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June 23, 2021

Via Email Only

Mr. John C. Boyle, CZA/CZO, Zoning Administrator Department of Development Services 400 N. Washington Street Falls Church, Virginia 22046

Re: Statement of Justification
"One City Center" Mixed-Use Project
Atlantic Realty Companies, Inc. (the "Applicant")
RPC ##52-305-027 and -024, 52-305-014, 52-309-119 and -116 (jointly, the "Property")

Dear Mr. Boyle:

On behalf of the Applicant, please accept this letter as a statement of justification for the following requests on the above-referenced Properties:

- 1) A special exception for mixed-use redevelopment pursuant to § 48-486 (a) (13) of the <u>Code</u> of the City of Falls Church, Virginia (the "Code"); and
- 2) A special exception for increase in building height from a maximum of 75 feet (seven stories) to a maximum of 115 feet pursuant to § 48-488 (a) (2) of Code.

As set forth more fully below, the Applicant's proposal would permit redevelopment of a portion of the Property as well as a partial repositioning of the existing George Mason Square office campus. Together, these improvements will form a component of a vibrant, walkable, urban downtown for the City of Falls Church (the "City").

Property Background

The Property comprises five parcels of record containing approximately 4.63 acres (201,899 square feet) in aggregate, located in the block bounded by W. Broad Street to the north, S. Washington Street to the east, S. Maple Avenue to the west, and W. Annandale Road to the south. The Property is specifically identified as follows:

- RPC #52-305-027 (the "George Mason Square Parcel"): This parcel comprises approximately 2.68 acres and is currently improved with three commercial office buildings constructed in 1980 containing approximately 91,098 square feet collectively known as "George Mason Square."
- RPC #52-305-024 (the "BB&T Bank Parcel"): This parcel comprises approximately 0.74 acres and is currently improved with a single-story 2,644-square foot freestanding building constructed in 1975 (the former BB&T Bank).
- <u>RPC #52-309-119 (the "Tailoring Parcel")</u>: This parcel comprises approximately 0.11 acres and is currently improved with a single-story 1,150-square foot freestanding commercial building constructed in 1950.
- <u>RPC #52-309-116 (the "Corner Parcel")</u>: This parcel comprises approximately 2,600 square feet and is located at the corner of W. Broad Street and S. Maple Avenue.
- RPC #52-305-014 (the "150 S. Washington Parcel"): This parcel comprises approximately 1.04 acres and is currently improved with the existing 35,330-square foot 150 S. Washington Street office building, which was constructed in 1970. The 150 S. Washington Parcel also contains a two-level parking garage, as well as an approximately 10,374-square foot triangular surface parking lot located in the southeastern quadrant of the intersection of Annandale Road and S. Maple Avenue (the "Triangle Parking Lot").

The Property is zoned to the B-2 (General Business) zoning district pursuant to § 48-485 et seq. of the Code. Surrounding land uses include various commercial retail and restaurant uses to the north, office buildings and surface parking lots to the south, a vacant surface parking lot and Bowl America to the west, and the Independence Square commercial development to the east. The Applicant has owned the George Mason Square office development since 1995, and more recently acquired the other parcels which collectively comprise the Property.

Comprehensive Plan Considerations

The Property is located within the "Area 5 City Center/Downtown" area of the 2005 Comprehensive Plan (the "Comprehensive Plan"). The Comprehensive Plan recommends this area to be developed as a vibrant, highly-accessible hub of community activity that offers shopping, dining, employment, and cultural/entertainment events. The Comprehensive Plan also calls for a balanced mix of uses that reinforces and maximizes pedestrian connectivity and results in a significant market-driven commercial activity center that is supported by residential uses necessary to ensure commercial success. The Comprehensive Plan places an emphasis on well-designed projects, affordable housing, multimodal accessibility, and sustainable development.

The Comprehensive Plan's Future Land Use Map designates the Property for "mixed-use," which encourages innovative residential, retail, and commercial offices uses. The City Center

Concept Plan, which is incorporated into the Comprehensive Plan, designates the Property's W. Broad Street and S. Maple Avenue frontages as "A-Frontage," which emphasizes pedestrian safety and retail uses. The Property's S. Washington Street frontage is designated as "B-Frontage," which recommends uses for automobiles as well as pedestrians. The City Center Concept Plan further recommends a new mid-block pedestrian crossing along W. Broad Street, as well as a traffic circle at the intersection of S. Maple Avenue and Annandale Road.

The Property is also located within the "Downtown Falls Church" Planning Opportunity Area (the "Downtown POA"), and is subject to the 2014 Downtown Small Area Plan (the "Downtown SAP"). The Downtown SAP recognizes that this area of downtown has experienced no substantial private investment since the 1980s. The Downtown SAP includes the Property within the "Core Commercial Area," which is intended to evolve into a dense, walkable, and bicycle-friendly Class A office and hotel district. While residential development is not explicitly referenced within the Core Commercial Area, it is recommended adjacent to the Core Commercial Area to achieve a "live-work-play" environment. Additionally, the Downtown SAP recognizes the need for parcel consolidation and various transportation improvements.

The Property is also subject to the City's 2001 <u>Design Guidelines</u> (the "Design Guidelines"), which provide recommendations for the creation of high-quality development projects, including building types and styles, setbacks, methods of blending infill projects, and parking. The Design Guidelines recommend that the Property be redeveloped with dense, large scale, pedestrian-oriented development. The Design Guidelines further recommend the creation of a central gathering area, signature visual or cultural elements, and structured parking. The Design Guidelines also encourage pedestrian-scale signage, improved lighting, storefronts, fabric awnings, and outdoor furnishings.

Proposed Development

In recent years, Falls Church has experienced increased development activity that has changed the character of the City's business landscape. This has resulted in new offices, retail, entertainment venues, and highly-demanded housing. In recent years, the Applicant has become interested in the historically-successful urban design concept of mixing different land uses within one discrete area. Such development patterns exist across Falls Church and have been a source of driving successful downtown revitalizations across the greater Washington, D.C. metropolitan area, as well as nationally.

While the Applicant initially contemplated minor updates to George Mason Square, after numerous discussions with staff, it concluded that a more comprehensive redevelopment of the Property could provide a major catalyst project for the City's downtown area in a way that complements existing businesses and nearby newer developments, and accommodates future growth for the City.

The Applicant has engaged the architectural and land planning firm DCS Design to plan the proposed project. The Applicant has also developed a series of design drivers for the project,

each premised upon the principles and goals set forth in the City's planning policy documents. These include treating the Property as a key component of downtown Falls Church, celebrating the Property's visibility, enhancing pedestrian connectivity wherever possible, attracting market-driven and flexible commercial uses, providing downtown housing opportunities, and reinforcing the City's existing village character in a modern way. Central to these design drivers is an understanding of the Property's geographic position in the City; namely, that pedestrian, vehicular, spatial, and visual connections between places and people should be provided.

As depicted on the Conceptual Development Plan (the "CDP") prepared by Urban, Ltd., and the project viewbook prepared by DCS, the Applicant proposes a three-component redevelopment project for the Property, as follows:

1) Improvements to George Mason Square: The Applicant proposes to upgrade the façade of the first floor of the George Mason Square campus and provide landscaping, lighting, and hardscaping improvements to the existing interior courtyard. Building façade improvements will include new glazing, porcelain-treated wood accent tiles, and stained brick. To create a more inviting pedestrian experience and ensure the viability of George Mason Square's retail and restaurant uses, the existing arcade at the intersection of W. Broad Street and S. Washington Street will be removed.

The Applicant intends to activate the courtyard with additional seating areas for new fast casual eateries and retailers. Courtyard improvements will also include the removal of existing planters, improving hardscape and overhead accent lighting. The Applicant also proposes ground-level "bump outs" for new retail or restaurant uses along S. Washington Street.

These repositioning efforts will anchor the project's eastern entry, activate the George Mason Square's ground floor area, and provide an updated, modern signature asset to the City's rapidly evolving downtown. It will also keep the George Mason Square development competitive from an aesthetic perspective which, in turn, will energize the Applicant's leasing program and drive tenant demand.

2) New Mixed-Use Building: The Applicant proposes to redevelop the BB&T Bank Parcel, the Tailoring Parcel, the Corner Parcel, and the Property's existing parking garage with a new 430,946-square foot mixed-use building. The mixed-use building will include approximately 109,912 square feet of new commercial uses (approximately 25 percent of the building's square footage) and 321,034 square feet of new residential uses (approximately 75 percent of the building's square footage).

The Applicant's commercial program is premised upon the need to embrace flexibility in commercial uses to help drive foot traffic to the Property. Traditional format retail has been challenged in recent years by the rise in e-commerce, and COVID-19 has greatly accelerated this trend. Similarly, the recent increase in virtual meeting services and the

escalated pace of technology adoption is having deleterious repercussions on office demand.

In light of these trends, the Applicant proposes 66,430 square feet of retail, restaurant, retail service uses, and medical service uses on the first floor along all street frontages. The final retail program is under review, and the Applicant is in discussions with a grocery store operator (a new entrant to the City's grocery store market) to be located near the intersection of W. Broad Street and S. Maple Avenue.

The Applicant also proposes approximately 43,482 square feet of flex/office commercial uses on the second floor of the mixed-use building, to include office, medical office, service, tech, and limited retail uses. The mixed-use building will also feature a conference facility, which will be made available for tenants of both the mixed-use building and George Mason Square. The conference facility will help drive foot traffic to downtown retailers, and will be made available for use by the public and the City, subject to a mutually agreed upon license agreement.

Approximately 13,300 square feet of new, larger format "mezzanine" retail will be provided along both W. Broad Street and along a new Dutch-style living/shared street (the "Woonerf"), which is proposed to run between the new building and the existing George Mason Square. The Woonerf will feature high-quality, masonry pavers, landscaping, hardscape treatments, wayfinding signage, and parallel parking for adjacent retailers. Intended as a spatial extension of the revitalized George Mason Square courtyard, the Woonerf may be periodically closed for special events and fairs.

To provide visual interest and to draw pedestrians and activity to the interior of the project, the Applicant is proposing an approximately 30-foot by 40-foot exterior visual screen and speaker system which can be used for "screen on the green" events, coverage of live City events and performances (e.g., Watch Night performances, Memorial Day parade, etc.), promotion of the project's retailers and City services, and more.

The mixed-use building's residential component will include 246 units, approximately 70 percent of which (174 units) will be studios, one-bedroom, or one-bedroom with work area (compatible with current live work environment), and approximately 30 percent (72 units) will be two-bedroom and two-bedroom with work areas. To help ensure street activation, elevators servicing the residential units will allow residents to directly access the commercial uses within the building and have direct access to W. Broad Street.

The Applicant acknowledges that the provision of affordable and workforce housing is a critical strategy in addressing Falls Church's affordability issues. The proposed residential uses will include six percent of units as committed affordable units at 60 percent of Area Median Income. Additionally, the Applicant will work with staff during the application process to identify a strategy to further meet the Comprehensive Plan's affordability

objectives, such as providing workforce housing opportunities in light of the other commitments the Applicant anticipates making.

The proposed project will provide a variety of open space amenities, including approximately 20,140 square feet of new ground floor open space areas, bringing the total public open space on the site to 60,860 square feet. This includes upgrading the existing 10,374-square foot Triangle Parking Lot into a new approximately 10,000-square foot public park ("City Center Park"), which will serve the proposed development and surrounding neighborhood. The design of the proposed park is under consideration, and the Applicant will work with staff during the review process regarding layout and programming. Private amenities within the proposed mixed-use building will include a residential lounge, a business center, a fitness room, a large party room, a private deck for special events, and an outdoor green terrace. Rooftop amenities will include a pool and lounge area with shade structures and seating areas. Other outdoor areas will feature fire pits, built-in seating areas, and/or grill/bar settings to offer a variety of social experiences. Between the green terrace, outdoor courtyard, and rooftop, private open space will total 25,071 square feet for apartment residents.

The Applicant believes a harmonious landscape for downtown is best achieved with a design and layout that will provide a unified placemaking expression. To that end, building elevations have been included with this application which meet the intent of the Design Guidelines for high-quality planning and architectural design. Specifically, the proposal will upgrade the Property's existing architecture (which, today, does not meet the Design Guidelines), provide landscaping to define the pedestrian realm, utilize special paving materials for sidewalks, minimize curb cuts along all site frontages, provide ground floor uses along all site frontages, create a pedestrian-friendly urban edge, and provide parking in a partially below-grade screened structured garage. All signage and architectural lighting on the Property will comply with § 48-1237 et seq. of the Code.

As depicted on the CDP, the Applicant's landscape design includes trees, plants, and flowerbeds, opportunities for bio-filtration, and opportunities for the maintenance of biodiversity. The proposed mixed-use building will be designed and constructed to efficiently utilize energy and water resources, and minimize negative impacts upon the environment. The Applicant will commit to green building measures consistent with LEED Gold standards for the new mixed-use building. The Applicant will meet all City and state stormwater regulations, and is proposing a series of underground stormwater detention facilities. These facilities will be appropriately sized and located to meet detention and outfall requirements and reduce peak flow from the Property over existing conditions. The Applicant will provide any necessary improvements to the sewer and water systems needed to accommodate the project.

Fiscal Benefit

The proposed redevelopment will provide a substantial fiscal benefit to the City and serve as an economic driver for existing restaurants and retailers in the downtown area. The BB&T Bank

Parcel, The Tailoring Parcel, Corner Parcel, and outmoded parking garage currently contribute minimal tax revenue to the City (relative to what is proposed), largely owing to the age of existing buildings, their low-density physical layout, surface parking, and underutilized space.

The Applicant's redevelopment proposal will provide significant new and modern commercial and residential space. The new commercial space will be of significantly higher quality than the existing commercial uses on the site. New sales and business licensing taxes will bring significant revenue to the City, and the project's future tenants and residents will spend money at local commercial establishments of all types, which will support additional retail and non-residential space, such as office and medical uses.

The proposed development will also respond to the increased need for urban-style housing within the City and help ensure the economic success and commercial viability of downtown and surrounding commercial projects. By creating a vibrant, attractive catalyst anchor in this section of the City, the proposed project will also encourage consumers and visitors to patronize existing downtown commercial uses in the vicinity of the Property. Workers and residents within the proposed project will be able to walk to downtown businesses, and the project will help the downtown to continue to evolve into a vibrant mixed-use neighborhood. It will add vitality to the City's economy, as new residents drive demand for retail and locally-serving office users which, in turn, will have a very positive fiscal impact on the City.

The Applicant has conducted an initial net fiscal impact analysis for the proposal and anticipates a projected total net fiscal operating impact of approximately \$25,400,678.00 by the year 2040. Without taking into account inflation or the fiscal benefits from construction, the annual net fiscal benefit to the City will be approximately \$987,168.00. While the preliminary fiscal impact analysis prepared by City staff projected a positive annual net impact to the City, it was considerably lower than the Applicant's projection, even with both not including any restaurant or grocery store related tax revenues. The City's more conservative number does not take into account important underlying assumptions, such as resident meals taxes, office tenant BPOL taxes, and miscellaneous revenues at the level of other new comparable projects in the City. Additionally, these numbers will only improve as proposed grocery and restaurant sales square footage, and their corresponding tax revenues are taken into account. Therefore, based on the Applicant's projected fiscal impact analysis conducted, the proposed development will provide substantial value to the City that will only serve to strengthen its economic vitality.

Transportation

A strong and vibrant downtown Falls Church requires safe and pedestrian-friendly streets, including choices for moving about on foot, bicycle, transit, and automobile. The Property sits at the confluence of four major roadways, and the Applicant's proposal seeks to enhance these existing transportation connections and access to various transportation modes as follows:

- Sidewalks: The Applicant will upgrade existing sidewalks along all of the Property's frontages in conformance with the City's Streetscape Design Standards For Commercial Streets (the "Streetscape Standards"), and will provide a 20' min. setback along W. Broad Street, a 20' min. setback along S. Washington Street, a 16' min. setback along W. Annandale Road, and an 18' min. setback along S. Maple Avenue. In conformance with the Streetscape Standards, street furniture, planters, street trees, and landscaping will be provided on all street frontages. These improvements, which will tie into existing pedestrian walkways, will offer the ability for pedestrians to pause, socialize, "people watch," and increase the downtown's overall vitality.
- Access Points: Vehicular access to and from the Property will be provided via four access points. The Applicant is proposing to consolidate four existing access points along W. Broad Street into a single access point (the proposed Woonerf, as described above), which will be right-in/right-out only with a raised "pork chop" island to prevent left turns in and out. Access to the proposed garage will be provided along S. Washington Street, S. Maple Avenue, Annandale Road, and via the proposed Woonerf. Loading for the mixed-use building, George Mason Square, and 150 S. Washington Street office building will be consolidated into a single loading dock located on Annandale Road.
- W. Broad Street Enhancements: A mid-block pedestrian crossing is proposed across W. Broad Street to connect the Woonerf with existing commercial uses on the north side of the street. The Applicant also proposes installing a High-Intensity Activated Crosswalk ("HAWK") beacon to allow protected pedestrian crossings. This crossing will make it safer and more convenient for pedestrians to access the Property and surrounding downtown sites. In addition, the Applicant is proposing to upgrade the south leg of the existing crosswalk at the intersection of W. Broad Street and S. Maple Avenue by installing brick pavers, consistent with the remaining legs at this intersection. The Applicant will also make similar brick paver upgrades to the south and west legs of the existing crosswalk at the intersection of W. Broad Street and S. Washington Street to match the remaining legs that will be upgraded as part of the recently approved Broad and Washington development project.
- New Traffic Circle: In conformance with the City Center Concept Plan and in accordance with the City's current intersection improvement project, the Applicant proposes to construct either a new traffic circle or install a new traffic signal at the intersection of S. Maple Avenue and W. Annandale Road. The ultimate intersection improvement project will provide a safer intersection for pedestrians and will, in conjunction with the new City Center Park on the Triangle Parking Lot, transform the intersection into a more attractive urban gateway.
- <u>Bicycle Infrastructure</u>: The Applicant will provide infrastructure to promote cycling access, including 28 new exterior bicycle parking spaces proximate to the proposed retail

areas, 130 long-term storage spaces located on multiple levels within the proposed parking garage, and a bikeshare station with 11 bicycle docks along W. Broad Street.

- <u>Transit</u>: The Property is served by two WMATA bus lines: (1) the 28A bus line, which provides east-west connectivity and connections to the West Falls Church Metrorail station; and (2) the 2A bus line, which provides north-south connectivity and connections to the East Falls Church Metrorail station. A covered bus shelter is provided along the Property's S. Washington Street frontage, and a bus stop and bench is provided along the Property's W. Broad frontage. The Applicant will install a new covered bus shelter along W. Broad Street, which meets the standards set forth in the City's <u>Bus Stop and Bus Shelter Master Plan</u>.
- <u>Parking</u>: The Applicant will provide 973 parking spaces to serve the proposed development, including six on-street spaces in the proposed Woonerf, and 967 spaces in a new nine-level parking garage, which will be partially located below-grade and partially above-grade (and screened).
- Construction & Parking: The Applicant will phase construction in a way that will allow completion of the new parking garage for use by existing commercial tenants and the public while construction on the remainder of the project continues. During the first phase of construction, an interim parking lot will be located on the BB&T Bank Parcel and the Tailoring Parcel. This interim parking lot will be constructed prior to demolition of the existing garage. The Applicant will work with City staff to identify anticipated construction entrances, construction staging areas, construction vehicle routes, and procedures for construction material deliveries, lane or street closures, and/or other construction related activities to minimize disturbance on the surrounding street and sidewalk network. If necessary, the Applicant will secure off-site parking for construction vehicles and workers.

The Applicant's traffic consultant, Gorove/Slade, Inc., has prepared a traffic study included with this submission. The traffic study provides a detailed analysis of the traffic associated with the proposed development and a comparison with the trips that are currently generated by the Property. The Applicant's traffic analysis indicates that the traffic conditions with the ultimate build-out of the project will be adequately accommodated, and that all intersections in the study area continue to operate at levels of service consistent with those without the redevelopment, after mitigation. The Applicant will commit to a Transportation Demand Management ("TDM") program to reduce the number of single occupant vehicle trips for office and residential uses.

Mixed-Use Building Height

The mixed-use building is proposed to be a maximum of 115 feet in height, which is necessary to achieve a successful land use mix, underwrite the building's cost, and ensure the viability of the project's commercial uses. The City Council may grant a height bonus of up to 40

feet if the City Council determines that the project is exemplary in terms of conformance with the criteria contained in §§ 48-90 (d) (1) and (2) of the Code.

The mixed-use building's height and massing is appropriate under the Comprehensive Plan and Downtown SAP, which recommend the Property for the most intense level of development in the City's downtown area. Unlike other recently-approved or proposed downtown projects, the proposed mixed-use building is not located adjacent to established residential uses, and is surrounded by commercial properties on all sides. The mixed-use building's architecture is variegated to provide a more pedestrian scale, which is enhanced by a wider pedestrian realm, activated ground-floor uses, and outdoor seating. The proposed mixed-use building is harmonious with existing commercial development and is not disproportionate to surrounding land uses in terms of height, bulk, or scale. Moreover, the additional bonus height will allow for increased revenue to the City as well as patrons for downtown businesses.

Waivers and Modifications

The proposed project conforms to all provisions of applicable ordinances, regulations, and adopted standards except as noted on the CDP and noted below:

- a. <u>Loading Spaces</u>: The Applicant requests a modification of § 48-1004 of the Code to reduce the minimum required loading spaces to the number reflected on the CDP. The functionality of the proposed buildings only requires six loading spaces.
- b. Shared Parking: The Applicant requests a modification of the minimum parking pursuant to § 48-970 of the Code to reduce the minimum parking from 1,099 spaces to 973 spaces. The Applicant has included a shared parking analysis with this submission, prepared pursuant to § 48-971 of the Code, which demonstrates that the proposed parking supply is sufficient to meet the mixed-use demand in a mixed-use context.

Compliance with City Center Guiding Principles

The Comprehensive Plan establishes certain "Guiding Principles" for the former City Center project which should be considered when deciding whether to grant a special exception on the Property. Many of these principles remain relevant, and are addressed below:

1) Great Place: The proposal adds to an existing downtown commercial retail and pedestrian center. The proposed development will respond to the increased need for urban-style housing within the City and help ensure the economic success and commercial viability of downtown and surrounding commercial projects. Residents and workers within the proposed project will be able to walk to downtown businesses and the project will be a catalyst that anchors downtown and will help it evolve into a vibrant mixed-use neighborhood. Therefore, this principle is achieved.

- 2) <u>Mix of Uses</u>: The proposed development integrates into a single block various commercial and residential uses to create a 24/7 vibrant mixed-use neighborhood. The proposal includes variations in building heights and styles and creates opportunities to attract new businesses and tenants to the area. Therefore, this principle is achieved.
- 3) <u>Unique Design</u>: The Applicant is proposing a repositioning of the existing George Mason Square complex, and the proposed new mixed-use building and parking garage will provide modern structures. Building elevations are included with this application which meet the intent of the Design Guidelines. Therefore, this principle is achieved.
- 4) Public Open Space and Green Space: To create a more inviting pedestrian experience and ensure the viability of George Mason Square's retail and restaurant uses, the existing arcade at the intersection of W. Broad Street and S. Washington Street will be removed. The Applicant intends to activate the courtyard space to anchor the project's eastern entry, activate the ground floor experience, and provide a signature asset to the City's rapidly evolving downtown. The proposed project will provide a variety of open space amenities, including approximately 20,140 square feet of new ground floor areas, bringing the total public open space on the site to 60,860 square feet. Street furniture, planters, street trees, and landscaping will be provided on all street frontages. These improvements, which will tie into existing pedestrian walkways, will offer the ability for pedestrians to pause, socialize, "people watch," and increase the downtown's overall vitality. Therefore, this principle is achieved.
 - 5) Well Designed Density: The BB&T Bank Parcel, the Tailoring Parcel, the Corner Parcel, and the outmoded parking garage currently contribute minimal tax revenue to the City (relative to what is proposed), largely owing to the age of existing buildings, their low-density physical layout, surface parking, and underutilized space. The proposed project would replace these uses with a new 430,946 square foot mixed-use building. The mixed-use building will include approximately 109,912 square feet of new commercial uses (approximately 25 percent of the building's square footage) and approximately 321,034 square feet of new residential uses (approximately 75 percent of the building's square footage). The proposed commercial and residential uses appropriately address market demand and are well balanced that the commercial and residential densities serve each other and the surrounding blocks. Therefore, this principle is achieved.
- 6) <u>Balanced Sustainable Developments</u>: The proposed development, mix of uses, and infrastructure improvements will encourage walking and multimodal transportation options. Additionally, the mixed-use nature of the development encourages more efficient use of space and a sustainable "live-work-shop" environment. The Applicant will commit to green building measures consistent with LEED Gold standards. Therefore, this principle is achieved.

- 7) Affordable Housing: The mixed-use building's residential component will include 246 units, 70 percent of which will be studios, one-bedroom, or one-bedroom with work area, which are more affordable by design. The proposed residential uses will include six percent of units as committed affordable units at 60 percent of Area Median Income. Additionally, the Applicant will work with staff during the application process to identify a strategy to further meet the Comprehensive Plan's affordability objectives, such as providing workforce housing opportunities in light of the other commitments the Applicant anticipates making. Therefore, this principle will be achieved.
- 8) Multi-Modally Accessible: A covered bus shelter is provided along the Property's S. Washington Street frontage, and a bus stop and bench is provided along the Property's W. Broad frontage. The Applicant will install a covered shelter meeting standards set forth in the City's Bus Stop and Bus Shelter Master Plan. The Applicant will also provide infrastructure to promote cycling access, including easily accessible and secure bicycle racks and a bikeshare station. The specific locations and quantities of these facilities will be determined during the review process. The Applicant will commit to a TDM program to reduce the number of single occupant vehicle trips. As a component of the TDM program, the Applicant will commit to educating the project's commercial tenants and residents so as to maximize all transportation modes, including transit. Therefore, this principle is achieved.
- 9) <u>City Stewardship</u>: The Property is located in an area long planned to evolve into a vibrant downtown hub. The proposed project will increase nearby property values and city sales and BLOP tax revenues; therefore, this principle is achieved.

Compliance with § 48-90 (d) Primary & Secondary Special Exception Criteria

Sections 48-90 (d) (1) and (2) of the Code contain "primary" and "secondary" criteria which the Planning Commission and City Council are to evaluate when considering special exception requests. Each use limitation is listed in bold below, followed by the Applicant's response in italics:

1.a The resulting development conforms to the city's adopted comprehensive plan, small area plans, and design guidelines.

The proposed development is generally consistent with, and furthers the goals of, the recommendations contained in the Plan, the Downtown SAP, the Future Land Use Map, and the City Center Concept Plan in terms of parcel consolidation, redevelopment, and transportation improvements. Building elevations are included with this application, which meet the intent of the Design Guidelines.

The proposed development will meet the key concepts outlined in the Downtown SAP by responding to the increased need for urban-style housing within the City, increasing the

City's tax base, and helping ensure the economic success and commercial viability of downtown and surrounding commercial projects. The project proposes a unified development across five 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 area.

The proposal will also improve 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. The proposed mix of uses will create a regional destination and will complement and support existing local businesses. Therefore, this criterion is satisfied.

1.b The resulting development provides for significant new or renovated commercial space and allows for a mix of commercial and residential uses.

The proposed development includes the addition of 91,184 square feet of new commercial uses as well as 246 residential units. The new commercial space will be of significantly higher quality than the existing commercial uses on the site. New sales and business licensing taxes will bring significant revenue to the City, and new residents will spend money at local commercial establishments of all types, which will support additional retail and non-residential space. Residents and workers within the proposed project will be able to walk to existing downtown businesses and the project will be a catalyst that anchors downtown and will help it evolve into a vibrant mixed-use neighborhood. Therefore, this criterion is satisfied.

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

The BB&T Bank Parcel, the Tailoring Parcel, and the Corner Parcel currently contribute minimal tax revenue to the City (relative to what is proposed), largely owing to the age of existing buildings, their low-density physical layout, surface parking, and underutilized space. The proposed use will provide significant new and modern commercial space and residential uses. New sales and business licensing taxes will bring significant revenue to the City, and new residents will spend money at local commercial establishments of all types. The proposed George Mason Square repositioning effort will anchor the project's eastern entry, activate the ground floor experience, and provide a signature asset to the City's rapidly evolving downtown. All of these efforts will add vitality to the City's economy, as new residents drive demand for retail and locally-serving office users, which will have a very positive fiscal impact on the City. Therefore, this criterion is satisfied.

1.d. The resulting development in which 75 percent or more of its residential units qualify as affordable housing for low and moderate income purchasers or renters may be exempted from primary criteria contained in subsections (d)(1)b and c of this section.

This criterion is inapplicable.

2.a. The resulting development is compatible with surrounding land uses and planned land uses in size, bulk, and scale.

The City's planning policy documents envision the Property redeveloping into an area of dense commercial uses with residential uses that support the existing and new retail and restaurants in the downtown area. No changes are proposed to George Mason Square in terms of size, bulk, or scale. The proposed mixed-use building will be a maximum of 115 feet in height, which is necessary to achieve a successful land use mix to underwrite the building's cost and ensure the viability of the project's commercial uses.

Unlike other recently-approved or proposed downtown projects, the proposed mixed-use building is not located adjacent to established residential uses, and is surrounded by commercial properties on all sides. The mixed-use building's architecture is variegated to provide a more pedestrian scale, which is enhanced by a wider pedestrian realm, activated ground-floor uses, and outdoor seating. The proposed mixed-use building is harmonious with existing commercial development and is not disproportionate to surrounding land uses in terms of height, bulk, or scale. Moreover, the additional bonus height will allow for increased revenue to the City as well as patrons for downtown businesses. Therefore, this criterion is satisfied.

2.b. The resulting development enhances or expands the existing community facilities, such as the schools, multimodal transportation facilities, streetscape and public parking, and water and sewer systems (sanitary and stormwater) and utilizes green rather than grey infrastructure to the fullest extent possible to manage stormwater and to create a healthy and attractive environment for the community.

The proposed development is not anticipated to have significant impact on community facilities. The Property is adequately served by central public utilities, and the Applicant will provide any necessary improvements to the sewer and water systems needed to accommodate the project. A majority (a minimum of 70 percent) of the proposed residential units will be studios, one-bedroom units, one-bedroom with work area, which are not anticipated to add a significant number of students to the Falls Church City Public School system. The Applicant anticipates making a contribution to offset its impact to the public school system.

The proposal will pursue LEED Gold certification with a minimum 20 percent improvement in energy performance. The Applicant will incorporate a number of green building measures in the project, with a focus on sustainable strategies for stormwater management, heat island mitigation, alternative transportation modes, water use reduction, indoor environmental quality, responsible use of resources, recycling, and

wildlife protection. For instance, green roof areas and bioretention planters are being considered for stormwater retention.

The proposal will enhance existing transportation connections and access to various transportation modes. Traffic generated by the project will be adequately accommodated, and all intersections in the study area continue to operate at acceptable levels of service. The Applicant will commit to a TDM program to reduce the number of single occupant vehicle trips. Therefore, this criterion is satisfied.

2.c. The resulting development provides community benefits, such as affordable and/or workforce housing, as it is described in article VII of this chapter.

The variety of residential and commercial uses will create a critical mass of activity that will benefit existing businesses in the downtown area. The increased tax revenue from the project will help the City provide additional benefits to its residents. A majority (a minimum of 70 percent) of the proposed residential units will be studios, one-bedroom units, one-bedroom with work area which are by nature more affordable and will add affordability to the City's housing mix. Additionally, the Applicant will work with staff during the review process to submit a series of Voluntary Concessions and Community Benefits, including commitments to address housing affordability. Therefore, this criterion will be satisfied.

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

The proposed mix of uses, activated streetscape, and pedestrian oriented design of the project will provide significant activity during the day and evening. The proposed development will respond to the increased need for urban-style housing within the City and help ensure the economic success and commercial viability of downtown and surrounding commercial projects. The various commercial uses will drive pedestrian activity throughout all days of the week, and the residential component will support these uses.

Residents and workers within the proposed project will be able to walk to downtown businesses and the project will be a catalyst that anchors downtown and will help it evolve into a 24/7 vibrant mixed-use neighborhood. The proposed traffic circle at S. Maple Avenue and W. Annandale Road will increase the safety of the surrounding transportation network. Additionally, the proposed development will include improvements to the existing pedestrian plaza, and will connect to surrounding downtown properties. Finally, the project proposes to add a HAWK crosswalk near the entrance of the Woonerf along W. Broad Street and a traffic signal with pedestrian signalization at the site's eastern entrance along S. Washington Street, increasing pedestrian connectivity throughout the site and its adjacent properties. Therefore, this criterion is satisfied.

2.e. The resulting development offers purposeful and creative use of landscaping, open space and/or public parks, public plazas, and walkways connecting to adjoining properties that incorporates sustainable landscaping and green infrastructure best practices for stormwater mitigation, urban heat island management and wildlife habitat support.

The proposed project will provide a variety of open space amenities, including approximately 20,140 square feet of ground floor open space areas. Additional private amenities for commercial and residential tenants will also be provided. The proposed streetscape enhancements will enhance pedestrian safety and encourage visitors to socialize, "people watch," and increase the downtown's overall vitality. The existing George Mason Square arcade will be removed and replaced with a pedestrian plaza lined with retail businesses. The existing 10,374-square foot Triangle Parking Lot will be transformed into a new 10,000-square foot City Center Park that will include benches, a lawn area, opportunities for public art, and other streetscape features and amenities. The proposed Woonerf will offer a spatial extension of George Mason Square's revitalized pedestrian plaza. Lastly, there will be approximately 13,000 square feet of landscaped areas dispersed between courtyard rooftops and the new mixed-use building roof that will advance LEED goals as well as open space design. Therefore, this criterion is satisfied.

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

The proposed development creates various commercial spaces that will provide a wide array of services to residents and attract different types of tenants. The mixed-use proposed building will include approximately 91,184 net square feet of new commercial uses (approximately 21 percent of the building's square footage). Additionally, the proposed repositioning of the existing George Mason Square courtyard will provide enhanced opportunities for fast casual dining and retail business uses. These improvements will aid downtown Falls Church's evolution into an attractive place for retail, dining, and entertainment. Finally, the existing 10,374-square foot Triangle Parking Lot will be transformed into a new 10,000-square foot City Center Park that will include benches, a lawn area, and opportunities for public art, providing an urban public recreation space. Therefore, this criterion is satisfied.

2.g. The resulting development includes and encourages local or independent businesses

The proposed retail and office space will provide opportunities for the establishment of various types of businesses. The Applicant will work with its existing tenants to identify relocation opportunities within the project, and will ensure that project phasing, construction, and interim parking is not detrimental to existing businesses currently

operating on the Property. The Applicant will phase construction in a way that will allow use of the completed new parking garage by existing commercial tenants and the public while construction on the remainder of the project continues. During the first phase of construction, an interim parking lot will be located on the BB&T Bank Parcel and the Tailoring Building Parcel. This interim parking lot will be constructed prior to demolition of the existing garage. The Applicant will also identify opportunities for off-site parking while construction is ongoing. Therefore, this criterion is satisfied.

2.h. The resulting development provides for a reduction of single-use parking requirements through the use of shared parking and transportation demand management strategies, such as bikeshare, car-sharing, and other techniques.

The varied number of uses on site will encourage the use of shared parking. The uses complement one another in providing parking demand at different peak times thereby reducing the parking supply required to meet the on-site demand. In addition, a bikeshare station will be included in the development, which will encourage multi-modal transportation and reduce reliance on vehicle use. Therefore, this criterion is satisfied.

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

The proposed project will encourage multimodal transportation options. A covered bus shelter is provided along the Property's S. Washington Street frontage and the Applicant will install a covered shelter along W. Broad Street. The Applicant will also provide infrastructure to promote cycling access, including easily accessible and secure bicycle racks. The specific locations and quantities of these facilities will be determined during the review process. The Applicant will commit to a TDM program to reduce the number of single occupant vehicle trips. As a component of the TDM program, the Applicant will commit to educating the project's commercial tenants and residents so as to maximize all transportation modes, including transit. Therefore, this criterion is satisfied.

2.j. The resulting development utilizes (Leadership in Energy and Environmental Design) LEED criteria (or other rating systems such as WELL Building Standard) in the design of the project to achieve high standards for environmental sustainability and climate resilience. Certified projects are encouraged to achieve LEED Gold or greater ratings and deliver a minimum of 20 percent improvement in energy performance.

The Applicant will commit to attaining LEED Gold certification with a minimum 20 percent improvement in energy performance. The Applicant will incorporate a number of green building measures in the project, which are listed in Attachment A, with a focus on sustainable strategies for stormwater management, heat island mitigation, alternative

transportation modes, water use reduction, indoor environmental quality, responsible use of resources, recycling, and wildlife protection. In addition, the Applicant's project team will develop LEED Guidelines for future retail and commercial tenants in order to encourage and facilitate the use of LEED Gold as a green building metric. Therefore, this criterion is satisfied.

Compliance with § 48-1079 Mixed-Use Redevelopment Intent

Section 48-1079 of the Code establishes the intent for mixed-use redevelopment projects in the City. Though not an established element of the City's review criteria, each intent prong is listed in bold below, followed by the Applicant's response in italics:

1) Attract new development that will generate jobs and create positive net revenues for the city.

The proposed development includes the addition of 109,912 net square feet of new commercial uses as well as 246 residential units. Residents and workers within the proposed project will be able to walk to downtown businesses and the project will be a catalyst that anchors downtown and will help it evolve into a vibrant mixed-use neighborhood. Therefore, this prong is satisfied.

2) Create a mixture of office, retail, recreational, hotel, and residential uses within a single structure or within multiple, but physically and functionally integrated and related structures and open spaces, as recommended by the comprehensive plan, while protecting the residential character of surrounding neighborhoods.

The proposed development integrates into a single block various commercial and residential uses to create a 24/7 vibrant mixed-use neighborhood. The proposed mixed-use building is not located adjacent to established residential uses and is surrounded by commercial properties on all sides. The mixed-use building's height and massing is appropriate under the Comprehensive Plan and Downtown SAP, which recommends the Property for the most intense development in the City's downtown area. The proposed mixed-use building is not disproportionate to surrounding land uses in terms of height, bulk, or scale. Therefore, this prong is satisfied.

3) Provide an alternative for more efficient utilization of the city's land resources, resulting in multistory buildings, smaller networks of utilities, structured or underground parking, shared stormwater management and roads, greater opportunities for useable public and private open space, and reduced needs for automotive travel with retail and employment centers located near housing.

The project will replace two relatively inefficient buildings and an outmoded parking garage with a more efficient multistory mixed-use building. Structured parking will be

provided, with one story located below-ground. The project will make more efficient use of utilities, public and private open space, and reduced needs for automotive travel that will logically occur in a mixed-use environment. Therefore, this prong is satisfied.

4) Encourage harmonious and coordinated development of sites, considering the existing natural features, pedestrian and vehicular circulation, and compatibility with the surrounding residential and commercial properties.

The proposed development comprises an entire block in the downtown area, avoids piecemeal development, and will be harmonious and coordinated in terms of bulk, massing, quality, visual connections, circulation, and more. The proposed mixed-use building is not located adjacent to established residential uses and is surrounded by commercial properties on all sides. The proposed development is harmonious with existing commercial development. The design is a coordinated effort to create a "live-work-play" development, as is consistent with contemporary and innovative urban design techniques and principles. Therefore, this prong is satisfied.

5) Encourage the application of professional planning and creative design techniques to achieve an overall coordinated development, eliminating the negative impacts of piecemeal development.

The proposed development comprises an entire block in the downtown area, avoids piecemeal development, and will be harmonious and coordinated in terms of bulk, massing, quality, visual connections, circulation, and more. The proposed mixed-use building is not located adjacent to established residential uses and is surrounded by commercial properties on all sides. The proposed development is harmonious with existing commercial development. The design is a coordinated effort to create a "live-work-play" development, as is consistent with contemporary and innovative urban design techniques and principles. Therefore, this prong is satisfied.

6) Encourage development that is of excellent design and architecture.

The utilization of existing buildings and addition of complementary development within the block is an expression of increasingly popular design techniques to reuse existing buildings and sites. Building elevations are included with this application, which meet the intent of the Design Guidelines. Therefore, this prong is satisfied.

The proposed development is in harmony with the Comprehensive Plan and Downtown SAP recommendations in terms of an appropriate mix of uses, parcel consolidation, redevelopment, and transportation improvements. The proposed residential units will help meet the increasing demand for a variety of housing options within the City, and will fulfill the vision for a high quality mixed-use development in the downtown area by providing a mix of retail, office, and multifamily residential uses. The project will help ensure the economic success and

commercial viability of downtown and surrounding commercial projects. Residents and workers within the proposed project will be able to walk to downtown businesses, and the project will be a catalyst that anchors downtown and will help continue its evolution into a vibrant mixed-use neighborhood.

I would appreciate the acceptance of these applications and the scheduling of a public hearing at your earliest convenience. Thank you for your time and consideration in this matter, and please feel free to call me directly at (571) 209-5775 should you have any questions.

Very truly yours,

WALSH, COLUCCI, LUBELEY & WALSH, P.C.

Andrew A. Painter

Enclosures

cc: Mr. Wyatt Shields, City Manager

Mr. James B. Snyder, AICP, Community Planning & Economic Development Services

Mr. Paul Stoddard, AICP, Community Planning & Economic Development Services

Mr. Gary Fuller, AICP, Community Planning & Economic Development Services

Ms. Becky Witsman, Community Planning & Economic Development Services

Mr. David Ross, Atlantic Realty Companies

Mr. Adam Shulman, Atlantic Realty Companies

Mr. Jonathan Ross, Atlantic Realty Companies

Mr. Mike Arena, Atlantic Realty Companies

Mr. Jackson Marsteller, Atlantic Realty Companies

Mr. Thomas Dinneny, AIA, DCS Design

Ms. Kim Silva, DCS Design

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Mr. Eric S. Siegel, P.E., Urban, Ltd.

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Mr. Ryan G. David, P.E., LEED AP, Urban, Ltd.

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