City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 2, 2025

TO: CHAIR MCMAHON AND MEMBERS OF THE PLANNING COMMISSION

FROM: PAUL STODDARD, DIRECTOR OF PLANNING & ZONING

SUBJECT: Agneda Item 5, Development Special Use Permit #2025-10020 6025 Duke Street

- WestEnd Block D

Introduction

This memo provides additional information about the rent-restricted units, recommended housing conditions, and details about the community meeting held on September 29, 2025.

Housing Update

This project application is part of the larger WestEnd redevelopment. Zoning for redevelopment is established through a site-wide Coordinated Development District (CDD), CDD #29. As part of the CDD approval, the applicant provided an Affordable Housing Plan and agreed to deliver 45 rental committed affordable units (CAUs) across the development blocks. The applicant team accelerated the delivery of CAUs by providing all 45 with the initial development Blocks, E, G, I, and K, all of which were approved by City Council in 2022 and 2023.

Through the Development Agreement with the City, separate from the CDD approval and in exchange for the City's additional investment in infrastructure cost, the applicant agreed to provide rent-restricted units in Block D. Per that agreement, the applicant agreed to provide 80 percent of the project's anticipated 275 units—totaling approximately 220 units—as rent-restricted with a range of affordability between 80 and 120 percent of the Area Median Income (AMI) for a period of 40 years.

Consistent with City policy, the rent-restricted unit mix will reflect the overall project's unit mix and shall be distributed throughout the building, excluding the penthouse level. The project will provide at least 50 percent of rent-restricted units, approximately 110 units, below 100 percent AMI. The applicant will retain records of the rental rates for at least three years and provide records to the City annually for its review. The City will monitor compliance of the unit mix, number, and rent restrictions during the forty-year term.

As this project does not involve City Housing Trust Fund dollars, or make use of a regulatory tool requiring housing, the affordability terms are different from typical housing policy provisions. Specific to this project, (i) utility costs and parking charges will not be counted toward gross rent and will be paid by future residents, (ii) rents will not be based on unit size but rather on anticipated household size; junior one-bedroom units will assume occupancy by one-person household, one bedroom plus den units will assume a two-person household, and two-bedroom plus den rents will assume a three-person household, and, (iii) income verification will not be required for households leasing these rent-restricted units.

Proposed Condition Language

Staff recommend the following conditions be included as part of the project consideration.

- 88. Rent-restricted Units- The Developer shall restrict the rental rates for 80 percent of the project's total 275 proposed units (approximately 220 units), as may be adjusted though the final design process, within the building to be affordable to households earning 80 percent to 120 percent of the Area Median Income ("AMI") for a period of forty (40) years following issuance of the first certificate of occupancy for the building. The rent-restricted units shall be allocated evenly across all floors of the building (excluding the penthouse level) and shall provide a unit mix proportionate to the project's overall unit mix. The City Manager may approve adjustments to the distribution and allocation of the AMIs if requested by the Developer.
- 89. No more than 50 percent of the rent-restricted units may be rented at rates affordable to households with AMI's between 100 percent and 120 percent. The Developer may rent any of the units at a rate that is affordable to households with lower AMIs at any time and those units will satisfy this condition.
- 90. Restricted rents correspond to the Multifamily Tax Subsidy Project Income Limits for the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro Areas published annually by the U.S. Department of Housing and Urban development (HUD). The maximum rents will be based on anticipated household size; a junior one-bedroom rent assuming occupancy by one person, a one bedroom plus den for two people, and a two bedroom plus den for three people.
 - a. Utilities for each unit shall be separately metered and billed to each unit individually. The Developer shall not assign any building wide allocation of utility costs to these units.
- 91. The Developer shall retain records of the rental rates on a rolling three-year window and provide records to the City annually for its review. For this project, the Developer is not required to verify the incomes of the renter households for the purpose of meeting this condition, however, relevant demographic information collected as part of the Developer's

standard practice for vetting tenant households (household income and sources (including jobs and other, number of persons in the household, etc.)) will be provided to the City annually, upon request, in a format that does not identify specific households, as part of the City's annual monitoring process.

Community Meeting

As mentioned in the staff report, the Eisenhower West/Landmark Van Dorn Implementation Advisory Group met on September 29, after the report was published. The applicant team attended the in-person meeting and provided an update on the project. Members from the Advisory Group and the community had questions related to pedestrian site access across Duke Street, availability and anticipated cost of resident and visitor parking, and construction timing.

The City is coordinating with the Virginia Department of Transportation (VDOT) on the <u>Landmark Mall I-395 Ramp Improvements</u> project, which will update the exit ramp leading from northbound I-395 to eastbound Duke Street. The ramp and roadway interchange improvements will facilitate direct emergency vehicle access to the new INOVA Hospital complex planned for the former Landmark Mall site. Pedestrian site access across Duke Street will be maintained, but not enhanced, as part of the project. Staff anticipate additional pedestrian improvements, once work on the interchange and ramp is complete.

Resident parking will be provided within the building's interior parking garage. Visitors to the site will have a variety of on-street and garage parking options. Construction timing and costs for all parking will be determined by the property owners at later stages of the redevelopment.

The applicant maintains a website www.WestEndVA.com to provide ongoing updates on the redevelopment of the Landmark site. Additional information is available on the City's webpage: www.AlexandriaVA.gov/Landmark.