Housing Commission

2250 Crystal Drive / 223 23rd St. S. – Crystal Plaza 5 Site Plan

Action – November 3, 2022

Location

2250 Crystal Drive and 223 23rd St. S. (a map of the site is located at the end of this document).

Site Plan Application

The applicant, JBG Smith, has applied for:

- A rezoning of the new site from "C-O" Mixed Use District to "C-O Crystal City" Mixed Use Crystal City district.
- A Phased Development Site Plan (PDSP) Amendment to incorporate the new site plan into the existing Crystal City PDSP
- A Site Plan (SP) amendment to remove ~93,732 SF from the existing SP #11, and,
- A new Site Plan (#464) to redevelop the site with residential and retail uses.

The proposed redevelopment will include two new multifamily residential towers containing 1439 units with ground floor retail space. The site plan will deliver improvements to two parks in Crystal City and include significant transportation updates. Additionally, the development will be LEED Gold Certification.

Affordable Housing Program

The Applicant has committed to meet the base affordable housing requirements of the Zoning Ordinance (choice of \$3,367,968 or approximately 25 on-site units, 37 off-site nearby units or 49 off-site units). In accordance with the Crystal City Sector Plan and the Crystal City PDSP, the applicant has committed to make an additional contribution of 35 off-site committed affordable units (CAFs), consisting of 18 1-br units and 17 2-br units, affordable up to 60% of Area Median Income (AMI) for a term of 30 years.

The Crystal City Sector Plan serves as the main policy document for Crystal City. Specifically, the plan guides the County to:

"Maximize a stock of committed affordable housing within Crystal City. To the extent that a developer's affordable housing commitment is not met by providing such housing within the Crystal City Planning Area, work to ensure that such housing is provided as close to Crystal City as feasible."

For residential projects, one of the goals of the Crystal City Sector Plan is that 20% of the GFA above the standard site plan base density be provided as on-site units affordable up to 60% of the area median income (AMI) for a term of 30 years. However, applicants may submit an alternative affordable housing plan for consideration by the County Board.

This proposed off-site affordable housing contribution was previously approved as part of the Crystal City PDSP in March 2020. Two other site plans have also been approved as part of the

Staff: Alex McMillen, CPHD - Housing Division

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Crystal City PDSP and included off-site affordable units at the RiverHouse James Building: 1900 Crystal Drive (35 units) and Crystal Plaza 1 (7 units).

The offsite units will be within the RiverHouse James Building, which is located within walking distance from the Pentagon City metro station at 1111 Army Navy Drive. Currently, the rents at the RiverHouse James building are within 80% of AMI. However, it is anticipated market rents will begin to increase annually. In addition, JBG has begun renovations to some units. The combination of these two factors will result in rents that will exceed 80% of AMI.

In addition to the off-site housing contribution the applicant will be contributing \$4.75M towards the Affordable Housing Investment Fund (AHIF) to earn additional density on the site.

The proposed development meets the following County's Goals, Objectives and Policies of the County Board adopted Affordable Housing Master Plan (AHMP):

- 1. Policy 1.1.1 Project will create 35 CAFs through the CO Crystal City zoning
- 2. Policy 1.1.3 Make every reasonable effort to prevent the loss of market-rate rental housing
- 3. Policy 1.1.8 Project will provide 17 family sized 2-br units
- 4. Policy 1.1.9 and 3.2.2 Project will create CAFs located close to transit.

Staff Recommendation: County staff supports the proposed affordable housing program which includes a base ordinance contribution of \$3,367,968 towards the AHIF, 35 off-site CAFs up to 60% AMI at RiverHouse James building, and an additional \$4.75M contribution to AHIF.

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Location of Proposed Crystal Plaza 5 Site Plan

