

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 25, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO # 121 : POTENTIAL BUDGET ADDITIONS IN RESPONSE TO PROPOSED REVISIONS IN DEPARTMENT OF PLANNING AND ZONING FY 2008 AND FY 2009 WORK PROGRAM

The attached memorandum from Faroll Hamer, Director, Department of Planning and Zoning, describes proposed changes in priorities, staffing levels and funding for the Department of Planning and Zoning and other departments supporting the Planning and Zoning Work Program for FY 2008 and FY 2009. These changes reflect adjustments to the Work Program proposed in response to the April 8, 2008 joint work session with the members of City Council and the Planning Commission.

This memorandum contains City staff recommendations for additional funding for the departments of Planning and Zoning, Transportation and Environmental Services, Recreation, Parks and Cultural Affairs, and Housing, in order to perform the recommended work program.

- A new request of \$249,633 in the FY 2009 General Fund Operating Budget is being made for funding to go to the Departments of T&ES, RP&CA, and Housing.
- Another new request is made to redirect \$383,385 of funds from the 1 penny dedicated for affordable housing to support development of a Housing Master Plan. (This request does not affect City Council's add-delete deliberations because the funding redirects resources already programmed in the City Manager's Proposed Budget.)
- The above two new requests are in addition to the existing requests in the City Manager's Alternative Budget for 2 new positions in the Department of Planning and Zoning for Neighborhood and Community Development activities, and, in the Proposed Budget for a Transportation Planner (formerly to be funded by NVTAs revenues). These existing requests total \$289,459.

Additional details and supporting justification are provided in the attached memorandum.

Attachment

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 24, 2008

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

THROUGH: JAMES K. HARTMANN, CITY MANAGER

FROM: FAROLL HAMER, DIRECTOR, DEPARTMENT OF PLANNING AND ZONING

SUBJECT: REVISED DEPARTMENT OF PLANNING AND ZONING FY 2008 AND FY 2009 WORK PROGRAM AND ADDITIONAL BUDGET FUNDING RECOMMENDATIONS

ISSUE: Consideration of Council priorities for planning projects in the Department of Planning and Zoning's FY 2008 and FY 2009 work program.

RECOMMENDATION: That Council confirm the following priorities and staffing levels and proposed funding for the Department of Planning and Zoning and supporting City departments.

- Complete existing planning efforts in Braddock East and Landmark/Van Dorn
- Include the Van Dorn Metro Station in the planning boundary for the Landmark/Van Dorn small area plan
- Complete a portion of the Wayfinding Plan as it relates to the King Street corridor and Old Town area
- Begin the Waterfront Plan in January 2009
- Begin the Beauregard Corridor Plan in May 2009
- Continue review of Potomac Yard density transfer
- Initiate a Master Plan and/or CDD/zoning analysis of the Route 1 corridor and/or Potomac Yard in late 2009 or early 2010.
- Begin City-wide Housing Master Plan (Housing Element of the Comprehensive Plan) in 2009 funded from the dedicated 1¢ in real estate taxes for affordable housing
- Provide seven additional staff from P&Z, T&ES, RP&CA and Housing and professional services for Housing Master Plan in FY2009, at a total cost of \$922,477 (three of these seven staff, at a cost of \$289,459, are already included in the Manager's Alternative Budget, but \$249,633 and 2.5 additional staff would be required to staff the proposed work plan outlined in this memo)

DISCUSSION: Planning Commission and City Council held a joint work session on April 8 to review and discuss the proposed Planning and Zoning work program for the current and next fiscal year, FY 2008 and FY 2009. Staff provided guidance on recommended work program activities in an April 4 memo to the Commission and Council.

In my April 4 memo and as stated at the Joint Work Session, I recommended completing the Landmark/Van Dorn Plan and the Braddock East Plan and completing a portion of the Wayfinding Program by the end of 2008; beginning work on the Waterfront Plan in January 2009 and initiating two other major plans from among Potomac Yard, Beauregard Corridor, Eisenhower West or Duke Street Corridor in 2009.

In addition, I reported that staff would begin implementation of the Braddock Metro Neighborhood Plan and Braddock East Plan and the Landmark/Van Dorn Plan in the Winter 2008/Spring 2009 and continue with implementation of other adopted Plans (Arlandria, Mount Vernon, Eisenhower East, Hunting Creek, King Street).

Special Studies and Projects to be completed in 2008 included the Infill Study, the Small Business SUP changes, and the ARHA strategic plan (a joint effort with ARHA and Housing). Staff will continue work on other special studies and projects as they arise (100 year old building survey, Washington Street Streetscape Guidelines, Green Buildings, Parker-Gray Nomination).

At the April 8 worksession we received valuable feedback from both the Planning Commission and City Council on our recommended plans and priorities. What we heard was the need to begin the Waterfront Plan as soon as possible; begin planning for the Beauregard corridor to address the City's need to retain affordable housing and open space and accommodate transitway opportunities; assess potential changes to the development program for Potomac Yard and determine the extent and timing of planning for this area; incorporate the Van Dorn Metro Station or possibly additional surrounding area in the planning boundary for the Landmark/Van Dorn Plan; and determine additional staffing needs not only from Planning and Zoning, but from other key land use departments (T&ES, RP&CA, Housing) to support our planning efforts.

Waterfront

As I indicated at the April 8 Joint Worksession, the Planning Department will begin the Waterfront Planning process in January 2009, after completion of the Landmark/Van Dorn Plan and Braddock East Plans. Some preliminary work can be completed on the Waterfront Plan prior to January 2009; however, the initiation of the Plan, with broad community participation, should not begin until Planning staff can devote full time resources to the effort, which I believe can not occur prior to January 2009.

Beauregard Corridor

In regard to the Beauregard Corridor, as we discussed at the worksession, this is an area that is experiencing intense development pressure. Redevelopment of existing housing in this area could severely impact the supply of workforce housing in the City. It is important to plan ahead of major redevelopment here so that housing, open space and other City priorities, including transportation improvements, can be considered in the context of an overall plan and not just as part of a development proposal. This is why it is recommended to begin this planning effort in May 2009.

Potomac Yard

Separate proposals to transfer density within the approved Potomac Yard plan area and redevelop the Potomac Yard shopping center present difficult challenges to comprehensively plan and develop one of the largest (approximately 150 acres) and most important undeveloped areas in the City. There is a need to distinguish between the proposal to transfer density between land bays, which would be accomplished through the development process, and the proposal to redevelop the retail center, for which a Small Area Plan would be the appropriate process.

While it would undoubtedly be preferable to combine the two proposals into a single comprehensive planning process, such a process could not be completed for 18-24 months from the start date. If we were to wait that period of time for a plan to be prepared and adopted, we would run the risk of the applicants withdrawing their application and constructing low density townhouses adjacent to what could be a future Metrorail station. Such an outcome would make it considerably more difficult for us to justify construction of that Metrorail station in the future.

In order to be able to review the requested density transfer as comprehensively as possible, we are asking that the developer provide information including, but not limited to, the following:

- A transportation impact study that looks at all of Potomac Yard, including updating existing conditions and projections for Route 1, shuttle to Metrorail, BRT, and impact on feasibility of new metro station
- Fiscal impact statement
- A physical model and illustrative sketches of the proposed density relocation

For Landbay L (closest land bay to the Braddock Metro Station), staff is envisioning that a condition of approval of the proposed relocation of density could be that the developer participate in the Potomac Yard planning process for Landbay L to evaluate density, height and open space in relation to the adjoining Braddock Metro station.

In addition, staff is working with the owner of the existing retail center to prepare schematic plans indicating elements such as possible future uses, streets and open space. The schematic plans would not show heights or densities, but rather are intended to ensure continuity, compatibility, views, quality open space and public realm; and to show that good urban design solutions are not precluded.

While it would be desirable to look at additional issues as part of the density transfer, such as affordable housing, open space, spine road alignment, and Metro feasibility, these issues can also be reviewed as part of a comprehensive small area plan later on. While these or other issues may result in denial of the proposal, the staff recommends that the project go forward for your review and determination. We don't believe that we can prevent the application from moving through the process, particularly as a density transfer was expressly anticipated and permitted as part of the prior approval.

Landmark/Van Dorn Boundary

Based on our discussion at the work session and analysis of the area suggested for inclusion in the Landmark/Van Dorn Planning area, I am recommending that we include the area of the Van

Dorn Metrorail Station, as shown on the attached map. There are several reasons for including this limited area. The Van Dorn Metrorail Station is the southern “anchor” of the planning area, with Landmark Mall being the northern anchor. Including the Metrorail station site will allow us to design the best circulation system between the station and the rest of the planning area. Limiting the expansion of the planning area to the Metrorail station will allow the Plan to stay on schedule.

Including a larger area would involve additional inventories and analysis for transportation, fiscal impact, environmental remediation, trails and open space, as well as outreach to additional property owners and stakeholders. If the Virginia Paving and other industrial sites are included, it will necessitate a study of the future of both heavy and light industrial sites in Alexandria. It will not be possible to complete the plan by the end of 2008 with these additional tasks. There is also the danger that approving new zoning around the Metrorail station will inadvertently weaken the intensity of the market for redevelopment along Duke, Van Dorn and Picket streets.

Staffing

There are two staffing issues that need to be addressed. The first is staff required to support the efforts of the Department of Planning and Zoning as outlined above. This includes providing P&Z staff as well as other departments’ staff to assist in our planning efforts. The second staffing issue is what additional positions are needed to support other departments’ major work program initiatives.

On the issue of staff needed to support Planning’s work program, in meetings with representatives from T&ES, RP&CA, and Housing, we have identified the need for 2.5 additional positions (this is in addition to the 3 positions included in the City Manager’s alternate budget)

	<u>Positions Requested</u>				Total	Cost ¹
	<u>P&Z</u>	<u>T&ES</u>	<u>RP&CA</u>	<u>Housing</u>		
Manager’s Budget	2.0 ²	1.0 ³			3.0	\$ 289,459
Support for P&Z Work Program (NEW Request)		1.0	1.0	0.5	2.5	\$ 249,633
Housing Master Plan (NEW Request)				1.5	1.5	\$ 383,385 ⁴
TOTAL	2.0	2.0	1.0	2.0	7.0	\$ 922,477
Accelerated Potomac Yard Plan (NOT RECOMMENDED)	2.0	0.5	0.5	0.5	3.5	\$ 371,684

¹ Includes Non-Personnel Costs

² Funded in the alternate budget

³ Transportation Planner was NVTA funded; replacement funding alternative identified -Budget Memo #27

⁴ Includes \$225,000 for consultant in FY2009; another \$225,000 is anticipated in FY2010. Can be funded with 1¢ dedicated real estate tax for affordable housing.

The **NEW request** for positions to support Planning and Zoning's Work Program includes one staff position from RP&CA, one position from T&ES and one-half position from Housing. RP&CA currently has no staff positions dedicated to supporting the City's small area planning or implementation efforts. Staff is pulled from other areas to work on both planning and development projects. The position from RP&CA would be dedicated to work on the Waterfront Plan, Beauregard Plan, Wayfinding Plan and Plan Implementation, as well as development review. The one position from T&ES would be dedicated to working on the Waterfront and Beauregard Plans as well as on implementation; and Housing would need a one-half position to work on Beauregard and implementation.

If a small area plan for Potomac Yard is moved up to January 2009, at the same time as we are programmed to begin the Waterfront Plan and Beauregard Plan, 3.5 additional staff, beyond what is included in the New Request above, will be required. This is shown on the line titled "Accelerated Potomac Yard Plan."

There are several reasons why we do not recommend accelerating the Potomac Yard small area plan. For one, the Department of Planning and Zoning will face real obstacles in providing space for and hiring and training new staff. Any additional staff will require expanded office space. Even with a start date of January 2009, it could take six to nine months to find space for, hire and train these staff. In addition, we believe there are limits to the capacity of the community, Planning Commission and City Council to process all of the concurrent planning and development activity, and the radical changes that this entails.

There are also new staff positions needed to support major initiatives in other departments' work programs. These major initiatives include a Housing Master Plan and an Infrastructure Master Plan. The Housing Master Plan (as recommended by the Affordable Housing Initiatives Work Group) would establish goals, policies, strategies and an action plan to preserve and develop affordable, workforce and mixed-income housing. It would address planning and zoning tools, funding mechanisms and resources, and opportunities for public-private collaboration. Such a plan is needed to help direct the City in planning efforts such as the Beauregard Corridor Plan, where there is pressure to redevelop existing market-rate affordable units into upscale units. This Master Plan should be completed within 18 months. With the initiation of a Housing Master Plan, the Office of Housing has identified the need for one and a half new staff positions, in addition to consultant funding of approximately \$450,000 over two years, to begin in FY2009. This can be funded by revenues from the 1¢ dedicated real estate tax for affordable housing. For the Infrastructure Master Plan, adequate funding is available in FY 2009 for modeling, but additional funding will be required in FY2010 for planning and outreach.

In summary, with City Council concurrence, staff will initiate the Waterfront and Beauregard Plans in January and May of 2009, upon completion of the Landmark/Van Dorn and Braddock East Plans. We will adjust the boundary for the Landmark/Van Dorn Planning area to include the Van Dorn Metrorail Station to stay on schedule for completion in late 2008. Planning for the Potomac Yard density transfer would include traffic impacts, fiscal impact, impact on future Metro and impact on future land uses in Potomac Yard. A more comprehensive planning effort, to begin in late 2009 or early 2010, will focus primarily, but not exclusively, on redevelopment of the existing retail center. Staffing to carry out Planning and Zoning's work program would

include two and a half additional positions in three departments, at a cost of \$ 249,633 for FY 2009. The Housing Master Plan is estimated to cost \$383,385 in FY 2009. The Department's Work Program would also be able to accommodate several special studies or projects at the direction of the City Manager and City Council, as we have done in the past with projects like the Infill and Small Business Studies.

ATTACHMENTS:

CC: Planning Commission

STAFF:

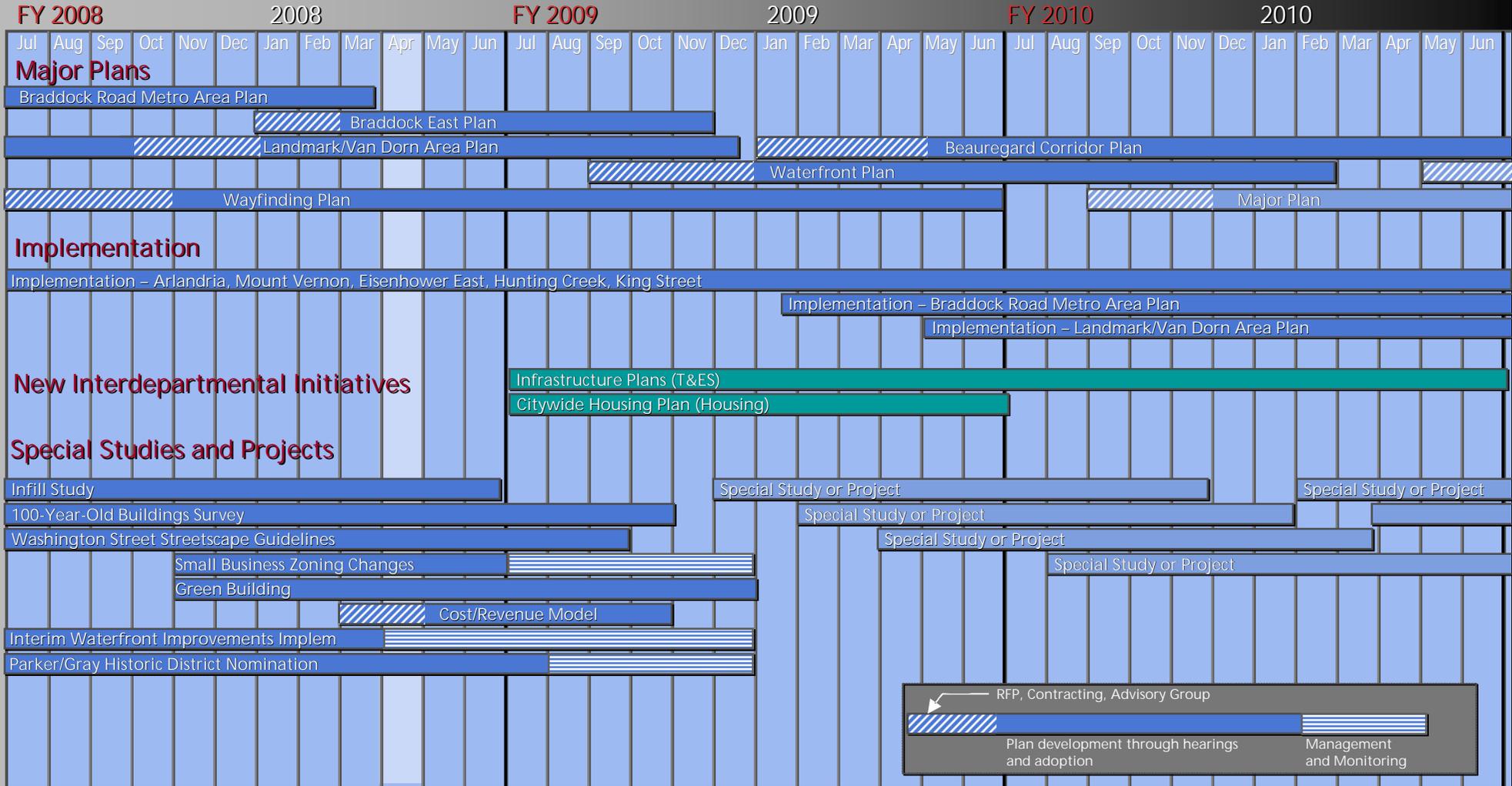
Faroll, Hamer, Director

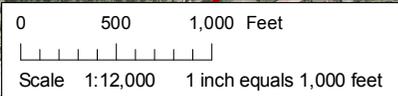
Rich Baier, Director, T&ES

Kirk Kincannon, Director, RP&CA

Mildrilyn Davis, Director, Housing

Proposed Work Program FY 2009





**Landmark/Van Dorn
Area Plan**

**Landmark/Van Dorn
Planning Area**