ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of June 12, 2010

DATE: June 2, 2010

SUBJECT: SP# 20 SITE PLAN AMENDMENT to convert ground floor retail space to office or retail use on the site located at 818 North Quincy Street (RPC# 14-044-021).

Applicant:
The Shooshan Company
4075 Wilson Boulevard, Suite 440
Arlington, Virginia 22203

By:
Kevin Shooshan
The Shooshan Company
4075 Wilson Boulevard, Suite 440
Arlington, Virginia 22203

C.M. RECOMMENDATION:

Approve the site plan amendment for temporary conversion of approximately 2,146 square feet of ground floor retail space to non-profit office use, with a review by the County Board in five (5) years (June 2015), subject to all previously approved conditions and new Conditions #71 and 72 of the staff report.

ISSUES: This is a request for conversion of approximately 2,146 square feet of ground floor retail space to non-profit office use. The applicant has agreed to a temporary 5-year conversion and to the new conditions of the staff report. There are no known issues.

SUMMARY: This is a site plan amendment request for conversion of ground floor retail space located in the residential development at Liberty Center. The proposed conversion would allow non-profit office uses in existing retail space located at 818 North Quincy Street, in the block between Wilson Boulevard and 9th Street North. When the site plan was approved in 2002, the subject space was designated as primarily residential leasing office. In 2005, the space was administratively converted to retail. The applicant has been unable to lease the space to a retail tenant and now proposes the option to also have office uses in the space. Despite aggressive marketing efforts, the space has been vacant for five years primarily due to its location in the middle of the block and the lack of sufficient pedestrian traffic.

County Manager: MB/GA

Staff: Freida Wray, DCPHD, Planning Division

PLA-5603

The proposed office tenants are two non-profit organizations, the Arlington Community Foundation (ACF) and the Bowen McCauley Dance company (BMD). The applicant would build out the entire space at no cost to the tenants, and would not charge the tenants for utilities or common area maintenance for the full term of their 5-year leases. Furthermore, the applicant would subsidize the rent for ACF and would charge no rent to BMD, both for the full term of their 5-year leases.

Given the challenges of marketing the subject space to potential retailers, staff recommends temporary use of the space by non-profit office tenants rather than it remaining vacant. Special provisions have been made by the developer to accommodate their tenancy and conditions regarding transparency have been agreed to by the developer. Therefore, staff recommends allowing temporary use of the retail space along North Quincy Street by non-profit offices, subject to all previous conditions and two (2) new conditions of the staff report (#71 and 72), with a review by the County Board in five (5) years (June 2015).

BACKGROUND: The applicant is requesting a site plan amendment to convert approximately 2,146 square feet of retail space in the Liberty Center Site Plan to office use. The mixed-use site plan was approved by the County Board on January 29, 2002, and contains two office buildings and two residential buildings, each with ground floor retail space. The subject retail space is located in the rental residential building located at 818 North Quincy Street.

To the north:	The Residences at Liberty Center condominium (Phase 1, 888 N. Quincy), and further north 9th Street North and Randolph Towers Residential.
To the west:	One and Two Liberty Center office buildings, and further west North Randolph Street and Lincoln Towers Residential.
To the east:	North Quincy Street and the 7-story Quincy Crossing office building.
To the south:	Wilson Boulevard and the unbuilt Founders Square Site Plan.

Zoning: The site is zoned "C-O-A" Commercial, Office and Apartment Districts.

Land Use: The General Land Use Plan designates the site as "Coordinated Mixed Use Development District" (This is a high density mixed-use district with actual density determined by site size. Allowable up to 6.0 FAR with office not more than 3.0 FAR) and "Special Affordable Housing Protection District" (Note 13).

Neighborhood: The site is located within the Ballston-Virginia Square Civic Association. The civic association has been contacted. At the date of this report, no issues have been raised by the civic association or citizens regarding this site plan amendment request.

DISCUSSION: In 2002, the Liberty Center Site Plan was approved with approximately 13,600 square feet of ground floor retail in the two office buildings, calculated as commercial density; and 7,050 square feet of retail in the two residential buildings, calculated as residential density. In 2005, an Administrative Change was approved to reconfigure the ground floor spaces in the

residential buildings and to convert the residential leasing office, trash room and leasing center space to retail, thereby increasing the retail in the residential buildings by 3,155 square feet to 10,205 square feet.

The applicant proposes to convert 2,146 square feet of the retail space located at 818 North Quincy Street to non-profit office use. The applicant's current plans are to lease the space to the Arlington Community Foundation (ACF) and the Bowen McCauley Dance company (BMD), as office use only. BMD would not operate a studio at this location. Condition #57 of the approved site plan requires submission of a Retail Attraction and Marketing Plan (RAMP) for all of the retail approved in the site plan. The approved RAMP identifies the types of retail uses the applicant would pursue for each of the retail spaces. For the subject space, Category III or IV retail was identified, which includes service/convenience retail and cultural/education retail, both of which are consistent with the *Rosslyn-Ballston Corridor Retail Action Plan*. Along North Quincy Street the *Rosslyn-Ballston Corridor Retail Action Plan* identifies principally personal and business services as appropriate retail for this designated "Shopping Street". Since 2005, the applicant's retail broker has actively attempted to lease the subject space, and the space was also listed with CoStar Group, a commercial real estate broker, for several years. However, these efforts have proven to be unsuccessful and the space remains vacant. The subject space is located mid-block on North Quincy Street, between Wilson Boulevard and 9th Street North, where there exists limited retail today. A bagel shop (Bruegger's Bagel) is located in the subject building at the corner of North Quincy Street and Wilson Boulevard, and a cleaners (Liberty Organic Cleaners) and mini- market (Marvelous Market) are located in the adjacent residential condominium. In the Quincy Crossing residential and office buildings, there is a Subway shop and an ABC store. An educational institution, Everest College, is located at the corner of North Quincy Street and Wilson Boulevard. A site plan amendment is required to change the use of the subject retail space from retail to office or other non-retail use.

The ACF is a community foundation that serves the needs of, and works to create a better quality of life for, the people that reside and work in Arlington County. The BMD is an Arlington-based contemporary dance company that provides classes and performances in Arlington County. Both groups are non-profit organizations that receive donations and grants from the general community. The applicant proposes to assist these organizations, providing full tenant build-out at no cost to the tenants, heavily subsidized rents (75% of market rate for the ACF and 100% rent-free for BMD), and no charges toward utilities or common area maintenance (estimated at 7 – 8 dollars per square foot), for the full term of their 5-year leases. Given that the space has been vacant for five years, allowing temporary use of the space by non-profit office tenants would achieve the objectives of filling the space and generating pedestrian activity. Due to the special nature of the proposed office tenants, as non-profits serving the Arlington community, and the subsidies that are being provided by the developer to ensure that they continue to have a home in Arlington County in the immediate future, staff recommends that the subject retail space be temporarily converted to non-profit office use to allow use of the space by these or similar non-profit organizations that provide services to the Arlington community. Staff recommends that the subject space be temporarily converted for a period of 5 years from the date of this County Board approval, and that at the end of the 5 years it be reviewed by the County Board to assess the retail environment and, if still appropriate, renew the use.

CONCLUSION: Staff supports the proposed retail conversion to allow non-profit office uses

on a temporary basis in the subject retail space at 818 North Quincy Street. It would allow a practical alternative for use of the space until either market conditions change or demand for retail space increases. The proposed tenants provide a needed service to the Arlington County community, and the provision of the subsidized space would allow these organizations to remain in Arlington County for the next few years. Having the space occupied by these tenants is preferred to having the space remain vacant. This site plan amendment would be reviewed in five (5) years so a determination can be made as to whether or not the proposed non-profit office uses are still appropriate in the subject location. Therefore, staff recommends approval of the site plan amendment subject to all previous conditions and two (2) new conditions (#71 and 72), with a County Board review in five (5) years (June 2015).

New Conditions:

71. The developer agrees that the temporary conversion of approximately 2,146 square feet of retail space to retail or non-profit office uses shall be reviewed by the County Board in five (5) years (June 2015). At the time of review, the County will have the opportunity to either determine the continuation of this use or if the space shall revert to retail use only, with no further action by the County Board.

72. The developer agrees that the portion of the storefront windows of the ground floor space (approximately 2,146 square feet) that is located between three and eight feet from existing grade, shall be at least 80% transparent, with a final window design plan to be approved by the County Manager or his designee as consistent with this condition, prior to the issuance of a Certificate of Occupancy. The purpose of this condition is to allow pedestrians to view the activity within the space and to allow patrons and employees of the establishment to view the activity on the sidewalk and street. "Transparency" shall mean using glass or other transparent exterior material offering a view into an area of the space where human activity normally occurs and shall not be satisfied by views into areas blocked by display cases, the rear of shelving, interior walls, blinds, hallways, or the like.

PREVIOUS COUNTY BOARD ACTIONS:

September 7, 1963	Approved site plan (Z-1643-62-2, Z-1696-63-1) for a 3.25 FAR office complex.
January 29, 1966	Approved site plan amendment to convert first floor area to storage and dentist office.
December 17, 1966	Approved site plan amendment to increase site area gross floor area and parking (SP #20).
August 5, 1967	Approved site plan amendment to change walks and signs.
December 27, 1967	Approved site plan amendment to a 7,000 square foot pistol range.
June 1, 1968	Approved site plan amendment to delete pistol range and some commercial space and increase restaurant and parking gross floor area.
November 1, 1968	Deducted 902 square feet on lobby level of Ballston Tower II from restaurant space.
September 13, 1969	Approved site plan amendment to increase commercial area from 9,200 to 14,000 square feet.
August 5, 1970	Approved site plan amendment to delete 4,800 square feet of commercial, convert 3,200 square feet of parking to restaurant, mechanical and service areas and 1,200 square feet of storage to parking.
October 21, 1970	Approved site plan amendment for three (3) bank signs.
May 19, 1971	Approved site plan amendment permitting one (1) permanent sign and one (1) temporary opening sign for six (6) months for restaurant.
August 7, 1971	Approved site plan amendment to use 4,800 square feet as commercial space for five (5) years.

July 9, 1973	Approved site plan amendment for North Randolph Street deck area for outdoor dining.
August 3, 1974	Approved site plan amendment for dinner theater and canopy.
August 9, 1975	Approved site plan amendment for three interconnecting penthouse chillers.
November 8, 1975	Approved site plan amendment to convert 2,400 square feet of parking in Ballston Tower III to storage space.
September 10, 1977	Approved site plan amendment to enclose terrace for restaurant use, to permit live entertainment and signs.
May 31, 1980	Approved rezoning from "C-O" to "C-O'A."
August 12, 1980	Approved site plan amendment to convert existing restaurant and bank space to office use.
October 18, 1980	Approved site plan amendment to convert 4,800 square feet of commercial space to gross floor area.
March 3, 1984	Approved site plan amendment to enclose 9,600 square feet of open area on the 1st floor plaza level (Ballston Tower I) to be used exclusively for retail use.
March 16, 1993	Approved a site plan amendment to permit installation of one (1) 8-foot diameter satellite disk antenna on the mechanical penthouse.
January 29, 2002	Adopted a resolution to amend the GLUP to designate the site a SAHPD and add Note 13. Approved a site plan amendment for a mixed-use office, residential and retail development, subject to conditions.
July 11, 2009	Approved a site plan amendment to revise Condition #60 to modify locations for outdoor cafes.

THE
SHOOSHAN
COMPANY

April 16, 2010

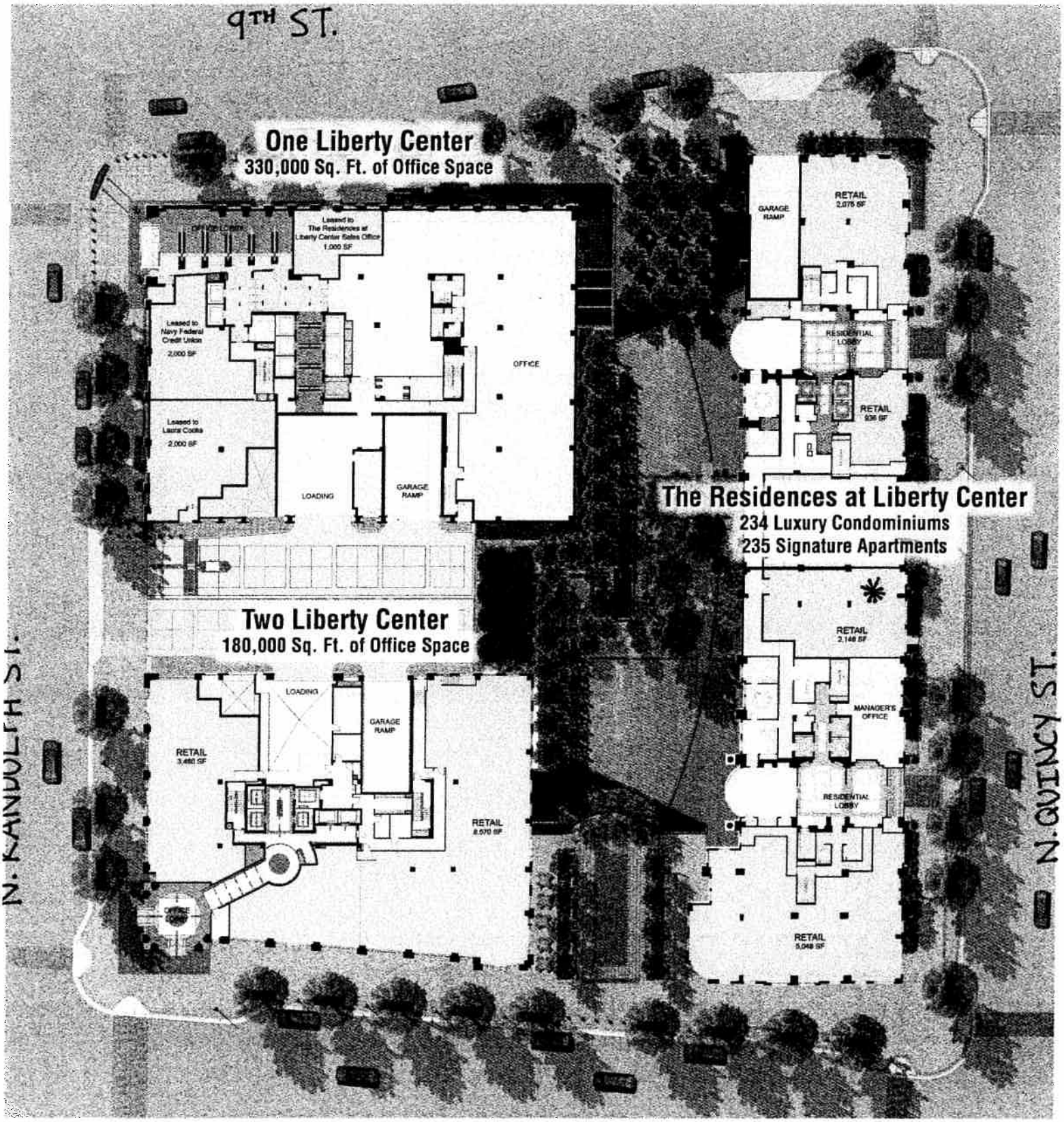
Arlington County Zoning Office (Minor Site Plan Amendment)
2100 Clarendon Blvd., 10th Floor
Arlington, VA 22201
Description of Proposed Use

Dear Ms. Artmen,

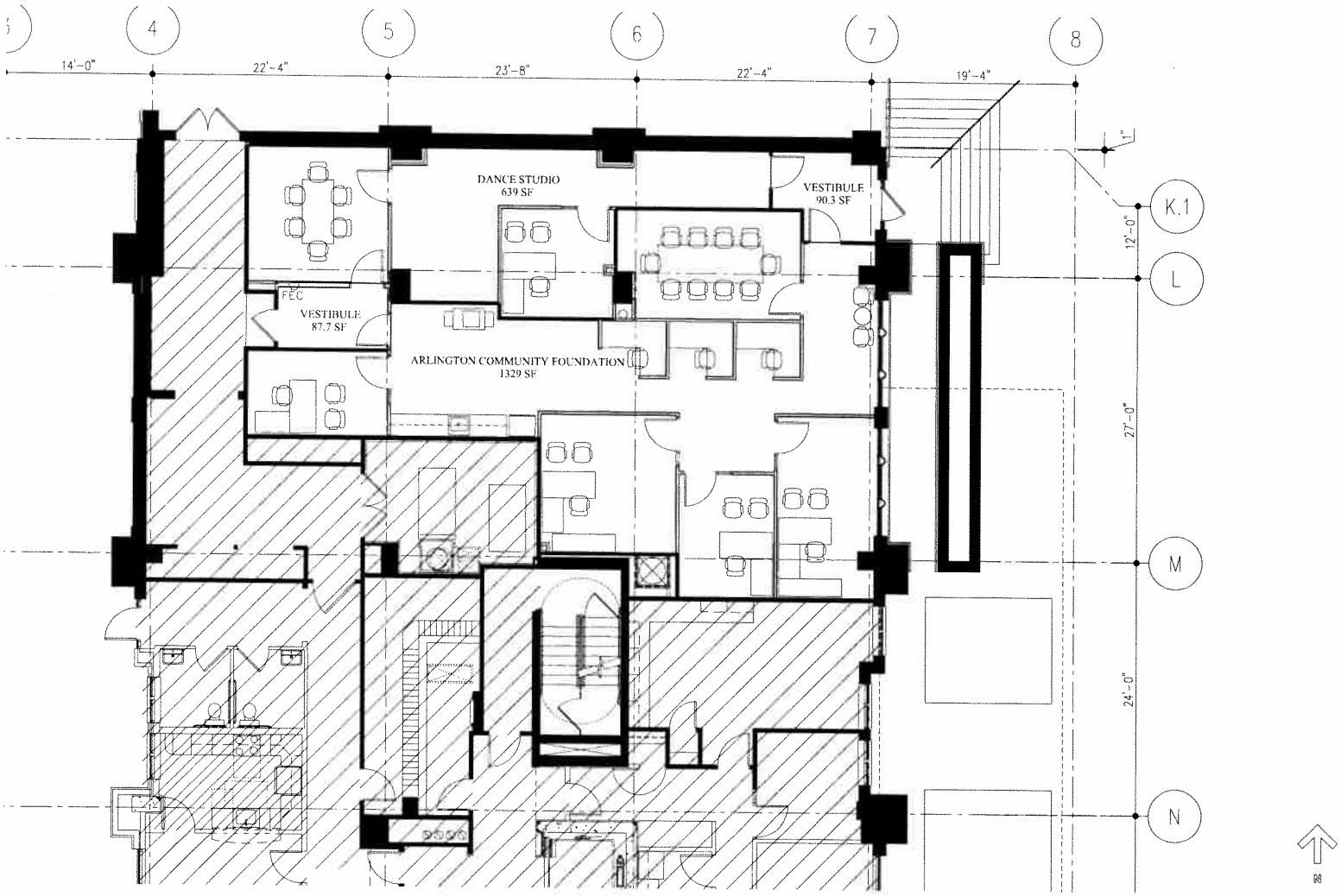
The purposed of this Site Plan Amendment is to allow for both Office and Retail users in the space in question at 818 North Quincy Street. This space was originally approved as "Office" during the original 4.1 process in November of 2001, and then administratively amended to be "Retail" space in December of 2001. Ballston Investor Group III would like this space to be reverted back to its original "Office" classification in order to accommodated The Arlington Community Foundation and Bowen McCauley Dance pursuant to fully executed leases with these tenants, and to also allow both Office and Retail users to occupy this space in the future. Moreover, this block has proven to be very difficult for the success of Retail tenants, and could greatly benefit several "Office/Retail" users such as those noted above. More information regarding the lack of retail success on the block of North Quincy Street between Wilson Blvd and North Fairfax Drive can be provided in detail, so please contact me if you would like more information.

Sincerely,

Kevin Shooshan
Senior Development and Leasing Manager
The Shooshan Company
4075 Wilson Blvd., Suite 440
Arlington, VA 22203
571-483-4235
kgshooshan@shooshancompany.com


9TH ST.
One Liberty Center
330,000 Sq. Ft. of Office Space
OFFICE LOBBY
Leased to The Residencies at Liberty Center Sales Office 1,000 SF
Leased to Navy Federal Credit Union 2,000 SF
Leased to Laura Cooks 2,000 SF
OFFICE
LOADING
GARAGE RAMP
GARAGE RAMP
RETAIL 2,075 SF
RESIDENTIAL LOBBY
RETAIL 936 SF
The Residences at Liberty Center
234 Luxury Condominiums
235 Signature Apartments
Two Liberty Center
180,000 Sq. Ft. of Office Space
LOADING
GARAGE RAMP
RETAIL 3,480 SF
RETAIL 8,570 SF
OFFICE LOBBY
RETAIL 2,146 SF
MANAGER'S OFFICE
RESIDENTIAL LOBBY
RETAIL 5,048 SF
N. RANDOLPH ST.
N. QUINCY ST.

WILSON BLVD.



TOTAL SQUARE FOOTAGE
2146 SF

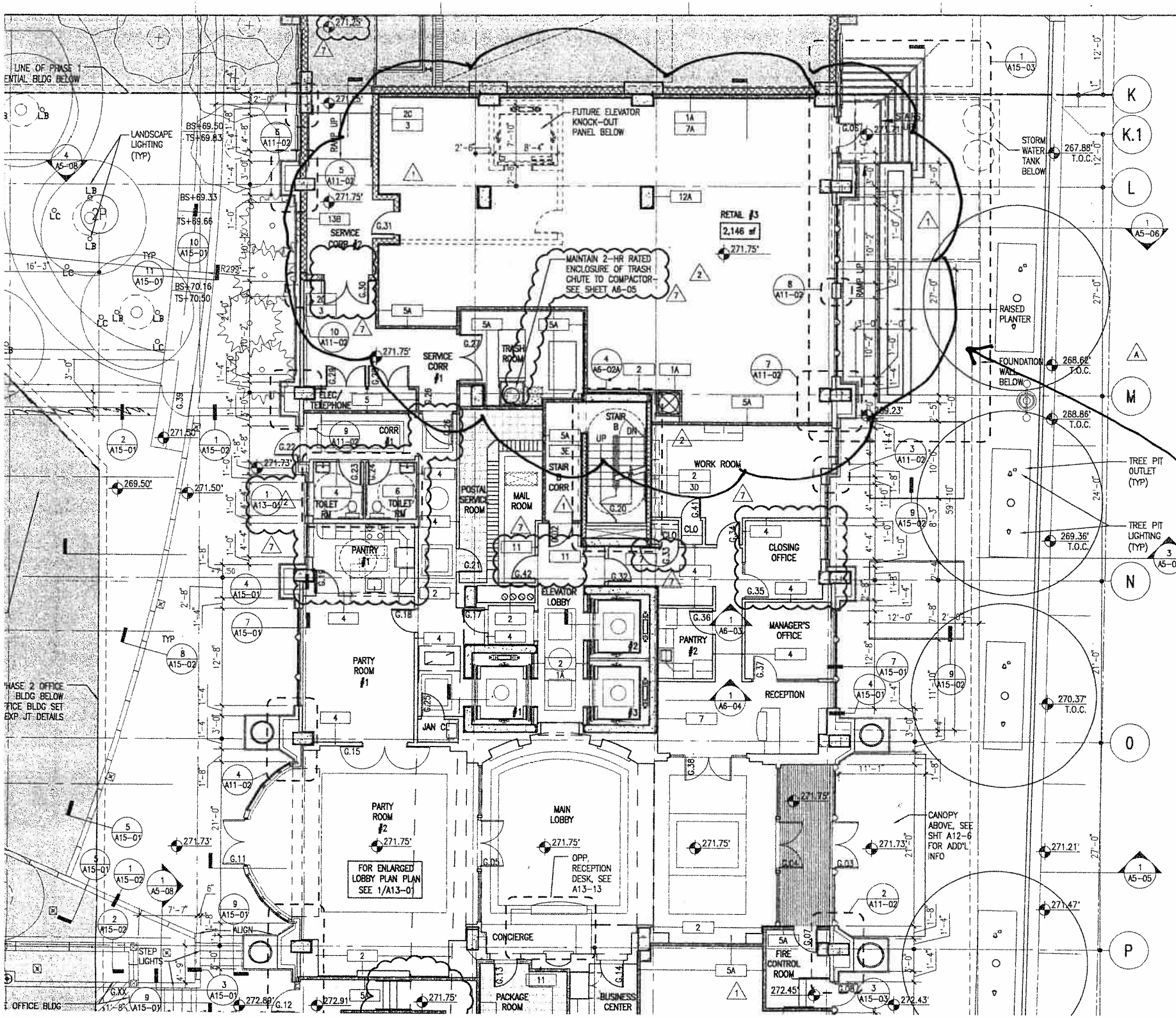
MAY 12, 2010

NOT TO SCALE

ARLINGTON COMMUNITY FOUNDATION & DANCE COMPANY

SPACE PLAN - OPTION 4

MGMA



Approved Building Permit Drawings
10-18-05

Arlington
COMMUNITY FOUNDATION

For a community of uncommon vision

BOARD OF TRUSTEES

Christine T. Milliken
President

Jim Whittaker
Vice President

Richard Anderson
Treasurer

Susan S. Duke
Secretary

Nancy A. Albrittain
John P. Andelin
Chuck Bean
David A. Bell
David W. Briggs
Deborah Brink
Bradford R. Coyle
Nancy Snell Dellinger
Pauline Ellison
Julian W. Fore
Leni Gonzalez
Robert H. Hawthorne
Fernanda S. Howard
Jonathan C. Kinney
Artemis P. McDonald
Scott O'Gorman, Jr.
Lola C. Reinsch (Pierce)
Libby Ross
John G. Shooshan
Marion D. Spraggins
Keegan Stroup
Michael Timpane
Mary Margaret Whipple

EXECUTIVE DIRECTOR
Wanda L. Pierce

FOUNDER &
PRESIDENT EMERITUS
The Honorable
William T. Newman. Jr.

May 26, 2010

Mr. Jay Fisette
Chairman
Arlington County Board
2100 Clarendon Blvd.
Arlington, VA 22201

Dear Mr. Fisette,

The Arlington Community Foundation (ACF) is a Virginia non-stock, non-profit corporation qualified as a 501(c)(3) entity under the Internal Revenue code of 1986 as amended.

As a non-profit entity serving the needs of Arlington residents, ACF has dedicated its efforts toward improving the quality of life for those who live or work in Arlington. ACF helps connect people who care with causes they care about. The Foundation manages over 100 charitable funds for individuals, families and organizations. ACF is well known for our scholarship program, which this year awarded 141 scholarships totaling over $326,000 to Arlington students. To date, the Foundation has awarded $1.8 million to Arlington students. ACF is also well known for its support of Arlington nonprofit organizations and Arlington public schools. Last year the Foundation awarded over $400,000 in grants to nonprofits and schools through our wide ranging grant programs. Our newest grant program is the Homelessness Prevention Fund. Through this fund, we are proud to have awarded $30,000 to Arlington non-profit organizations in January.

ACF is presently located at 2525 Wilson Boulevard, a street level space that affords the general public, students, parents, nonprofits and others easy access to their local Community Foundation. We have outgrown this location and are thrilled that we have been offered similar street level space at the new Liberty Tower facility in Ballston that is larger and more able to accommodate the space requirements of our growing organization as well as provide ACF with more visibility and thus opportunity to interact with Arlington residents.

We are fortunate that The Shooshan Company/Ballston Investor Group III, LLC has agreed to lease this space to ACF at a rental rate that is materially below market rate for our five (5) year term. Additionally the Group has materially reduced ACF's pass-through obligations for ongoing building operations to levels that would not be

2525 WILSON BOULEVARD
ARLINGTON, VIRGINIA 22201
t:703.243.4785 f:703.243.4796

www.arlcf.org

afforded to for-profit users of this space. Finally the Group has agreed to build out this space to ACF's specifications at no cost to ACF. It is only with these concessions and benefits that ACF has been able to agree to lease this ground floor space at Liberty Center for its expanding operations.

In light of the foregoing, and knowing that this space is ideally suited for ACF's mission, we wholeheartedly support the Minor Site Plan Amendment request submitted by The Shooshan Company/Ballston Investor Group III, LLC and respectfully ask the County Board to approve the amendment, which will permit ACF to occupy this space under very favorable terms to ACF.

Please let me know if I can provide any additional information which may be helpful.

Sincerely,

Christine T. Milliken

Christine T. Milliken
President
Arlington Community Foundation

cc: Freida Wray, Site Plan Review Coordinator
Planning Division, CPHD

Bowen McCauley Dance

2016 N. Woodstock Street • Arlington, VA 22207-2414 • 703-524-4641

Lucy Bowen McCauley
Artistic Director & Choreographer

Shari Crandall
Executive Director

Board of Directors

Susan Schwelling
President

Karen Vasquez
Chair

John F. Benton II
Vice President

Leslie Shampaine
Secretary

Mary Hynes
Treasurer

James Egenrieder

Christopher Guerre

Art Hauptman

Kathleen Kelley

Bob Kenney

Carolyn McCornac

Patricia Rodgers

Susan Walters

Honorary Board
Hortensia Fonseca
Walter Tejada

Advisory Board
Eve Lilley

Joan McCarthy

Elvi Moore

Lola Reinsch

Septime Webre

Douglas Wheeler

May 27, 2010

Jay Fisette, Chairman
Arlington County Board
2100 Clarendon Blvd.
Arlington, VA 22201

Dear Mr. Chairman and Members of the Arlington County Board:

Bowen McCauley Dance (BMD) requests that the Arlington County Board approve the application submitted by The Shooshan Company/Ballston Investor Group III (Shooshan) to amend the site plan at 818 N. Quincy Street, Arlington, VA (818 Liberty Center) from "retail space" to "retail or non-profit use."

In a few short months, Arlington-based BMD will be entering its 15th season. During its first 14 years, Metro DC's premier contemporary dance company has worked in a virtual office. The staff, along with its Board of Directors and committee members, work from their homes and meet in a variety of spaces such as board members' homes and restaurants to conduct business. Our award-winning company[1] does not have a central physical location to which people may go to obtain information about the company or purchase tickets.

In its desire to provide BMD with a centralized physical presence in Arlington, Shooshan has generously offered to subsidize BMD's costs for approximately 560 square feet of office space located at 818 Liberty Center. The subsidized expenses would include, but are not necessarily limited to:

- Zero rent for a full five (5) year lease term;
- No obligation for Common Area Maintenance (CAM) charges for the full five (5) year term;
- Below market insurance requirements as defined in the pending lease agreement;
- Build out of the new space at no cost to BMD; and,
- Free storage of BMD's office furniture, donated by a large corporation, at Two Liberty Center until the office space is ready for occupancy.

---

[1] In October 2008 *Washingtonian* recognized BMD as "one of the area's best dance troupes" and McCauley as among the "top men and women who have helped transform Washington into one of the nation's liveliest centers for the performing arts." In May 2009, BMD received the prestigious ABBIE Award by the Arlington Chamber of Commerce for the best nonprofit organization in the community. In the same month, McCauley was honored with Arlington's Community Hero Award for exceptional public service. BMD was nominated for the 2008 Virginia Governor's Award.

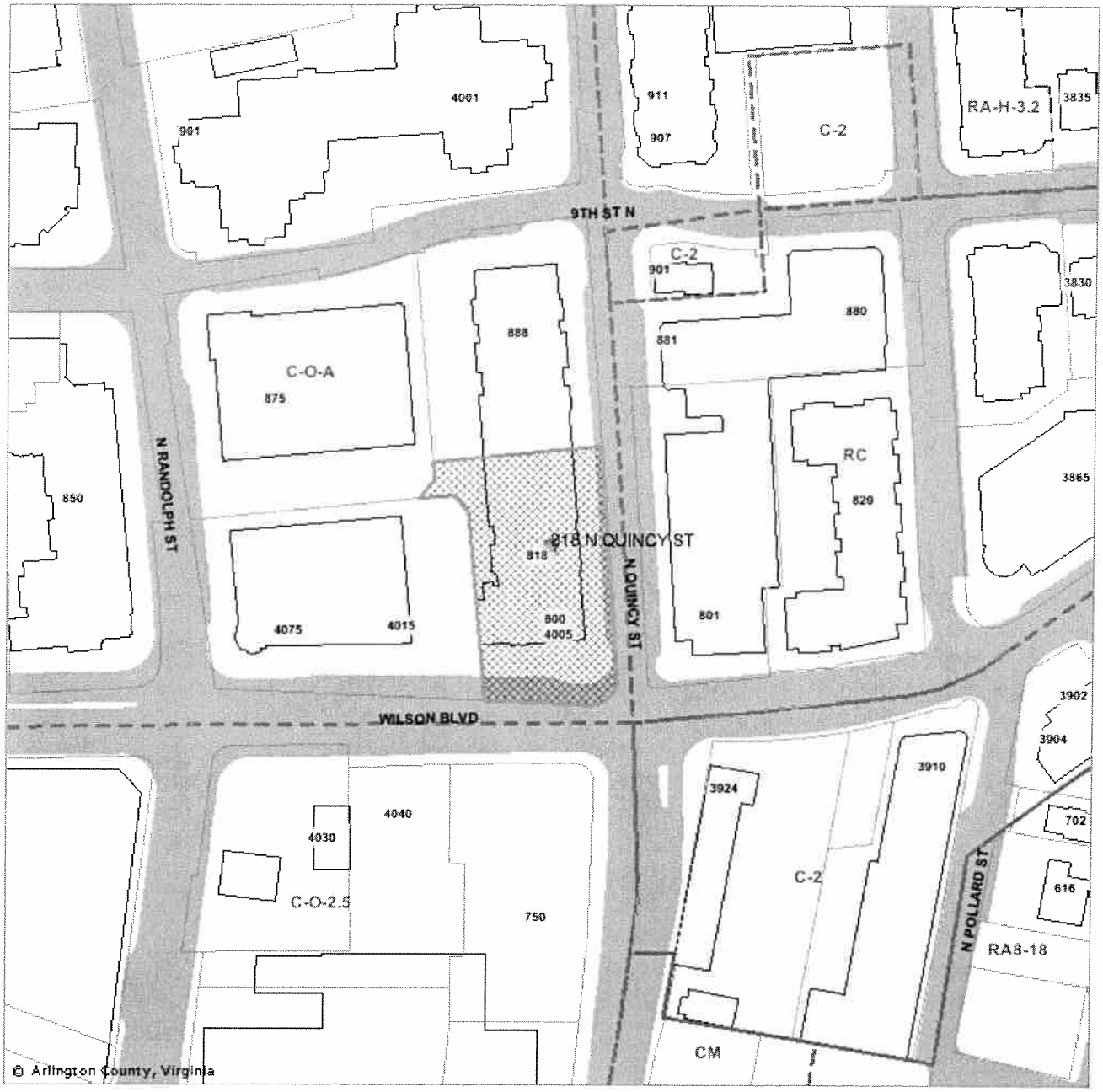
To grow the company while continuing to provide the exceptional performances and extraordinary outreach programs for which it is known, BMD really does need a central office; however, it does not have the requisite funds to lease space in Arlington. BMD, therefore, respectfully requests that the County Board approve Shooshan's application to amend the site plan at 818 Liberty Center to read "retail or non-profit use."

Thank you for your consideration.

Sincerely,

Shari K. Crandall
Executive Director
Bowen McCauley Dance

cc: Frieda Wray, Site Plan Review Coordinator
The Shooshan Company/Ballston Investor Group III



SP# 20
North Quincy Street
RPC# 14-044-021

Not To Scale

Case Location(s)

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

Department of Community Planning, Housing and Development

Planning Division