

## City of Alexandria, Virginia

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DATE: APRIL 25, 2025

TO: CHAIR MELISSA MCMAHON  
AND MEMBERS OF THE PLANNING COMMISSION

FROM: KARL W. MORITZ, DIRECTOR, PLANNING & ZONING

RE: DISCUSSION ITEM: IMPLEMENTATION OF SMALL AREA  
PLAN DEVELOPER CONTRIBUTION POLICIES

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### **Request**

Staff is seeking Planning Commission's guidance on proposed administrative adjustments to existing small area plan developer contribution policies and a recommended path forward for future small area plan developer contributions.

### **I. Background**

The City's small area plans (SAPs) provide a long-term framework to guide future planning and development in Alexandria's neighborhoods and include recommendations for community amenities to mitigate impacts from development. Since 2009, the City Council has adopted developer contribution policies for these plans that support the implementation of the recommended large-scale community amenities that cannot be funded by an individual development project and are in addition to what development projects are responsible for on their respective sites.

The Department of Planning & Zoning regularly monitors the implementation of these policies to ensure that their application is meeting the intended goals, including analyzing impacts for each development project under review.

### **II. Discussion**

As mentioned in previous discussions with the Planning Commission and City Council, over the last year staff have been reviewing all policies for opportunities to provide consistency and facilitate SAP implementation.

Funding of the SAP-recommended community amenities is fulfilled through a variety of sources including in-kind and monetary developer contributions, grants and City capital improvement program (CIP) funds. A key factor in the development of the policies related to developer contributions is that it must offset an impact being created by the proposal.

Recommended community amenities vary in complexity and cost. For recommended large scale infrastructure projects, monetary contributions are collected from each development in anticipation of the project's implementation; however, given the fluctuations in development patterns, collecting those funds can take many years depending on the area of the city. Additionally, over time, changes in community needs, new opportunities or alternative solutions sometimes present themselves.

The methodology for determining developer contributions over the years has remained consistent – for each policy, planning level cost estimates for the recommended improvements are divided by the anticipated square footage of new development allowed through the plan, resulting in a per square foot developer contribution. While the overall methodology has remained consistent, over the years the square footage on which the contribution is calculated has differed slightly between policies in terms of gross vs. net.

Staff have observed that SAP implementation is more effectively facilitated by permitting in-kind contributions where possible. For example, recommended offsite improvements in the Waterfront Plan have been implemented during construction of approved development in the plan area by the developer (such as the waterfront promenade in front of Robinson Landing).

### **III. Proposed Approach Going Forward**

The goal continues to be the successful implementation of small area plan recommended improvements to mitigate impacts from development.

#### Future Plans

Staff is proposing that going forward, recommended community amenities are implemented through in-kind developer contributions to the extent feasible. Future small area plans, with AlexWest already serving as the first example, would be structured in a way to enable in-kind contributions at the time of development.

#### Existing Policies

Existing anticipated policy contribution totals and recommended community amenities will remain as adopted by City Council; however, staff is proposing minor adjustments to the per square foot calculation of monetary contributions per applicable policy to make them consistent citywide.

Staff is proposing that all policies now calculate the contribution on a per gross square foot basis (as has been the practice for Braddock and Eisenhower East), excluding parking square footage and square footage achieved through the application of Sections 7-700 and/or 6-900 of the Zoning Ordinance. Where applicable, the dollar amount per square foot will be adjusted accordingly to reflect the change from net to gross – **the overall anticipated total collected per policy will not change**. This change would only apply to future development proposals not already in the development review process.

Below is an overview of the proposed adjustments:

Small area plan	Existing (2025\$)	Proposed (2025\$)
AlexWest	In-kind	No change
Arlandria-Chirilagua	No policy	No policy
Beauregard	Superseded by AlexWest	Superseded by AlexWest
Braddock	\$5.85/gsf	No change
Eisenhower East	\$5.91/gsf	No change
EWLVD	Catalyst - \$3.67nsf Non-catalyst - \$8.56/nsf <i>In-kind permitted</i>	Catalyst - \$3.19/gsf Non-catalyst - \$7.45/gsf <i>In-kind permitted</i>
NPY	\$13.54/nsf (governed by MOU)	No change
OTN (Sites 1-10)	\$11/nsf	\$9.57/gsf
Waterfront	\$12/nsf <i>In-kind preferred</i>	\$10.44/gsf <i>In-kind preferred</i>

In-kind approach where possible ; For consistency, remaining monetary contributions calculated on gross sf, excluding parking, Sec 7-700, and Sec 6-900 square footage ; \$/gsf adjusted by 15%

### Arlandria-Chirilagua SAP

The Arlandria-Chirilagua SAP was adopted in 2022 with its implementation goals largely focused on the expansion of committed deeply affordable housing. The Plan also recommends enhancements to the open space network to mitigate impacts from development and enhance the quality of life for residents.

Eleven new open spaces of various types and sizes as identified in the Plan will be provided in-kind through redevelopment.

An implementation task recommended in the Plan was to establish a developer contribution policy to fund additional improvements to two existing City parks in the neighborhood and improvements to two new parks on private land.

Given the Plan's priority to support the expansion of affordable housing in the neighborhood, the cost of developing in a flood plain (~50% of the Plan area and ~37% of developable land), and that the majority of redevelopment will be providing in-kind contributions per the Plan, staff is proposing that monetary contributions are not collected.

If development applications are received for sites not providing in-kind open space per the Plan, in-kind contributions supporting planned parks or park improvements can be determined through the development review process.

It is intended that with the future redevelopment of the shopping center on the south side of Glebe, the area for the recommended linear park would be provided and, as a former rail line, would be eligible for grant opportunities to fund design and construction.

#### Eisenhower West/Landmark Van Dorn (EWLVD) SAPs

Last year, Planning Commission and City Council agreed with staff's recommendation to increase the EWLVD developer contribution policy's catalyst threshold from 3 million to 4 million square feet given the economic challenges in this area of the city and suggested that staff consider the continued feasibility of catalyst and non-catalyst phases in the policy (Attachment 1).

As discussed last year, in 2023 Transportation & Environmental Services (TES) provided City Council an update on the analysis of infrastructure improvements recommended in the SAPs and developer contribution policy (Attachment 2). The analysis concluded that implementing the Multimodal Bridge and Farrington Connector would result in negative traffic impacts and offer a poor cost-benefit return. Based on these findings, TES recommended prioritizing alternative projects in the area to improve connectivity, exploring other pedestrian and bicycle connection options across the Norfolk Southern rail tracks, and revisiting the Multimodal Bridge and Farrington Connector at the 3 million square foot development threshold, as outlined in the policy, for further study and analysis.

In the meantime, TES has initiated design plans for pedestrian and bicycle accommodations on the S. Van Dorn Street bridge, which will enhance access to the Van Dorn Metro Station. Additionally, the City is actively seeking funding to implement the Eisenhower Avenue corridor improvements that were recommended in a joint 2023 study with the Virginia Department of Transportation (VDOT) and approved by City Council last October. These improvements aim to increase mobility, accessibility, and safety along the corridor.

Following the implementation of these projects and TES's evaluation of their effectiveness—along with continued assessment of the Multimodal Bridge and Farrington Connector—staff will revisit the infrastructure improvements and funding strategy recommended in the developer contribution policy. As a reminder, one of the large-scale infrastructure projects originally identified in the SAPs—the High Street Bridge—has been replaced by an at-grade solution as part of the Landmark Mall redevelopment.

#### Interim EWLVD Proposal

Staff is proposing to remove the catalyst threshold of 4 million sq. ft. for the developer contributions in order to further respond to market conditions in this area of the city and to allow for time to assess the impacts of in-progress transportation improvements which may provide direction on the approach for infrastructure recommended in the plans. The catalyst rate of \$3.19/gsf (as described above) will continue until economic conditions improve and in-progress improvements can be assessed.

Determinants of improved economic conditions include actual construction occurring on multiple properties outside of the former Landmark Mall site and indications that rents have started to increase where the value of development compared to cost of construction is such that the contribution is financially feasible.

**FISCAL IMPACT:** The proposal to have a policy preference for in-kind contributions, rather than cash, is intended to be revenue neutral. In Arlandria-Chirilagua, the recommended policy will provide flexibility to Planning Commission and City Council to prioritize the public benefits that are provided by new development. The proposal to make the calculation of developer contributions consistent across plan areas is revenue neutral.

Staff:

Katherine Carraway, Principal Planner, Planning & Zoning

Attachments:

1. February 23, 2024, Memo to Planning Commission
2. May 24, 2023, Memo to City Council