

General Assembly of Virginia HB 2494 – Local Housing Policy



City of Alexandria FY 2023

Report to the Virginia Department of Housing and Community Development



In FY 2023, the City accelerated its 9-point package of potential plan and zoning reforms to increase market-rate and committed-affordable housing production through the Zoning for Housing/Housing for All initiative.

# **OVERVIEW**

The City of Alexandria prioritizes, through multiple actions, a housing economy where supply meets demand, where safe and sustainable housing is available at a range of price points and types, and where associated services meet the needs of our residents. These actions include policy and regulatory reforms, development approvals (including a streamlined interdepartmental review process coordinated to meet affordable housing funding timelines), and local financial support.

Alexandria's purpose in expanding and diversifying housing supply is to enhance housing opportunity – critical to the City's economic competitiveness – for Alexandria's residents and workforce by moderating housing cost growth which increasingly forces households to locate farther and farther from their places of employment and community networks by introducing new housing types in locations across the City. Removing regulatory barriers to housing is a big piece of the City's strategy, but not the only one.

The City employs a multifaceted approach to the housing crisis by pursuing a range of regulatory reforms, financial support, and public-private and nonprofit partnerships necessary for both market rate and affordable housing preservation and production to move from plans to reality. Mechanisms for implementation include updating the <u>City's Master Plan</u> and <u>Zoning Ordinance</u> to encourage market-rate and affordable housing in private development, the adoption of new policies to expand housing options, fostering a variation in building types, focusing density in areas well served by transit, and facilitating office-to-residential conversions. Continued progress in plan implementation ensures that quality of life is maintained.

In FY 2023, the City accelerated its reform effort by putting on the table a 9-point package of potential plan and zoning changes to increase marketrate and committed-affordable housing production through the Zoning for Housing/Housing for All initiative (see page 4). The initiative includes exploring the reduction of unnecessary regulatory barriers to residential development throughout Alexandria and addressing the extent of past discriminatory housing policies and their continued impact. Besides market rate and committed affordable housing, support of new and traditional housing typologies is also expanding market affordable and workforce choices.

#### Quick summary of FY 2023 indicators:

- 1,153 residential units constructed
- 81 committed affordable units constructed (420 more units approved using the RMF zone and awarded 2024 federal low income housing tax credits)
- 4 rezonings relevant to housing
- Fees for a typical mixed-use redevelopment: ~\$1.5M, majority related to sewer connections
  - Infrastructure/public facilities: \$995,000
    - \$780,000 in Multifamily Dwelling Sewer Connection fees
    - \$140,000 for Combined Sewer Contribution
  - Review fees:
    - Development Special Use Permit: \$40,000
    - Transportation Management Plan: \$4,150
    - Rezoning: \$3,150
    - Master Plan Amendment: \$3,150
- Housing Trust Fund contributions received in FY23: \$0.55M
- Housing Trust Fund pledges in FY23: \$2.1M
- Average time for rezoning process: The City processes rezonings simultaneously with all other necessary applications to speed applicants through the process, so no additional time is needed for the rezoning step.
- The establishment of the Residential Multifamily Zone (RMF), which exchanges substantial density for deep affordability, has resulted in the approval of 988 future committed affordable units, including units preserved or units proposed to be created to date
- Accessory Dwelling Units approved since policy adoption 49 to date
- Co-living special use permit requests since policy adoption 0 to date



The City processes rezonings simultaneously with all other necessary applications to speed applicants through the process, so no additional time is needed for the rezoning step.

#### ALEXANDRIA'S PARTICIPATION IN THE REGIONAL HOUSING INITIATIVE

The existing demand for housing at all price points is driven by employment growth and other factors, such as a rising divergence between the growth in housing costs and wages. The <u>Metropolitan Washington Council of Governments</u> (<u>MWCOG</u>) has estimated that 75,000 additional housing units are needed across the region, above the 245,000 units estimated to be produced between 2020 and 2030. MWCOG has recommended that 75 percent of these units serve low-and moderate-income households and be located in transit and activity centers, near jobs, services and amenities.

In response to regional housing demand, MWCOG adopted the <u>2020-2030</u> <u>Regional Housing Initiative (RHI)</u> which established housing production targets for its member jurisdictions. In March 2020, the Alexandria City Council endorsed the initiative through <u>Resolution R27-2019</u>, which includes the City's housing production allocation of 3,000 units (above the City's development projections) by 2030, with a goal that 75 percent of the units (2,250) be affordable to low- and moderate-income households.

In FY 2023, the City is meeting its regional housing commitments, as well as goals set in its 2013 Housing Master Plan, recognizing that the ability to continue to do so depends on further progress on local planning and zoning reforms, state enabling new expanded tools, and financial investments utilizing resources at the local, state, and federal levels, public and private. (<u>Track progress</u>)

Approximately 15,500 Alexandria renter households and 3,500 homeowner households with incomes up to \$75,000 are estimated to be housing cost burdened, defined as spending more than 30 percent of their gross income on housing costs. Housing cost burden is experienced most acutely by Alexandria households with incomes below \$50,000.

# ZONING REFORMS

# Zoning Tools for Affordable Housing Preservation and Expansion

Pursuant to a planning process focused on preserving deeply affordable existing housing (<u>the South Patrick Street Housing Affordability Strategy</u>), the City approved a new zoning tool, the Residential Multifamily Zone, which enables significant additional density in exchange for a substantial component of committed units produced or preserved at an average of 40% AMI. This zoning tool was recognized by the Urban Land Institute as the nation's 2020 Best Housing Policy and has been widely used since its adoption.

# Zoning for Housing/Housing for All

Beginning in 2019-2020, the City of Alexandria launched a phased program, Zoning for Housing/Housing for All, to develop land use policies that expand housing options, affordability and accessibility in the city's neighborhoods. Prior to this fiscal year, the Alexandria City Council adopted two new policies toward this goal, an Accessory Dwelling Units Policy and a Co-Living Policy. In July 2022, Zoning Text Amendment 2022-00004 (Ord. 5449) regarding Auxiliary Dwellings was adopted to provide greater flexibility in terms of adding dwelling units in commercial buildings.

The City is accelerating the Zoning for Housing initiative with the goal of approving in 2023 a <u>comprehensive package of proposed zoning reforms</u> to expand housing production and affordability and to shape reforms in a manner that includes the City's equity goals. Housing for All, the equity component of Zoning for Housing, is exploring the extent of past discriminatory housing policies and their continued impact, especially on people of color and/ or households that are low-income. This community planning process is occurring during this calendar year with draft recommendations anticipated for community input and the public hearing process this fall.

The exhaustive review of Alexandria's zoning ordinance to break through barriers to housing production and affordability under Zoning for Housing will highlight areas where our toolbox might need to be enhanced through General Assembly enabling legislation.

# Substandard Lots

The City has experienced an increase in demand to construct homes on smaller lots, once allowed by right but now considered "substandard." Alexandria allows this infill development through a special use permit process, accommodating the growing residential demand for housing in Alexandria. In FY 2023, two applications were approved:

- 2435 Ridge Road Drive: <u>SUP2023-00002</u>
- 103A East Del Ray Avenue: <u>SUP2022-00022</u>

The City's zoning work program includes examining options to allow housing construction on smaller lots.



Zoning for Housing Community Meeting

# MASTER PLAN UPDATES AND IMPLEMENTATION

### Housing Master Plan

In addition to the City's RHI target of 3,000 units, the City continues to implement the <u>Housing Master Plan</u> goal of preserving or developing 2,000 units with new affordability by 2025 through enhanced planning and housing policies, public/private and nonprofit partnerships, increased leverage of City financial investment, and regulatory incentives to secure additional affordable housing through the development process. (<u>Track progress</u>)

The following was accomplished in FY 2023:

- 81 committed affordable rental units constructed.
- 102 committed affordable rental units under construction, comprising affordable set-aside units secured through the development process.
- 1,736 units in the pipeline, comprising 1,094 units created, converted, or preserved through partnerships, 316 units created through the development process, and 326 units created or preserved through redevelopment support to the Alexandria Redevelopment Housing Authority.
- 11 first-time homebuyers received loans for down payment and closing cost assistance, including through a SPARC grant allocation from Virginia Housing discounting mortgage rates.
- Five projects were completed through the Home Rehabilitation Loan Program.
- Ten grants (\$5,000+) were issued through the Rebuilding Together DC-Alexandria Program.
- One grant was issued through the Rental Accessibility Modification Program.



Arlandria-Chirilagua Community

In addition to units gained through the development and/or planning processes, pursuant to the Housing Master Plan, the City continues to make investments in affordable housing through the use of developer contributions, federal grant allocations, dedicated funds, and other sources:

- In FY 2023, \$2.1M was pledged by developers to the Housing Trust Fund and \$0.55M was received in developer contributions.
- City Council's <u>FY 2019 resolution</u> to increase the City restaurant meals tax rate from 4% to 5% which now generates nearly \$6M per year in dedicated funding for affordable housing. Another \$1 M per year is also dedicated to affordable housing purposes in the budget pursuant to the City's 2018 pledge to mitigate impacts to housing affordability related to Amazon HQ2.
- For FY 2023 the City was allocated \$1.1M in federal Community Development Block Grant (CDBG) funding and approximately \$700,000 in Home Investment Partnership (HOME) funding. CDBG funds were used to provide overnight winter shelter to 278 individuals; help 54 individuals move into stable housing; rehabilitate the homes of five low-income homeowners; rehabilitate the elevators and elevator lobbies of a building with 141 lowincome tenants; and conduct one round of fair housing testing. HOME funds assisted four first-time homebuyers become homeowners and will be used to support FY 2024 affordable housing projects.
- In the Housing section of the FY 2024 Capital Improvement Project budget, \$14.5M in CIP funds (previously allocated as ARPA funds) continue to be allocated as follows: \$2.5M to assist with capital improvements at the 286-unit Arlandria Chirilagua Housing Cooperative; \$10M for infrastructure requirements related to Housing Alexandria's Arlandria Mount Vernon-Glebe project; and \$2M towards the cost of the City's flex space to be developed as part of that mixed-use, mixed affordability project. Additional Housing FY 2024 CIP funds have been allocated to this project (see page 8).

To ensure the continued effective use of the City housing funds, and to meet the City's Housing Master Plan and RHI goals regarding production and preservation for affordable and workforce housing, a robust pipeline of projects has been created to be implemented as funding is identified and secured. The City funding for affordable housing provides gap financing – all projects are contingent on a mix of funding sources beyond City funding, which may include private, state, and federal funds, with the City funding the remaining need.

In FY 2023, non-city funding sources for Alexandria affordable housing acquisition and development has included federal low income housing tax credits, private finance, Virginia Housing Amazon Impact REACH grant funding, Planning District 8 REACH grant funds, Amazon Housing Equity Funds, state and federal Housing Trust Fund monies, a federal earmark grant, and ARPA funding.

The 2013 Housing Master Plan identified "inclusionary zoning" as a potential new tool for the City. For the planned Housing Master Plan update, Alexandria will study if the current limitations on inclusionary zoning in Virginia should be modified to make it a more effective housing production tool to meet Alexandria's housing supply goals related to economic development.

It is also anticipated that the City will seek legislative authority to make voluntary monetary contributions from developers for housing (used to support affordable housing development) mandatory because of the important linkage between housing supply and economic development.



Alexandria West Community Outreach

#### Arlandria-Chirilagua Small Area Plan

Following a two-year community planning process launched to proactively address housing affordability concerns in the Arlandria-Chirilagua neighborhood of Alexandria and develop strategies so that residents can remain in their community, in 2022 City Council adopted the <u>Arlandria-Chirilagua Small Area</u> <u>Plan</u>, a new chapter to the City's Master Plan.

Recognizing the magnitude of the resources required to address the depth of housing need in this area, and the contributions of the workers living there to the local and regional economy, the Plan prioritizes housing as the main community benefit to be provided through both City investment and new development. The Plan also acknowledges that the cost significantly outweighs the ability to solve the issue alone and therefore underscores the importance of considering every potential opportunity to add new deeply affordable units. The Plan lays the groundwork to enable the use of "any-and-all" tools to support affordable housing development and preservation, including building height incentives and developer contributions; public, private and nonprofit partnerships and federal, state and private funding; neighborhood preference prioritizing those in the community as new housing resources are available to avoid displacement, and Rent Ready programs; investment in existing housing; tenant protections; relocation assistance; and expanded homeownership opportunities.

### Alexandria West Planning Process

In FY 2023, the Alexandria City Council prioritized the <u>Alexandria West planning</u> <u>process</u> to update the long-term vision for this area of the city, home to a highly diverse community of residents facing the challenges of rising rents and potential displacement. Housing is again an important concern, as data identify those living in Alexandria West as comprising 43% of the City's essential workforce. This effort opens a necessary conversation among residents, property owners and developers, involved non-profits, and their government to proactively address not only today's challenges but those we expect in coming decades.

Extensive community engagement is essential for this planning process, including grant-funded collaborations with community organizations and community leaders and widespread language interpretation and translation in five languages to ensure that all voices are heard. In response to community feedback, the key focus of the planning process is to address the issue of housing vulnerability and affordability. More than half of 1,000 respondents to the first community poll mentioned the high cost of housing as their biggest concern.

To address housing affordability and preserve the community's cultural diversity, the Plan will leverage housing resources, policies, and funding opportunities as well as implement an integrated housing affordability and land use strategy. This combined strategy strives to accommodate the need to increase the region's housing supply by prioritizing growth in areas where development will not lead to resident displacement.

The community planning process is anticipated to be completed in Fall 2024.



Rendering of office-to-residential conversion project in Old Town North

# OFFICE-TO-RESIDENTIAL CONVERSIONS

In recent years, Alexandria has become a national leader in facilitating office-toresidential conversions, a trend that is driven by market and economic forces and factors such as location, building age and ownership. These conversions are already increasing the number of available residential units in job-rich areas well-served by existing and future transit options, and the potential for more conversions is real as underperforming office space is adapted for other uses.

These conversions increase housing stock in Alexandria and, by their nature, support the City's Green Building goals. Additionally, Alexandria's studies show they are a clear net positive in terms of tax base. Through the Zoning for Housing initiative the City is examining elements of the Zoning Ordinance that may place unnecessary constraints on these types of projects.

Typically, office conversions do not involve the provision of additional density, even though local governments are approving a change in use that adds considerable value to a property.

Current state restrictions on the City's ability to require affordable housing except through density bonuses mean that conversions are not contributing meaningfully to our supply of committed affordable units. Securing onsite affordable housing is desirable to Alexandria's goal of dispersing committed units citywide; however, under current policy, voluntary monetary contributions, based on the project's square footage, are provided to support City housing goals.

# FY 2023 DEVELOPMENT APPROVALS ADVANCING ALEXANDRIA'S HOUSING GOALS

# Affordable Housing Projects

Housing Alexandria Mt. Vernon Avenue/Glebe Road (Sense and Naja) DSUP2022-10012; CDD2021-00005; TMP SUP2022-00033

In July 2022, the Alexandria City Council gave final approval to local nonprofit developer Housing Alexandria's multi-phased, mixed-use, mixed-tenure, mixed-income development project in the Arlandria-Chirilagua neighborhood. The need for deeply affordable rental housing options is significant in this community – the majority of area apartments are affordable at 60-70% of the area median income (AMI), including the cost of utilities, while the majority of renters have incomes at or below 40% AMI. The project will maximize housing opportunities for Arlandria-Chirilagua residents by maximizing the number of units affordable at 40% AMI.

The overall project has two components: a 416-unit mixed-income rental community affordable to households with incomes between 40% and 80%

of the AMI, and a 58-unit committed affordable (80% AMI) condominium community. The project's rental units affordable at 40-60% AMI contribute to the City's <u>Housing Master Plan</u> goals to create new affordability in 2,000 units by 2025; the remaining units contribute to the City's <u>regional housing goals</u> to create 2,250 low- to moderate-income units through 2030.

The project is distinguished by its commitment to expand housing options at deeper levels of affordability (40% AMI), provide a range of family-sized units, and incorporate affordable first-time homebuyer units. In addition to the affordable housing, other important community benefits include community serving retail and City flex-space, open space, streetscape improvements and compliance with the City's 2019 <u>Green Building Policy</u>.

# **City Funding Support**

Designated as the City's "highest housing priority," in 2022 City support for this project included 2022 \$10.5 Housing Opportunities Fund (HOF) Loan (used to successfully apply for a competitive tax credit award for a first tax credit-funded building (Building One - Phase 1)); the City parcel valued at \$1.7M; a federal earmark of \$1.5M (awarded in December 2022 through sponsorship from Senators Warner and Kaine and Congressman Beyer); \$1M in HOME funds; \$12M in ARPA-derived funds (for infrastructure improvements and costs associated with the City flex space); and a Community Development Block Grant Section 108 loan of approximately \$6M.

In June 2023, the City approved an additional loan of \$31.5M in FY 2023-2024 housing funds, as planned, for upcoming components of Building One (to be partially funded with tax credits), as well as a commitment of up to \$22M in FY 2025 to FY 2026 City Housing/CIP funds to complete the City funding package for Phases Zero and One to facilitate a Summer 2023 start on the project. Through its pilot rental subsidy program, the City is providing some grant funds to ensure that up to 10% of all tax credit-funded units are deeply subsidized.

Rendering of the Sense and Naja



#### Witter Place, 2172 Duke Street

<u>MPA2021-00013 (Ord 5470), REZ2021-00009 (Ord. 5471), DSUP2022-</u> 10013, TMP2022-00080

The Alexandria City Council approved a proposal by <u>Community Housing</u> <u>Partners (CHP)</u> to construct a 94-unit committed affordable community along the future Duke Street transitway on the site of a former car dealership. The community will offer family-sized rental units (2 and 3 BR) affordable to households with incomes between 40% and 60% AMI. This will be CHP's first project in the city and the third project to utilize the <u>Residential Multifamily</u> (<u>RMF) Zone</u>, established to incentivize the development and/or preservation of long-term housing affordability through the provision of additional density. The project successfully competed for and was awarded Low Income Housing Tax Credits this spring. The City is providing a loan of \$10.5 million to the project, as well as a pilot rental subsidy grant to enable 10 deeply affordable units. In addition to the affordable housing, the project will implement streetscape enhancements, including wide, tree-lined sidewalks and a new bus shelter on Duke Street to improve pedestrian safety, reduce phosphorus runoff levels by 24 percent and overall comply with the City's <u>Green Building Policy</u>.

# Seminary Road Affordable Homeownership/Mixed Ability Community, 4547 Seminary Road

MPA2021-00007 (Ord. 5397), REZ2021-00006 (Ord. 5398), City Charter Section 9.06 Case 2021-00005, DSUP2021-10027, TMP2021-00099

This project is the first homeownership project sponsored by the City in several years. Besides a city-owned parcel and a \$5 million grant from Alexandria, other sources include a VH Amazon Impact REACH grant of \$2.5M and state housing trust funds, including supportive housing funds, as well as a grant from the Northern Virginia Regional Commission in the amount of \$500,000. Through a shared equity structure, the project will both allow first time homebuyers to attain some generational wealth while ensuring that future buyers with

City of Alexandria funding for affordable housing provides

gap financing – all projects are contingent on a mix of funding

sources beyond City funding, which may include private, state,

and federal funds, with the City funding the remaining need.



Rendering of Witter Place

incomes at the <80% AMI level can afford to purchase as units are resold. The project includes townhomes and a small condominium building. Three of the condominium units will be owned and operated by Sheltered Homes of Alexandria to replace aging group homes currently serving 12 developmentally disabled adults.

Community engagement and education were critical to getting the rezoning approved which was important to facilitate the project's affordability. One concern in the surrounding single-family home neighborhood was the impact of nearby affordable housing development of the value of their residences. A <u>study undertaken by Urban Institute</u> determined that, due to the excellent design, development, management, and maintenance practices followed by Alexandria affordable housing developers, and overseen by the City, the value of homes proximate to affordable housing experienced a small, but measurable increase in value.

# Elbert Avenue Residences, 3908 Elbert Avenue REZ2022-00008 (Ord. 5483), DSUP2022-10022, TMP2022-00111

In February, the City approved a proposal by <u>Community Lodgings, Inc (CLI)</u> to preserve and expand its existing 28-unit affordable community on Elbert Avenue in the Arlandria neighborhood. The project's focus on deepening levels of affordability (21 of the planned 91 units will be affordable at 30-40% AMI) and providing a diversity of unit types (80% of the units are two- to three-bedroom) in proximity to transit, retail, and amenities aligns with the goals and housing priorities of the new <u>Arlandria-Chirilagua Small Area Plan</u>. It is the second redevelopment approved since the adoption of the Plan, the first to access the bonus height provision permitted by the Plan, and the fifth project to utilize the <u>Residential Multifamily (RMF) Zone</u>, established to incentivize the enhancement and preservation of long-term housing affordability through the provision of additional density. The new six-story building will measure approximately 115,000 net square feet with community amenity spaces, garage parking and a courtyard. Additional open spaces for residents are provided on two rooftop terraces on the sixth floor and on the ground level in front of the building.

Consistent with the RMF Zone Tenant Assistance and Relocation Policy, CLI developed a Relocation Plan which outlines notification and relocation assistance requirements for existing tenants to mitigate the impacts of the proposed redevelopment, as well as ensures the right to return for all income eligible households.

The project is in the City's affordable housing pipeline – the City and CLI are working together to identify City, state, federal, and other resources to fund the project in the near to mid-term. Since low income housing tax credits are an anticipated source of equity funding, the City will likely provide a pilot rental subsidy grant when project funding moves forward.



Rendering of Elbert Avenue Residences

#### Samuel Madden, 899 and 999 N. Henry Street

<u>MPA2022-0006 (Ord. 5481),REZ2022-0009 (Ord. 5482),DSUP2022-10020,TMP2022-00104,SUP2022-00105,SUP2022-00115,SUP2022-00116</u>

In February, City Council approved the redevelopment of the two-block Samuel Madden community, an <u>Alexandria Redevelopment and Housing Authority</u> (<u>ARHA</u>) project being undertaken through a partnership with private developers. The new development will include 532 residential units in two buildings, ranging from deeply affordable to workforce housing, with 206 market rate units in the south building. The south building will also include some affordable units, ground floor retail and the Hopkins House early childhood learning center. The north building will be an all-affordable building with an ALIVE! food hub on the first floor. The six-story buildings include interior courtyards, a publicly accessible open space at the north tip and a private playground along Montgomery Street. In addition to the significant increase in affordable housing units, this project will include improved streetscapes and wider sidewalks, creation of an oral history project highlighting past and current residents and meeting or exceeding the City's <u>Green Building policy</u>.

Pursuant to the City and ARHA's long term joint commitment to replacing every public housing unit on a 1:1 basis when redevelopment occurs, all 66 currently existing public housing units are incorporated in the new project and current residents will have the opportunity to return following relocation during construction.

The City has loaned the project a total of \$3.1 million. ARHA is actively seeking to reposition its HUD subsidies to ensure more robust rental revenue in the future to operate and maintain the development.

# Other Planing and Development Activities

*Former Potomac River Generating Station Site, 1300 N. Royal Street MPA2022-00001 & 00002 (Ord. 5450), TA2022-00006 & 00007 (Ord. 5451), REZ2022-00003 & 00004 (Ord. 5452), CDD2021-00004* 

In July 2022, the Alexandria City Council approved the Coordinated Development District (CDD) Concept Plan with related rezonings and amendments to the Master Plan to facilitate the development of the 18-acre Potomac River Generating Station (PRGS) site in the Old Town North area of the city.

Following years of community effort, the power plant was closed in 2012 and the <u>Old Town North Small Area Plan</u> established a framework and development goals for the site. After purchasing the property in 2020, Hilco Redevelopment Partners (HRP) began working with the City and community to develop a conceptual design plan and zoning parameters for the site.

The approval permits up to 2.5M square feet of gross floor area across the site for mixed use development, including up to 2,000 multifamily dwelling units



Rendering of Samuel Madden Project

(rental and/or condominium units) as well as a minimum of 58,300 square feet of affordable set-side units and a potential public-private partnership for an onsite affordable housing project with approximately 100 units.

Applicant teams, Foulger-Pratt and Inova Health System, have been working with City staff to advance the long-awaited redevelopment of the former Landmark Mall site, now renamed West End Alexandria. The approval also includes commercial uses, arts space, and the design and construction of an expanded waterfront park, a rail corridor park, and a portion of the Old Town North Linear Park. The CDD established performance targets as part of a comprehensive sustainability approach to be further developed in a Coordinated Sustainability Strategy. The Infrastructure Development Site Plan and individual block Development Special Use Permits are currently under review.

# West End Alexandria (Site of former Landmark Mall) DSUP2022-10015, DSUP2022-10016, DSUP2022-10017, DSUP2022-10023

Following the July 2021 approval of the Coordinated Development District (CDD) concept plan, in December 2022 and March 2023 the City Council approved the development special use permit applications for several blocks within the site as well as the Inova Hospital Campus.

The phase one blocks will be the core of the new neighborhood providing over 1,100 apartments, including 45 committed affordable units affordable to households earning up to 60% AMI for a period of 40 years and distributed proportionally across the four blocks of residential housing; fifteen affordable for-sale units; 2% of units as senior housing + care affordable units in any planned continuing care retirement community building; and a potential P-3 joint fire station affordable housing development (up to 200 units) in Block J, to which the City will contribute. This replicates a prior P3 within Potomac Yard, The Station at Potomac Yard, which combines a fire station, affordable housing and retail space. Approximately 200,000 square feet of retail; and nearly 120,000 square feet of office are also planned at Landmark. The 1.1M square foot Inova Hospital Campus will feature a state-of-the-art hospital, cancer center, and specialty care center.



Each building will achieve at least LEED Silver plus the enhanced sustainability requirements for the CDD and deliver considerable stormwater quality and quantity improvements compared to the former Landmark Mall building and parking. The contemporary design of each building reinforces the reimaging of the site into a walkable, mixed-use neighborhood with ample ground floor activity through shops, restaurants, and other businesses.

### *Montgomery Center, 815 Montgomery Street MPA2023-00001 (Ord. 5491), DSUP2022-10021, TMP2023-00008*

development.

In April, the City Council approved the redevelopment of the Montgomery Center in the Old Town North neighborhood. The full-block 327-unit mixed-use multifamily project is consistent with the Housing Master Plan's recommendation to focus affordable housing in areas near jobs, amenities, and services and with the greatest potential for increased density and mixed-use

The applicant was approved for bonus density per Section 7-700 of the Zoning Ordinance and in exchange provided 22 on-site committed affordable set-aside units, affordable to households with incomes at 60% of the AMI, including eligible renters with Housing Choice vouchers (HCVs). The units will remain affordable for a 40-year period from the date of initial occupancy. The residents of the set-aside units will have the same access to amenities as do marketrate residents in the project. It is noted that pursuant to a 2020 Virginia law, all qualified households with HCVs may rent at any Virginia multifamily rental property so the option to serve households with incomes below 60% is possible.

The project also includes 25,000 square feet of ground floor retail, a 13,000 square foot arts and cultural anchor, and two at-grade plazas which will provide areas for public gathering and outdoor seating for restaurants and visitors. The building complies with the <u>Green Building Policy</u> and is the first to include rooftop solar panels.

# The Rutherford, 5050 Mark Center Drive

DSUP2022-10027, TMP2022-00097, Coordinated Sign SUP2023-00037

In June, City Council approved a new 455,000 square foot, 367-unit multifamily building in the Mark Center neighborhood of Alexandria, located on a 4.25acre site behind a Hilton Hotel. It will include 25 on-site committed affordable rental set-aside units affordable to households with incomes at 60% AMI as well as to eligible households with Housing Choice vouchers. The units will remain affordable for 40 years. The development will also include a 405-space parking garage and 40% on-site open space. The project is providing a contribution to the Housing Trust Fund.

The project is providing right-of-way and assisting with the construction of the Mark Center Transit Facility expansion, which will serve current bus traffic as well as the future West End Transitway, contributions to the Beauregard Implementation Fund, public art, streetscape improvements, and is meeting the City's <u>Green Building Policy</u>.



Rendering of the Rutherford

### Edgewood Towns, 6336 Stevenson Avenue REZ2022-00007 (Ord. 5483), DSP2022-00004, SUB2022-00004

City Council approved this rezoning with proffer, development site plan with modifications, and subdivision to construct seven townhouse units. This development provides several benefits for the city and the surrounding community, including redevelopment of a lot that has long been dormant; market-rate home ownership opportunities near Stevenson Park; contribution to the Housing Trust Fund; streetscape improvements; reduced storm water runoff from the site, with a 42% reduction in phosphorus; and compliance with the City's Green Building Policy.



1225 King Street SUP2022-00092

City Council approved a special use permit for the conversion of existing, nonresidential upper floors in a building located in an urban retail zone to residential use. The upper floors will include 12 dwelling units. The first floor will remain commercial with no change to the building's footprint. The project also includes a contribution to the City's Housing Trust Fund.

*The Mansly, 615 King Street REZ2022-00006 (Ord. 5459), DSUP2022-10011* 

In September 2022, the Alexandria City Council approved an amendment to construct a mixed-use development with 24 multifamily units located behind two existing historic buildings and above 6,000 square feet of ground-floor commercial use. The two buildings will be combined into a single building with ground floor commercial space and three stories of multi-family residential above. The project includes a contribution to the City's Housing Trust Fund.

This adaptive reuse and rehabilitation of two early 20th -century buildings is a contextually responsive infill development that will enhance the retail corridor which utilizes existing transit facilities with no new parking. It also provides up-to-date retail spaces for new businesses, contributions to the City's Public Art and Urban Forestry Funds, and transit improvements along the corridor.

# 1022 Pendleton Street Rooming House

The <u>City Council approved funding</u> up to \$1.95M for the renovation and preservation of a rooming house located at 1022 Pendleton Street, which provides deeply affordable accommodations to up to nine residents with low incomes. As a condition of City funding, the property will operate as a rooming



Rendering of the Mansly

house for at least 15 years, and residents will be selected in coordination with the property owner, the Office of Housing, and the Department of Community and Human Services as future vacancies occur. Current residents will be relocated within the City during construction and have a right to return when the rehabilitation is complete. In addition, the scope of the project includes improving accessibility, providing energy-efficient heating and cooling systems, and restoring the building's historical appearance. All impacted residents will be relocated during the construction period and have a right to return. HOME-ARPA grant funds and a potential federal earmark will cover the costs of the project.

#### 3103 Park Center Drive

#### <u>SUP2022-00058</u>

A special use permit request was approved for a local nonprofit to operate a congregate living facility. Regulatory flexibility enabled six residents to relocate to a single dwelling unit temporarily while their current residence is redeveloped as part of a larger affordable housing project.



FY 2023 Report to the Virginia Department of Housing and Community Development September 1, 2023