that no such abolition shall occur while any CDA obligation remains outstanding. In addition, Petitioners request that prior to the issuance of any CDA bonds, the CDA be abolished if the Developer does not complete its purchase of the real property within the CDA District that is owned by NAI. Furthermore, it is contemplated that the

CDA shall continue to exist beyond the retirement of all of its obligations to the extent necessary and/or appropriate for the continued operation of the CDA.

7. Waiver. Each Petitioner intends to provide a waiver of the thirty (30) day period to withdraw its signature from this Petition as provided in Virginia Code § 15.2-5156B; provided, however, NAI, intends to withdraw its signature unless the ordinance establishing the CDA pursuant to this Petition provides, in substance, that the CDA will be abolished as a result of the Developer's failure to consummate the acquisition of the real property owned by NAI subject to this Petition.

ACCORDINGLY, for the reasons above, and in reliance upon the assurances and covenants set out herein, Petitioners respectfully request that the Board establish the Mosaic District Community Development Authority for the purposes set forth in this Petition.

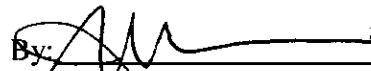
IN WITNESS HEREOF, Petitioners have executed this Petition pursuant to due authority this 10th day of February, 2009.

MERRIFIELD MIXED USE LLC, a Virginia limited liability company

By: Edens Merrifield Manager, LLC, a South Carolina limited liability company, its sole manager

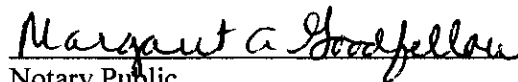
By: Edens & Avant Investments Limited Partnership, a Delaware limited partnership, its member

By: Edens & Avant Administrative LLC, a Delaware limited liability company, its sole general partner

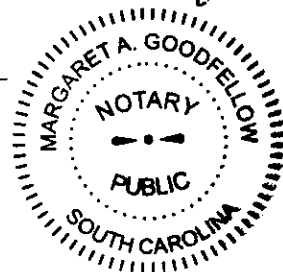
By: 
Jodie W. McLean, President

COMMONWEALTH OF VIRGINIA
COUNTY OF FAIRFAX

The foregoing Petition was acknowledged before me this 10 day of February, 2009, by Jodie W. McLean as President of Merrifield Mixed Use, LLC.


Notary Public

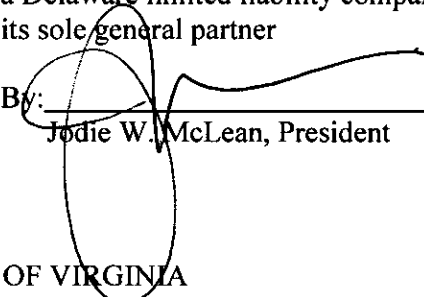
My Commission expires: 4-24-2010



ESKRIDGE (E&A), LLC, a South Carolina limited liability company

By: Edens & Avant Investments Limited Partnership,
a Delaware limited partnership, its member

By: Edens & Avant Administrative LLC,
a Delaware limited liability company,
its sole general partner

By: 

Jodie W. McLean, President

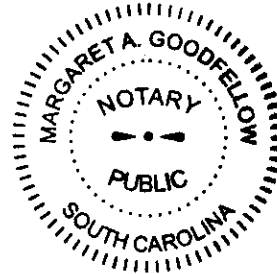
COMMONWEALTH OF VIRGINIA
COUNTY OF FAIRFAX

The foregoing Petition was acknowledged before me this 10 day of February,
2009, by Jodie W McLean as President of Eskridge (E&A), LLC.

Margaret C. Goodfellow

Notary Public

My Commission expires: 4-24-2016



NATIONAL AMUSEMENTS, INC.

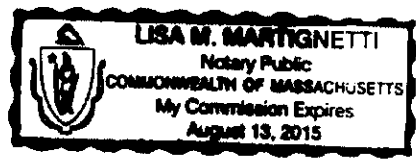
By: [Signature]
Name: RICHARD J SHERMAN
Title: VICE PRESIDENT

COMMONWEALTH OF ~~VIRGINIA~~ ^{MASSACHUSETTS}
COUNTY OF ~~FAIRFAX~~ ^{NORFOLK}

The foregoing Petition was acknowledged before me this 11th day of February, 2009, by Richard J. Sweeney as Vice President of National Amusements, Inc.

[Signature]
Notary Public

My Commission expires: 8/13/15



Exhibits:

Exhibit A - Description of Property

Exhibit B - List of Parcels by Tax Map Number

Exhibit C - Map of CDA District

Exhibit D - Description of Proposed Infrastructure

Exhibit E - Draft of Memorandum of Understanding

TRACT A

All those certain lots, pieces or parcels of land, situate, lying and being in the County of Fairfax, Virginia, and more particularly described as follows:

PARCEL 1Tract 1

Beginning at a point on the east side of Locust Avenue, formerly known as Eskridge Road, which point is removed S. 27 deg. 21' W. 20.4 feet marked by a found pipe from the intersection of the east side of said Locust Avenue with the south side of Old Lee Highway; thence departing from the point of beginning with the line of the land formerly owned by Ralph W. Ballentine, Jr., and wife, as the same is more particularly described in that certain deed recorded in Deed Book 524, at Page 237, among the land records of Fairfax County, Virginia, the following courses and distances: S. 86 deg. 03' E. 22.23 feet; thence S. 04 deg. 10' 34" W. 60.02 feet; thence S. 84 deg. 12' 44" E. 20.94 feet; thence S. 04 deg. 16' 37" W. 116.08 feet; thence S. 65 deg. 13' 23" E. 14.82 feet to a point marked by a pipe set in the ground and in the westerly line of the property now or formerly owned by Gladys Dunn Hurst; thence with the line of Hurst S. 27 deg. 21' W. 132.31 feet to a point marked by a set pipe and corner with the Hurst and the property now or formerly owned by Pearl Dunn; thence with the Dunn line N. 64 deg. 55' 40" W. 123.88 feet to a pipe set on the east side of Locust Avenue; thence N. 27 deg. 21' E. 282.02 feet to a point and the place of beginning, containing 27,087 square feet.

Tract 2

Beginning at a point 6.67 feet from the southerly line of Old Lee Highway, at its intersection with the easterly line of Locust Avenue, thence running S. 88 deg. 03' 01" E. 137.02 feet to a point, said point being the northeasterly corner of the former Hurst property, now Chesapeake Contracting Company, Inc., thence running with the easterly line of the herein described property, and the line common to the property of Chesapeake Contracting Company, Inc., as the same appears duly recorded in Deed Book 2817, at Page 559, among the land records of Fairfax County, Virginia (formerly Hurst), S. 27 deg. 17' 30" W. 223.68 feet to a point, said point being a corner to the now Clear Spring, Inc., property; thence running with the line in common of Clear Spring, Inc., property on the following courses and distances: N. 65 deg. 21' 12" W. 14.73 feet, N. 4 deg. 08' 38" E. 116.01 feet, N. 84 deg. 31' 22" W. 20.86 feet, N. 4 deg. 02' 38" E. 60.05 feet, and N. 86 deg. 10' 52" W. 22.29 feet to a point in the aforementioned easterly line of Locust Avenue; thence running with the easterly line of Locust Avenue N. 27 deg. 17' 54" E. 20.5 feet to the point of beginning, containing 13,665 square feet.

LESS AND EXCEPT that portion dedicated to public street purposes by instrument recorded in Deed Book 6029, at Page 1113, among the aforesaid land records.

PARCEL 2

Beginning at a point in the easterly line of Eskridge Road said point also being in the northerly line of the land of Leslie M. and Mary Louise Dunn; thence departing the northerly line of said Dunn and running with the easterly line of Eskridge Road N. 27 deg. 21' 00" E. 120.00 feet to a point in the southerly line of the land of Clear Spring, Inc.; thence departing the easterly line of Eskridge Road and running with the southerly line of Clear Spring, Inc., and continuing with the southerly line of Chesapeake Contracting Co., Inc., S. 64 deg. 42' 00" E. 356.78 feet to a point in the westerly line of the land of Brendale Realty Corp.; thence departing the southerly line of Chesapeake Contracting Co., Inc., and running with the westerly line of Brendale Realty Corp. S. 27 deg. 21' 00" W. 120 feet to a point in the aforementioned northerly line of the Land of Leslie M. and Mary Louise Dunn; thence departing the westerly line of Brendale Realty Corp. and running with the northerly line of said Dunn N. 64 deg. 42' 00" W. 356.78 feet to the point of beginning, containing 42,786 square feet.

LESS AND EXCEPT that portion of land dedicated to public street purposes by instrument recorded in Deed Book 6029, at Page 1113, among the aforesaid land records.

PARCEL 3

Beginning at a point in the southerly line of Old Lee Highway, marked by an original concrete Monument, said point being the front corner common to Gladys Dunn Hurst property and the now or formerly Robey property, as the same appears duly recorded among the land records of Fairfax County, Virginia; thence departing from said highway line and running with the westerly line of the aforesaid Robey property, S. 27 deg. 17' 30" W. 462.55 feet to a point, said point being the extreme easterly corner of the now or formerly Dunn property as delineated by an existing fence line separating the said Dunn and Hurst properties; thence running with said fence line between Dunn and Hurst properties, N. 64 deg. 47' 15" W. 232.95 feet to a point in the easterly line of the now or formerly Myers property; thence running with said easterly line of Myers and its northerly extension, being the easterly line of the now or formerly Ballentine property, and passing through the center of an old well, N. 27 deg. 17' 30" E. 355.82 feet to a point in the aforementioned southerly line of Old Lee Highway; thence running with said highway line, S. 89 deg. 03' 10" E. 256.78 feet to the point of beginning, containing 2.18710 acres, or 95,270 square feet of land.

AND BEING the same property conveyed to Forge, LLC, a Virginia limited liability company, by Deed recorded in Deed Book 16366, at Page 1548, among the land records of Fairfax County, Virginia.

PARCEL 4

Beginning at a point in the southerly line of Old Lee Highway at its intersection with the easterly line of Locust Avenue; thence running with said southerly line of Old Lee Highway (25 feet distant from and parallel to the centerline thereof) 61.83 feet along the arc of a curve to the left, which curve has a radius of 1,457.70 feet, the chord of which arc bears S. 87° 50' 15" E. – 61.83 feet to the PT; thence continuing with said southerly line of Old Lee Highway S. 89° 03' 10" E. – 75.72 feet to a point, said point being the northeasterly corner of the herein described tract; thence running with the easterly line of the herein described property, said line being the northerly extension of the line common to the property of Chesapeake Contracting Company,

Inc., as same appears duly recorded in Deed Book 2817 at Page 559 among the Fairfax County, Virginia land records (formerly Hurst) S. 27° 17' 30" W. – 7.88 feet to a point; thence departing from said line common to the property of Chesapeake Contracting Company, Inc., and running thence N. 88° 03' 01" W. – 137.02 feet to a point in the aforementioned easterly line of Locust Avenue; thence running with said easterly line N. 27° 17' 54" E. – 6.67 feet to the point of beginning; containing 838 square feet.

AND BEING all of the property conveyed to Eskridge (E&A), LLC, a South Carolina limited liability company by deeds recorded in Deed Book 18719, Page 82 and Deed Book 18719, Page 76 among the land records of Fairfax County, Virginia.

Tax I.D. #049-3-01-0081-A , 049-3-01-0082-A and 049-3-01-0082-B

PARCEL II

Parcel 1, containing 26.99579 acres of land, more or less, and Parcel 2, containing 0.06679 acres of land, more or less, per Deed of Dedication, Vacation and Easement recorded in Deed Book 6810, at Page 1504, among the land records of Fairfax County, Virginia.

And

1,539 square feet of land, more or less, being that portion of Strawberry Lane, Rt. 3145, vacated by Order of Abandonment recorded in Deed Book 17075, at Page 471, among the land records of Fairfax County, Virginia.

And

12,646 square feet of land, more or less, being that portion of Hilltop Road, Route 744, vacated and abandoned by Deed of Vacation and Abandonment recorded in Deed Book 20055, at Page 1207, among the aforesaid land records.

AND BEING part of the property conveyed to Brendale Realty Corporation, a Virginia corporation, now known as National Amusements, Inc., by deeds recorded in Deed Book 1163, at Page 254, in Deed Book 1564, at Page 442, by Order of Abandonment recorded in Deed Book 17075, at Page 471, and by Deed of Vacation and Abandonment recorded in Deed Book 20055, at Page 1207, among the land records of Fairfax County, Virginia.

Tax I.D.. #049-3-01-0080-A, 049-3-01-0080-B and 049-3-01-0080-C

Also, Tax I.D. 049-3-01-0080-D.

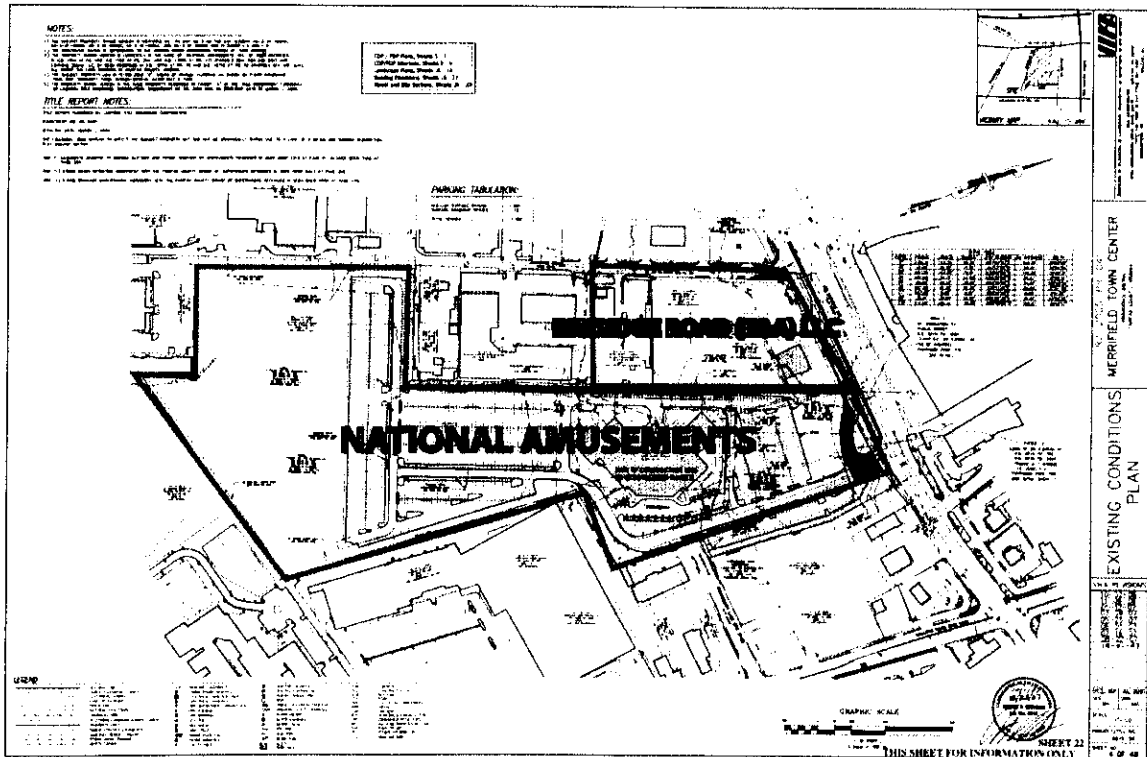
EXHIBIT B

LIST OF PARCELS BY TAX MAP NUMBER

Tax I.D. #049-3-01-0081-A , 049-3-01-0082-A and 049-3-01-0082-B

Tax I.D. #049-3-01-0080-a, 049-3-01-0080-B and 049-3-01-0080-C and 049-3-01-0080-D.

MAP



DESCRIPTION OF PROPOSED INFRASTRUCTURE

Mosaic District Projected Public Improvements**Item****Roads & Pedestrian Improvements**

Eskridge Road Improvements
 Lee Highway Improvements
 Festival Street
 Strawberry Lane
 North Street
 Yates Way
 Other Interior Road Improvements
 Williams Drive Design
 Other Road Improvements
 Streetscaping / Placemaking

Parks

South Park
 North Park
 Main Entrance at Lee Highway

Parking

West Deck
 East Deck
 Subgrade Parcel A
 Above grade Parcel A
 Above grade parcel B
 Residential
 Hotel

Offsite and Other Improvements

Storm Water System Improvements
 Green Initiatives
 Luther Jackson Middle School Improvements

Total Estimated Cost of Public Improvements
\$ 150,000,000

EXHIBIT E

MEMORANDUM OF UNDERSTANDING