



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of May 22, 2010**

DATE: May 14, 2010

SUBJECT: SP #18 SITE PLAN AMENDMENT to amend Condition #68 Affordable Housing Contribution to modify the timing of payments; located at 1812 N. Moore St. (RPC #16-037-004, -005)

Applicant:
1812 Holdings, LLC

By:
Nan E. Walsh
Walsh, Colucci, Lubeley, Emrich & Walsh, P.C.
2200 Clarendon Boulevard, 13th Floor
Arlington, Virginia 22201-3359

C.M. RECOMMENDATION:

Approve the Site Plan Amendment request subject to the revised development Condition #68 Affordable Housing Contribution and to all previously approved conditions (#1 through 97).

ISSUES: The applicant requests a site plan amendment to modify the timing of the affordable housing contributions. No issues have been identified with the request.

SUMMARY: Construction financing difficulties and a poor pre-construction lease market is delaying the start of construction of the office building in Rosslyn's Central Place. Adjusting the timing of the first affordable housing contribution will facilitate the start of construction and allow the developer to react quickly to an improvement in the financial climate or the lease market. In addition, the timing of the second affordable housing payment needs to be clarified to reflect the intent of the approved site plan. The two affordable housing contributions will be made when actual gross floor area construction starts. The first contribution would be made at the issuance of the building permit for the office portion of the site plan and the second prior to the first Certificate of Occupancy above the parking garage. Therefore, staff supports the site plan amendment subject to amended Condition #68 and to all previously approved conditions.

BACKGROUND: The applicant received site plan approval in December 2007 to incorporate

County Manager: BMD/GA

Staff: Neil Thompson, Planning Division, DCPHD

PLA-5577

the existing Dominion Virginia Power substation (1850 N. Moore St.) into SP #18 and redevelop the two parcels. The approved plan includes a 470-foot tall (30-story) office building. The proposed 580,759 s.f. building will be adjacent to the Rosslyn Metro Station and utilize available density from the Dominion Virginia Power Substation parcel. The existing Dominion Virginia Power substation on the northern parcel (21,031 s.f.) is to remain.

The following provides information about the subject site and location:

Site: This 1.38-acre site is in Rosslyn, and includes the redevelopment of two parcels located at the northern end of the block bounded by North Moore Street, 19th St. North, and North Fort Myer Drive

Zoning: “C-O-Rosslyn” Commercial Office Building, Retail, Multiple Family Dwelling Districts.

Land use: “High” Office-Apartment-Hotel (3.8 FAR office; 4.8 FAR residential; and 3.8 FAR hotel). The site is within the boundaries of the “Rosslyn Coordinated Redevelopment District” on the General Land Use Plan.

Neighborhood: The site is located within the North Rosslyn Civic Association. In addition to the civic association, the Rosslyn Renaissance public-private partnership has been notified of this request. Rosslyn Renaissance responded positively to the request. There was no response from the civic association.

DISCUSSION: The original SP #18 11-story CACI building has been demolished, leaving a cleared site that is unattractive and poses wind and water erosion challenges. The applicant indicates that construction of the approved amended site plan is delayed because of construction financing difficulties and the timing of pre-construction leasing. Condition #68 provides for three (3) equal affordable housing contributions tied to specific construction phase benchmarks. The applicant requests to commence construction of the primarily below grade garage and lobby levels without the added financial burden of the affordable housing contributions. The existing condition language uses the phrase “first above grade building permit” as the benchmark for the first contribution with the second due prior to the first Certificate of Occupancy. Because of site topography, full construction of the garage will require above grade building permits. A certificate of occupancy will be requested when the lobby is constructed.

The developer’s agreed to affordable housing contributions are intended to coincide with the construction of leasable space of the project. Delaying the first two (2) affordable housing contributions until after construction begins on any levels above the P7 parking level and before any certificates of occupancy above that level conforms to the intent of the original Condition #68 language.

Housing Division staff was consulted regarding this request and has no concerns with the applicant’s request.

CONCLUSION: The cleared site is a visual blight that also causes wind and water erosion

concerns. Allowing the applicant to proceed with construction without the added burden of the first two (2) affordable housing payments will eliminate those concerns; it provides a bridge for the applicant to arrange financing, for the pre-construction lease market to improve, and puts the applicant in a position to quickly respond to market improvement. The rationale of the affordable housing payments are related to the impacts of the office and retail construction. The revised condition language provides for timely payments to meet those impacts. The applicant's request can be reasonably accommodated and the County's interest is protected. Therefore, staff recommends that the timing of the affordable housing payments be amended subject to all previously agreed conditions and to the revised Condition #68 as follows:

Affordable Housing Contribution

68. The developer has agreed to make an affordable housing contribution on the proposed site plan's entire GFA (601,790 s.f.), resulting in a contribution of \$4,814,320. This contribution shall be made in three equal installments with one-third (\$1,604,773.33) due prior to the issuance of the first above-grade any building permit associated with the construction of any office floors above the garage and including the P7 level of the garage (not including permits associated with the four-and-a-half levels of parking below the lobby levels, the lower and upper lobby levels, and necessary columns and structural elements needed to complete the garage entrance and project stair towers), one-third (\$1,604,773.33) due prior to the issuance of the first Certificate of Occupancy for any office floors above the garage and including the P7 level of the garage, and one-third (\$1,604,773.34) due prior to the issuance of the Certificate of Occupancy for the top floor of the office building.

PREVIOUS COUNTY BOARD ACTIONS:

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| February 8, 1962 | Approved site plan (Z-1598-62-2 SP #18) for an 11-story office building. |
| January 6, 1968 | Approved a site plan amendment for an exterior sign change. |
| December 10, 1975 | Approved a site plan amendment for an exterior sign change. |
| March 10, 1979 | Approved a site plan amendment to convert parking to retail / office space. |
| September 16, 1980 | Approved a site plan amendment for an exterior sign request. |
| December 15, 2007 | Approved a rezoning request (Z-2529-06-1) and a site plan amendment to incorporate 1850 N. Moore St. (Dominion Virginia Power substation) into the site plan, construct approximately 569,739 square feet of commercial office, approximately 11,020 square feet of retail space, and retain the existing power substation. |
| November 15, 2008 | Approved a site plan amendment revising construction conditions, expand the parking garage and revise the compact parking ratio. |



SP #18 SITE PLAN AMENDMENT
1815 N. Fort Myer Dr., 1850 N. Moore St.
(RPC #16-037-004, -005)

Note: These maps are for property location assistance only.
 They may not represent the latest survey and other information.



Not To Scale

