

11
5-23-17

May 23, 2017

Honorable Mayor Allison Silberberg and
Members of City Council
301 King Street, Room 2300
Alexandria, VA 22314

Re: May 23, 2017 Council Docket Item 11; FY 2018 Long Range Interdepartmental Planning Work Program

Dear Mayor Silberberg and Members of Council:

I am writing on behalf of Carlyle Plaza, LLC and Alder Branch Realty Limited Partnership LLLP ("South Carlyle") regarding the Long Range Interdepartmental Planning Work Program. The proposed Work Program includes the Eisenhower East Phase I Plan Update. Although it is not included in the FY 2018 Work Program, the draft notes that Phase II of the Eisenhower East Plan update is proposed to begin in January 2020, and will examine whether additional density should be considered.

We understand that any decision on a work program item in future years will be re-considered when the work program for that year is adopted. However, South Carlyle opposes consideration of Phase II until at least 2020.

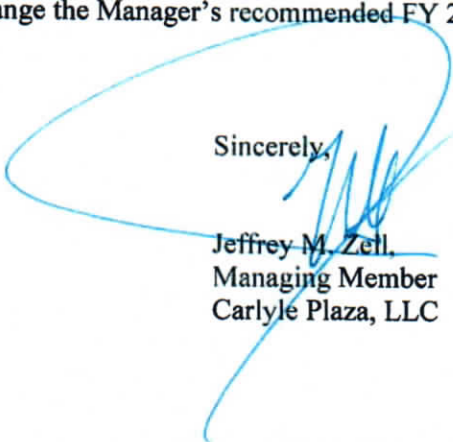
Approximately six million square feet of the development recommended by the adopted Eisenhower East Small Area Plan ("EESAP") remain unbuilt. Based on current rates of absorption, the approved floor area will not be built out for decades. The proposed Phase I conversions of office to residential floor area will provide an additional supply of residential that exceeds historical demand. As stated in the adopted EESAP:

It is absolutely paramount that the development process be fair, reasonable and completely understandable. Developers need to know the rules of the game and the acceptable development parameters . . . To the degree that the plan and plan-approval process are stable, there is greater certainty for both sides about land values, development rates and future financial returns for both the public and private sectors, factors that are key to financial planning.

South Carlyle invested substantially to purchase transferred development rights (TDR) from other landowners relying on the long-term city policy to limit total floor area in Eisenhower East to approximately 11.3 million s.f. (not including Carlyle). Most of the TDRs were purchased from Alexandria Renew and have partially funded the new athletic field and infrastructure improvements. Changing this policy while South Carlyle is in a critical early stage of development could unfairly affect this important public-private development partnership.

We request that you do not change the Manager's recommended FY 2018 Work Program and delay Phase II until at least 2020.

Sincerely,


Jeffrey M. Zell,
Managing Member
Carlyle Plaza, LLC