Broad and Washington
Special Exception
Narrative Statement

May 26, 2017

The Applicant requests Special Exceptions to permit development of a residential mixed-use project and an increase in permissible height known as Broad and Washington. Broad and Washington is an urban, pedestrian friendly, mixed-use project that will enhance the Downtown Area's Core Entertainment Area. The project combines exciting restaurant, retail space, and a community theater on the ground floor, residential, and office uses to create a vibrant development that furthers the City's Comprehensive Plan goals and the Downtown Falls Church small area plan's vision. The project meets or exceeds the primary and secondary criteria used to evaluate the merits of special exception applications.

Conformance with Primary and Secondary Special Exception Criteria

This application is requesting two Special Exceptions to permit 1) residential development within a mixed use project, and 2) a bonus height above the by-right height permitted in the B-2 zoning district. Section 48-90 of the City's Zoning Ordinance provides primary and secondary criteria for use when evaluating special exceptions. The proposed project, because of its compliance with the Comprehensive Plan, Design Guidelines, and Downtown Falls Church POA Small Area Plan.

(1) Primary criteria:

a. *The resulting development conforms to the city's adopted comprehensive plan and design guidelines;*

Conformance with the Comprehensive Plan

The property and the associated development proposal are located in the Downtown/City Center area. The proposed development fulfills the plan's vision and goals for that area by creating a vibrant, urban, streetscape with a varied mix of uses that will bookend the eastern end of downtown Falls Church. However, to achieve those goals, a change to the Future Land Use map is required.

The requested Future Land Use Map change to mixed-use is consistent with the vision and goals in the Comprehensive Plan. Most of the guidance in the Comprehensive Plan for this area is directed toward the City Center, which does not include the property. However, there is some specific language applicable to this property in the general text and the more general Land Use and Economic Development Goals in the Comprehensive Plan. Specifically, the proposed Future Land Use Map change will permit the associated Rezoning and Special Exception applications to meet the following Comprehensive Plan goals:

- **Provide the appropriate level of commercial uses within the City that meets the needs of residents and supports the economic vitality of the City (Chapter 4**

– Goal 9). The proposed project contains a significant commercial component that furthers the goal and accomplishes the associated strategies. The proposed commercial uses allow residents to meet their needs locally and will reduce auto trips to outside the City. The mix of office, retail, and restaurants will provide the needed services to the City's residents, including residents of this project. The project also maximizes the amount of net new commercial space and net new commercial revenue to the City.

• **Provide for mixed-use development areas composed of retail, office, and residential uses (Chapter 4 – Goal 11).** The proposed project includes significant amounts of retail, office, and residential uses into one building. The co-location of various uses will facilitate the use of shops and restaurants by office workers and residents and will create foot traffic during the day and on nights and weekends.

• **Ensure that parking solutions enhance the character and efficiency of commercial areas (Chapter 4 – Goal 12).** The surface parking for the three existing buildings will be replaced with a structured garage that is mostly below grade or screened from view by retail. The varied mix of uses will allow for shared parking on the site, thereby reducing the overall number of needed spaces. Parking demand will further be diminished by the provision of public bike parking and private enclosed bike storage.

• **Promote efficient use of land within the City's commercial corridors (Chapter 4 – Goal 14).** As provided in the strategy for implementing this goal, the project is a multi-story building that is seeking a 15 foot increase in by-right height to efficiently use the available land.

Conformance with Downtown Falls Church POA Small Area Plan

The proposed development substantially furthers the Downtown Falls Church POA Small Area Plan's goals and vision for the Core Entertainment Area and is in substantial conformance with the key concepts included in the plan.

Core Entertainment Area

The Core Entertainment Area is a centrally located, dense, walkable, bicycle friendly area that is "meant to leverage an existing area of unique restaurants, entertainment venues, and small offices to provide a focused area of dense retail businesses with supporting residential and hotel spaces." The project meets this vision by providing a walkable and bicycle friendly design that complements existing retail, restaurants, and entertainment venues in the area. Additionally, a potential community theater is proposed, which will directly add to the available entertainment options in the area and citywide. The varied mix of uses will create an active street during the day, and in the evenings and weekends.

Key Concepts

The proposed development is in harmony with and accomplishes the five key concepts for the Downtown Falls Church POA by increasing the tax base, improving the quality of life for City residents, and capturing a regional customer base for the area.

Leverage Existing Businesses

The proposed mix of retail, restaurants, office, residential, and a community theater will be complementary to and support existing local businesses. The significant office component will provide daytime patrons to existing and new restaurants and businesses. The new residential component will provide a base of new residents to support existing businesses on evenings and weekends. The potential community theater leverages the existing entertainment venue to create a hub of activity. Additionally, patrons of the community theater will support existing local businesses before and after shows.

Effectively Manage Growth

The plan calls for keeping "popular business and land uses while allowing growth on the land now dominated by unshared and uncoordinated surface parking, drive aisles, and other auto-oriented uses". The proposed project consolidates three existing properties, removes the existing uncoordinated surface parking and drive aisles, and provides a varied mix of uses that will increase the coordinated development in the Downtown POA, while still maintaining the character of the area.

Improve Connections

The proposed project improves pedestrian connections within the Downtown POA by providing wider sidewalks and uses that activate the street to create a more pleasant and inviting space for pedestrians to access the proposed use and area restaurants and attractions. Additionally, the consolidated structured parking will provide pedestrians arriving by car access to all surrounding attractions. The project also promotes bike usage by providing public bike parking as well as private enclosed bike storage within the building for residents and office workers.

Provide Public Parking

The proposed parking structure compliments the adjacent public parking on the City lot. While no public parking is proposed inside the garage, the project should help the overall parking situation by providing appropriate levels of parking for the proposed uses. Providing dedicated parking for office workers and residents will

increase the critical mass of patrons for surrounding businesses, while limiting any demand for public parking by those employees and residents.

Encourage Thoughtful Design

The project's design creates an urban, highly walkable, and active public street that is at a pedestrian scale. Outdoor seating along E. Broad Street, including the arcade area, create a vibrant and active street that encourages pedestrian activity. Additionally, the building is designed to a scale that complements the pedestrian realm. LEED Silver certification will be pursued for the project and rooftop amenities are provided. Bike parking is provided for both the public and in a private storage area with showers for residents and office workers. Parking is screened from public view and designed to limit disruption of the pedestrian realm.

Conformance with Design Guidelines

The high quality architectural design furthers the City's Design Guidelines by creating appropriately scaled buildings with interesting and unique facades on all four sides of the building and through enhancement to streetscapes along E. Broad Street and N. Washington Street.

- Provides appropriate landscaping to define the pedestrian realm and create an attractive pedestrian realm.
- Utilizes special paving materials for sidewalks and minimizes curb cuts along E. Broad Street and N. Washington Street.
- Building and ground-floor uses are oriented toward E. Broad Street and N. Washington Street.
- The building's design is used to create an urban edge that is scaled for the pedestrian realm.
- Service areas are located inside the screened parking garage.
- Parking is provided in a structured garage that is mostly below grade or screened from view at street level by retail.
- Project architecture is a significant upgrade over existing uses on the site, which do not meet the City's design guidelines.

b. *The resulting development provides for significant net new commercial square footage and allows for a mix of commercial and residential uses;*

The proposed development creates a significant net new commercial square footage and provides a significant commercial component along with residential uses. The existing development on the property contains 65,437 square feet of commercial space. That space will be replaced by 93,000 square feet of commercial space.

c. *The resulting development produces substantial positive net new commercial and residential revenue to the city;*

The project provides substantial positive new commercial and residential revenue to the City. The overall positive net revenue is $31.4 million over 20 years.

(2) Following the evaluation of applications using the primary criteria in subsection (d)(1) of this section, the following secondary criteria will be applied:

a. *The resulting development is not disproportionate to surrounding land uses and planned land uses in size, bulk, or scale;*

The City envisions this site as an area of dense retail uses with support residential to leverage the existing restaurants and entertainment uses in the area. Our project is of a scale and design that is compatible with surrounding uses and appropriate for a building at the prominent Broad and Washington Street intersection. The building's architecture is broken up to provide a more pedestrian scale, which is enhanced by a wider pedestrian realm, activated ground-floor uses, and outdoor seating. These factors combine to create a project that enhances its surroundings

b. *The resulting development does not overburden the existing community facilities, including the school, transportation, and water and sewer systems;*

The project will provide the transportation improvements outlined in its transportation study. Additionally, the project will provide any necessary improvements to the sewer and water systems needed to accommodate the project. Finally, a contribution to the school system will be part of the voluntary concessions.

c. *The resulting development provides community benefits, such as affordable housing, as it is described in article VII of this chapter;*

The project will provide community benefits through the varied number of uses included, including the potential community theater. The variety of uses, including office and residential, will create a critical mass of activity that will benefit the existing businesses in the area. The increased tax revenue from the project will help the City provide additional benefits to its residents. The proposed residential uses will include 6% of units as affordable 60% of AMI.

d. *The resulting development contributes to a vibrant, pedestrian-oriented environment, both on site and in relation to adjoining properties, with street level activity throughout the day and evening;*

This project, more than most other projects approved in the City, will provide an activated street throughout the day and evening, including weekends. The combination of a significant office component that drives day time activity, with a residential component that supports the retail, restaurants, and community theater in the evening and on weekends is a unique aspect of the project that will help anchor Core Entertainment Area. The building is designed and sited to provide an enhanced pedestrian experience. Additionally, the wide pedestrian realm, active ground-floor retail, restaurant, and grocery spaces, and proposed outdoor seating will lead to a vibrant pedestrian-oriented environment.

e. *The resulting development offers creative use of landscaping, open space and/or public parks, public plazas, and walkways connecting to adjoining properties;*

The project includes an active, pedestrian-oriented streetscape that provides landscaping in accordance with the City's guidance. The well-designed pedestrian

realm provides opportunities for pedestrians to comfortably stroll down N. Washington Street and E. Broad Street.

f. The resulting development provides a variety of commercial services and products that are attractive to and meet the needs of all city residents for entertainment, art, recreation, dining, retail, and an array of consumable goods;

The significant amount of retail, restaurant, a community theater, and office use in the project will serve a wide array of commercial services for residents. The potential community theater in particular will help meet the needs of all city residents for entertainment and art. Additionally, the critical mass of office workers and residents will benefit existing business in the immediate area.

g. The resulting development encourages local or independent businesses;

The ground-floor restaurant and retail space are anticipated to be available for local or independent business, which will continue the tradition along Broad Street of providing unique restaurant and retail experiences. Additionally, the new office use should attract local and independent business that want to locate in the City, but desire new space that is targeted to the current office market's demands.

h. The resulting development provides for a reduction of single-use parking requirements through the use of shared parking;

The varied number of uses on site will encourage the use of shared parking. The office and residential components complement one another in providing parking demand at different peak times. Additionally, the retail and restaurants provide complimentary uses that will encourage visitors to park once and utilize the various on-site uses.

i. The resulting development encourages multi-modal transportation through design and other techniques, to reduce the reliance on single-occupancy vehicles, and utilizes sheltered stops for mass transit whenever feasible; and

The project will encourage multi-modal transportation its TDM plan, which will be included in the voluntary concessions. Multi-modal transportation will also encouraged through the inclusion of public bike racks and private bike storage for residents and office workers.

j. The resulting development utilizes (Leadership in Energy and Environmental Design) LEED criteria in the design of the project.

The project is anticipated to obtain LEED Silver certification.

<u>B-2, Central Business District Regulations – Mixed Use and Height Increase</u>

The proposed commercial and residential mixed-use development meets the intent of the B-2 District as stipulated in the Zoning Ordinance by providing a varied mix of uses, including retail, restaurants, a potential community theater, office, and residential.

Residential development within a mixed-use development project is a special exception use in the B-2 District. The proposed project aligns with the regulations specified in Section 48-488 (2)

relative to the ability of the council to grant this type of special exception. Specifically, (1) the proposed retail uses are not included on the identified list of uses that are not encouraged on a primary street frontage, (2) the retail component is located on the first floor adjacent to a major thoroughfare and a Frontage A street as defined in the Comprehensive Plan, and (3) the proposed structure is over the minimum four (4) stories in height.

A height bonus of up to 40 feet may be granted by the city council, if the city council determines that the project is exemplary in terms of conformance with the criteria in subsections 48-90(d)(1) and (2) of the Zoning Ordinance, and the bonus shall significantly assist in conformance with subsections 48-90(d)(2) and (3) of the Zoning Ordinance. As discussed in this justification, the project aligns with the recommendations in the Comprehensive Plan and Design Guidelines (Primary Criterion 1) and provides a significant net new increase in the amount and quality of commercial square footage (Primary Criterion 2). The additional bonus height of 15 feet will also allow for increased revenue to the City (Primary Criterion 3).

Statement Regarding Impact on Existing Community Facilities

The project will provide the transportation improvements outlined in its transportation study. Additionally, the project will provide any necessary improvements to the sewer and water systems needed to accommodate the project. Finally, a contribution to the school system will be part of the voluntary concessions.

Statement Regarding Conformance with Comprehensive Plan and Design Guidelines

The proposed development is located in the Downtown/City Center area and fulfills the plan's vision and goals for that area by creating a vibrant, urban, streetscape with a varied mix of uses that will bookend the eastern end of downtown Falls Church. Most of the guidance in the Comprehensive Plan for this area is directed toward the City Center, which does not include the property. However, there is some specific language applicable to this property in the general text and the more general Land Use and Economic Development Goals in the Comprehensive Plan.

- **Provide the appropriate level of commercial uses within the City that meets the needs of residents and supports the economic vitality of the City (Chapter 4 – Goal 9)**. The proposed project contains a significant commercial component that furthers the goal and accomplishes the associated strategies. The proposed commercial uses allow residents to meet their needs locally and will reduce auto trips to outside the City. The mix of office, retail, and restaurants will provide the needed services to the City's residents, including residents of this project. The project also maximizes the amount of net new commercial space and net new commercial revenue to the City.
- **Provide for mixed-use development areas composed of retail, office, and residential uses (Chapter 4 – Goal 11)**. The proposed project includes significant amounts of retail, office, and residential uses into one building. The co-location of various uses will facilitate the use of shops and restaurants by office workers and residents and will create foot traffic during the day and on nights and weekends.
- **Ensure that parking solutions enhance the character and efficiency of commercial areas (Chapter 4 – Goal 12)**. The surface parking for the three existing buildings will be

replaced with a structured garage that is mostly below grade or screened from view by retail. The varied mix of uses will allow for shared parking on the site, thereby reducing the overall number of needed spaces. Parking demand will further be diminished by the provision of public bike parking and private enclosed bike storage.

- **Promote efficient use of land within the City's commercial corridors (Chapter 4 – Goal 14)**. As provided in the strategy for implementing this goal, the project is a multi-story building that is seeking a 15 foot increase in by-right height to efficiently use the available land.

Statement Regarding Projected Net Revenues

The high quality architectural design furthers the City's Design Guidelines by creating appropriately scaled buildings with interesting and unique facades on all four sides of the building and through enhancement to streetscapes along E. Broad Street and N. Washington Street.

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- Project architecture is a significant upgrade over existing uses on the site, which do not meet the City's design guidelines.

Statement Regarding Projected Net Revenues

The Applicant engaged RCLCO (Robert Charles Lesser & Co.), a national real estate advisory firm based in Bethesda, Maryland, to analyze the fiscal impact on the City of Falls Church, Virginia, of its proposed development, Broad & Washington. The fiscal analysis is being updated to reflect the reduced 289 dwelling units currently proposed. However, assuming the property is rezoned according to the application proposed during the prior analysis, the development program would consist of 292 rental apartments, 26,300 square feet of in-line retail including an estimate 13,000 square feet of restaurant space, 66,700 square feet of office space, and a 5,000 square foot theater. RCLCO analyzed the fiscal impact of development of the site under the proposed rezoning. We have not included the impact of the theater in our analysis.

Between 2017 and 2036, the typical 20-year time period for which RCLCO conducts fiscal impact analyses, RCLCO estimates that the property will generate tax revenues of approximately $58.1 million against operating expenditures of $26.6 million, resulting in a positive net fiscal operating impact of $31.4 million. Without taking account of inflation or the fiscal benefits from

construction, the annual gross fiscal impact after stabilization of the development will be $2,664,000 and the annual net fiscal impact will be $1,420,000.

Development on the site will result in approximately 366 permanent jobs.

Conclusion

For the above reasons, we respectfully request that the City Council approve the requested special exceptions.

Respectfully submitted,

Scott E. Adams~~69622975_1.docx~~

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