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10-18-08

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 17, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES K. HARTMANN, CITY MANAGER *J*

FROM: FAROLL HAMER, DIRECTOR OF PLANNING AND ZONING
MILDRILYN DAVIS, DIRECTOR OF HOUSING
KIRK KINCANNON, DIRECTOR OF RECREATION, PARKS & CULTURAL
ACTIVITIES

SUBJECT: RECOMMENDED CHANGES TO CONDITIONS FOR DSUP #2008-0013
JAMES BLAND REDEVELOPMENT

Subsequent to the October 7, 2008 Planning Commission Public Hearing, City staff and the Applicant have met to discuss several revisions to the recommendations which include the following topic areas:

- Open space - maintenance;
- Expanding open space through City acquisition;
- Provision of the 16 off-site public housing replacement units;
- Distribution of public housing and market rate units within the multi-family buildings;
- Building materials; and
- Parking.

A. OPEN SPACE - MAINTENANCE:

One of the concerns raised by the applicant regarding the central open space is the staff recommendation that the Homeowners Association (HOA) be required to maintain the central open space – public park. Since ARHA will be part of the HOA it will be required to pay a proportional share of the HOA maintenance requirements. Staff is recommending that the HOA maintain the proposed open space, however the City would provide \$1,200/year to ARHA to offset the incremental HOA costs to ARHA of maintaining the expanded portion of the park. Staff is also referencing a benchmark (*Attachment # 7*) for maintenance for an assurance to the City and ARHA that the park maintenance standards will be a defined certainty for the City, ARHA and the HOA. However, similar to Chatham Square, there will be a process for the market rate units to maintain the park at a higher level of maintenance if agreed upon by the HOA. Staff has also added additional detail regarding the proposed acquisition costs and timing for the acquisition of the four market rate units to make the central park larger.

Revision to Condition 9

Strikethrough indicates revised text and underline indicates new text.

- 9b. In order to increase the size and viability of the proposed major park at the James Bland Redevelopment site, it is proposed that the City purchase from ARHA four market rate building lots adjacent to the planned open space at the southwest corner of Montgomery and Alfred Streets. This purchase of the four lots will increase the size of the park from about 8,200 square feet to approximately 13,000 square feet. ~~The additional open space to "Parcel C" shall require a monetary contribution from the Open Space Fund or comparable funding to provide the property owner with a reasonable fair market value for each of the market rate lots/units purchased for open space. The monetary amount for the acquisition of open space shall be mutually agreed upon by the City and the property owner prior to submission of the first final site plan.~~
- i. The City would pay \$328,418 per lot which totals \$1,313,672 for the four lots.
 - ii. In addition, recognizing that ARHA, per its contract with EYA, will be sharing on a percentage basis in the upside gross sales revenue from the sale of the James Bland market rate units, the City would also pay a pro rata share of forgone upside gross sales revenue for the four lots which the City would purchase to expand the proposed park.
 - iii. The formula for paying this pro rata share would be to determine, after all the market rate units have been sold and the gross sales accounting completed, the per unit share of gross revenues which ARHA has earned. The City would then pay the pro rata determined per unit share for each of the four lots the City purchased to acquire the park.
 - iv. For example: If the total gross revenues from the sale of the 245 market rate subject to the revenue sharing agreement between ARHA and EYA totals \$2,450,000 and if ARHA's share is 20% (\$490,000), then the per unit share would be \$2,000 per unit. The City would then pay an additional \$8,000 for the four lots it purchased from ARHA for the park.
 - v. The City would contract with ARHA to purchase the four lots prior to the issuance of the first final site plan for the James Bland redevelopment, with settlement to occur prior to the issuance of a building permit for the redevelopment phase which includes these four lots.
 - vi. The City would reserve dedicated open space capital funds to acquire these four lots.
 - vii. The funds for the four lots would be held by ARHA to help fund the James Bland project.
 - viii. The City Manager is authorized to execute a purchase contract for these four lots with ARHA which incorporates the above provisions.
 - ix. The minimum standards which the Home Owners Association (HOA) will use to maintain the park are detailed in Attachment 7. These standards may not be changed by the City in a manner which would increase the HOA costs without prior approval of ARHA and the HOA.

- x. In recognition of the public access status of this open space, the City would provide ARHA \$1,200 per year to offset the incremental HOA costs to ARHA of maintaining the expanded portion of the park.

B. PROVISION OF THE 16 OFF-SITE PUBLIC HOUSING UNITS:

In order to elaborate in more detail the City's commitment in regard to the 16 replacement units, the following additional text is recommended.

Revision to Condition #53

~~Strikethrough~~ indicates revised text and underline indicates new text.

- 53. Pursuant to Resolution 830, 44 additional James Bland units shall be relocated to the redeveloped West Glebe and Old Dominion sites (when completed) and 16 units will be relocated to a City-identified and secured location that is acceptable to ARHA.
 - a. The City commits, in accordance with Resolution 830, that the City will cooperate with ARHA to identify a suitable site or sites, and plans to make the 16 units available by the time relocation commences for Phase Two of the James Bland redevelopment, which ARHA anticipates is likely to occur during the summer of 2010, assuming approval of tax credit applications for each of the first two phases in the year submitted. In any event, the City will make the 16 units available by the completion of the project which is anticipated to occur by 2015.
 - b. As evidence of its good faith commitment, the City will reserve \$1 million in authorized housing bond capacity concurrent with approval of the James Bland DSUP, and will set aside 50% of all new developer contributions for affordable housing,¹ once all monies budgeted and previously allocated for use in FY 2009 have been received. These two sources of funding (not to exceed \$6.4 million) will be reserved for use for the 16 replacement units until such time as the financing arrangements for the 16 units are finally determined, and all required funding commitments are secured. If not needed for this purpose, the City funds would then be made available for other housing needs. The City and ARHA acknowledge that the actual cost is unknown and could vary widely depending on the unit type, whether the units are provided by acquiring existing units or constructing new units, and the nature and amount of additional subsidy or financing (e.g., developer subsidy, Low Income Housing Tax Credits, etc.).
 - c. The City Manager is authorized to execute an agreement with ARHA reflecting the above condition #53 language.

¹ This exceeds the commitment included in the proposed Braddock East Plan, which calls for 50% of the developer housing contributions from properties in the Braddock Metro Neighborhood Plan area to be reserved for replacement of Braddock East area public housing. This specific commitment for James Bland covers all such contributions and is not limited to those from the Braddock area.

C. DISTRIBUTION OF PUBLIC HOUSING AND MARKET RATE UNITS WITHIN THE MULTI-FAMILY BUILDINGS.

Staff added a recommendation (condition # 62) that requires the applicant to work with staff to explore ways to better mix the public housing and market rate units within the multi-family buildings. Staff is recommending additional text that will require that the analysis of alternative unit mixes multi-family buildings be reviewed by the Mayor's ARHA Redevelopment Work Group.

Revised Condition #62

~~Strikethrough~~ indicates revised text and underline indicates new text.

The Developer agrees to explore the feasibility (economic and otherwise) of increasing the integration of public housing and market rate units within the multi-family buildings, and present its findings to the Mayor's ARHA Redevelopment Work Group. It is understood that if it is not possible to revise the layout of the multi-family buildings as proposed, then the buildings may be built as proposed. It is not the intent of this condition to require that the Developer create a situation that results in economic loss.

D. MANAGEMENT OF THE PUBLIC HOUSING:

In addition to the current recommendations regarding maintenance of the grounds and the units, staff is recommending that ARHA implement its planned creation of a management office within the adjoining Samuel Madden Uptown development in early 2009. Pursuant to HUD's new asset management model, over the next few years ARHA will decentralize its Property Operations and will relocate these activities from Roth Street to multiple sites at Ladrey, Duke Street and Samuel Madden Uptown. This shift will allow ARHA to be more accessible and more responsive to property management issues raised by its own tenants as well as to concerns that may arise from neighbors of the various ARHA developments.

New Condition # 64A

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ARHA will locate a management office and community space within the existing Samuel Madden community prior to the issuance of a building permit for Phase I of the James Bland redevelopment. The office and community space shall remain until future redevelopment of the Samuel Madden property.

D. BUILDING:

One of the staff recommendations requires that the material of the roof for the townhomes be limited to metal or slate. The applicant is requesting that the material of the townhouses will be metal or slate, although wants some flexibility to provide other materials if

approved by Board of Architectural Review (BAR). Staff is not opposed to this proposed revision contingent on the fact that staff and the BAR.

Amendment to Condition # 17g

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17g. Pitched roofs shall be standing seam metal (painted, galvanized or terne coated) and shingles shall be slate or metal, or a comparable high quality material approved by the Board of Architectural Review.

E. PARKING:

One of the concerns expressed by many of the existing residents on the adjoining streets of Columbus, First and Wythe Streets is availability of on-street parking for the existing older units many of which are constructed without off-street parking. As discussed in the staff report, staff believes the proposed parking will be sufficient to accommodate the proposal. However, in discussions with the applicant it was agreed that through the tenant selection process ARHA could potentially identify and place households within units on these streets that do not own cars. For example many of the existing residents at James Bland do not own cars.

Revised Condition #23h

~~Strikethrough~~ indicates revised text and underline indicates new text.

23 h. In the selection of tenants for the ARHA units on First, Columbus and Wythe Streets, ARHA shall, to the greatest extent possible, provide preference to households with limited automobile ownership.

Attachment # 7

Open Space Maintenance

Based on the City's standard maintenance policies for City parks it is projected that the maintenance for this type of park will be \$30,000 per acre/year, which equates to \$9,000/year for maintenance and operation of the 13,000 square foot park.

Maintenance and operational standards in this cost estimate include:

Irrigation

Weekly mowing and trimming

Edging as needed

Seasonal landscape plantings (seasonal color)

Mulching

Turf management (including soil nutrients, weeding, seeding/sod, fertilizing)

General hardscape maintenance as needed

Pedestrian level lighting repairs/replacement as needed

Repairs and maintenance related to "normal wear and tear"