1/5/07

INTRODUCTION & UPDATE

Hekemian & Company is pleased to present this revised application and Statement of Justification for the Rezoning and Special Exception for the property currently know as the Pearson Funeral Home.

The following is a complete re-submittal of Hekemian's original proposal to rezone the property. As you are aware, the previous proposal came before the City Council this past July where it failed to secure the votes needed to pass First Reading. After considerable internal re-evaluation of the site over the past several months, including in-depth investigations of potential alternative development scenarios, as well as, many meetings with the City Planning Staff, we offer this revised proposal for your consideration.

With this new proposal, we have attempted to address in a concrete way, each of the primary objections that were raised by both Council members and the neighbors at the July hearing. Considerable changes have been made to both the programmatic components of the project as well as the physical configuration, massing and architectural features of the building.

Although the attached submittal includes full detail on the revised proposal, the following is an itemized overview of the primary issues that were raised, and the changes made to address each issue:

1. **Height and Mass of the building**. Many neighbors voiced concern that the building seemed too large for the site and would "overwhelm" East Jefferson Street. At five (5) stories, the original proposed building height was within the 55 foot average height limit but, due to the topography of the site, produced a building height equivalent to almost six stories at the corner of Washington Street & East Jefferson. Further, the consistent five story building height evidently produced the perception of a large building on a small site.

- Under the revised proposal, the building has been reduced to a four (4) story configuration in all but the portion along Washington Street at the Southern half of the building. This represents a 20% reduction in building height along the East Jefferson frontage and a portion of the North Washington Street frontage. Additionally, the building is further scaled down to three stories as it transitions to the neighborhood. Therefore, the only portion of the building that reaches five stories is at the south end of the North Washington Street frontage adjacent to the neighboring office building. Further, by varying the building heights from three to five stories around the building the overall building mass is substantially softened.

2. **Number of Residential Units / Density**. Although not specifically discussed by the Council or the neighbors, some percentage of the original 124 residential units would necessarily be eliminated in order to address some of the other issues raised.

- The revised proposal provides for a new total of 105 residential units. This represents the elimination of nineteen (19) units, or over 15% of the original total. The lost units provided space for the new three-story office component (see below), as well as, the elimination of the 5th floor for much of the building.

3. **Transition to the neighborhood / Buffer**. Related to building mass issue, there was a concern that the original design provided no transition of scale or buffer from the five story apartment structure down to the residential scale of the neighborhood along East Jefferson. The 60 foot buffer zone that was offered in the original proposal was criticized as the wrong way to address this concern. Additionally, there were many suggestions, both from the neighbors and Council members, of placing townhouses at the rear of the property as a true residential buffer.

- The revised proposal provides for a purely residential buffer between the adjacent homes and the apartment building. The proposal places ten (10) three story townhouse units along the side of the site that faces the adjacent residential uses. The townhouses would face the neighboring residential properties (rather than turning their backs on them) in the same manner the Riemer's house now faces this property. At three stories in height (+/- 30'), the townhouse units would conform to standard single-family residential building heights, and would block almost any direct view of the apartment building from the adjacent neighbors. The townhouses would also provide a compatible use buffer between the apartment building and the closest houses. The townhouses would have parking provided in the apartment building and would have elevator access through the apartment lobby and common areas to the units. A landscape buffer along the property line would be provided as if these units were, in fact, commercial uses.

4. **Mix of Uses / Commercial Percentage.** There was a concern expressed by several Council members that the percentage of commercial space in the project was too low. The original proposal achieved a commercial area percentage of approximately 14.8 %. The Council expressed the strong desire to see a percentage of at least 20%.

- Through significant changes to the mix of uses, the revised proposal achieves a floor area percentage of 23.6 % commercial space. More importantly, the increase is entirely attributed to a new office component of the project program. This new office component will total 14,015 square feet on three floors, and is configured as first class office space with its own elevator lobby on each of three floors including direct elevator access to underground parking. Consequently, the retail component of the project remains similar to what it was in the original

proposal with 22,735 square feet. Total commercial space included in the revised proposal totals around 37,000 square feet. This figure represents a 61 % increase in commercial space over the original proposal.

5. **Affordable Dwelling Units.** The Council felt that the 5.6 % Affordable Dwelling Units (ADU's) was insufficient.

- The revised proposal maintains the original seven (7) Affordable Dwelling Units (ADU's), but with the reduced total unit count, the new project would include 6.67% ADU's of the total 105 units. Further, the revised proposal would set the income levels for these ADU's at 60% of the HUD Median income. The increased overall percentage together with the income level revision, represent a significant improvement to the original project.

6. **Traffic**. Notwithstanding a comprehensive traffic study and report, including review and acceptance by the City's traffic consultant, traffic remains a concern of the Council and the neighbors. Primarily, concerns remain about the proposed traffic signal at the East Jefferson / N. Washington Street intersection, as well as the potential for increased cut through traffic in the neighborhoods behind the proposed project.

- Although considerable effort has been put into collecting data, modeling, assessing and understanding the traffic impact of the proposed project, more data and analysis has been undertaken. The additional data presented in this revised proposal relates primarily to the anticipated development of the neighboring Gateway property and the most prudent placement of a new traffic signal along N. Washington in light of that anticipated project.

7. **Damage to Foundations /Pile Driving.** There was specific concern from an immediate neighbor and the Council that stacked stone foundations on some of the adjacent properties could be damaged by construction activities on the site.

- This issue has been reviewed by both a licensed structural engineer and a licensed geotechnical engineer and is addressed specifically in this revised submittal. The conclusion is that due to the existence of nearby sensitive structures, a drilling method of construction will be used rather than the standard driven piles. Therefore, no impact vibrations will be created during the excavation or construction process. This drilling method is standard industry practice in such circumstances, and has been safely used in similar situations for decades in the Washington, DC area. Additionally, with permission from the homeowners, monitoring systems can be placed in the adjacent structures to objectively measure any impacts.

8. **Site Hydrology**. Concern has been voiced from the Council about potential impacts from both storm water management and sub-surface water patterns due to the development.

- First, the development will include a full storm water management system which is described herein. In brief, this system will be designed to limit storm water flows leaving the property to pre-development volumes by using a retention basin system. Additionally, the system will include structures that provide quality treatment of the storm water prior to it's release from the site. Second, the existence of underground water is common in these type projects, and the methods to handle the water are industry standard and proven systems. In this instance, the project will include a sub-drainage system that is designed to bring any potential sub-surface water flows into the building rather than diverting the flows around the building. This water is then put through the quality treatment structures and released through the storm water management system. This type system is designed specifically to ensure that there are no downstream hydrological impacts from the project.

9. **Truck and Delivery Traffic**. A concern was voiced from the neighborhood that trucks would not be able to access the property and would therefore use East Jefferson as a loading area.

- Full and easy truck and delivery vehicle access is essential to every property we own and manage. Therefore, truck access has, in fact, been a critical aspect of the design of the retail level of the project from the outset. The project is designed to accommodate a full range of commercial vehicles up to and including a 45' truck. All types of trucks including, trash trucks, food service trucks, FedEx and UPS trucks, panel vans, etc. will be easily accommodated within the enclosed parking areas on the retail level of the project. Trucks up to 45' will have both ample clearance and turning radius to maneuver. A computerized truck turning radius analysis was done as part of the layout of the project, a graphical representation of the study is included herein.

We hope and believe that the above issues represent the majority of concerns voiced by both neighbors and Council Members at the hearing in July of 2006. The revised design will undoubtedly raise new questions, and we look forward to addressing those new questions as they arise.

Finally, it has been our sincere intent from the outset to work as closely as possible with the City Planning Staff and City agencies in preparing both this Application, and our original Application. We thank the Staff for it's hard work over the past 5 months in helping shape this revised Application to the betterment of the project, and the City. But most importantly, we look forward to a successful conclusion to this process and the construction of a new project which, while not only realizing the goals of the Comprehensive Plan, will help foster continued vitality and economic prosperity for the City, as well as, be a source of pride for the Citizens and Government of Falls Church.

Created on 4/14/05
Revised 2/17/06
Revised 3/6/06
Revised 3/14/06
Revised 1/5/07

PROJECT OVERVIEW

Hekemian is proposing the development of a mixed-use project featuring:

- 22,735 square feet retail space on the ground floor with
- 14,015 square feet of Class "A" office space on three floors.
- 95 luxury residential rental apartments.
- 10 three-story townhouse style rental units.

In harmony with the Comprehensive Plan, this redevelopment project will take full advantage of the close proximity to the metro and will provide a pedestrian focused commercial / residential mixed-use structure with underground parking.

Location

The project is ideally located within easy walking distance to the East Falls Church Metro Station and the downtown district of the City of Falls Church. Although not designed to meet all of the tenets of a Transit Oriented Development (TOD) (as proposed, the project provides more parking than recommended for TOD's) the project will be designed and marketed to take full advantage of the proximity to mass transit. Additionally, a full package of Transportation Demand Management (TDM) strategies and features will be implemented in the design and operation of the development.

Notwithstanding the many other benefits to the City, the TOD and TDM features alone benefit the Falls Church community on many environmental, economic and social levels.

Environmentally, the project seeks to utilize and promote use of existing infrastructure (Metro & GEORGE) for transportation needs. Locating shops and services with residential uses (mixing uses) serves to further encourage less dependence on cars. Meeting the increasing demand for relatively affordable housing, and doing it near mass transit, is also recognized as a very desirable environmentally friendly strategy.

Economically, the project will help reduce transportation cost for residents who take advantage of the Metro. Additionally, transit oriented developments also tend to have higher property values than similar non-TOD properties. This project will also be the first project in the redevelopment of the North Washington Street Corridor properties identified in the Comprehensive plan, and thus will provide an economic boost by "leading the way."

Socially, the project will serve to further the goals set forth in the Comprehensive plan with respect to creating a more pedestrian friendly environment. Also, because the proposal is for rental apartments, the development will provide a housing type that has not been constructed in the City in more that 30 years.

Created on 4/14/05
Revised 2/17/06
Revised 3/6/06
Revised 3/14/06
Revised 1/5/07

A Mix of Uses - The Proposed Development

The project will contain a balanced mix of uses. The project will provide approximately 22,735 square feet of commercial space on the ground floor with 95 luxury one and two bedroom apartment units above. The south end of the project will contain 14,015 square feet of office space very deficiently configured on three floors with an elevator lobby and access to the parking garage. Finally, a small group of three story townhouse will serve as both a visual and use buffer between the building and its residential neighbors.

Retail Space

The retail space will be marketed to local or regional tenants who can provide goods and services that will address the convenience needs of the neighborhood and local residents. Although no leasing work has yet been undertaken, the following is a general sampling of the targeted uses:

- A white tablecloth type restaurant.
- A day spa and /or full service salon.
- Boutique Fitness
- Dry cleaner pick up / drop off
- A fine wine store.
- A gourmet food store / Deli (cheese, prepared foods, etc)
- Gourmet Ice Cream (Cold Stone Creamery / Maggie Moo's)
- Bakery / Candy Confectioner
- Antique store
- Interior design / decorator
- Art gallery / framing shop
- Gift store / party store / cards & stationary (Hallmark or similar)
- Optician
- GNC store (or similar)
- Camera & Film Store (ex. Ritz camera)
- Apparel store
- Children's & baby furniture & apparel
- Café or Coffee shop
- UPS store
- Bank branch

The targeted uses will be higher-end retailers and services. A mix of tenants will be sought that serves to generate a balanced level of pedestrian traffic throughout the day and evening hours as well as throughout the weekends.

Office Space

The office space, which is designed with three identical 4,410 square foot floor plates will be served by a separate entrance, lobby and elevators. The office lobby will have easy pedestrian access as well as direct elevator access to dedicated parking spaces in the underground parking structure. This office space is designed to attract a wide variety of office users seeking spaces from less than 1,000 square feet up to 13,000 square feet.

Created on 4/14/05
Revised 2/17/06
Revised 3/6/06
Revised 3/14/06
Revised 1/5/07

Residential Units

The residential units are planned to be the first truly luxury apartments built in Falls Church in decades, and will offer the very best in contemporary apartment living. The apartments will offer large units with ample living space and upgrades in every aspect of the design and management. In addition to the 95 apartment style units, there will be ten (10) townhouse style two bedroom rental units located along the rear of the property.

General features of the Residential building will include:

- Full time on-site management staff
- Elegantly appointed lobby
- 24 hour front desk with doorman & concierge
- Full controlled access security including the garage
- Reserved garage parking (1.5 spaces per apartment)
- Fully equipped state-of-the-art fitness center
- Valet services including dry cleaning pick-up / drop-off
- Building wide wireless internet access

Features of the individual one and two bedroom Residential Units will include:

- Spacious sunny units, many with private balconies
- Deluxe kitchens with every modern convenience
- Granite countertops and upgraded appliances
- Ceramic tile floors in foyer, kitchen and baths
- Walk in closets
- Spacious bathrooms with cultured marbled vanities
- Full size washer and dryer
- Plush wall-to-wall carpet though out
- Gas Fireplaces in select units

Additionally, the building will be designed with state-of-the-art systems and high quality materials such as:

- Brick, stone, and precast façade.
- Fully integrated insulation energy conservation systems.
- Programmable thermostats.
- Full building wide smoke and fire detection systems.
- Building will be fully wired for cable and broadband

With the above features, this project will offer an attractive and desirable housing alternative for a broad range of residents. As the desirability of living in Falls Church continues to escalate, and the average home (and condominium) price escalates with it, the need for an apartment alternative increases as well. The apartments will provide to some residents the ability to afford to live in the City, as well as, an alternative for those

residents who may want to escape the responsibilities of home ownership. Essentially, the project will provide a lifestyle choice for those who either seek the convenience and flexibility of renting, or lack the down payment required to buy in the Falls Church market. Either way, the City of Falls Church will benefit.

HEKEMIAN

NORTH GATE AT FALLS CHURCH

FALLS CHURCH, VA

Company profile

Hekemian & Co. Inc. is a third generation family-run firm which owns commercial and residential properties throughout the Mid-Atlantic and Northeast regions. With offices in Hackensack, NJ and Annapolis, MD, the company owns and manages in excess of 100 commercial & residential properties.

Hekemian is actively expanding its estate portfolio by purchasing, developing and redeveloping commercial and residential properties.

Salient data

Years in business:	Since 1933
Activities:	Property acquisitions, financing, property management, leasing, insurance, development, and construction.
Areas of operation:	Principally northern New Jersey and Maryland. Other areas include Virginia, New York, Pennsylvania, and Georgia.
Types of property owned and managed:	Garden and high-rise apartments, strip, power and community shopping centers, and office buildings.
Corporate Headquarters:	505 Main Street Suite 400 Hackensack, NJ 07601 Tel.: 201-487-1500 Fax: 201-487-7881
Regional Development Office:	410 Severn Avenue Suite 405 Annapolis, Maryland 21403 Tel.: 410-626-9607 Fax: 410-268-1343

Key Consultants

Land Use Attorney

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7910 Woodmont Avenue
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Civil Engineer

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207 Park Avenue
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Traffic Consultant

Wells & Associates, LLC
9324 West Street
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C. Mark Hood, P.E.
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13 November 2006

Hekemian & Company
505 Main Street
P.O. Box
Hackensack, NJ 07602

Attention: Chris Bell

Re: Northgate Mixed Use Project
Falls Church, VA

Dear Chris:

Based on our recent conversation, the Hekemian Company is in the rezoning phase of a new mixed use project in Falls Church, Virginia. This site is presently planned to house a mixed use development which will contain two below grade parking levels. It is our understanding that residences on the adjacent properties are constructed on stacked-stone foundation walls.

In order to construct the two-level below grade parking structure, an excavation support system will be required. It is expected that this excavation support system will consist of either drilled in HP piles or a drilled concrete tangent pile wall. These systems use a drilling method of construction; therefore, no impact vibrations caused by driving are created. In addition, it is expected that the use of preloaded tiebacks or rakers will be used to minimize horizontal wall movement during excavation.

These methods of construction are standard in the industry and their systems have been safely installed for decades in the Washington, D.C. area. These systems will be designed by professional engineers and installed by specialty contractors who have designed and installed similar excavation support systems. Depending upon the location and sensitivity of adjacent structures, monitoring programs can be installed to measure peak particle velocity vibrations and movements during construction to ensure that the excavation support wall performs as designed.

We trust these comments address your present concerns regarding the design and construction of an excavation support system for Northgate Mixed Use Project. If we can be of any further assistance to you in this matter, please do not hesitate to contact us.

Very truly yours,

MORABITO CONSULTANTS, INC.

Frank Morabito, P.E.
President
FM/mtn

COMMONWEALTH OF VIRGINIA
FRANK
MORABITO
014033
PROFESSIONAL ENGINEER

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cc: Dave Kozera, D.W. Kozera

2526 Saint Paul Street Baltimore, Maryland 21218-4604
Phone (410) 467-2377 / Fax (410) 467-[illegible] [illegible]

EXISTING PROPERTY DATA

The proposed rezoning and development site consists of three parcels located along North Washington Street. The three parcels are:

Parcel 53-102-010	472 North Washington Street	18,374 square feet
Parcel 53-102-011	458 North Washington Street	30,495 square feet
Parcel 53-102-012	436 North Washington Street	17,802 square feet

Total area is 66,671 square feet (1.53 acres).

Current Zoning

Parcel 53-102-010	B-3 General Business
Parcel 53-102-011	T-1 Transitional
Parcel 53-102-012	T-1 Transitional

Current Use

Parcel 53-102-010	Funeral home with associated garages
Parcel 53-102-010	Parking lot for the funeral home
Parcel 53-102-012	Single family dwellings

Current Economics

The current combined assessed value of the three parcels is $2,668,800 (2004)

The current combined tax bill for the three properties for 2004 was $28,957.30 (2004)

Allowed Uses Under Current Zoning

B-3 Allows a huge variety of commercial uses from gas stations to restaurants to parking lots, to office buildings to hotels. B-3 is the most intensive and permissive commercial zoning designation in the City.

T-1 Allows uses such as professional offices, parking lots, churches, and various residential uses.

A Mixed-Use Development is allowed by-right under both B-3 and T-1 designations; however, the governing MUR regulation (38-34) requires a minimum lot size of 2.5 acres.

Created on 11/10/05
Revised 2/17/06
Revised 3/1/06
12/19/06
1/04/07
2/20/07

EXHIBIT 1

Voluntary Concessions, Terms and Conditions for the Pearson's Funeral Home Tract

Hekemian & Co. (referred to as the "Developer") in order to promote the approval by the City Council of the City of Falls Church of the Developer's Special Exception application for the property located at 472 North Washington Street (the "Pearson's Funeral Home Tract" and as shown more specifically on the plat accompanying this application) so as to permit the development of the site of a mixed use project, hereby voluntarily submits to the City of Falls Church (the "City") through the office of the City Manager, the following concessions and terms and conditions that the Developer is willing to be voluntarily bound to upon the granting of the special exception:

1. Affordable Dwelling Units:

   a. The Developer agrees to construct within the residential component of the project seven (7) units which will be rented in accordance with the City's affordable dwelling unit guidelines for a term of fifteen (15) years.

   All seven units shall be two (2) bedroom units. The rent shall based on 60% of HUD median as established and adjusted from time to time.

   b. Residents of the ADU's shall have all rights and privileges as all property owners in the project.

   c. The Developer shall comply with all applicable fair housing laws.

   d. The City shall regulate and establish ADU qualification priorities and evaluate and qualify perspective applicants in accordance therewith in accordance with the Affordable Unit Program official administrative procedures and regulations adopted October 22, 2003.

2. In order to create a more pedestrian friendly environment, promote walking and help beautify the Washington Street entrance to the City, the Developer shall construct streetscape improvements along the N. Washington and E. Jefferson Street frontages including brick sidewalks, lighting, landscaping and other features as shown on the Conceptual Development Plan. Because streetscape requirements do not exist along Washington Street, the streetscape design shall be adapted from the City's adopted Village Streetscape for the West Board street corridor. The streetscape improvements which exceed City requirements and are to be voluntarily provided by the Developer are estimated to cost

approximately $20,000.00.

3. Additionally, Hekemian will construct a median cut in the Washington Street median in front of the project's Washington Street entrance and will landscape the median along the building's frontage on North Washington Street.

4. Hekemian will provide up to a total of $50,000.00 for post development traffic study and improvements. The update is to be conducted approximately twelve (12) months after completion of the project. The scope of the study will be finalized with City staff and may include an analysis of post development traffic patterns, volumes and impacts, as well as, neighborhood pass thru traffic and potential traffic calming strategies, if warranted.

5. The Developer agrees to relocate underground all of the utilities on the property's North Washington Street frontage.

6. The Developer agrees to construct the development substantially as proposed and as approved by the City Council in the Special Exception Application including quality architectural finishes as shown.

7. Developer agrees to ensure that the parking garage is constructed in a manner that permits 800 MHz radio signals to be transmitted and received from within the garage. The Developer, therefore, shall perform a radio transmission test upon completion of the project, but prior to the first certificate of occupancy being issued for the ability to transmit and receive police and fire 800 MHz radio signals from the interior of the parking garage. Should the test verify that the 800 MHz radio signals are transmitted and received, the requirements shall have been met. Should the test fail, the Developer shall find a solution acceptable to the City and the Developer so as to resolve the problem within ninety (90) days of this test.

8. The Developer agrees to voluntarily contribute the first installment toward a total of Fifty Thousand Dollars ($50,000.00) in annual installments of Ten Thousand Dollars ($10,000.00) per year for up to five (5) years for the City's local circulating bus system, "GEORGE". The first payment for GEORGE shall be paid One Hundred Twenty (120) days of approval and issuance of the first Certificate of Occupancy for the residential apartments, and the remaining payments shall be paid annually thereafter. The developer will also construct a shelter at the bus stop adjoining the property.

9. The Developer voluntarily offers to contribute $7,014.00 for each of the 98 market rate units to offset school capital costs as outlined in the City's adopted capital improvement program. The payment shall be made in two installments. The first installment of one half of the total contribution shall be paid no later than thirty (30) days after the project achieves an occupancy level of 50% (49 market rate residential units occupied by tenants (not including ADU's). The remaining one half shall be paid within thirty (30) days of reaching 90% occupancy (88 market rate units).

10. Additionally, the developer proposes to implement a full range of Transportation Demand Management (TDM) principals in its design and operation, including:

a. "Live/work Units" designed to accommodate those who may work at home either full or part time.
b. Broadband and cable access throughout the Building to accommodate Live/work activities.
c. Smart Card for the GEORGE with a pre-paid use amount will be issued with all new leases.
d. "Premium" parking spaces will be reserved for "hybrid" cars.
e. A parking area and easy access will be provided for food delivery.
f. An Automated Teller Machine will be located in the Building if possible.
g. Bike racks will be provided along the Washington street sidewalk and plaza area.

11. **Green Roof.**

The building will be constructed to meet LEED criteria for a building with a "green roof".

12. The proposed project is designed to utilize many of the latest Energy and Environmental conservation strategies, features and standards set forth by the US Government. The project will strive to meet the criteria for the following categories as set forth in the Leadership In Energy & Environmental Design (LEED) Green Building Rating System as developed by the US Green Building Council for the US Department of Energy.

Site Selection:
The development is located on a site that is both appropriate and desirable for development and is in conformance with the City Comprehensive plan for new development.

Urban Redevelopment
By locating the development in an urban area with existing infrastructure, potential disturbance of existing natural habitat and natural resources is minimized or eliminated.

Alternative transportation.
The location of the development within ½ mile of the East Falls Church Metro encourages reduction of development impacts and pollution from automobiles. Additionally, the project includes a full package of Transportation Demand Management (TDM) features and amenities designed to encourage less dependence on the automobile.

Stormwater Management
By providing storm water management features including water quality filtration improvements and controlling storm water runoff, the project provides significant improvement over the existing conditions of this developed property.

Light Pollution Reduction
Lighting criteria for the project are established to eliminate trespass light from the building. Both interior and exterior light are designed such that zero direct-beam illumination leaves the building. Additionally, all parking areas are located underground, eliminating the need for any pole mounted lighting.

CFC Reduction in HVAC & R Equipment.
The project will strive to achieve zero use of CFC-based refrigerants in the base building HVAC&R systems.

Ozone Depletion
The refrigeration and fire suppression systems for the building will be free from HCFC's or Halons and thus the building is designed to reduce ozone depletion.

Storage & Collection of Recyclables
An easily accessible area is provided in the building for the separation, collection and storage of materials for recycling. Building residents will be instructed on building recycling procedures and encouraged to recycle.

Minimum IAQ Performance
The building HVAC system will strive to meet the ventilation requirements of the voluntary consensus standard ASHRAE 62-1999 for Air Quality Performance to prevent development of indoor air quality problems.

Low Emitting materials
Specifications for the project covering adhesives, sealants, paints, coatings and carpet systems will specify low-VOC materials, thereby reducing indoor air contaminants that are odorous or potentially irritating to the installer or occupant's health and comfort.

Controllability of Systems
The building will be designed with a high level of occupant control of airflow, temperature, and lighting, including operable windows and lighting systems. Individual occupants will have full control over comfort and lighting conditions.

Daylight & Views
All units are designed to provide maximum connection between indoor spaces and outdoor environments through significant introduction of sunlight and views to the outside.

13. VIP Program

Hekemian will institute a VIP Program for the property. The VIP Program provides move-in discounts for all City employees, including teachers. All move in fees and security deposits are waived including Application fee, Security

Deposit, Move-in Fee, and one-time Amenity Fee. This package totals at least $ 1,500.00 in cash savings at move-in for City employees and teachers.

14. **Construction Parking**

Once a contractor has been selected for the project, we, and our contractor, will work with the City Planning staff to prepare both a construction parking plan and a construction traffic and staging plan for the life of the construction phase of the project.

Created on 11/10/05
Revised 3/6/06
12/13/06
2/20/07

STATEMENT OF JUSTIFICATION

For three parcels of land known as 436, 458 & 472 N. Washington Street from T-1 and B-3 to B-1 in order to permit a Mixed-Use development.

The following statement is offered to address the requirements for a conditional rezoning as set forth in Section 38-4(d) (2) of the Zoning Code of the City of Falls Church.

Section 38-4(d)(2)(a): The topography of the site is shown on the conceptual Development Plan.

Section 38-4(d)(2)(b): Details of internal traffic circulation, infrastructure improvements and parking are shown on the conceptual Development Plan.

Section 38-4(d)(2)(c): There are no scenic assets or natural feathers requiring preservation, however, this site is at the northern gateway to the City, and as such, the proposed development will serve as a statement that one is entering a diverse and vibrant community.

Relationship of the Development to the Comprehensive Plan - (Section 38-4(d)(2)(d))

COMMUNITY CHARACTER, APPEARANCE AND DESIGN:

The Comprehensive Plan Chapter 3, **titled Community Character, Appearance and Design**, addresses the North Washington Street Corridor by proposing "[l]ow intensity uses closest to the East Falls Church Metro Station and I-66 should be redeveloped to take advantage of this location." (P. 27). This section of the Comprehensive Plan notes "[s]treetscape conditions in this area are adequate, but are neither very attractive nor functional for pedestrians." The Plan recommends "[s]treetscape improvements similar to those currently in place on West Broad Street should be implemented in the North Washington Street corridor..." (P. 27).

The Comprehensive Plan Chapter 3 subsection titled *Future Character of North Washington Street* calls for structures to be built as close to the sidewalk as possible, consistent streetscape improvements with wider sidewalks, pedestrian crosswalks, uniform street furniture, lighting, and attractive landscaping. It is additionally recommended that the parcels should include underground parking whenever possible. The proposed development is consistent with these Comprehensive Plan recommendations.

This section goes on to suggest "[d]evelopment in this area should take on many of the characteristics of a more urban and pedestrian friendly environment." (P. 29) "A mixture of commercial and residential uses within buildings and within the area should be created...

parking should be located at the rear, side or underground during redevelopment whenever possible." (P. 29). The proposed development is consistent with these recommendations.

The proposed development is also consistent with the 1993 Village Preservation and Improvement Society's report entitled, *The Future of the City: Genesis for Progress in Falls Church, North Washington Street.* This report envisioned a well defined urban village for the northern portion of North Washington Street with prominent buildings to be constructed on three of the four corners at the North Washington Street, Jefferson Street intersection. The only variation between the proposed development and that report is that the proposed development locates the building closer to North Washington Street.

The proposed development substantially achieves the goals and objectives set forth for the site in the City's adopted Comprehensive Plan. The proposed rezoning would actually convert the **existing** development of the property, which is **nonconforming** with the Comprehensive Plan, into conformance with the Plan's recommendation for mixed-use development. The Comprehensive Plan appropriately notes that low intensity uses closest to the East Falls Church Metro Station and I-66 should be redeveloped to take advantage of this location. The design of the proposed development will generally conform to the design guidelines for the area and will meet or significantly advance the goals set forth in Chapter 3 of the Comprehensive Plan relating to Community Character, Appearance and Design. In addition to **meeting the vision of the Comprehensive Plan** by developing the site with a mixed-use development, the proposal would satisfy the parking requirements with underground parking. As noted on page 46 of the Comprehensive Plan, **a zoning map amendment that will bring the subject property into conformance with the Comprehensive Plan is the <u>single strongest basis for obtaining City Council approval.</u>**

LAND USE:

The Land Use chapter of the Comprehensive Plan states on page 46 that **"[w]hen an individual applies to change the zoning on a piece of property, referred to as a 'rezoning ' or 'zoning map amendment', conformance with the Comprehensive Plan is the single strongest basis for obtaining City Council approval. If the requested zoning district complies with the current Comprehensive Plan Land Use Designation, the planning commission has a strong basis for recommending approval of the requested change."** Within the Comprehensive Plan's Land Use chapter, the subject site has been designated an Opportunity Area within Area 7 – North Washington Street Corridor. The Comprehensive Plan notes that previous studies of this area done by the Village Preservation and Improvement Society and the Hyett-Palma Study recommend redevelopment of the subject property with a mixed-use development in order to take full advantage of the close proximity to the East Falls Church Metro Station. Five goals are listed within the Land Use chapter of the Comprehensive Plan for the North Washington Street Corridor. The Comprehensive Plan on page 77 recommends that development in this area achieve the following goals:

- Lot consolidation to allow larger scale and mixed-use development, especially in areas designated for "Mixed-Use."

The proposed development meets this goal by consolidating three adjacent parcels, thereby allowing for a larger scale mixed-use development in an area marked "transitional to mixed use".

- Pedestrian-oriented development and hospitality uses to take advantage of the proximity to the Metro Station.

  The proposed development's multi-family residential units; its retail and restaurant component; and its office space take advantage of the site's close proximity to the Metro Station. The mix of uses and their location between the downtown and Metro make the development very pedestrian oriented.

- Development and creation of an urban park to promote a positive image of the City as part of a gateway

  While the site does not contain enough land for the development of a park, the developer is offering to develop the area as more of a gateway to promote a positive image of the City. This may include constructed gateway features as may be designed in conjunction with the City Planning Department, as well as enhanced landscaping and an architecturally significant building.

- Compatibility with development on adjacent parcels in Arlington County

  The area between the subject property and the East Falls Church Metro Station and Route 66 is moving towards higher density uses compatible with the location's proximity to mass transit. An example is the West Lee, a very similar mixed-use project now under construction in Arlington, and only two blocks from this site. Additionally, mixed use developments are now under consideration for the Gateway site and for at least one other site between Jefferson Street and Route 66.

- Protection and consideration of adjacent residential uses during redevelopment efforts, including impacts of buildings and potential new traffic generation

  The proposed development has been designed and modified to address impacts to adjacent residential uses. Specifically:

  1. **Ten (10) Three story townhouse style units are located at the rear of the building facing the adjacent single family neighborhood to reduce the height, mass and overall appearance of the project to those neighboring properties.**

2. **All of the rear yards and plaza will be heavily landscaped with security fencing as deemed appropriate by the City. The Developer will work with the Staff and adjacent residents to select a fencing type and landscaping design that will enhance the goals of the buffer and transition area between the uses.**

3. **The Developer will work with staff to explore tree preservation techniques and strategies for the possible preservation of the Black Walnut tree which straddles the Property line with the residential property to the rear. However, in the event the tree is lost due to construction activity or anytime thereafter, the Developer agrees to bear the sole cost to remove the tree.**

4. **Impacts of new traffic generated by the project will be offset by the installation of a median break on N. Washington Street at the building's entrance.**

Goals and strategies to achieve land use vision of the Comprehensive Plan include the following:

1. Encourage development and redevelopment that is consistent with the Comprehensive Plan and its Land Use Map. In this section it is noted "[I]f a property is currently being used for something other than what the Comprehensive Plan's Future Land Use Map recommends, redevelopment efforts should be made to make that use consistent with the Plan". (P. 87)

2. Adopt a land use pattern and development plan that increases transportation efficiency and transit use, and decreases single occupancy automobile dependency. The proposed development meets the Plan's strategy to achieve this goal by encouraging efficient utilization of land near metro stations and encouraging mixed-use development to move persons closer to business and shopping areas.

The Land Use section of the Comprehensive Plan specifically notes that the North Washington Street Corridor includes a number of underutilized properties in terms of existing zoning and Comprehensive Plan designations. (P.75) **The subject property is identified as an Opportunity Area for Redevelopment and the Plan specifically notes that the opportunity for mixed-use developments in the North Washington Corridor will attract more persons interested in larger scale development, which is desirable because it creates less interest in piecemeal redevelopment.** This proposal substantially satisfies the goals for Land Use by

rezoning the land and encouraging redevelopment of properties to make their use consistent with the Comprehensive Plan, encouraging efficient land utilization near metro stations and major thoroughfares, encouraging integration of housing into commercial zones without the loss of street level commercial development and encouraging the use of underground parking facilities.

ECONOMIC DEVELOPMENT:

The subject site is specifically identified on page 121 of the Comprehensive Plan's Economic Development Chapter, where it states that this specific site has redevelopment potential and that redevelopment should focus on a mixture of uses with a first floor retail focus. The proposed development brings this recommendation to a reality.

With regard to economic development, the Comprehensive Plan singles out the Pearson Funeral Home site at 472 North Washington Street as having redevelopment potential as a mixed-use development with first floor retail. The proposed development conforms to this vision for this site and includes office space which creates a mixed use more heavily commercial than other mixed use projects which have been approved.

HOUSING:

The proposed development meets the Housing goals of the Comprehensive Plan by providing a mix of residential housing types. The Comprehensive Plan notes that "... four of the five largest multifamily complexes were built between 1962 and 1965". (P. 257) The last apartment complex built in the City was in 1974 when the Oakwood Apartments were constructed. The proposed apartment development, while similar in style to some of the recent condominium developments, will make rental housing available to both those who prefer to rent and those who do not meet the financial qualifications to purchase.

Protection and screening of adjacent and neighborhood properties - (Section 38-4(d)(2)(e)):

The adjacent residential properties will be screened with grade differentiation between the properties, a combination of existing and additional vegetation. Due to the underground parking and screening, no vehicles will be visible from the adjacent residential properties.

In addition to the above described screening, which is also identified on the Conceptual Development Plan, the proposed development will provide appropriate streetscape landscaping to help beautify and identify this location as a gateway to the City.

Section 38-4(d)(2)(f): The maximum height of the building as determined by the average grade is 53 feet.

Section 38-4(d)(2)(g): The maximum gross floor area for the residential component is 124,098 square feet. The maximum gross floor area for the retail component is 22,735 square feet, with

14,340 square feet of office space for a combined gross floor area of 37,075 square feet. The resulting ratio is nearly 24 percent commercial.

Section 38-4(d)(2)(h): The maximum number of dwelling units proposed is 105. The proposed density will be an overall FAR of 2.42.

Conformance with Ordinances, Regulations and Standards - (Section 38-4(d)(2)(i):):

The applicant will be applying for a Special Exception for residential uses in conjunction with the rezoning and will meet all ordinances, regulations and standards.

Statement of Special Amenities - (Section 38-4(d)(2)(j):):

(See section on Special Exception Conditions).

Statement of Public Improvements - (Section 38-4(d)(2)(k):):

Offsite Improvements: The proposed development will include improvements to the streetscape of that portion of North Washington Street fronting the development including improvements, if desired, to the median and sidewalk on the opposite side of the street in order to present a uniform streetscape for the City=s northern gateway.. In addition to under grounding the utilities bordering the site, the applicant will improve the sidewalks bordering the site in accordance with the recommendations of the City planning department and public works department. Such improvements may include use of other materials for sidewalk construction, such as brick pavers and the installation of decorative street lighting as well as constructing an entrance feature identifying this as a gateway to the City.

The described improvements will be installed during the project's construction and will be completed upon the project's completion.

Created on 11/10/05
Revised 3/6/06
12/13/06
2/20/07

STATEMENT OF JUSTIFICATION FOR A SPECIAL EXCEPTION TO PERMIT RESIDENTIAL USES TO BE INCLUDED IN A MIXED-USE PROJECT TO BE CONSTRUCTED AT 436, 458 AND 472 NORTH WASHINGTON STREET IN THE CITY OF FALLS CHURCH (This Special Exception is for the Mix of Uses Only)

The applicant proposes to construct a mixed-use project with approximately 22,731 square feet of ground floor retail space, above which will be 95 residential units which will include a mix of different sized rental apartments. The proposed development will face 10 three story townhouse style units toward the residences on Jefferson Street. Additionally the development will offer three floors of office space containing 14,340 square feet. This project will meet all primary criteria as described below and will meet or significantly advance the secondary criteria.

A. **Primary Criteria:**

1. The resulting development conforms to the City's adopted Comprehensive Plan and Design Guidelines.

   The resulting development will conform to the City's adopted Comprehensive Plan by redeveloping the existing underutilized property in a manner that is precisely what is contemplated by the Comprehensive Plan, thus bringing the subject property into conformance with the City's adopted Comprehensive Plan. The improvements constructed on the property will conform substantially with the City's Design guidelines.

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

   The resulting development will provide for a significant net new commercial footage and will allow for a mix of commercial and residential uses. The subject property is currently improved with a small residence and a structure formerly used a funeral home with a detached multi vehicle garage. Currently, there is no commercial use being made of the improvements on the property. The proposed use, however, would bring approximately 22,731 square feet of new retail and restaurant uses to the City plus 14,340 square feet of new office space. Additionally, the proposed use would bring 105 new rental apartments to the City. These will be the first new rental apartments built in the City in over 30 years and will be strategically located near the East Falls Church Metro stop and Route 66. These will be the first apartments

constructed in the City since the passage of the Americans with Disabilities Act and thus will be the first apartments constructed in the City which meet all regulations concerning accessibility to the handicapped.

3. The resulting development produces substantial positive net new commercial and residential revenue to the City.

   This resulting development will produce substantial positive net new commercial and residential revenue to the City, both from the addition of 105 new residential apartment units and the 37,075 square feet of commercial space.

B. **Secondary Criteria:**

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

   The resulting development, as designed, is not disproportionate to surrounding land uses and planned uses in size, bulk or scale because it conforms with the vision of the Comprehensive Plan as an Opportunity Area within the North Washington Street Corridor. Project is within standard height limitations and meets or exceeds set back requirements.

2. The resulting development does not over burden the existing community facilities, including the school, transportation and water and sewer systems.

   The resulting development does not over burden the existing community facilities, including the school, transportation and water and sewer systems. The Comprehensive Plan envisions a mixed-use development along the North Washington Street Corridor. The application includes proposals to mitigate the project's impact on the schools and transportation. The applicant will make such improvements as may be necessary to the water and sewer systems to accommodate the proposed development.

3. The resulting development provides community benefits, such as affordable housing, as it is described in section 38-43.

   The resulting development provides community benefits, such as affordable housing and rental housing, to improve the mix of housing type and cost offered in Falls Church. The resulting development will provide affordable dwelling units (ADUs). Additionally, since the

proposed development will be for rental apartments, this is a housing type that will be available to a greater percentage of the general population than expensive condominiums.

The developer will comply with all fair housing laws in marketing and renting all apartment units.

4. 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.

   The resulting development, especially with the offices and first floor retail and the close proximity to East Falls Church Metro, contributes to a vibrant pedestrian oriented environment encouraging street level activity throughout the day and evening.

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

   The resulting development offers improved landscaping, both with its proposed streetscaping of Washington Street and use of property landscaping and three story townhouse facades meets this criteria.

6. 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 resulting development adds to the variety of commercial services and products available to meet the needs of City residents for entertainment, art, recreation, dinning, retail, etc.

7. The resulting development encourages local or independent businesses.

   The resulting development, by offering approximately 37,075 square feet of new commercial space, encourages additional local businesses and may, depending on timing, provide relocation for businesses displaced by development in the City Center.

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

   The resulting development accommodates all parking on-site with the vast majority of parking being within an underground garage. None of the on-site parking will be visible from off-site. Additionally, due to the mix of uses a 5% reduction in overall parking spaces has been achieved.

9. 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.

   The resulting development, by virtue of its proximity to the metro and improvements to surrounding sidewalks, will encourage multiple modes of transportation and will further create a sheltered stop for mass transit if desired. Additionally, the developer proposes to implement a full range of Transportation Demand Management (TDM) principals in its design and operation, including:

   a. **"Live/work Units" designed to accommodate those who may work at home either full or part time.**
   b. **Broadband and cable access throughout the Building to accommodate Live/work activities.**
   c. **Smart Card for the GEORGE with a pre-paid use amount will be issued with all new leases.**
   d. **"Premium" parking spaces will be reserved for "hybrid" cars.**
   e. **A parking area and easy access will be provided for food delivery.**
   f. **An Automated Teller Machine will be located in the Building if possible.**
   g. **Bike racks will be provided along the Washington street sidewalk and plaza area.**

10. The proposed project is designed to utilize many of the latest Energy and Environmental conservation strategies, features and standards set forth by the US Government. The project will strive to meet the criteria for the following categories as set forth in the Leadership In Energy & Environmental Design (LEED) Green Building Rating System as developed by the US Green Building Council for the US Department of Energy.

    Site Selection:
    The development is located on a site that is both appropriate and desirable for development and is in conformance with the City Comprehensive plan for new development.

    Urban Redevelopment
    By locating the development in an urban area with existing infrastructure, potential disturbance of existing natural habitat and natural resources is minimized or eliminated. Additionally, Hekemian will construct the new building to meet LEED criteria for a building with a green roof.

    Alternative transportation.
    The location of the development within ½ mile of the East Falls Church Metro

encourages reduction of development impacts and pollution from automobiles. Additionally, the project includes a full package of Transportation Demand Management (TDM) features and amenities designed to encourage less dependence on the automobile.

Stormwater Management
By providing storm water management features including water quality filtration improvements and controlling storm water runoff, the project provides significant improvement over the existing conditions of this developed property.

Light Pollution Reduction
Lighting criteria for the project are established to eliminate trespass light from the building. Both interior and exterior light are designed such that zero direct-beam illumination leaves the building. Additionally, all parking areas are located underground, eliminating the need for any pole mounted lighting.

CFC Reduction in HVAC & R Equipment.
The project will strive to achieve zero use of CFC-based refrigerants in the base building HVAC&R systems.

Ozone Depletion
The refrigeration and fire suppression systems for the building will be free from HCFC's or Halons and thus the building is designed to reduce ozone depletion.

Storage & Collection of Recyclables
An easily accessible area is provided in the building for the separation, collection and storage of materials for recycling. Building residents will be instructed on building recycling procedures and encouraged to recycle.

Minimum IAQ Performance
The building HVAC system will strive to meet the ventilation requirements of the voluntary consensus standard ASHRAE 62-1999 for Air Quality Performance to prevent development of indoor air quality problems.

Low Emitting materials
Where feasible, specifications for the project covering adhesives, sealants, paints, coatings and carpet systems will specify low-VOC materials where feasible thereby, reducing indoor air contaminants that are odorous or potentially irritating to the installer or occupant's health and comfort.

Controllability of Systems
The building will be designed with a high level of occupant control of airflow, temperature, and lighting, including operable windows and lighting systems. Individual occupants will have full control over comfort and lighting conditions.

Daylight & Views
All units are designed to provide maximum connection between indoor spaces and outdoor environments through significant introduction of sunlight and views to the outside.

11. Conditions. See Exhibit 1.