

City of Alexandria, Virginia

MEMORANDUM

MEMORANDUM TO INDUSTRY NO. 05-18

DATE: APRIL 4, 2018

TO: DEVELOPERS, ARCHITECTS, ENGINEERS & SURVEYORS

FROM: WILLIAM SKRABAK, DEPUTY DIRECTOR, INFRASTRUCTURE AND ENVIRONMENTAL QUALITY, TRANSPORTATION AND ENVIRONMENTAL SERVICES 

SUBJECT: REVISION TO THE SANITARY SEWER CONNECTION FEE ORDINANCE SECTION 5-6-25.1

On October 14, 2017, City Council passed an ordinance to amend and reordain Section 5-6-25.1 of the City Code of Alexandria to create a phase-in period for sewer connection fees associated with conversions of existing buildings that increase the number of units or change use, such as from a change from non-residential use to residential use. The proposed change would provide a process for fees assessed at final site plan approval (or at the issuance of building permits if a final site plan is not required) using a two-step phase-in period as follows:

- For conversions with approvals or permits granted from May 18, 2013 to June 30, 2018: a sewer connection fee of 60 percent of the City Code stipulated amount shall be applied; and
- For conversions with approvals or permits granted from July 1, 2018 to June 30, 2019: a sewer connection fee of 80 percent of the City Code stipulated amount shall be applied.

As of July 1, 2019, the full amount of the fee calculated pursuant to City Code Section 5-6-25.1(a)(7)(i) or (a)(7)(ii) will be assessed.

An example calculation for a project approved during the first phase (as set forth in Section 5-6-25.1(a)(7)(iii)) is provided below using the fees stipulated in Memorandum to Industry 03-17:

Sewer Connection Fee Calculation – Conversion Example (Approval Between May 18, 2013 and June 30, 2018):

Existing use – 600,000 square foot office building with a 6-inch water meter
Proposed use – 525 multi-family residential units

Sewer connection credit for existing use = \$295,256

Sewer connection fee for proposed use = $0.6 \times 525 \text{ units} \times \$7,973 \text{ per unit} = \$2,511,495$

Total Sewer Connection Fee = $2,511,495 - \$295,256 = \underline{\$2,216,239}$

In July 2016, a Memo to Industry was issued that clarified the existing City Code with respect to changes in use. The fee shall be calculated based on the net increase in “units” or “usage” (where number of units was not applicable) between the existing and proposed uses. In this case “usage” refers to the use of the property, and the connection fee is calculated by subtracting the fee associated with the existing use from the fee associated with the proposed use.

Please note that this fee structure does not apply to new construction or teardowns of existing structures. With respect to “teardowns”, a credit equal to 50 percent for the existing use can be applied to the connection fee for the proposed use. For conversion projects that also include the addition of new buildings, the sewer connection fee for the construction of the new structures shall be assessed separately from the fee assessed for the conversion of any existing buildings.

If you have any questions, please contact Lalit Sharma, P.E., Division Chief, Sanitary Infrastructure Division at 703.746.4072.