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# The Council Connection

*your connection to City Council by:  
Mayor Justin M. Wilson*

Alexandria, Virginia

May 1, 2019

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## Welcome to Spring!

The City Council is now wrapping up the most intense time of our calendar, as our budget process is now concluding.

Last month, we celebrated Alexandria's generosity, as [ACT for Alexandria's Spring2ACTion](#) raised over \$2.08 million for [non-profits across our City](#).

This giving will benefit so many in need in our City and we are lucky to live in a community where the community spirit is live and well.

[Contact me anytime](#). Let me know how I can help.

## Council Initiatives

### Budget Adoption Tonight

Tonight the City Council will adopt the Fiscal Year 2020 Operating budget and the 10-year Capital Improvement Program for Fiscal Year 2020 - Fiscal Year 2029.

From 2002 until 2009 the City was enjoying the run-up in the residential real estate market. Our General Fund budget increased by an average of 6.5% per year. The work force in City Government grew from 2,229 Full Time Equivalents (FTE) to 2,660 FTEs during that period.

In Fiscal Year 2010, the bottom fell out as the Great Recession took hold. The City adopted its first negative budget in at least 40 years, reducing spending from Fiscal Year 2009 to 2010 by over 2%. From 2010 to 2019, the General Fund budget increased by an average of



[Schedule Child Safety Seat Inspection](#)

3.7% per year. The budget that Council will adopt this evening grows 1.7% from last year's approved budget.

[Smoke Detector Installation Request](#)

The work force in City Government is now proposed at 2,621 FTEs, 39 less than the peak a decade ago.

[Real Estate Tax Receipt Calculator](#)

Sustaining an average budget growth of 3% per year with 4% annual student enrollment growth, employee healthcare costs increasing far above rates of inflation, long-deferred infrastructure needs, and ever-escalating funding challenges from Metro is impossible.

[License Your Dog or Cat](#)

[Report a Street Light Outage](#)

The adoption of the annual operating budget and capital improvement program is the most important decision the Council makes each year. The operating budget generally funds the ongoing costs of government (primarily personnel), while the capital budget funds one-time expenditures that provide the community with an asset (new schools, new roads, new playing fields, transit buses, etc).

## Events/Updates

### Voting Has Begun

On Tuesday June 11th the City's polling places will be open from 6 AM until 7 PM.

[In late February, the City Manager presented his proposed Operating Budget for Fiscal Year 2020 \(which begins July 1, 2019\) and his proposed 10 year Capital Improvement Program for Fiscal Year 2020 - Fiscal Year 2029.](#)

The Democrats will be holding a primary to choose a candidate for Clerk of the Circuit Court and for those in the 35th State Senate district, a nominee for State Senate.

While Council had voted in March to advertise a maximum real estate tax rate of \$1.135, Council will be adopting a budget this evening that does not increase the real estate tax rate, maintaining the current \$1.13 rate. **This will be the second year in a row without a rate increase.**

There are two sample ballots available.

The City Manager presented a \$761.1 million Operating Budget. Of the available new revenue, the City Manager has proposed allocating two-thirds to the Alexandria City Public Schools, and the remaining third to the needs of the Washington Metropolitan Area Transit Authority (WMATA). The remaining City operations are only growing 0.6% in this proposed budget.

[For those in the 35th State Senate District.](#)

[For those elsewhere in the City.](#)

The City Manager's proposed operating budget transfer for the Alexandria City Public Schools [matches the approved budget request of the Alexandria School Board](#). The budget we will approve this evening increases that transfer further.

You can [look up your polling place online.](#)

[In person and by mail absentee voting has already begun.](#)

The Capital Improvement Program that the City Manager has presented contemplates \$1.6 billion of capital investment over the next decade. This proposal includes \$478 million for school facilities, \$380 million for transportation (including WMATA) and \$150 million for City municipal facilities.

### First Thursday

Thursday is "First Thursday" in Del Ray!

The City Manager's proposed Capital Improvement Program largely matches the request of the School Board for capital investment as well, with acknowledgement that further capital investment remains to be addressed in our school facilities.

[The Del Ray Business Association continues the tradition from 6 - 9 PM on Mount Vernon Avenue in Del Ray.](#)

Once the City Manager makes his budget proposal the budget becomes the City Council's to amend and finalize to its liking. Throughout the budget process, members of the City Council submit questions to clarify various aspect of the City Manager's budget and to determine the fiscal impact of various policy proposals. Per our budget rules, any proposal to modify the budget must be informed by this type of analysis. [You can view the budget memos that have been provided to the City Council in the process .](#)

### Real Estate Assessment Appeals

Any appeal of 2019 Real Estate Assessments must be filed by June 1 for hearing by the Board of Equalization.

At the conclusion of the budget process, City Council members make individual budget proposals for addition or deletion to the proposed budget. In order to keep the budget in balance, any additions must be offset by a deletion elsewhere, or additional revenue.

In order to be considered in the budget process, a proposed amendment must have the support of at least 3 members. In order to

The [form is available online](#) and can be submitted by mail.

be considered as part of the final budget proposal voted on by Council, it generally requires the support of at least 4 members.

[These are the budget additions and deletions that were considered by the City Council in this year's budget process.](#)

## Mulch, Delivered

Online mulch delivery orders can be submitted.

Mulch is available in a full or half truckload, and each delivery ranges from \$50 - \$100.

[Deliveries can be scheduled online.](#)

## Memorial Day Jazz Festival

[The 42nd Annual Alexandria Memorial Day Jazz Festival returns!](#)

Back on the waterfront at Waterfront Park (1 Prince Street), the festival starts at 1 PM on Monday, May 27th.

Don't miss this great, free event!

## Bike To Work Day

Friday, May 17th is Bike to Work Day across the region.

[If it will be your first time biking to work or you're an old pro, sign up online today.](#)

There will be five Alexandria "Pit Stop" locations, including [Carlyle](#), [Del Ray](#), [Fairlington Centre](#), [Old Town](#) and [Mark Center](#).

I'll see you there!

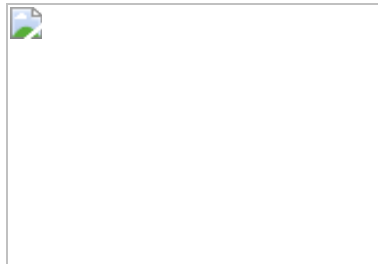
## Preservation Month

Celebrate Preservation Month with the Office of Historic Alexandria.

[Events are scheduled throughout the month](#), including tours of the Murray-Dick-Fawcett House, lectures and more!

These proposals were:

- As I have in previous budgets, I made a proposal to set-aside an additional \$200,000 to expand the availability of early childhood education in our City. As we work to ensure that each child has access to these important services, [we still have waiting lists and capacity constraints in our City.](#) This is funded by drawing down on an undesignated contingency fund made available by the City Manager in his proposed budget.
- As [I wrote about in this newsletter last month](#), I have also made a proposal to provide funding for the local match of a SAFER grant to complete the process of bringing each of our Fire Department's engine companies up to 4-person minimum staffing.
- [As I also mentioned in the newsletter last month](#), I have made a proposal to eliminate the current \$33 decal fee by raising the vehicle personal property tax rate. This is a revenue-neutral proposal for the City, but will mean that 69,000 vehicle owners will pay less overall, and 48,000 vehicle owners will pay more overall.
- To assist in implementing the City's [adopted WasteSmart Strategic Plan](#), I have proposed an increase in the residential refuse fee to \$411 annually. This will fund the new glass-drop off recycling program and other recycling and re-use initiatives.
- I have proposed a budget add [to reflect the revenue from a potential new agreement that our Sheriff will negotiate](#) with the United States District Court of the District of Columbia to hold Federal prisoners. This revenue will then be set aside to address compensation and benefits changes within the Sheriff's Department.
- To help prompt a long-term funding plan for textbook replacements within our schools, [I have proposed shifting funds currently within the ACPS operating budget to our capital budget for textbook replacement.](#)
- I have proposed setting aside half of the [City's planned appropriation to Inova Alexandria Hospital](#) until the full impact of the recently implemented Medicaid expansion can be assessed on the uncompensated care expenditures of the hospital.
- I have proposed setting aside the funds proposed for a new position to do evening and weekend zoning inspections. I have requested a more comprehensive review of all of the City's night/weekend staffing and enforcement efforts.
- Councilman John Chapman has proposed providing an additional \$100,000 of appropriation to the Alexandria City School Board. This proposal is funded by drawing down on the undesignated contingency funds.
- Councilwoman Del Pepper has proposed funding the [startup costs associated with the City's creation of a C-PACE program to assist commercial property owners in making environmentally sustainable improvements to their properties.](#) She has also proposed this funding to be funded from the contingency funds.
- Councilwoman Pepper has also proposed additional funding from contingency funds to fund further implementation of our



Environmental Action Plan.

- Councilman Chapman [has proposed funding from the contingency funds to add additional staffing to address racial equity issues.](#)
- Councilman Mo Seifeldein [has proposed funding to provide legal representation for those Alexandria residents who are facing deportation.](#) This is proposed to be funded out of the proposed contingency funds.
- Councilwoman Pepper [has proposed funds from contingency funds to allow for the existing tree lights on King Street to remain lit for 11 months a year.](#)
- Vice Mayor Elizabeth Bennett-Parker [has proposed funds from contingency to expand the acceptance of the SNAP/EBT program at additional farmers markets in the City.](#)

After working to reconcile these proposed changes at two budget worksessions, [this version of the proposed amendments will be before us for adoption this evening.](#)

I am excited to conclude this process to adopt a budget that is reflective of our values as a community.

### **Metro Closure**

For a year we have known there will be no Metro Rail Blue or Yellow line service south of the airport from Memorial Day to Labor Day 2019. Our staff has been working closely with the Washington Metropolitan Area Transit Authority (WMATA) to prepare for this challenge. [Our draft mitigation plan is online for your review.](#)

[Late last month, we learned that the closure will be extended by a week, into the first week of September due to issues to be addressed at the Braddock Road Metro station.](#)

This revelation was not well-received by the Council. Shortly after learning of this change, [I sent a letter to the WMATA CEO on behalf of the Council expressing our concerns about this sudden change.](#)

In response, Metro's Chief Operating Officer attended our City Council meeting to discuss this change with the Council. [You can watch the Council discussion online.](#)

[Last year, our region came together and adopted a new dedicated funding stream to support WMATA.](#) This significant accomplishment



was not without fault, but it did represent a positive step forward in addressing a backlog of investments required in Metro's basic infrastructure.

Once the crown jewel of the Washington, DC region, Metrorail is experiencing a very difficult time. Metro is a basic building block of our region's economy. If there is a perception that the system is unsafe, then that awareness can be crippling to the region.

The proposed mitigation plan for the closures relies on four pillars:

- [WMATA service \(shuttles and expansions of existing bus service\)](#)
- City/DASH alternatives
- Mobility alternatives (transportation network companies and transit modifications)
- Communication and outreach

The bedrock of this plan is the WMATA shuttles and service expansion. These shuttles will run 5 minute headways (intervals) during peak periods and WMATA has now sized them to

accommodate 97% of the typical "peak of the peak" ridership through the corridor.

In March, [the City's Traffic & Parking Board endorsed a set of changes to the HOV restrictions on several streets in the City to encourage carpooling during this period](#). Council endorsed those changes last month.

[WMATA has commenced the preparation work for this infrastructure repair effort](#). This preparation work is causing some service impacts, as well as some changes to the way vehicles and buses access our stations.

Our staff will continue their work with WMATA staff to develop a plan that will ensure that our City will continue functioning during this period.

The work to restore Metro back to the level required to support this region continues. In the short-term, additional sacrifice will be required. As a daily Metro rider myself, I know the service challenges first-hand. I'm optimistic that these efforts will result in a more reliable system for Alexandria and the entire region.

## Water Rates

Alexandria remains one in a relatively small list of Virginia jurisdictions who have a private water utility. [Virginia American Water Company](#) (VAWC), a subsidiary of a large national company, provides the water supply to Alexandria's residents and businesses.

As a private utility, VAWC is subject to the authority of the [State Corporation Commission](#) (SCC) in Richmond. [In November, the utility filed before the SCC for a rate increase](#). This increase is significant and also proposes to make an additional service charge, permanent.

Last month, [the City Council voted to intervene in this application before the SCC and oppose this rate increase](#).

In 2014, VAWC applied to the commission in order to create a new "Water and Wastewater Infrastructure Service Charge."

As proposed, the new charge was to assist VAWC in collecting the resources to perform system-wide maintenance.

While the City certainly supports the maintenance efforts that are badly needed to protect our City's water supply, we do have concern about the mechanism.

At my request, the City filed with the Commission in opposition of



VAWC's request. The City's concern was that the change proposed by VAWC removes a significant "check" (the review by the State Corporation Commission), that exists to ensure the proper process is followed before rates are raised.

The Commission appointed a hearing examiner to look at the facts in the case and make a recommendation. The [response of the hearing examiner](#) in June of 2015 supported the City's perspective.

Then, the City filed [a response urging the Commission's support of the findings of the hearing examiner](#).

In September of 2015, the [Commission concurred with their hearing examiner and that case was closed.](#)

Yet at the end of October 2015, [VAWC applied to the State Corporation Commission for another rate increase.](#) The increase took effect on April 1, 2016 and increased the typical residential customer's bill by approximately \$4 per month. Additionally, they again applied for permission to create the new infrastructure services charge. Under state law, the increase goes into effect, but if the Commission lowers or eliminates the increase, every customer will be entitled to a refund.

Another hearing examiner was appointed. [At the end of November 2016, this hearing examiner provided his report.](#) While the examiner did not accept all of the rate increases proposed by VAWC, he did approve a 3 year pilot of the new Water and Wastewater Infrastructure Service Charge. In [December of 2016, the City provided its response to this recommendation.](#)

In May of 2017, [the State Corporation Commission rendered their final decision.](#) In their decision, the Commission limited VAWC's rate increase. Given the proposed rate increase was put in place in April of 2016, all customers received refunds of the difference between the adopted and proposed increases.

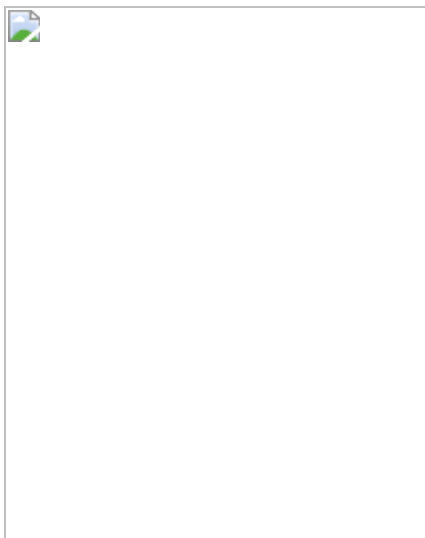
To support the City's view on the inappropriateness of this type of unchecked rate increase mechanism, Senator Adam Ebbin [proposed legislation during the 2017 General Assembly session to prevent such a fee structure in the future.](#) Unfortunately, the legislation did not survive the Senate Commerce and Labor Committee.

I'm hopeful we can continue our efforts working with VAWC to improve our aging water infrastructure but respect our ratepayers and good processes at the same time.

### **Combined Sewer Progress**

Last month the Virginia House of Delegates and the State Senate completed action on the Governor's proposed amendments to the Commonwealth's biennial budget. [Remaining intact was \\$25 million to support work on the Alexandria combined sewer system.](#)

With remediation expected to require hundreds of millions of dollars, the City requested funding from state coffers to assist in this challenge. Other jurisdictions in Virginia with similar systems have benefited from such funding, and this investment in a significant accomplishment, largely due to our General Assembly delegation, led by Senator Dick Saslaw, the Senate Minority Leader.



[Two years ago, the General Assembly enacted legislation that required the City to address remediation of our Combined Sewer System by July 1, 2025. This is a timeline far more aggressive than what the Commonwealth's own environmental regulator had agreed was reasonable.](#)



In June of last year, [City Council approved transferring the ownership of the four Combined Sewer outfalls to Alexandria Renew Enterprises](#) to allow the City to leverage their capacity and capabilities to address these issues.

At the end of that same month, [the Virginia Department of Environmental Quality approved a plan jointly prepared by the City and Alexandria Renew to meet the more stringent timeline](#) imposed by the General Assembly.

The City is now well on our way to meeting this new timeline.

[River boring activities in the Potomac River began last month](#), as information is being collected to craft engineering solutions for the upcoming work.

[Procurement work is now under way for the significant equipment and services that will be required](#). A second Vendor Outreach session will be held on May 17th from 9 AM until noon at Nannie Lee Recreation Center.

The construction work will occur primarily at 4 sites, the three outfall locations and the location of the Alexandria Renew treatment facility. [Haul routes have now been developed to remove the soils that will be excavated during this work](#).

The Alexandria Renew Board of Directors has also determined their preferred method of financing these investments for the next two years. This year, average residential bills will increase by 13% and next year they will increase again by 11%. At that point, the Board will have a better picture of what the overall costs will be, and will be able to set a long-term financing plan.

The challenge is significant. We certainly did not plan to rectify this outfall on the timetable that the Commonwealth has provided. Even with the unreasonable timetable, Alexandria remains ahead of many jurisdictions around the nation on this issue. Stormwater planning and work coordinated with redevelopment activity has left us better situated than most. This is not a new issue for Alexandria.

The City recently convened a new [Stakeholder Advisory Group](#) to work with Alexandria Renew and the community to move this project forward. [The group meets this evening at 7 PM at Alexandria Renew headquarters](#).

We have significant work ahead of our community to make these important investments in cleaner waterways.

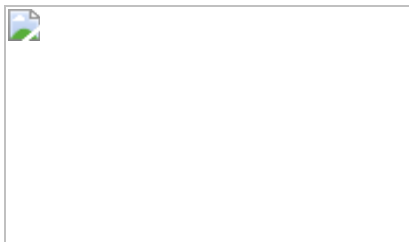
## Recycling Glass

[Recycling markets are now in crisis](#). The glass we collect in our single stream recycling cannot effectively be recycled. Challenges also exist for some plastics and other material. We will need to determine new ways to effectively address these materials.

[Last month, the City announced the implementation of one of the short-term tasks in the WasteSmart Strategic Plan. In partnership with Fairfax County and Arlington County, the City unveiled four new glass recycling drop-off locations. Each of the four locations is open 24 hours per day.](#)

Policy changes in China have roiled recycling markets. These changes have prompted local jurisdictions around the country to even eliminate recycling altogether.

In January, the City Council unanimously adopted the [WasteSmart Strategic Plan](#). This plan sought to chart a new course for trash and recycling services.



Waste removal is one of the most visible and traditional of local government services. A service that at one point simply involved a trash truck on a route picking up a resident's waste has now evolved into a complex portfolio of

services.

While the City provides curbside trash and recycling collection for a tad over 20,000 households, we also provide:

- Yard Waste Collection
- Leaf/brush collection
- Metal and appliances collection
- Spring Clean-Up
- Bulk Trash Pick-Up
- Electronic waste collection
- Recycling Drop-Off Centers
- Public Space Trash and Recycling
- Farmers Market Composting

Each of these services has evolved to address defined needs in our City, but each has associated policy choices. Several of these significant policy questions are now before us.

It is no accident that one of the chapters of the City's recently [adopted Environmental Action Plan Phase 1 update](#) is Solid Waste. Alexandria's handling of its solid waste is a core area of environmental stewardship.

Please let me know your thoughts on these important issues!

### **Preserving Affordable Housing**

Over 35 years ago, the City Council adopted [Resolution 830](#), which committed the City to "one for one" replacement of any public housing unit that was destroyed by redevelopment.

[As of last month, Resolution 830 is no more, replaced by Resolution 2876](#). The new resolution, endorsed by the City and our public housing authority Board, modernizes the City's commitment towards preservation for a new generation of challenges.

Making the commitment stated in Resolution 830 is rather easy. Actually achieving that replacement, in an environment of dwindling Federal resources and rapidly-appreciating property values, is extraordinarily difficult.

That difficulty was again demonstrated by [the announcement last year that the Alexandria Redevelopment and Housing Authority \(ARHA\) and its private development partner could not come to terms to move forward with the redevelopment of the Andrew Adkins development](#). While not unexpected given the challenges of this project, this is a terribly disappointing turn of events that potentially delays redevelopment efforts by multiple years.

As we move forward, my focus is to salvage aspects of the work that has been performed so far, to ensure the entire process is not a loss.

Councilman John Chapman and I initiated [a task force representing many impacted constituencies](#). The task force has been working to make recommendations for revision of Resolution 830. Last year [the findings of this group came to the ARHA Redevelopment Work Group](#). Those recommendations informed the final version adopted by Council and ARHA.



Changes to the resolution can have broad impacts to residents, the City's finances, ARHA's finances, and in some cases the demographics and fabric of our community.

The future state of Resolution 830 and the future of the Andrew



Adkins redevelopment effort are linked. The very same factors that prompted a review of Resolution 830 are challenging the feasibility of redeveloping the existing Andrew Adkins.

The [Alexandria Redevelopment & Housing Authority \(ARHA\)](#) is an independent entity, with a City Council-appointed Board, but separate from the City, that utilizes Federal funding from the US Department of Housing & Urban Development (HUD) to provide housing to low-income residents of Alexandria.

ARHA directly manages and controls 1,079 units of affordable housing. In addition, ARHA manages the City's Section 8 Housing Choice Voucher program, which utilizes Federal funding to provide assistance for another 1,906 low-income families to reside in privately-owned housing units. Together, this is approximately 4% of the City's overall housing stock.

At the federal level, we have seen dramatic changes in how public housing is managed and developed. In the past, the Federal Government had been a proactive participant in bringing about the redevelopment of public housing. This was demonstrated in Alexandria when the City used [HOPE VI funding](#) to redevelop 100 units of Public Housing into [Chatham Square](#). This mixed-income development incorporated both market-rate and public housing.

Now well into 2019, the Federal Government is forcing changes in public housing with its inaction. Today, HUD funds a shrinking portion of the dollars required to operate Alexandria Public Housing units. The balance of revenue that ARHA collects as rent is not sufficient for sustainable management of their properties, and this is likely to get worse.

With aging properties sitting on valuable land, ARHA must look at the highest and best use of its land to preserve housing for low-income residents in our City.

In 2008, the City Council adopted the [Braddock East Master Plan](#), which called for redevelopment of several aging public housing properties. By allowing additional density near existing transit, it was designed to encourage private partnership in the redevelopment of this housing.

Aligned with this Plan, James Bland Homes [have become Old Town Commons](#). This redevelopment activity has proven successful in providing a sustainable model for mixed-income housing in our City.

In the fall of 2014, with these experiences and lessons behind us, [ARHA issued an RFP \(Request for Proposals\) to solicit proposals from private developers for the potential redevelopment of seven additional properties: Cameron Valley \(built in 1985\), Andrew Adkins \(built in 1969\), Samuel Madden \(built in 1945\), Ramsey Homes \(built in 1942\), Hopkins Tancil \(built in 1945\), Ladrey \(built in 1968\), and the ARHA Headquarters building on North Fairfax Street.](#)

As they continued through the process, ARHA narrowed the number

of properties down to five: Andrew Adkins, Samuel Madden, Hopkins Tancil, the ARHA Headquarters building, and Cameron Valley.

The ARHA Redevelopment Work Group, which I serve on along with Councilman Chapman, the ARHA Chair, the ARHA Vice Chair, and the Planning Commission Chair, is tasked with coordinating the work between the City and ARHA.

[Tomorrow evening, the ARHA Board, our Planning Commission and City Council will gather to discuss the next phase of these redevelopment efforts in a joint worksession.](#)

This is a significant undertaking and we will have a historic opportunity to partner with the private sector and provide new housing for a variety of income levels near existing transit in our City. This effort will also provide financial stability for ARHA in the face of continued change at the Federal level.

Let me know your thoughts!

**Host a Town Hall in Your Living Room!**

As Mayor, I am continuing my regular series of Town Hall Meetings.



You supply the living room and a bunch of your friends and neighbors. I will supply the Mayor who will hopefully have the answers to any of your questions about our City.

Just [drop us a line](#) and we'll get a Town Hall on the calendar! Thanks for the interest!

## Upcoming Issues

### Landmark Mall Redevelopment

There is no clearer demonstration of the City's financial challenges than the predicament that currently faces Landmark Mall.

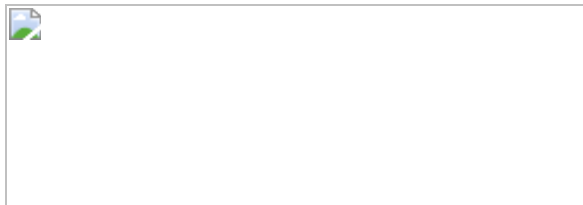
[Last month Council approved revisions to the Master Plan to advance a comprehensive redevelopment of the site.](#) Later this year, additional approvals will come forward to finally facilitate redevelopment.

Eighteen years ago, when the ownership of the properties at Landmark Mall received their tax assessments from the City, the [actual mall site was assessed at \\$76.4 million.](#) The [Sears store was assessed at \\$19.7 million.](#) The [Macy's store site was assessed at \\$17 million.](#)

At the City's tax rate in 2000, these three sites alone generated \$1.25 million in real estate tax.

Today, the three properties are assessed at \$25.2 million, \$14 million, and \$12.6 million, respectively. They generate about \$500,000 in real estate tax today, less than half of what it used to be.

To make the situation even more severe, real estate tax is only a portion of the picture. The reduction in revenues from sales tax, dining tax, and other business taxes has also been dramatic at this site.



The City has taken a number of steps over the years to revitalize the site.

In 2009, the City Council approved the [Landmark/Van Dorn Small Area Plan](#). This plan laid out a comprehensive vision for the redevelopment of the entire corridor including the properties on the existing Mall site.

The bankruptcy of one of the owners, unfavorable market conditions, and the complexity of the relationship between the three owners on the site resulted in little action for several years.

In June 2013, after taking over ownership of the mall site, the Howard Hughes Corporation [received approval by the Planning Commission and City Council for a redevelopment of their portion of the site](#). A slower than expected leasing market has slowed that company's intentions to redevelop.

In 2015, Howard Hughes Corporation was back at City Hall to apply for very minor amendments to the approval that was issued in 2013. [These changes were approved by City Council in April of 2015](#).

While no one should be convinced until they see bulldozers knocking down the existing mall site, there is a lot going on. Landmark Mall redevelopment has been complicated from the beginning, but I believe we can be cautiously optimistic that it is finally coming together.

- [Early in 2017, Macy's announced the closure of their store at Landmark.](#)
- [The Howard Hughes Corporation later announced that it had purchased the Macy's store site.](#)
- [The Howard Hughes Corporation subsequently announced that the existing mall site is closing.](#)
- [Mill Creek is engaged to handle the residential portion of the redevelopment.](#)
- There have been discussions between the City and Howard Hughes about potential public/private partnerships that will help spur the redevelopment.
- Sears spun-off a new Real Estate Investment Trust (REIT) in 2015 called Seritage Growth Properties to maximize value out of their remaining real estate. [The Landmark Mall Sears store property is now owned by the new REIT.](#)

The redevelopment of the Landmark Mall site has been a long time in coming to fruition. I am optimistic that we are finally making real progress in this effort.

## Growth and Housing

In September of last year, the Board of Directors of the Metropolitan Washington Council of Governments (COG) [accepted a report that identified that 100,000 additional housing units will need to be constructed within the region just to meet expected job growth](#). That is 100,000 units BEYOND what is already planned to be developed.

The COG analysis focuses on the housing production required to meet the economic competitiveness and transportation efficiency goals for the region. Even with increased housing production at the levels recommended, it's unlikely to be sufficient supply to address affordability challenges.

The [COG Board ultimately adopted a resolution](#) directing the Housing Directors and Planning Directors of the region to determine how such an increase in housing production could be accommodated.

In February, the staff team [returned to the COG Board and provided their findings](#). While they ultimately determined that the supply

increase was feasible, they did note that work is required across the region to make it happen.



At our April meeting, the COG Board [adopted a new resolution creating a Housing Strategy Group to bring forward the regional policy reforms to address housing supply, as well as the current impediments \(infrastructure, etc\), that prevent advancement](#). I have now been appointed to this group along with 6 other elected officials from around the region.

The recent Amazon and Virginia Tech economic development announcements have stoked concerns regarding the impacts on affordability that may result throughout the region. While analysis shows the potential for impacts on affordability, [in a region with over 3.3 million jobs](#), an additional 25,000 jobs entering the market over a decade is not likely to have a dramatic impact.

Yet these economic development "wins" have served to shine a light on an issue that has bedeviled our City and this region for decades. As [the region's job supply has grown, the housing supply has not sufficiently grown to match](#).

While the paired announcement of Amazon and Virginia Tech presents risks for affordability in the region, it also provides some critical opportunities:

- For the first time ever, [the Commonwealth included new housing investments in an economic development incentive package](#).
- In the aftermath of the announcement, [Governor Northam proposed new investments in the Commonwealth's Housing Trust Fund as part of his package of amendments to the budget for the upcoming General Assembly session](#). Additional investments were ultimately included in the budget.
- There is some reason to believe that the Amazon/Virginia Tech investment will prompt new housing production, thus alleviating some of the crunch.
- The City's approved Oakville Triangle Corridor Plan [included significant on-site affordable housing elements that are now likely to proceed](#).
- [The Long Range Planning Interdepartmental Work Program being presented to the Planning Commission in a few days](#) includes pre-planned efforts to facilitate market-based affordability alternatives, including Accessory Dwelling Units, revisions to our developer contribution policies and exploration of the feasibility of inclusionary zoning initiatives.
- That same work program also includes upcoming updates to the small area plans covering Del Ray and Arlandria. In particular, the recent Amazon/Virginia Tech announcement [has sparked concerns regarding preservation of affordability in Arlandria](#).

When the City attempts to address housing affordability, it is going up against powerful economic forces. Employing market-based solutions to these affordability challenges is where the City can be most effective.

As we work to implement the City's Housing Master Plan, we must seek to comprehend and be willing to address all of the factors that challenge affordability in the City. Amazon's arrival and Virginia

Tech's expansion doesn't dramatically change the affordability challenge in our region, but it does perhaps give us the impetus to make the difficult decisions to address it.

[Let me know your thoughts!](#)

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