

1400 Richmond Highway – Americana Hotel Site Plan

Action – April 13, 2023

Location

1400 Richmond Highway (a map of the site is located at the end of this document).

Site Plan Application

The applicant, JBG Smith, proposes the demolition of the former Americana Hotel building and the development of a 19-story residential building with ground floor retail. The proposal consists of a 639-unit building with approximately 531,013 square feet of total gross floor area (8.64 FAR).

Additional project details include:

- Rezoning from RA-H-3.2, Multiple-Family Dwelling and Hotel District to C-O Crystal City, Mixed Use Crystal City District
- Located within the Crystal City Coordinated Redevelopment District
- 3,885 sf of ground floor retail GFA
- 394 total parking spaces (including 188 on-site residential and visitor parking spaces and 206 off-site parking spaces at the Bartlett Apartments)

Affordable Housing Program

The Applicant has committed to meet the base affordable housing requirements of the Zoning Ordinance (choice of \$2,109,986 or approximately 15 on-site units, 22 off-site nearby units or 29 off-site units). Additionally, the Applicant will contribute \$7,531,620 to the Affordable Housing Investment Fund (AHIF) to earn additional density.

The Crystal City Sector Plan serves as the main policy document for Crystal City. The plan guides the County to maximize a stock of committed affordable housing within Crystal City and states that in the context of all desired community benefits potentially achievable through the realization of the Plan, affordable housing is a high priority.

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 AHIF contribution to earn additional density in lieu of on-site committed affordable units (CAFs) was negotiated with several policy considerations in mind. First, cash contributions often leverage more CAFs off-site and for longer affordability periods than on-site CAFs. In this case, the proposed cash contribution for additional density could provide the gap financing for approximately 93 CAFs at the nearby Crystal Houses infill development project, a project which is anticipated to request a significant amount of AHIF financing. In comparison, if on-site units were provided instead of the proposed cash contribution, only 25-30 CAFs could

likely have been negotiated. Additionally, the CAFs at Crystal Houses will be affordable for 99 years, which is more than three times as long as is conditioned through standard site plan on-site unit contributions.

The second consideration for negotiating an AHIF contribution to earn additional density in lieu of on-site CAFs is the County's budget. The County currently has significant recent and anticipated financial commitments for affordable housing including the Crystal Houses infill development project and the Barcroft Apartments. The County is expecting an AHIF request of approximately \$53M for the Crystal Houses project and opened a \$150M Line of Credit to help acquire and preserve the affordability of the Barcroft Apartments for 99 years. Receiving a cash contribution in place of the on-site CAFs will greatly benefit these ongoing commitments to existing projects.

The third consideration for negotiating an AHIF contribution to earn additional density in lieu of on-site CAFs is the goals outlined in the Crystal City Sector Plan. The AHIF contribution would further the goal of maximizing the stock of CAFs in Crystal City by providing subsidy to the nearby Crystal Houses project. The Crystal City Sector Plan also has a recommendation of prioritizing the use of cash contributions earned in CO-CC to be used for County-funded affordable projects in the plan area, which also would apply to the Crystal Houses project.

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

- Policy 1.1.1 Encourage the construction and preservation of affordable rental housing through land use/zoning policy, financial and technical assistance.

Staff Recommendation: County staff supports the proposed affordable housing program which includes a base ordinance contribution of \$2,109,986 and an additional AHIF contribution of \$7,531,620 to earn additional density.

Location of Proposed Americana Hotel Site Plan

