

EXHIBIT NO. 1

16  
11-28-06

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 22, 2006  
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL  
FROM: JAMES K. HARTMANN, CITY MANAGER *J*  
SUBJECT: INITIATION OF MASTER PLAN AMENDMENT FOR PROPOSED FIRE STATION WITH AFFORDABLE HOUSING AT POTOMAC YARD

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**ISSUE:** Initiation of Master Plan Amendment to provide for a fire station with 64 affordable housing units within Potomac Yard.

**RECOMMENDATION:** That City Council initiate the process for a Master Plan Amendment to the Potomac Yard/Potomac Greens Small Area Plan to allow a fire station as a permitted land use, and to permit 64 additional residential units over the maximum allowed by the CDD Concept Plan for Potomac Yard for the affordable housing above the fire station.

**BACKGROUND:** As Council discussed at its November 4 retreat and at its legislative meeting on November 14, Landbay G of Potomac Yard will include a fire station and 64 units of affordable housing. Potomac Yard Development, LLC has been working collaboratively with the City to prepare a site plan and schematic building design for the site. On November 14, 2006, Council approved adding the fourth bay to the fire station. The project also includes 64 affordable/workforce housing units on the upper four levels with all of the parking located below grade. In addition, the City will incorporate green and sustainable elements for the building as part of the proposal.

**Master Plan Amendment Process in the Zoning Ordinance**

The current Master Plan for Potomac Yard specifies the land uses permitted in the various land bays, but does not currently include a fire station as a permitted use. Therefore, the Master Plan will need to be amended to permit a fire station in Land Bay G. The Zoning Ordinance authorizes the initiation of a Master Plan amendment by an applicant, the Planning Commission or the City Council. The initiation of the amendment by Council will be the first step in the ultimate adoption of such an amendment, which will require consideration at public hearings before the Planning Commission and City Council before adoption of the amendment.

In addition to the Master Plan Amendment, the following applications are required for the fire station and affordable housing project in Potomac Yard:

- CDD Concept Plan Amendment;
- Development Special Use Permit (DSUP); and
- Special Use Permit (SUP) for the 64 units of affordable housing.

These applications are scheduled to be heard by the Planning Commission and City Council at public hearings in February.

Work sessions with the Planning Commission, and design review meetings with the Potomac Yard Design Advisory Committee (PYDAC) have been scheduled to occur prior to February 2007, to ensure the opportunity for adequate public input.

### **Affordable Housing**

Based on its anticipated development plan for Potomac Yard, the developer has estimated its voluntary affordable housing contribution for the overall site as approximately \$10.5 million. This contribution is based on a formula which attaches a dollar amount per square foot of residential and commercial development. The projected build-out of the whole Yard, exclusive of Landbay F and Potomac Greens, is currently estimated at 2.2 million gross floor area of commercial (and hotel) development and 3 million gross floor area of residential development (in the CDD Concept Plan approved by Council in 1999, the total number of residential units permitted in the Yard is capped at 1,927).

In addition to the fire station proposal, the developer has agreed to contribute \$6 million, which the City will leverage with the donation of land and other resources to produce 64 affordable and workforce units above the station. Based on City staff and developer discussions, staff has agreed to request that Council initiate the necessary plan change to grant the developer an additional 64 residential units in addition to the 1,927 units included in the approved CDD Concept Plan. Accordingly, staff recommends that Council initiate a request for these additional units to ensure that they will not be deducted from the residential unit total the Developer is permitted to build.

Deducting the value of four condominium units already pledged by the developer in Landbay H (\$1,248,588), and the \$6 million to be contributed for the affordable rental housing above the fire station, the remaining balance of the Developer's voluntary contribution to be used to achieve affordable housing in future Landbays is approximately \$3.2 million.

**ATTACHMENT:** Location Map

**STAFF:**

Michele Evans, Deputy City Manager

Richard Josephson, Acting Director, Department of Planning and Zoning

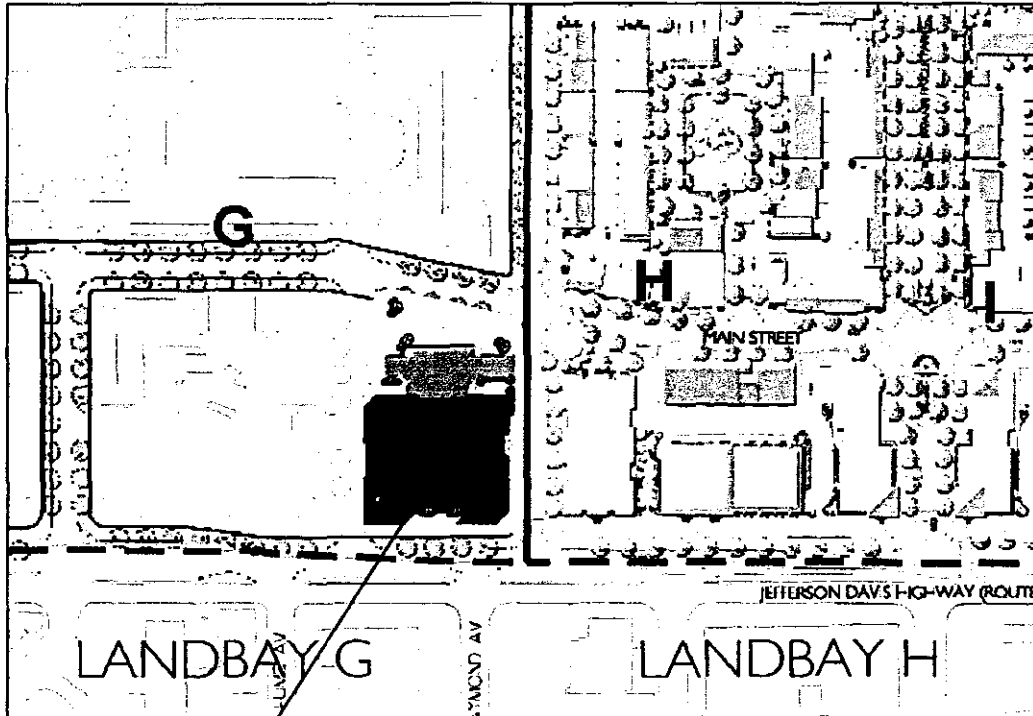
Jeffrey Farner, Chief, Development

Helen McIlvaine, Deputy Director, Housing

Jeremy McPike, Chief, General Services

Amy Tarce, Principal Planner, Development

# Attachment Location Map



**Fire Station**