

Park and Lee
Special Exception
Narrative Statement

October 6, 2017

The Applicant requests Special Exceptions to permit development of a residential mixed-use project and an increase in permissible height known as Park and Lee. Park and Lee addresses significant market needs in Falls Church for owner occupied condos and flexible commercial space targeted toward small businesses. The project addresses the City's vision for mixed use development in the West Broad Street POA and furthers the goal for transforming Park Avenue into a Civic Great Street.

Project Description

The ground floor of the building incorporates a work/live use targeted toward small businesses and professional service providers. The work/live component is designed to provide small businesses and professional service providers with a flexible option to establish and grow their businesses with Falls Church. Similar uses and options do not exist within the City, so this project will create a significant opportunity to attract desired commercial uses. The work/live space will be divided into individual units that will be customer facing with individual commercial entrances on Park Avenue and N. Lee Street, large transparent facades with commercial designs, and commercial signage for individual businesses. The work/live use is the most appropriate, and economically viable, commercial uses for this location and will enhance the pedestrian experience in this area.

The upper floors of the project contain ownership condo units. There is a great need for condo units in the City, with the last new units being delivered in 2009. Park and Lee serves that need by providing 70 luxury condo units. The proposed units are targeted toward a move down, empty nester demographic that is underserved in the City. The anticipated owner will be a current Falls Church resident that is ready to sell a larger house, but wants to remain in the City. Park and Lee provides an opportunity for those users and will help maintain and enhance the community fabric.

In addition to the proposed uses, Park and Lee incorporates high quality architectural design that is sensitive to the context and fabric of the community. Along Lee Street, the building has a harder commercial and multi-family feel, with clear delineation between the ground floor commercial element and the upper level condo use. The ground floor on N. Lee Street includes larger amounts of glass to create a more transparent commercial feel, while the upper floors have a more traditional multi-family condo massing. On Park Avenue, the building has a softer, more residential feel as it transitions to the lower density uses across the street. On that frontage, the building has a more articulated form that evokes a townhouse feel and look. Further, the ground

floor uses have a softer commercial feel, while still creating the activity and vibrancy within the pedestrian realm.

Overall, Park and Lee provides a welcome addition to the City's development fabric that serves two major needs in the City, a lack of condo ownership units and a lack of high quality innovative commercial space for small businesses. When combined with the high quality architecture and sensitive design, Park and Lee will become a true asset to the City.

Special Exception Criteria Analysis

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-1 zoning district.

Section 48-90 Criteria

Section 48-90 of the City's Zoning Ordinance provides primary and secondary criteria for use when evaluating special exceptions. The project complies with those create as described below.

(1) Primary criteria:

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

Park and Lee is in harmony with the Comprehensive Plan vision and recommendations for the property. The site is identified on the Comprehensive Plan's Future Land Use Map as "Mixed-Use" and is located within Planning Opportunity Area 4 – The Village Section.

Sites with "Mixed-Use" designations are "designed to encourage an innovative and integrated approach to a mixture of residential, retail, and office commercial uses." The Comprehensive Plan further provides that the "Mixed-Use" designation "allows a wide variety of land use options in exchange for densities that are generally higher than those allowed in the other residential and commercial zoning districts." Park and Lee includes an innovative work/live commercial component and a desired ownership condo residential use.

The Comprehensive Plan provides that "Development in the Village section should also achieve the following land use and design goals:

- *Consolidate parcels to create potential for larger scale and mixed-use development;*

Park and Lee consolidates multi lots to facilitate a mixed-use development.

- *Consolidate entrances;*

The proposed development consolidates the 3 existing entrances down to 1 strategically located entrance.

- *Create ground floor retail in multi-story buildings;*

Park and Lee includes ground floor commercial uses in a multi-story building.

- *Create a recognizable and functional commercial and residential neighborhood along this portion of West Broad Street;*

While not located on West Broad Street, the project continues the commercial and residential development pattern in the area.

- *Achieve a better balance of mixed-uses to strip commercial-style uses;*

The project contains a varied mix of potential commercial uses in the work/live space and achieves an appropriate balance of commercial and residential uses.

- *Create development that is pedestrian-oriented;*

Park and Lee is designed to elevate the pedestrian realm through enhanced streetscape, appropriate building design, ground-floor commercial uses, limited curb cuts, and undergrounding of overhead power lines.

- *Locate buildings close to West Broad Street and Park Avenue.;*

The proposed building is appropriately oriented toward Park Avenue, with a building zone, sidewalk, and amenity area that reflect the West Broad Street POA Small Area Plan goals.

- *Screen parking areas, preferably in the rear or in structured facilities;*

Parking is provided in a fully screened structured facility, with the majority of parking located below ground.

- *Create signage that is complementary;*

Complimentary and appropriate project signage, including signage for individual commercial uses is anticipated.

- *Develop minimum and maximum building heights; and*

Park and Lee reflects building heights anticipated by the Comprehensive Plan, West Broad Street POA Small Area Plan, and Zoning Ordinance.

- *Achieve consistent architectural goals (building materials, window types, roof overhangs, roof pitch, and porches).*

The project's high quality architecture reflects the City's preference for masonry materials and design that fits within the context of Falls Church's existing development fabric.

Conformance with the West Broad Street POA Small Area Plan

Park and Lee furthers the West Broad Street POA Small Area Plan's ("West Broad Plan") vision and goals for the property. The project creates a mixed-use project that addresses a number of the City's development needs, while being sensitive to and enhancing the existing community fabric.

The West Broad Plan creates a vision and goals for the area, along with specific guidance on development and implementation of the plan. The West Broad Plan's vision provides that:

The West Broad Street Planning Opportunity Area will become a vibrant, economically viable, diverse, walkable, bicycle friendly destination along one of the City's major commercial corridors. Redevelopment will reinforce the concept of unique business uses and shopping notes designed to be environmentally sustainable and that enhance the character of the City.

Park and Lee is completely aligned with the West Broad Plan's vision. The project is designed to create a vibrant, walkable, bicycle friendly environment. Additionally, it takes non-viable commercial spaces and creates an economically viable project. The work/live ground floor use create a unique opportunity to attract small businesses and professional offices to the City and caters to the creative class that will enhance the City's character.

The West Broad Plan further lays out a number of goals that are directly addressed by the project. Those include:

- *Create a Great Place that accurately reflects the community, culture, and character of the City while incorporating mixed-use redevelopment that is at the appropriate scale for the area.*

Park and Lee is designed to reflect and enhance the community, culture, and character of the City. The condo units reflect the City's home ownership culture. The work/live units reflect the City's strong tradition of homegrown small businesses and professional offices, with business owners that live in the City. Further, the project is designed at an appropriate scale that relates to both the higher density development on West Broad Street and the lower density uses on Park Avenue.

- *Promote the integration of new development into the fabric of the surrounding areas by establishing a framework for merging density levels and architectural designs.*

The building massing and form, high quality materials, and layout were thoughtfully designed to fully integrate and enhance the fabric of the surrounding areas. The building transitions from a more urban design on Lee Street that corresponds to the Broadway and Kensington projects to a softer design and form on Park Avenue that more closely relates to the nearby lower density uses.

- *Promote redevelopment of underutilized commercial properties to increase the tax base and to improve quality of life.*

Park and Lee replaces two non-viable commercial buildings with a mixed-use project that provides a net fiscal impact of \$8.4 million.

- *Establish an Office & Hotel Node and Retail Nodes that build on established commercial activity in recognized areas.*

The site is located within an identified Activity Node and builds upon the Broadway and Kensington developments to enhance small business and professional offices within the immediate area.

- *Increase the amount of public open space to help improve the area socially.*

The project includes public open space opportunities along the Park Avenue and Lee Street frontages.

- *Increase the number of buildings meeting LEED Silver and Energy Star standards; decrease impervious surface cover; and incorporate stormwater mitigation into new projects to improve the area environmentally.*

The proposed building includes a commitment to LEED certification. Additionally, the site currently has no Stormwater management controls. As proposed, the project meets the City's requirements for Stormwater management and includes methods for phosphorus removal (otherwise known as BMP treatment) that also help reduce volume runoff from the site, such as urban bioretention planters. There will also be onsite detention to control the runoff from the site for erosion and channel protection of the downstream system.

- *Increase transportation options along the Route 7 corridor by establishing better connections with existing public transportation options, and increasing pedestrian and bicycle access to, from, and within the area.*

Park and Lee creates an enhanced pedestrian environment that will promote pedestrian activity within the area. Additionally, the project will incorporate exterior bike racks and a secured bike storage room within the building.

The West Broad Plan identifies this site as Neighborhood Serving and Transitional. Additionally, it identifies the site as part of an Activity Node. Neighborhood Serving areas serve as places for additional neighborhood serving retail and office uses and destinations for surrounding neighborhoods. Transitional areas are intended to create appropriate relationships between redevelopment and surrounding residential areas through landscaping, building step backs, varied façade treatments, and other appropriate architectural treatments. Activity Nodes indicate areas where greater concentrations of commercial activity are suggested. The plan provides that redevelopment in Activity Nodes “will most likely require taller building heights in order to make redevelopment feasible”, with appropriate tapers to residential areas.

Park and Lee provides a significant increase in commercial use that is targeted toward small businesses and professional offices. Those uses will serve as an amenity and necessary resource for the surrounding neighborhood. The building also appropriately transitions on Park Avenue to the surrounding residential uses. On Park Avenue, the building has a softer, more residential feel on the ground floor. On that frontage, the building has a more articulated form that evokes a townhouse feel and look. Further, the ground floor uses have a softer commercial feel, while still creating the activity and vibrancy within the pedestrian realm.

The West Broad Plan further identifies the site as a potential opportunity for redevelopment and consolidation. It also anticipates the rezoning of the property and specifically identifies the site as allowable for rezoning to the B-1 district.

Park and Lee also conforms with the guidelines for building design, streetscape improvements, and the undergrounding of overhead power lines.

Compliance with City Design Guidelines

The high quality architectural design furthers the City’s Design Guidelines by creating an appropriately scaled building that is in harmony with the context of the surrounding area. The project also incorporates enhanced streetscape design to activate the pedestrian realm on Park Avenue and N. Lee Street.

- Provides appropriate landscaping to define and create an attractive pedestrian realm.

- Utilizes special paving materials for sidewalks and minimizes curb cuts, including a reduction in curb cuts from 3 to 1.
- Strategically locates the proposed curb cut to create an uninterrupted pedestrian realm.
- Building and ground-floor uses are oriented toward the street.
- The building's design creates an urban edge on Lee Street and a softer edge on Park Avenue that is scaled for the pedestrian realm and adjacent uses on those frontages.
- Service areas are located inside the screened parking garage.
- Parking is provided in a structured underground garage that is screened from view on all four sides of the building.
- 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 properties contains 2,342 square feet of commercial space. That space will be replaced by 10,442 square feet of commercial space, a 445% increase.

- 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 \$8.4 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;*

Park and Lee incorporates high quality architectural design that is sensitive to the context and fabric of the community. Along Lee Street, the building has a harder commercial and multi-family feel, with clear delineation between the ground floor commercial element and the upper level condo use. The ground floor on Lee Street includes larger amounts of glass to create a more transparent commercial feel, while the upper floors have a more traditional multi-family condo massing. On Park Avenue, the building has a softer, more residential feel as it transitions to the lower density uses across the street. On that frontage, the building has a more articulated form that evokes a townhouse

feel and look. Further, the ground floor uses have a softer commercial feel, while still creating the activity and vibrancy within the pedestrian realm.

- 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 Voluntary Concession contributions. Additionally, 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 in three equal income bands of 60%, of AMI. These for-sale affordable units address a significant need in the City for affordable ownership opportunities.

- 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;*

Park and Lee provides a vibrant, pedestrian-oriented environment during the day and evening through the proposed uses and design elements. The ground-floor commercial uses will activate the street during the day and evening depending upon the ultimate end user of the space. Additionally, the addition of condo owners will enhance the pedestrian realm during nights and weekends as they walk to nearby restaurants and amenities in downtown Falls Church.

- 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 Lee Street and Park Avenue.

- 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;*

Park and Lee includes innovated work/live commercial space that will attract unique and create small businesses and professional offices that will serve City residents.

- g. *The resulting development encourages local or independent businesses;*

Park and Lee includes innovated work/live commercial space that will attract unique and create small businesses and professional offices that will serve City residents.

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

The market for ownership condos reflects a need for dedicated parking for individual unit owners. Because of that market reality, no shared parking is anticipated.

- 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*

Multi-modal transportation is 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 certification.

B-1, Limited Business District Regulations Criteria

The proposed commercial and residential mixed-use development meets the intent of the B-1 District as stipulated in the Zoning Ordinance by providing a varied mix of uses, including work/live commercial and condo residential.

Residential development within a mixed-use development project is a special exception use in the B-1 District. The proposed project aligns with the regulations specified in Section 48-455(1) for special exceptions in the B-1 District. The B-1 district permits 55 feet by-right, while a height bonus of up to 30 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).

Additionally, the special exception criteria require that “the height of all structures that abut an R district must be tapered to be compatible with the maximum heights permitted in the abutting R district, taking into consideration the height of existing buildings in that area. The upper stories of structures should be stepped back to be compatible with the maximum by-right height permitted within the B district in which the structure will reside.” The City has interpreted abut to exclude those uses across a public street, which makes the tapering provisions inapplicable

from a zoning standpoint. That said, the project height and form on Park Avenue is designed to be compatible with the nearby residential uses.

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 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, Park and Lee. Assuming the property is rezoned according to the Applicant's rezoning and special exception applications, the development program would consist of up to six work/live condominium units and 64 other condominium units, for a total of 70 units. Four of these will be affordable dwelling units. RCLCO analyzed the fiscal impact of development of the site under the proposed rezoning and special exception applications.

Between 2018 and 2037, the typical 20-year time period for which RCLCO conducts fiscal impact analyses, RCLCO estimates that the property will generate a net fiscal operating impact of \$8,400,000 million. Without taking account of inflation or the fiscal benefits from construction, the annual net fiscal impact after stabilization will be \$354,000.

Conclusion

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

Respectfully submitted,



Scott E. Adams