

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 15, 2023

TO: CHAIR MACEK AND MEMBERS OF THE PLANNING COMMISSION

FROM: KARL W. MORITZ, DIRECTOR, DEPARTMENT OF PLANNING AND ZONING

SUBJECT: ADVISORY RECOMMENDATIONS TO THE CITY MANAGER, UNDER SECTION 6.14 OF THE CITY CHARTER, REGARDING THE CAPITAL IMPROVEMENT PROGRAM

ISSUE: The Planning Commission is asked to provide advisory recommendations to the City Manager on the Capital Improvement Program (CIP) as required under Section 6.14 of the City Charter.

RECOMMENDATION: Indicate concurrence with the staff recommendation that the proposed CIP is generally consistent with the City's Master Plan.

BACKGROUND: One of the responsibilities of the Planning Commission is to provide guidance to the City Manager on the CIP. Section 6.14 of the City Charter states, "The city manager shall obtain and transmit to the council the advisory recommendations of the planning commission with regard to the consistency of proposed capital improvement projects with the master plan and the priority and timing of those projects in comparison to other elements in the master plan."

Accompanying this memo is one from Morgan Routt, the Director of the Office of Management & Budget, transmitting the Proposed Fiscal Year (FY) 2024 – FY 2033 CIP, as well as the City Manager's Proposed Budget Presentation. The FY 2024 Budget Calendar [can be found on the City's website](#). The proposed CIP can be found at alexandriava.gov/Budget. Appendix B of the CIP notes the Small Area Plan associated with each project in the CIP.

The FY 2022 Annual Master Plan Status of Implementation Report provided for the Planning Commission's review earlier this year demonstrates the City's implementation progress made over the previous year on the City's Small Area Plans and topical plans. This report can be found on [Planning and Zoning's implementation website](#).

DISCUSSION

The programming of capital projects into the City's CIP is one tool in implementing the infrastructure and community amenities projects identified in all the chapters of the City's Master Plan, from Small Area Plans to topic-oriented chapters such as the Housing Master Plan, Mobility Plan, and Open Space Master Plan.

Affordable Housing

Over the 10-year CIP, \$73.3 million is committed for Affordable Housing projects. For FY 2024, the proposed CIP reflects \$6.8 million for investments in Affordable Housing, which includes \$5.8 million in funding from the restaurant and meals tax dedication approved by City Council in 2018 (\$63.3 million over the 10-year CIP), an additional \$1 million committed to Affordable Housing by the City as part of the region's efforts to attract the Amazon HQ2 campus to Northern Virginia, and \$2.5 million received by the City as part of the American Rescue Plan Act (ARPA). These funds are used in numerous ways, such as gap financing for development/new construction, preservation, rehabilitation, planning, predevelopment, and employee homeownership assistance. In the FY 2023 budget, City Council returned to its prior practice of dedicating a full penny of the real estate tax for affordable housing purposes, which will yield \$3.1 million in FY 2024 after paying debt service. In February 2023, City Council approved a loan of \$10.5 million to Community Housing Partners for its Witter Place Apartments project. Witter Place is a 94-unit development which will provide family-sized (2-3 bedroom) apartments for households with incomes ranging from below 40% AMI to 60% AMI. The project loan will absorb a significant portion of the planned FY 2024 CIP funds for housing.

To ensure the continued effective use of the City housing funds, and to meet the City's 2013 Housing Master Plan goals regarding production and preservation (2,000 committed affordable units by 2025), as well as targets established for affordable and workforce housing through the Regional Housing Initiative endorsed by City Council in March 2020 (an additional 2,250 affordable and workforce units by 2030), a robust pipeline of projects has been created that could be implemented if funding were available.

Besides Witter Place, construction is anticipated to start in FY 2023-24 on the following projects: the Seminary Road mixed-ability homeownership project, Phase I of the AHDC Mount Vernon-Glebe Project, the ParkVue Apartments (to be rebranded as The Square at 511) Capital Improvement project, the Arlandria Chirilagua Housing Cooperative Capital Improvement Project, the Pendleton Street Boarding House Renovation, and the Samuel Madden Redevelopment project. All projects will use multiple sources of funding from federal, state and local funding streams.

Small Area Planning/Implementation Studies

Development Studies (\$2.5M FY 2024 - FY 2033): The development studies project allocates \$250,000 per year for feasibility, planning and design studies to support or implement small area plans. Expenditures are determined based on City Council's Long

Range Planning Work Program approved annually in May. The Alexandria West planning effort currently underway is utilizing this funding from FY 2023, and the current Zoning for Housing initiative and upcoming Vision Plan project also have funding identified.

In FY 2024, the \$250,000 will be used for planning and coordination related to Landmark Mall plan implementation in anticipation of a P3 development in partnership with Foulger Pratt combining a fire station, affordable housing and retail/commercial space. Among other things, the work might include agreements regarding the rights, responsibilities, and plan for cost sharing of the internal partners, coordination of building systems and responsibilities across building systems, development of specifications for each building component and how they relate to one another, preparation of draft condominium documents and easements, and preparation for MOUs with Foulger Pratt.

Master Plan Implementation Projects

Landmark Van Dorn, Eisenhower West, Beauregard, and Alexandria West Small Area Plans

The proposed 10-year CIP provides funding to facilitate redevelopment of the 4 million square foot **Landmark Mall site**, including \$66 million in FY 2024 and \$28 million in FY 2025. The City will fund onsite infrastructure improvements and land acquisition for the hospital to construct its new facilities. The City will lease the land long-term to Inova through the City Industrial Development Authority. This redevelopment will also include the relocation of **Fire Station 208 anticipated to co-locate with workforce/affordable multi-family housing**.

Transit Corridor “C” (West End Transitway): \$62 million in the CIP from FY2024 – FY 2026 to fund this phased project to construct a high-capacity Transitway between the Van Dorn Metrorail station and the Pentagon, supporting the development approved in the Landmark/Van Dorn and Beauregard Small Area Plans. The preliminary cost estimate for the full project is approximately \$140 million which includes design, right-of-way acquisition, utility relocation, construction, and rolling stock for the full build alternative, including dedicated lanes. In addition to the \$10 million awarded to the City in 2017 in **Smart Scale funding** for the project, **\$57.2 million was awarded for FY 2023 – FY 2025** for design, right-of-way, construction and buses for the project’s first phase, the design for which is anticipated to be completed in FY 2024. West End Transitway service is anticipated to begin operation by FY 2027. Phase 2 of this project aligns with the full build alternative that includes dedicated transit lanes on portions of Van Dorn Street and Beauregard Street. Additional funding and right-of-way will be required to implement the Phase 2 plan, and the City will continue to work with private developers for the additional right-of-way and seek other funding sources.

The redesign and construction of the **Beauregard Street and Seminary Road intersection** was recommended as a project in Beauregard Small Area Plan. Changes in development and updated travel patterns and data prompted an updated traffic study and reevaluation of the ellipse concept in FY 2022. The study is slated for completion in FY 2024. This traffic analysis phase will update the traffic model to determine if the ellipse

design is still appropriate or if other design concepts meet current city goals. The concept planning will include a cost estimate of the preferred alternative which will assist in determining a plan to obtain additional funding to finalize design and construct the project. Community outreach will begin in FY 2023 and align with the current Alex West Small Area Plan engagement, with a complete concept design anticipated in FY 2024. Once a preferred alternative design is determined, the City will then work towards Final Design and Construction.

The **Dora Kelly Fair-Weather Crossing Replacement with Bridge** project will replace the current fair-weather crossing over Holmes Run in Dora Kelley Park. The project will include studies to evaluate reconstruction and may recommend a new alignment or other design alternatives. The project will include full design in FY 2024. The City was awarded NVT A 70% grant funding for executing the project in FY 2026.

The **Stream Valley Guidelines project** funded in FY 2026 will develop a vision and principles for **Backlick Run** as a case study to develop principles and concept guidelines for trails, recreation, water access and ecology in stream valley corridors citywide. The future vision and guidelines for Alexandria stream valleys will maximize the potential of these important resources, recognizing them for their potential not just as waterway ecosystems, but also as trail connections, recreational opportunities, outdoor classrooms, volunteer engagement opportunities, and urban ecological habitats. The timing of the plan is particularly important to guide upcoming development expected along the stream banks in the Eisenhower West Corridor. It also supports the ongoing high priority of trails and passive spaces, as continually identified as a top need in the recent Park and Recreation Needs Assessments.

Old Town and Waterfront Plans

The **Lower King Street Closure** project will develop and implement the permanent design for this pedestrian area, following on the initial closure of the 100 block at the start of the pandemic in 2020, and City Council approval to permanently close the block in 2021. The primary limits of the project are the 100 block of King Street, between Union Street and Lee Street but could include work on surrounding blocks (Unit and 200 block of King Street, 100 blocks of North and South Union Street, and 100 blocks of North and South Lee Street) to ensure the design is coordinated with conditions on these blocks. The permanent design for this project is anticipated to begin in FY 2023 with engagement and concept design. Construction will need to be coordinated with other waterfront improvements and would start early FY 2025 at the soonest. In addition, this project supports some near-term improvements, including improved barricades/bollards at the ends of the block and improved areas for sidewalk dining and retail display.

Funding in the CIP continues to support the design and construction of the Waterfront Plan recommended infrastructure, including **flood mitigation** prioritized through community engagement processes. The procurement process is projected to take approximately one year with a contract award anticipated, and the design process commencing, in late 2023. The design process is projected to be complete by late 2024; however, regulatory, environmental, and grantor review and approvals may impact and extend this timeline.

Currently it is anticipated that construction could begin as early as late 2024 and may run for up to two years until late 2026; however, the schedule will be determined in collaboration with the design-build contractor. In 2022, the City applied for external grant funding which, if awarded, will help achieve Plan goals and deliver more project elements without increasing the CIP funding requirements. Additional external funding opportunities will continue to be explored and pursued, as project eligibility allows.

Southwest Quadrant Small Area Plan

The City was awarded **\$3.4 million in Smart Scale funding** for the design and construction of corridor improvements on South Patrick Street between Jefferson Street and Wolfe Street. Improvements include a widened, tree-planted median, pedestrian refuge areas, upgraded curb ramps, and new pedestrian signals, as recommended in the **2018 South Patrick Street Housing Affordability Strategy**. This work will help improve pedestrian safety and access, calm traffic, provide a gateway into Alexandria, and aesthetically improve the corridor. This project supports the City's goals and actions laid out in the Alexandria Mobility Plan, Vision Zero Action Plan, and Environmental Action Plan. The City secured funding for this project through the Virginia Department of Transportation's Smart Scale Program. Design will begin in FY 2023 with construction anticipated for late FY 2024 or early FY 2025.

Braddock Metro Neighborhood Plan

The CIP includes two developer contribution/City matching funds established to fund community amenities identified by the Plan – the **Braddock Community Amenities Fund (CAF)** and the **Braddock Open Space Fund (OSF)**. In order to fulfill the City's obligation to match developer contributions collected for this fund to date and anticipated in the next three years, the CIP includes a request to increase the annual set-aside for the next three years. Doing so allows for the planning and design of Plan recommended streetscape projects. A majority of the collected funds to date were used for the **Fayette Streetscape Project** and the **Queen Street Business Corridor Grant Program**. As developer contributions are received or committed in future years, they will be programmed into the Capital Improvement Program.

Transportation projects recommended in Small Area Plans but not yet included in the CIP are prioritized and tracked in the unconstrained Transportation Long Range Plan biannually prioritized by the Transportation Commission. Other infrastructure projects recommended in Small Area Plans may be projects that will be constructed as part of a developer contribution package.

Joint City/School Facility Planning

The Joint City Schools Facilities Master Plan recommended by the Ad Hoc Joint City-Schools Facility Investment Task Force was initiated in early 2020. The lists below highlight major City and ACPS capital facility projects proposed for funding in this CIP.

Major City Capital Facility Projects in the proposed FY 2024-2033 CIP:

- City Hall Renovation and HVAC Replacement \$ 110,238,000
- Fire Station 205 (Cameron Street) \$ 28,706,300
- Landmark Fire Station \$ 23,351,300
- Market Square Plaza and Garage Structural Repairs \$ 4,957,000
- New Burn Building \$ 3,015,900
- Witter Wheeler Campus Funding reservation \$ 14,576,800

Major ACPS Capital Facility Projects in the proposed FY 2024-2033 CIP

- 1703 N. Beauregard (renovation) (FY 30) \$ 16,357,300
- Cora Kelly Elementary School (FY 27-28) \$ 116,447,200
- George Mason Elementary School (FY 24-25) \$ 104,434,700
- Transportation Facility Modernization (FY 26) \$ 10,000,000

P&Z Involvement in Development of the CIP

The Director of Planning and Zoning serves on the CIP Steering Committee, the group responsible for outlining major policy issues facing the CIP and crafting a balanced CIP recommendation for the City Manager. Through this Committee, Planning and Zoning ensures that both the projects and the details of the projects are consistent with adopted planning policies, small area plans, and functional plans.

Staff believes that the proposed CIP maintains consistency with the City’s Master Plan.

FISCAL IMPACT: Details are included in the Proposed FY 2024 – FY 2033 CIP.

STAFF:

Karl Moritz, Director, Department of Planning & Zoning
 Morgan Rout, Director, Office of Management & Budget
 Carrie Beach, Division Chief, Department of Planning & Zoning
 Michael D’Orazio, Urban Planner, Department of Planning & Zoning
 Julia R. Taylor, Analyst, Office of Management & Budget
 Arthur Wicks, CIP Coordinator, Office of Management & Budget

ATTACHMENTS:

1. Memo from Office of Management & Budget

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 30, 2023

TO: CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: MORGAN ROUTH, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
Morgan Routh

SUBJECT: TRANSMITTAL OF THE PROPOSED FY 2024 - FY 2033 CAPITAL IMPROVEMENT PROGRAM FOR REVIEW BY THE PLANNING COMMISSION

Attached (via hyperlink, noted as Attachment 1) you will find the Proposed FY 2024 - FY 2033 Capital Improvement Program (CIP) for review at your March 30, 2023 meeting. The Planning Commission is requested to review the proposed capital improvement projects with regard to the consistency of these proposed projects with the City's master plan. This is pursuant to Section 6.14 of the City Charter, which states "the City Manager shall obtain and transmit to the Council the advisory recommendations of the Planning Commission with regard to the consistency of proposed capital improvement projects with the master plan and the priority and timing of those projects in comparison to the elements in the master plan."

Subsequent to the City Manager's release of the Proposed Operating and Capital Budgets on February 28, 2023, a work session was held on March 1, 2023 to begin City Council's deliberation of the CIP. Additionally, responses to budget questions submitted by City Councilmembers on operating and capital budget issues will be provided as completed. "FY 2024 Budget Questions and Answers" are posted and available for review on the Office of Management and Budget (OMB) page of the City's website (<http://alexandriava.gov/Budget>).

The results of the Commission's review are requested prior to the add/delete work session of City Council, which is scheduled for April 25, 2023. Please feel free to contact Morgan Routh, Budget Director at (703) 746-3744, or via e-mail at morgan.routh@alexandriava.gov, if you have any questions regarding the proposed projects included in the CIP.

For your information, City Council set the dates noted in Attachment 2 for consideration of the FY 2024 budget, including the Proposed FY 2024 - 2033 CIP. Staff presentations and video recordings of the meetings that have already occurred are available in the Archive on the City Dockets & Webcasts website (https://alexandria.granicus.com/ViewPublisher.php?view_id=57).

Attachments

Attachment 1: FY 2024 – 2033 Proposed Capital Improvement Program (CIP) -
<https://www.alexandriava.gov/budget/fy-2024-proposed-operating-budget-cip-documents>

Attachment 2: FY 2024 Budget Calendar and Work Sessions

cc: Emily Baker, Deputy City Manager
Karl Moritz, Director, Planning & Zoning
Jeff Farner, Deputy Director, Planning & Zoning
Carrie Beach, Division Chief, Planning & Zoning
Arthur Wicks, Capital Improvement Program Manager
Julia Taylor, Budget Management Analyst for CIP

Attachment #2
FY 2024 Budget Calendar and Work Sessions

Date	Time	Meeting Topic
Tuesday, February 28, 2023	7:00pm	FY 2024 Proposed Budget Presentation
Wednesday, March 1, 2023	7:00pm	Budget Work Session: Capital Improvement Program
Thursday, March 2, 2023	7:00pm	FY 2024 Proposed Budget Public Presentation
Wednesday, March 8, 2023	7:00pm	Budget Work Session: Alexandria City Public Schools
Monday, March 13, 2023	5:30pm	Public Hearing FY 2024 Budget
Tuesday, March 14, 2023	7:00pm	Introduce the Maximum Property Tax Rates
Wednesday, March 15, 2023	7:00pm	Budget Work Session: #3
Saturday, March 18, 2023	9:30am	Additional Public Hearing FY 2024 Budget
Wednesday, March 22, 2023	7:00pm	Budget Work Session: #4
Wednesday, March 29, 2023	7:00pm	Budget Work Session: #5
Thursday, April 6, 2023		Add/deletes due
Saturday, April 15, 2023	9:30am	Add/Delete Public Hearing
Tuesday, April 25, 2023	TBD	Tax Rate Public Hearing/Budget Work Session: Preliminary Add/Delete Discussion
Monday, May 1, 2023	7:00pm	Budget Work Session: Final Add/Delete Discussion
Wednesday, May 3, 2023	7:00pm	Budget Adoption/ Tax Rate Adoption