

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 20, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 8

SUBJECT: INDUSTRIAL LAND USE POLICY AND PLANNING STUDY FOR EISENHOWER WEST

ISSUE: A proposal to defer consideration for special use permits for new or expanded industrial uses in the City, and a proposal to initiate a study of the economics of industrial uses and potential alternative land uses for Eisenhower West.

RECOMMENDATION: That City Council:

- (1) Approve a policy to defer consideration for special use permits for industrial uses for the Eisenhower West¹ area, and
- (2) Direct staff to initiate a study analyzing the costs and opportunities of redeveloping the existing heavy industrial uses in Eisenhower West.

BACKGROUND: The construction of an ethanol transloading facility in the Norfolk Southern railway spur has generated intense discussion concerning the compatibility of heavy industrial uses in close proximity to existing residential neighborhoods, an elementary school, a Metrorail station and the Capital Beltway.

DISCUSSION: The City Attorney has advised that the City cannot under Virginia law adopt or enforce a moratorium on new or expanded industrial uses as such. However, all of the more intrusive industrial uses require a special use permit, and industrial uses operated in other zones as grandfathered, noncomplying or nonconforming uses require a SUP for expansion, intensification, or change in use. The City Attorney has concluded that City Council can adopt a policy to defer any consideration of special use permits in the Eisenhower West area for new industrial uses seeking to locate in the City, and/or SUPs for the expansion, intensification or change in use of existing industrial uses, for a reasonable period, pending completion of the planning study for industrial redevelopment economics.

¹ For the purposes of the proposed SUP deferral policy, the Eisenhower West area is defined as the area bounded on the east by the Metrorail bridge crossing of Eisenhower Avenue, on the south and the west by the City borders and on the north by the railroad track corridor, plus the Virginia Paving and Vulcan sites.

The planning study would focus on the real estate development costs and opportunities involved in redeveloping industrial sites in Eisenhower West into mixed-use communities. (Mixed-use is defined as a mix of residential, office, retail and institutional uses in a pedestrian-friendly interconnected street pattern with urban densities and amenities.) The study would be based on alternative redevelopment scenarios with a range of uses and densities. It would include the following information and analysis:

- The cost of relocating the heavy industrial uses, including the Covanta energy-from-waste facility, Vulcan, and Virginia Paving in terms of:
 - replacement sites
 - moving costs
 - remediation or clean-up of existing sites
 - Impact on cost of industrial goods and services to Alexandria
 - Impact on tax revenue
 - Community benefits and drawbacks of relocation

- Market for new urban mixed-use communities in Eisenhower West
 - Actions the City could take to accelerate or create the market
 - Ways to attract private capital to fund clean up and redevelopment
 - Tax benefit of mixed-use communities
 - Additional infrastructure and services to be provided by City for redeveloped areas (roads, transit, schools, sewer, parks) and the cost of such infrastructure and services

PLANNING CONTEXT AND SCHEDULE: The City Council reviewed the Department of Planning and Zoning’s work program along with the budget in the spring of this year. At that time, the Planning Department proposed to begin a small area plan for the Waterfront in January of 2009, a small area plan for the Beauregard Corridor in May of 2009, and a small area plan for Potomac Yard in December of 2009. A small area plan for Eisenhower West was not expressly included in the work program, but could be assumed to begin in 2010. This proposed industrial planning study would provide the background information necessary to begin the Eisenhower West small area plan. The study, which would entail an interdepartmental staff effort including staff from the Alexandria Economic Development Partnership, would begin in the fall of this year, and be completed in the early summer of 2009. At that time, the Council could review the results of the study and determine whether or not to accelerate the Eisenhower West planning effort, and if the decision is to accelerate the plan, what other planning efforts could be delayed.

This industrial land use study would also occur at the same time as a planned study of the future utilization of the Covanta energy-from-waste facility which will compare and contrast continued use of this facility by the City and Arlington County with other solid waste disposal alternatives. Although Covanta’s contractual agreements with the City and Arlington allow Covanta to own and operate the facility until 2025, the City and Arlington are not obligated to use the facility after 2012.

FISCAL IMPACT: The fiscal impact of undertaking this industrial land use study would primarily be the funding for a consultant. The estimated cost is \$250,000. This cost could be funded through the Planning Department's non-personnel consultant budget. The work program includes a category for special studies and projects that was intended to be a catch-all for just this type of study, and as several other special studies are winding down (Infill and Small Business SUP Zoning), there is staff capacity to manage the study.

STAFF:

Faroll Hamer, Director, Planning and Zoning

Ignacio Pessoa, City Attorney

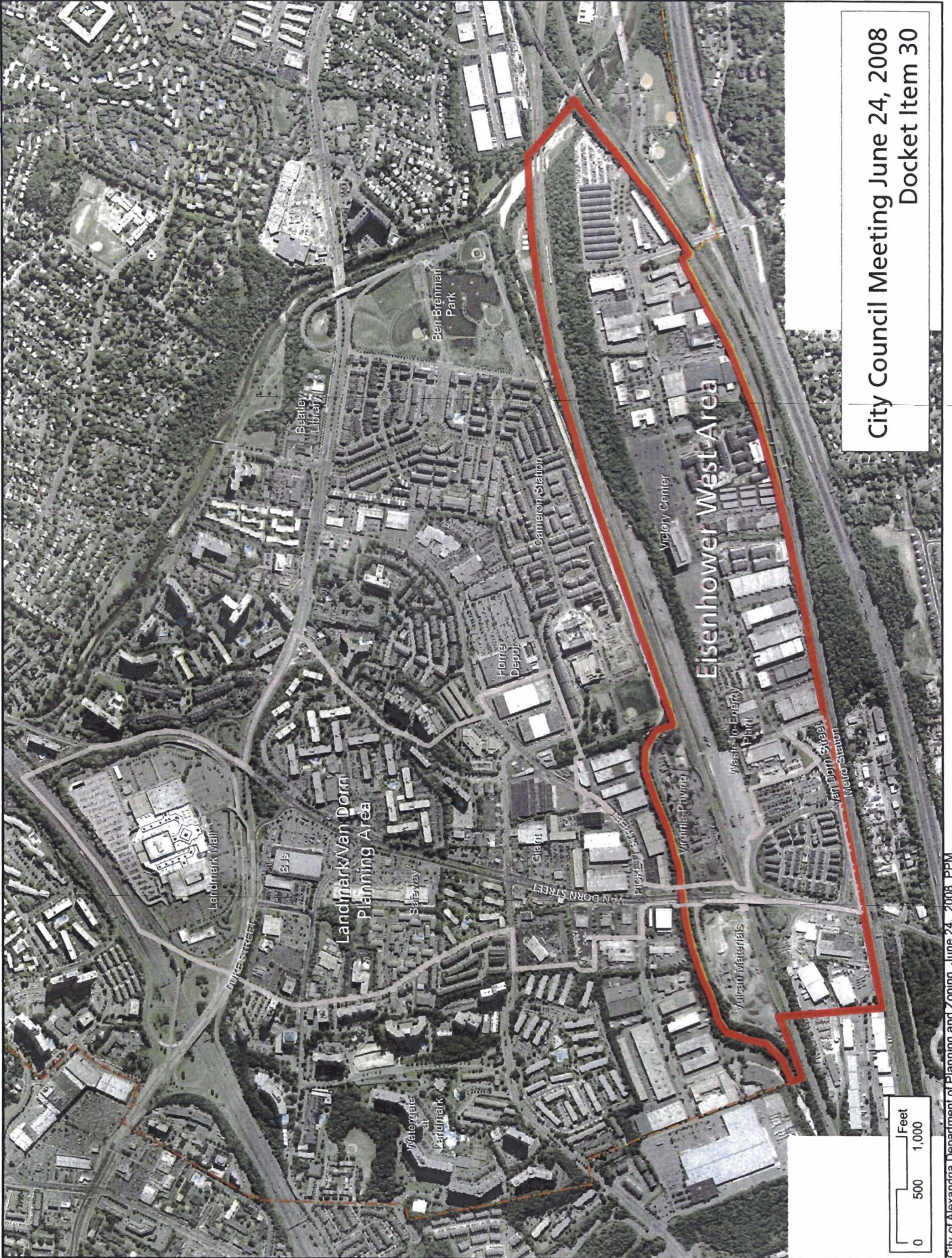
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City Council Meeting June 24, 2008
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