# City of Alexandria, Virginia

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# **MEMORANDUM**

**DATE:** FEBRUARY 5, 2024

TO: CHAIR MACEK AND MEMBERS OF PLANNING COMMISSION

FROM: KARL MORITZ, DIRECTOR; DEPARTMENT OF PLANNING & ZONING

**SUBJECT:** DSUP #2023-10012, REZ #2023-00006, & MPA #2023-00008/1201 EAST

ABINGDON DRIVE

## **ISSUE**:

This application involves a rezoning from the OCM(50) to the CRMU-X Zone. Per 5-407 the maximum permitted height in the CRMU-X Zone is established by the Old Town North Small Area Plan. As a result, the Master Plan Amendment (MPA) associated with the application sets the maximum zoning height for the project. The application highlights the challenge in determining and evaluating affordable housing contributions involving rezoning requests for additional floor area associated with MPA for height that sets the zoning height. As noted in the staff report, staff viewed the additional floor area through the 5<sup>th</sup> floor in the project as being subject to the Rezoning Housing Contribution Policy and the floor area associated with the proposed 6<sup>th</sup> floor through a bonus density and height-like lens. In a 136-unit project, this two-pronged analytical approach yields seven committed affordable units (CAUs). In contrast, the applicant viewed all the additional floor area as being subject to the Rezoning Housing Contribution Policy only. This approach yields four to five CAUs; it is noted that the applicant voluntarily agreed to provide additional CAUs for a total of seven, which was the contribution offered in the Affordable Housing Plan reviewed and approved by the Alexandria Housing Affordability Advisory Committee (AHAAC).

The applicant's subsequent request for flexibility to increase the total unit count from 136 to up to 144 units triggered a review of the unit count and mix of the CAUs (consistent with City practices), and a reassessment of staff's approach to the affordable housing contribution.

### **STAFF RESPONSE**:

The City's authority to require affordable housing stems from Virginia Code § 15.2-2304 which serves as a legal basis for the City's affordable housing bonus density zoning tools, including the Rezoning Housing Contribution Policy. Following further staff discussions regarding the divergent interpretations by staff and the applicant, it was concluded that there was not a clear existing City policy on how to address rezoning requests that involve MPAs for height. Since staff and the applicant had reached an agreement regarding the CAU count (seven) it was reasonable for the CAU mix to be proportional to the project's overall unit mix as determined at the time of Final Site Plan. (Proportionality is Housing's typical practice, however the proposed increase in the number of total units results in a different (smaller) unit mix than at the time of AHAAC's review.) These changes result in changes to Conditions 101 and 113. In addition, it

is noted that staff also recommend the deletion of the second sentence in Condition 101 as this provision only applies to the affordable homeownership units.

Therefore, staff propose the following condition changes:

Condition 101: Provide seven (7) set aside rental units within the development, comprising one (1) one-bedroom, four (4) one-bedroom plus den, and two (2) two-bedroom units, with a unit mix proportional to the project's total unit mix, or an substantially equivalent mix of seven units to the satisfaction of the Director of Housing to be finalized prior to the release of the Final Site Plan. For the purposes of the seta side units, dens are defined as being enclosed with a door, having a minimum of 70 square feet of floor area, being no less than seven feet in any horizontal dimension, and not housing any substantial mechanical equipment. (Housing)

Condition 113: Should the project develop as or convert to residential condominiums, provide no fewer than seven (7) affordable set-aside for-sale units within the development, comprising one (1) one bedroom unit for sale at \$225,000, four (4) one bedroom plus den units for sale at \$250,000, and two (2) two-bedroom units for sale at \$275,000, with a unit mix proportional to the project's total unit mix, or a substantially equivalent mix of seven units to the satisfaction of the Director of Housing to be finalized prior to the release of the Final Site Plan. The units will be priced consistent with the City sale prices and policies in effect at the time of the application's approval by City Council. These prices include the cost of one parking space per unit. Set-aside units sold without a parking space shall be subject to a \$30,000 price deduction. For the purposes of the set-aside units, dens are defined as being enclosed with a door, having a minimum of 70 square feet of floor area, being no less than seven feet in any horizontal dimension, and not housing any substantial mechanical equipment. (Housing)

### **STAFF**:

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