

**Table 1. Cost estimates and funding sources for the provision of recommended public amenities in the Braddock Metro neighborhood**

The following table, based on the chart "Cost Range of Recommended Public Improvements" found in the Braddock Metro Neighborhood Plan on page 119, demonstrates how all of the public amenities recommended in the BMNP will be funded. Additional details regarding the CAF and OSF are provided in Tables 2-4, attached.

	ESTIMATES		FUNDING SOURCE			Notes
	BMNP Estimated Cost Range <sup>1</sup>	Actual Cost <sup>2</sup>	Community Amenities Fund (CAF)	Open Space Fund (OSF)	Other Funding Source (DSUP condition, CIP)	
<b>Walking Streets</b> Up to 29 blocks along Fayette, Madison, West, and Wythe Streets Streetscape improvements include: - sidewalk and curb repairs - street trees - lighting	\$3 - \$5 million	\$2,700,000	\$1,800,000		\$900,000	The Plan recommends streetscaping improvements on 29 blocks of the "walking streets," (see Figure 1) for a current estimated cost of \$2.7M. The CAF will fund \$1.8 million of these improvements (funded equally by the City and development at \$900,000 each) on 19 blocks that are not adjacent to parcels anticipated for redevelopment. (Further detail on the CAF is provided in Tables 2-4). The estimated cost to improve the remaining 10 blocks that are adjacent to parcels anticipated for redevelopment is \$900,000 and will be the obligation of the developer as required through the development review process.
<b>Bikeways</b> Improvements along Fayette Street	\$1 - \$2 million	\$700,000			\$700,000	The Plan recommends improvements along Fayette Street to facilitate enhanced bike circulation for a total current estimated cost of \$700,000. All of the curb extensions on Fayette recommended in the Plan are adjacent to parcels anticipated for redevelopment. Projects will be obligated to construct curb extensions through the development review process, at an estimated total cost of \$400,000.
<b>Streetscape and Traffic Calming</b> Intersection improvements include: - curb extensions - traffic signal - crosswalks	\$1 - \$2 million	\$570,000			\$570,000	The Plan recommends streetscape and traffic calming improvements, including curb extensions, a traffic signal, and crosswalks for a cost of \$570,000. The cost of the curb extensions recommended on West St is \$200,000 and will be required by the development review process of the adjacent parcel when developed. The estimated cost of the traffic signal and special crosswalks is \$370,000 and will be funded by the City's CIP.
<b>New Community Park</b> 1 acre park	\$7 - \$15 million	\$9,600,000		\$9,600,000		The Plan recommends a new 1 acre community park (see Figure 2). The park will cost \$9.6M to purchase, design and construct, and will be funded by the OSF (funded equally by the City and new development at \$4.8M each). The estimated size of the proposed park is 46,500 square feet (1.06 acres). Further detail on the OSF is provided in Tables 2-4.
<b>Pocket Parks/Plazas</b> Publicly-accessible, privately-owned and maintained open spaces located on-site private development projects	\$3 - \$5 million	\$3 - \$5 million			\$3 - \$5 million	The Plan recommends publicly accessible pocket parks and plazas throughout the neighborhood. These will be implemented as part of each new development project for each block, and will be publicly accessible and privately owned/maintained.
<b>TOTAL PHYSICAL IMPROVEMENTS</b>	<b>\$15-29 million</b>	<b>\$16.5-18.5 million</b>	<b>\$2,300,000</b>	<b>\$9,600,000</b>	<b>\$5.2-7.2 million</b>	
<b>Neighborhood Retail</b> Locally-owned, small business recruitment and retention, façade improvements, signage, etc	\$4 - \$6 million	\$500,000	\$500,000			The Plan recommends a fund to support neighborhood retail. The original estimate in the Plan was recommended by the City's consultant. After Plan adoption, discussions with business recruitment and economic development officials indicate that the Plan's objectives can be achieved with a reduced level of funding. Additionally, the facade program has been phased out. The current estimated cost of \$500,000 will be funded by the CAF (shared equally by the City and new development at \$250,000 each).
<b>TOTAL</b>	<b>\$19-35 million</b>	<b>\$17-19 million</b>	<b>\$2,800,000</b>	<b>\$9,600,000</b>	<b>\$5.2-7.2 million</b>	

<sup>1</sup> BMNP Estimated Cost Range found in Braddock Metro Neighborhood Plan (approved February 2008), Chart *Cost Range of Recommended Public Improvements*, Pg 119

<sup>2</sup> Generated through the BMNP Implementation Process (January 2009). All estimates are rounded to the nearest hundred thousand (excluding Traffic Calming)

**Table 2: Open Space and Community Amenities Funds**

	<b>Total Cost Estimate</b>	<b>City contribution</b>	<b>Total allowable development (SF)</b>	<b>Development pro rata share</b>	<b>Development contribution</b>
<b>Open Space Fund (OSF)</b>	\$9,600,000	\$4,800,000	2,347,100	\$2.05	\$4,800,000
<b>Community Amenities Fund (CAF)</b>	\$2,300,000	\$1,150,000	2,347,100	\$0.49	\$1,150,000
<b>Total</b>	\$11,900,000	\$5,950,000		\$2.54	\$5,950,000

Table 2 shows that, as specified in the Plan, half of the funding for both the open space and community amenities funds will be provided by the City and half will be provided by the development projects in the area. Based the planned development, this results in a pro rata share of \$2.54 per allowable square foot of development (half the total fund cost divided by allowable development). Total developer contributions to the OSF and CAF shown in this table are in addition to improvements required by the DSUP process, such as on-site streetscaping, shown in Table 1.

**Table 3: Tiered rate structure approach to developer fair share contributions**

	<b>Tiered rate structure/Sq. Ft.</b>		
	<b>Catalyst</b>	<b>Non-catalyst</b>	<b>Density bonus</b>
<b>Open Space Fund (OSF)</b>	\$1.50	\$3.67	\$5.76
<b>Community Amenities Fund (CAF)</b>	\$0.40	\$0.56	\$0.70
<b>Total</b>	\$1.90	\$4.23	\$6.46

Table 3 illustrates the proposed tiered rate structure for developer fair share contributions. Using the pro rata share as a starting point, the tiered structure provides the following three graduated rates:

- **Catalyst:** Applies to early projects that preceded or were concurrent with the BMNP and approved prior to the adoption of the OSF and CAF formulas. The catalyst rate recognizes the current market conditions status and is intended to serve as a “catalyst” to enable these early projects to proceed which will add amenities to the community and City while also adding value for subsequent projects.
- **Non-catalyst:** Applies to all projects that are submitted subsequent to the approval of the formulas and have the advantage of factoring the OSF and CAF costs into their pro forma.
- **Density bonus:** Applies to sites that were recommended in the BMNP for rezoning to a higher density.

**Table 4: Total Developer Contributions**

<b>Development Site</b>	<b>Total allowable development (SF)</b>	<b>OSF Total Developer Contribution</b>	<b>CAF Total Developer Contribution</b>	<b>TOTAL developer contributions (both funds)</b>	<b>TOTAL City contribution (both funds)</b>
<b>Payne Street</b>	227,600	\$204,400	\$91,040		
<b>Madison</b>	283,000	\$254,500	\$113,200		
<b>Jaguar</b>	770,000	\$337,000	\$308,000		
<b>Yates</b>	57,500	\$211,025	\$32,200		
<b>Tony's Auto</b>	104,000	\$381,680	\$58,240		
<b>1261 Madison</b>	122,500	\$449,575	\$68,600		
<b>Fayette Warehouses</b>	95,000	\$348,650	\$53,200		
<b>Route 1 Triangle</b>	242,000	\$888,140	\$135,520		
<b>Carpenter's Shelter</b>	90,000	\$330,300	\$50,400		
<b>Henry Street—Site A</b>	42,000	\$154,140	\$23,520		
<b>Henry Street—Site B</b>	22,500	\$82,575	\$12,600		
<b>Metro site</b>	291,000	\$1,158,660	\$203,700		
<b>TOTALS</b>	2,347,100	\$4,800,645	\$1,150,220	\$5,950,865	\$5,950,865

Table 4 shows the total amount that each development site will be required to pay in to the OSF and CAF funds based on total square feet of allowable development and that project's applicable tiered rate. The first three projects listed (highlighted in light gray) are expected to qualify for the "catalyst" rate as long as they have applied for their first certificate of occupancy within 60 months of the approval of this policy. The "bonus density" rate applies to the Metro site (highlighted in dark gray) because the Plan recommends the Metro site for a rezoning to allow additional density. Jaguar, the other site recommended for a rezoning in the Plan, will still be eligible for the catalyst rate if a certificate of occupancy is applied for within 60 months of approval of this policy. Any phases of the Jaguar project which do not meet the 60 months certificate of occupancy requirement will be required to pay at the bonus density rate.



## **Draft Funding Formula for Braddock Open Space and Community Amenities Funds**

The implementation requirements of the Braddock Metro Neighborhood Plan (BMNP) call for the establishment of two funds to meet the neighborhood's needs for community improvements. The dedicated *Braddock Open Space Fund* (OSF) will fund a central open space/park and the *Braddock Community Amenities Fund* (CAF) will fund streetscape and pedestrian improvements and small business retention and recruitment. The funding formulas are modeled on the City's adoption and implementation of the *Eisenhower East Open Space Fund*. Information regarding the formula for the two funds was shared at two community meetings in January and February 2009 and will be heard by Planning Commission in March 2009. Staff recommends a developer "fair-share contribution" formula of \$2.05 per square foot for the OSF and \$0.49 for the CAF (for a total amount of \$2.54 per square foot) in accordance with the formulas and requirements set forth below. Adjustments to this rate apply as defined below and in the attached spreadsheet. The adjustments reflect a tiered rate structure, provided to recognize early "catalyst" projects approved prior to the adoption of the formula and the value that these early projects deliver to subsequent projects and the neighborhood as a whole.

- A. The OSF, in accordance with the central open space recommended in the BMNP, will fund acquisition and development of an approximately 1 acre park on the southern portion of the block bounded by N. Henry, N. Fayette, and Pendleton Streets. For purposes of this formula, it is assumed that the current Post Office building and a portion of the parking lot will remain. The distribution function of the post office would need to be relocated.
- B. Park costs are based on current land values, demolition, remediation, park design and construction cost, streetscaping and undergrounding with an escalation clause for inflation.
- C. All site plans and development special use permits within the Braddock Metro Neighborhood will be required to make a "fair-share contribution" anticipated on a per-square foot basis for the square footage of development allowable under the BMNP.
- D. The total cost for parkland acquisition and development is estimated at approximately \$9.6 million. As outlined in the BMNP, the City will be responsible for approximately fifty percent of the parkland acquisition and development costs (estimated at \$4.8 million). The remaining approximately fifty percent will be provided on a "fair-share" basis by new developments.
- E. Three rates for fair share contribution will apply: \$1.50, \$3.67 and \$5.76 per allowable gross square foot. Projects that are determined to be "catalyst" projects by virtue of their application submittal prior to or concurrent with the BMNP, as well as early implementation, will qualify for the OSF catalyst rate of \$1.50 per allowable gross square foot. Phase 2 (non-catalyst) projects will pay at a rate of \$3.67. Non catalyst projects that receive bonus density rezoning recommended in the BMNP will pay at a rate of \$5.76.
- F. In order to qualify for the catalyst project contribution rate, projects must apply for their first certificate of occupancy and contribute to the fund within 60 months of adoption of this policy. Multi-phase projects with prior approval by the City may qualify for the catalyst rate by phase. Any phase that meets the 60 month qualification is eligible.

- G. OSF contributions shall be paid prior to the release of the first certificate of occupancy (or if a multi-phase project, then prior to the release of each certificate of occupancy) or provided as a bond or comparable approved by the City.
- H. Credit for on-site open space will be given to projects required by the BMNP to provide significant public open space onsite and to those projects approved prior to/concurrent with the Plan.
- I. In addition to the City paying approximately half of the Open Space Fund cost and half of the Community Amenities Fund cost, the City will also pay to develop an open space/park on the James Bland site in the amount of \$1,313,672.00.
- J. The OSF formula is subject to an escalation clause equivalent to the CPI for all Urban Consumers (CPI-U) Washington-Baltimore adjusted annually on January 1, starting on January 1, 2010.
- K. The OSF contribution rate shall be based on the year starting January 1 that the development receives its certificate of occupancy.
- L. Public housing sites within the BMNP area are not subject to the OSF and CAF formula contribution as public open space will be required on site.
- M. The CAF, in accordance with the community improvements recommended in the BMNP, will fund streetscape improvements (sidewalks, street trees and lighting), intersection improvements (bulb-outs), and neighborhood business assistance (façade improvements, recruitment and retention), for a total estimated cost of \$2.3 million. As outlined in the BMNP, the City will be responsible for approximately fifty percent of these costs. The remaining approximately fifty percent will be provided on a “fair share” basis by the new developments at a rate of \$.49 per allowable gross square foot.
- N. Projects that are determined to be “catalyst” projects by virtue of their application submittal prior to or concurrent with the BMNP, as well as early implementation, will qualify for the CAF catalyst rate of \$.40 per allowable gross square foot. Phase 2 (non-catalyst) projects will pay at a rate of \$.56. Non catalyst projects that receive bonus density rezoning recommended in the BMNP will pay at a rate of \$0.70.
- O. In order to qualify for the catalyst project contribution rate, projects must apply for their first certificate of occupancy and contribute to the fund within 60 months of adoption of this policy. Multi-phase projects may qualify for the catalyst rate by phase. Any phase that meets the qualification is eligible.
- P. Redevelopment of the West/Wythe intersection will be covered by the Metro Station redevelopment, not the Braddock CAF.
- Q. Implementation of the CAF will be consistent with the policies outlined above for the OSF.
- R. The CAF and OSF are not intended to change the voluntary affordable housing contribution policy.
- S. The City will refund excess funds on a pro rata basis when improvements have been completed.
- T. Any City funding is subject to the annual capital improvement program (CIP) process, as well as annual considerations of appropriations by City Council.