

To: Members of City Council  
Members of Planning Commission

From: Alexandria Housing Affordability Advisory Committee

Re: 5001 Eisenhower Avenue Redevelopment

Date: November 27, 2024

The Alexandria Housing Affordability Advisory Committee (AHAAC) endorses the 5001 Eisenhower Avenue Redevelopment Plan. While the Committee had several questions, there are many good reasons to support the plan. We welcome the conversion of the vacant former office building into residential uses and the economic and community benefits that conversion will bring to the area. We also applaud the developer's commitment to ensure 41 of the resulting apartments will remain affordable to households earning 50% or less of the area median income (AMI) and another 41 will remain affordable to those earning 60% or less of AMI. We are especially pleased with the 40-year affordability commitment.

At the same time, there are several aspects of the project that raised concerns within the Committee:

- As the Department of Housing has documented in the course of its work on the Housing 2040 Plan, there is a critical shortage of housing affordable to individuals and families earning 40% or less of AMI. This is arguably the greatest affordable housing need in the city. Yet the 5001 Eisenhower project does not involve the creation of any such units.
- The apartments within the complex that will be designated as affordable are all smaller units, with either one or two bedrooms. There are no three-bedroom apartments included within the affordable units; they are all designed to be rented at market rates. Given the documented shortage of affordable apartments for larger low-income families, the current unit allocation seems ill-suited to community needs. **We would ask that there be more proportionality in the unit sizes offered for the designated affordable unit.**
- The developers have emphasized that about half of the units will be "workforce affordable," with rents priced for households earning 80% of AMI. About 30% of the units will be priced at a level that is affordable to households earning up to 100% of AMI. This "affordability" merely reflects existing market rents in the area; existing apartments around the Van Dorn metro station currently rent for amounts that are affordable to households earning 80% of AMI. Thus as proposed, the development's unit composition would consist of about 78% market-rate apartments and only 22% affordable apartments.
- In exchange for their commitment to preserve 82 apartments for households making 50% or 60% of AMI for 40 years, the developers are receiving 25 years of tax abatements as well as a zoning change that will facilitate the creation of approximately 450 additional residential units on the adjacent western property. The developers have no plans to set aside any of

those new units as affordable housing, although they expect a negotiation with the Department of Housing. Thus the developers ultimately will receive future tax abatements worth up to \$37.5 million to set aside less than 10% of the total planned residential units as affordable; the remainder will be rented at market rates (at least based on current pricing). In effect, the developers will be receiving tax abatements for the development of both affordable and market-rate units.

The developers calculate the estimated present value of the foregone tax revenues to be about \$16 million. As a point of comparison, the City's typical per-unit contribution at the 50-60% AMI level for affordable housing developments financed through the Low-Income Housing Tax Credit or other sources is about \$90,000. For the 5001 Eisenhower property, this would translate into a Housing Trust Fund contribution of \$7.4 million. In effect, the net present value of the tax abatement is more than double the value of a comparable City contribution for the same number of units.

- To date, the City has been reluctant to offer tax abatements to incentivize affordable housing development, so there is no policy to guide the use of this tool. We encourage the City to consider it as a potentially valuable tool, especially in light of Housing 2040, the update to the current Housing Master Plan. Several other jurisdictions in Virginia have used tax abatement effectively for affordable housing. It will be important to weigh the costs of such abatements against the benefits. For instance, does the City receive proportionally greater value from tax abatements than from a similar amount of actual expenditures? How can the City best combine targeted tax abatements with direct contributions toward the development of affordable housing that meets the needs of the community, including those at the lowest income levels?

The developers and the Department of Housing have been clear that the tax abatements and affordable housing commitments associated with the 5001 Eisenhower project should not be viewed as a precedent. However, it may provide a baseline template for other commercial building conversions. It also will inform the discussion of sorely needed financial tools to restart the development pipeline for affordable housing in the city, which is currently stalled until 2030 due to lack of funding. **A clear policy for the use of tax abatements for affordable housing is a necessary outcome of the Housing 2040 process.**



Shelley McCabe  
AHAAC co-chair



Sean Zielenbach  
AHAAC co-chair



3 December 2024

Members of the Alexandria Planning Commission,

As the Alexandria leadership team for YIMBYS of Northern Virginia, we are excited to see two impactful housing developments on this month's docket, and we ask you to vote yes on both of them. Together, these developments will add 487 desperately needed homes to our city.

The Victory Center redevelopment will transform a long-vacant office building into 377 desperately needed new homes. In addition to all units having varying levels of affordability between 50% and 100% AMI, the significant number of new homes will make a real impact on the root cause of our affordability crisis, which is the housing shortage. The CDD will allow for future development of even more homes on the site's large parking lot, and the development will benefit the surrounding community with a publicly accessible park and playground, as well as an improved sidewalk and new cycle path.

We're concerned that a Special Use Permit is required to build a multi-unit residential building within 1000 feet of Eisenhower Avenue. We ask you to eliminate this requirement, as well as any similar requirements that may exist for other streets in Alexandria, so that housing is legal to build along all streets in our city. We also ask you to eliminate the City's parking minimum policy, so that developments like this one don't have to request an SUP to build the appropriate amount of parking to serve residents.

The condos at 2200 and 2250 Dock Lane will add 110 desperately needed new homes on a vacant parcel close to the Eisenhower Avenue Metro station, including the first affordable homeownership units in the neighborhood. The development will benefit its neighbors with shared-use paths increasing pedestrian and bicycle connectivity.

We hope Alexandria will continue to welcome new homes of all types, all price points, and in all parts of our city to address our regional housing crisis and make our city better for everyone.

Phoebe Coy, Alex Goyette, Peter Sutherland, Stephanie Elms, and Trip Hook  
YIMBYS of Northern Virginia Alexandria leads



November 27, 2024

RE: 5001 Eisenhower Avenue Office Building Conversion Project (Victory Center Redevelopment Project)

Dear Alexandria Planning Commission and the Alexandria City Council,

The Alexandria Environmental Policy Commission (EPC) is writing this letter in support of the Victory Center Redevelopment project at 5001 Eisenhower Avenue. At the EPC's regular meeting on November 18, 2024, staff members from Alexandria's Office of Planning & Zoning and the Office of Climate Action shared details about the project with the EPC.

The EPC applauds the innovative design that allows for the adaptive reuse of the long-vacant office building. The EPC recognizes that this conversion addresses both the City's current office vacancy challenge and the need for additional housing options. The EPC commends both the City and the project developer for reusing the building.

The EPC is highly supportive of many sustainable design elements including embodied carbon savings from the building reuse, the open space and park plans, the stormwater best management practices, all-electric new HVAC equipment, commitment to affordable housing units, and the project's approach to "right-sizing" parking in line with Alexandria's Mobility Plan.<sup>1</sup>

While the EPC supports the project and urges the Alexandria Planning Commission and City Council to approve this project, two additional considerations could further the overall sustainability of the development:

- Conduct a lifecycle analysis on the whole-life carbon emissions of the property
- Ensure solar is installed where economically viable and physically feasible

In summary, the EPC recommends that the Planning Commission and City Council approve the 5001 Eisenhower CDD and consider requesting the above additional items.

Sincerely,

A handwritten signature in black ink, appearing to read "Marta Schantz".

Marta Schantz, Environmental Policy Commission Chair

CC: Dustin Smith, Maya Contreras, Jared Alves, Ryan Freed, Karl Moritz,  
Environmental Policy Commission Members

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<sup>1</sup> [Alexandria Mobility Plan](#)

**From:** [Stephanie Elms](#)  
**To:** [PlanComm](#)  
**Subject:** [EXTERNAL]Comments for Tuesday's hearing  
**Date:** Monday, December 2, 2024 9:43:54 PM

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Hello. My name is Stephanie Elms and I am an Alexandria resident.

I am writing to ask that you support both the Victory Center redevelopment and the condos at 2200 and 2250 Dock Lane.

The Victory Center redevelopment will not only add 377 new units, but will do so at varying levels of affordability between 50% and 100% AMI while repurposing an long-time empty office building (and it's parking lot!) I appreciate that the City is looking at additional ways to make financing these types of projects more accessible for developers given our increasing need for housing.

The Dock Lane condos will provide much needed new homes on a currently empty lot (including affordable units!) near to Eisenhower Avenue Metro Center.

These projects are a win-win for the City and its residents and should be supported.

Thank you for your consideration.

Stephanie Elms  
3 W Mount Ida Ave

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## CITY COUNCIL REQUESTS WEEKLY WRAP-UP

<b>Date Opened</b>	11/11/2024
<b>Case Number</b>	24-00034156
<b>Customer Name</b>	Charles Paul
<b>Current Assignment/ Type of Request</b>	Policy Issues
<b>Description</b>	<p>Dear Mayor &amp; Councilmembers,</p> <p>I saw Mayor Wilson's tweet that Council is considering a tax deal for construction of residential property at 5001 Eisenhower Avenue. I strongly support this course of action. A stable future for our City involves continued population growth. If we want more people to live in our city, we need to build more homes. As you all well know, we are currently seeing a crisis in out-of-control housing costs — I believe that construction of new residential property is a straightforward way to address this crisis. Public/private partnerships like the tax deal being discussed are a key tool in the toolbox for Council; I think this is a responsible action (as part of Council's longstanding actions &amp; plans addressing this topic) that will be good for our City. Yours, Charles Paul Citizen Member, Eisenhower East / Carlyle Design Review Board</p>
<b>Current Status</b>	Closed (11/14/2024)
<b>Last Comment</b>	<p>Thank you for contacting the City of Alexandria. The Mayor, Vice Mayor and All Members of City Council received your feedback and have note of your comments. Although your request is closed in Alex311, you may also still receive separate responses from one or more members of City Council regarding your request.</p>
<b>Additional Correspondence with Council</b>	

**Website Feedback Form**

Name:	What is your comment or question?
Richard Foley	Try to get long term low rents or limits on rent increases if we are giving bug RE tax abatement for 25 years
Michael Seltz	Has the developer presented a projected Sources and Uses and projected yearly pro forma so that one can evaluate the impact of the proposed tax abatement?
Caleb Jackson	I agree this building should be converted, but think the City Council should explore additional options for redevelopment. The area needs affordable housing, but there could be other uses for the space as well given its proximity to the metro.
N/A	Absolutely OPPOSE this project that will make it more difficult to DRIVE in Alexandria and KEEP MY JOB.
Tyler Boos	My biggest concern with this project is transportation options for people in and around that area, particularly for North/South travel. I know not much can be done by Alexandria heading South, and the DASH 32 line could be run more regularly, but I think North/South bicycle/pedestrian infrastructure needs considered with all the development near the Van Dorn coordinator. It is a particularly hilly and unkept area and I'm concerned without it we are moving an already congested area toward worse, regular traffic jams.
Alex Grohovsky	Has the city explored public uses of the site, including by taking it over? Given the history of the site, it seems to have little commercial value, having already failed once with a tax abatement. As such, it would seem the city could get a good deal on the site and put it to productive use, rather than losing revenue through a tax abatement scheme.
Caroline Faiella	The design looks fantastic make sure there are dedicated lanes/traffic lights/signage so no accidents.
Richard Foley	A big need filled - Vacant is bad
Colleen S	NASA headquarters is looking for a new location when their lease in DC expires late 2028. They require a minimum of 375,000 ft. <sup>2</sup> and walking distance to Metro. I believe this location would be perfect for them though I understand the city is moving forward on this project as mixed-use. I encourage the business development office to reach out to NASA as this would be a wonderful addition to our city
Alex Goyette	This is a really exciting opportunity for the city to revitalize a vacant site while adding hundreds of affordable homes, and hundreds more market rate homes, all in walking distance to metro. I hope the developer/city will consider a bike/ped bridge over 4 backlick run to help stitch this site and Eisenhower West into the larger community. It's currently very isolated from the rest of the city. A bike/ped connection here would provide the site's residents with easy, car-free access to two of the city's best parks, an elementary school, and the shops on Pickett St. It would also provide residents of the west end, especially Cameron Station, with much easier access to the metro and to the commercial buildings along Eisenhower. I don't know how costly a bridge like this would be, but it's a significant opportunity that should at least be considered. Even if not built now, securing the necessary permissions/easements etc. for future construction would be important