



ARLINGTON COUNTY, VIRGINIA

ARLINGTON COUNTY PLANNING COMMISSION

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REVISED

January 24, 2012

Arlington County Board
2100 Clarendon Boulevard
Suite 300
Arlington, Virginia 22201

- SUBJECT:**
- 3. SP# 386** BDC Crimson LLC for the construction of an approximately 202,000 sq. ft. commercial building with approximately 178,131 sq. ft. of office space, approximately 3,200 sq. ft. of ground floor retail, an approximately 12,985 sq. ft. black box theater, and a comprehensive sign plan in the "C-O-2.5" zoning district under ACZO §36.H. Property is approximately 45,508 sq. ft., located at 3901 North Fairfax Drive and is identified as RPC# 14-030-057 and -058. Modifications of zoning ordinance requirements include: parking ratio, increased sign area, freestanding sign, changeable copy signage, and surface parking as an interim use, exclusions from density for the theater, below-grade storage and a below-grade fitness facility, bonus density for LEED® Gold certification, affordable housing contribution, specific construction problems and techniques needed for the black box theater, open space and environmental amenities, and other modifications as necessary to achieve the proposed development plan. (**Arlington Funeral Home Site**)

RECOMMENDATIONS: **Adopt the ordinance to approve a site plan for the construction of a 201,627 square foot commercial building with 178,131 square feet of office space, approximately 3,200 square feet of ground floor retail, a 12,985 square foot black box theater, and a comprehensive sign plan, with modifications of zoning ordinance regulations for parking ratio, increased sign area, changeable copy signage, and surface parking as an interim use, exclusions from density for the theater, below-grade storage and a below-grade fitness facility, bonus density for LEED® Gold certification, affordable housing contribution, and specific construction problems and techniques needed for the black box theater, open space and environmental amenities, subject to the conditions of the ordinance, with the following modifications:**

- 1) Amend Condition #15i. to read as follows:**

P.C. #39.

Prior to submission of the final site development and landscape plan, the developer agrees to participate in a consultant-led design charrette sponsored by the County Board to be held within 90 days after the County Board approval. The charrette will be open to the public and designated participants named by the County Board who will represent the surrounding community, County staff, various interested commissions including the Planning Commission, and the applicant's design team. The purpose of the charrette is to develop a plaza that encourages public use for a range of user groups including families and accommodates special events and public gatherings as called for in the Ballston-Virginia Square Sector Plan. Final revised plaza designs shall be submitted by the developer to the County Manager for final approval prior to release of building permits.

- 2) Amend Condition #66 to increase the timing of validated theater parking from 1 hour to 2 hours prior to the start of the theater event.
- 3) Amend Condition #89 to clarify the purposes for the Quincy Park bonus density contribution, with added (underlined) and deleted (strike through) language as follows:
The developer agrees to make a contribution in the amount of \$1,044,670, adjusted for inflation as provided below to the County prior to the issuance of the first Certificate of Occupancy for the last occupied floor of the building. This contribution ~~will~~ can be used for open space or environmental amenities on site, on both sides of 10th Street North, and for master planning of Quincy Park improvements and park facilities at Quincy Park. In the event funds are not needed for that purpose before January 21, 2022, then the funds may be used by the County for open space or environmental amenities anywhere within the County. If the contribution is made after the three-year term of the approved site plan, the developer agrees that the contribution amount will be increased for inflation by the same percentage as the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index (CPI) Inflation Calculator that occurs between the first day of the month following the expiration of the three-year term of the site plan approval and the first day of the month in which the payment is made.

Dear County Board Members:

The Planning Commission heard this item at the January 11, 2012, recessed meeting of its January 9, 2012, regularly scheduled public hearing. Natalie Sun, CPHD Planning, described the requests associated with Site Plan #386, including the major changes from the previously approved site plan,

the updated designs for the urban plaza and black box theater, the proposed parking ratio, the proposed community benefits, and details of the 10th Street improvements. She described the ways in which staff believes the proposed site plan meets the goals envisioned in the Virginia Square Sector Plan. Also present were Tom Miller and Peter Katz of CPHD Planning, Melanie Jessick and Lisa Maher of DES Planning, Mark McCauley and Karen Vasquez of AED, and Diane Probus of PRCR.

The development team for the applicant, BDC Crimson, LLC, was present, including Nan Walsh, attorney (WCLEW), Marc Fairbrother and John Becker, architects (RKL Assoc.), Scott Delgado, engineer (Bowman Consulting), and Joe Plumpe, landscape architect (Studio 39). Ms. Walsh described the proposal and the changes and enhancements from previous approvals, summarized the design improvements to the black box theater and plaza, explained how the applicant has responded to the SPRC process, and detailed the proposed community benefits. Mr. Fairbrother presented the project details, including the ways in which he believes it complies with the Virginia Square Sector Plan and details of the design of the building, site, black box theater, and plaza.

Public Speakers

Paul Holland, Chair of the Park and Recreation Commission, stated that his Commission supports the proposed site plan. He is in full support of Condition #89 which requires a contribution of \$1,044,670 towards open space improvements and park facilities at Quincy Park. The contribution will facilitate long term planning for Quincy Park.

Mark Longo, representing the Arlington Commission for the Arts (ACA), stated that he participated in the black box theater design process/work group that included a number of end users of the theater. The developer listened to and addressed many of their concerns and made significant improvements to the theater design. The current design will serve the majority of needs identified by the community. Several issues were identified for future resolution, including configuration of the box office and concession areas, outfitting of the green room, and facility operations. Mr. Longo emphasized the need for the theater to be economically viable and fiscally responsible. However, he expressed concern that end users would be required to share in the additional costs associated with the theater operations. He believes the community benefit contribution towards Quincy Park (approximately \$1 million) should remain on site for theater use until the community is assured that all elements of the theater are in place. He stated that the ACA will support the project if the County provides this assurance.

Wendy Kenney, Chair of the Board of the American Century Theater, stated that she participated in the black box theater design process/work group. She commented that it is important to achieve the objective of making arts theaters more available. She concurred with Mark Longo, and underscored what she considered to be the most important issue, the costs associated with developing and maintaining the theater and the expectation that end users will share in this cost. The estimated annual operating cost is approximately \$250,000, which far exceeds the budget of typical arts organizations and what they could potentially contribute. This would be a significant burden and prohibitive for most County arts organizations. She thanked the developer for the flexibility he has shown in working with the County.

Robert Wood, Executive Director and Artistic Director of UrbanArias, expressed appreciation to the developer for making the theater space much more viable. It has been improved to a state-of-the-art design that can accommodate two theater groups at the same time, assuming the proposal includes full soundproofing on all sides. Also, it has good proximity to the Metro Station. He requested that the developer consider raising the first floor ceiling height by approximately six inches to allow greater vertical clearance for the overhead catwalk. He suggested that the funds identified for the community benefit contribution towards Quincy Park (approximately \$1 million) would complete build-out of the theater. In addition, Mr. Wood suggested that the validated parking be expanded from one to two hours prior to the start of the theater event to allow patrons to support surrounding neighborhood businesses and restaurants.

James Schroll, President of the Ballston-Virginia Square Civic Association, stated that the civic association is unable to support the proposed site plan because of unresolved issues about the black box theater and urban plaza. While the civic association fully supports provision of a black box theater, the operations plan has not yet been finalized. The civic association does not support the plaza as designed or conditional approval of the design concept. It lacks a gateway treatment. The civic association previously offered an option with changes to several elements. The civic association does support the contribution to Quincy Park improvements; however it cautioned against the master planning of the Park becoming an obstacle to implementation.

Carrie Johnson, former Planning Commissioner and previous participant in the Virginia Square planning process, stated that the Sector Plan provides a number of recommendations for the site and the proposed site plan exceeds the Plan's recommendations. She noted: 1) the proposal provides a significant contribution towards affordable housing and suggested that the funds stay in the Virginia Square neighborhood, 2) supports improvements to 10th Street and suggested that improvements along the library frontage and in the next block be considered in the future, 3) is concerned with the competition for community benefit funds, as expressed by the speakers supporting the black box theater. Each benefit (black box theater and Quincy Park improvements) has a place in the plan and process. A closer analysis of the black box theater operational costs is needed. 4) The Planning Commission should encourage development of an interim process to assess the short- and mid-term needs of Quincy Park.

Planning Commission Report

Commissioner Serie reported that the Transportation Commission unanimously recommended deferral of the proposed 3901 Fairfax Drive site plan. This recommendation was heavily influenced and driven by the parking discussion on the Penzance site plan, which it reviewed immediately before the proposed site plan. That discussion focused on the usefulness of a November 2011 parking facility utilization survey for consideration of the Penzance site plan, as well as the observation that County policy on appropriate parking requirements may have evolved without an adequate public process. The Transportation Commission also made brief comments on getting the design of the plaza and the streetscape right, including the safety of the location of the plaza's water feature.

Commissioner Kumm reported on the Urban Forestry Commission. The Commission recommended that additional street trees be planted, which the applicant agreed to do on 10th Street and Fairfax

Drive. She noted that one additional street tree is still needed on North Quincy Street. The additional street trees will help in providing much-needed shade for the adjacent urban plaza. Commissioner Serie reported on the Site Plan Review Committee. He noted that many elements of the site plan were significantly improved over the previous site plan approvals. He commended the developer for doing an outstanding job trying to address the issues. There remain some outstanding issues, but there are clearly opportunities to resolve the issues for the mutual benefit of the applicant, the County and the community. There is enough on the table to get the right mix and the right balance. One has to go into the site plan conditions to figure out if the details are right. This is an opportunity to send the County Board something that gives them more discretion, to give them a framework to get the mix in better shape.

Planning Commission Discussion

Commissioner Serie suggested that the Commission focus on the condition requirements for the community benefits, which still need to be finalized. He suggested that the Commission create a framework upon which the County Board can make informed decisions.

Black Box Theater

Commissioner Serie stated that significant changes were made to the theater design and complimented everyone that was involved in the discussions over the last few months. The County Manager established a task force and hired a consultant and through that process significant changes were made to the theater design resulting in a much-improved design over the 2007 approval. And yet, a speaker commented that there are still concerns about operational issues, costs and theater height.

Commissioner Sockwell inquired about the lifespan of the theater. Mr. McCauley responded that the lease is for 30 years with three 5-year extensions, so the life span is approximately 45 years.

Commissioner Monfort expressed discomfort with the operational issues surrounding the theater, as the County has not had a good track record in planning art facilities, such as the Artisphere, which has resulted in a serious strain on County resources. He wondered if the proposed theater would create an additional financial strain on the County and if the additional support will result in taking away from or duplicating the facilities provided by the Artisphere and harm its future viability. He asked about strategies to address the cost issues. Mr. McCauley responded that it is challenging because the end users have not yet been identified and strategies could differ depending upon how costs are allocated between the County and end users. One of the strategies is that the end users share in the costs. In response to the arts community, another strategy that they suggested was for the County to incur all costs. Another strategy would be to attract users that have greater financial ability to share in the costs. The process needs to be weighed and all the pros and cons identified. With regard to taking away from the Artisphere, the incorporation of the proposed theater into a broader facility strategy would assume its limited financial resources and the ability to maximize the benefits to the community.

Commissioner Monfort noted that some speakers commented that the Artisphere's black box is inadequate. He asked if that meant that the proposed black box in Virginia Square would be used in

lieu of or reduce the use of the Artisphere's black box theater. Karen Vasquez, AED, responded that the two theaters would complement each other. Commissioner Monfort followed that the County needs to ensure that this is done correctly given the issues with the Artisphere.

Commissioner Cole stated that at the first site plan meeting on this project on June 13, 2011, he requested a business plan for the black box theater. To date, neither a business plan nor scope of work has been developed; however, a scope of work will now be provided to the County Board prior to its meeting on January 21, 2012. He stated that it is troubling that the Planning Commission is expected to advise the County Board when it does not have project materials that will be available to the County Board. He further expressed concern that the arts community would like the County to incur the costs of operating the theater, but the Commission does not have the details needed to review this request in the context of the community benefits for the project. He asked if staff is recommending that the County Board bear the costs fully for the theater, which could be an essential element of the theater's success. Mr. McCauley responded that there is no business plan. Staff will be advising the County Board on a variety of options, including the theater operations. The scope of work is a detailed construction fit-out document that outlines the responsibilities of the developer and is close to acceptance by the developer.

Commissioner Malis asked if a pro-forma has been developed, including an estimate of the number of performances, ticket prices, etc., to address the costs of operating the facility, to which Mr. McCauley responded no. Commissioner Malis asked if the estimated costs of building out the space are acceptable to the arts community. Mr. McCauley responded that the details of the estimates are not final because the design is not final, but they would total approximately \$500,000.

Commissioner Malis noted that the theater space will be owned by the building owner and leased to the County and expressed concern for the use of the space for other County purposes or retail if it became infeasible to continue to use it for theater use, as outlined in Condition #79.k. She further inquired about the \$3.7 million community benefit contribution for the construction and fit-out of the theater, and if the theater use ceases whether the funds would be returned to the County. Mr. McCauley responded that staff is working with the County Attorney on finalizing language to address that concern. Commissioner Malis further inquired whether there would be an equivalent cash reimbursement to the County of the total amount. Mr. McCauley responded that the bonus density associated with the theater is valued at \$1.3 million and the space would be valued as excluded space that reverts back to the County. Commissioner Malis stated that the developer will be spending \$3.7 million to construct the theater space and asked if the County would have the option to receive a cash contribution instead. Mr. McCauley responded no, that the conversion of the cash-out option works differently. The value is related to the bonus density and the space currently excluded would revert back to the County.

Commissioner Savela stated that the County budget for the theater and the theater's scope of work and operational issues do not fall under the auspices of the Planning Commission, but the theater's relationship to the Sector Plan recommendations and the details of the proposed site plan are the Commission's responsibilities. Nonetheless, she strongly sympathizes with the concerns expressed regarding the financial viability of the theater and expressed concern at some of the comments from the arts organizations seeking to eliminate reference to their sharing in operational costs. The site plan proposes a significant community benefit for the black box theater. Her desire is that the theater will become a viable, self-supporting organization and that AED conduct a thorough analysis of the theater's expected operational costs and methods for financing these. Commissioner Savela

added that if the Arlington-based theater groups are unable to contribute to the operating costs, the County should consider looking beyond its boundaries to other groups in the larger metropolitan area.

Commissioner Monfort stated that the site plan is providing substantial community benefits to the black box theater. The Planning Commission's job is to ensure that the conditions related to this community benefit are accurate and contain sufficient controls.

Commissioner Savela inquired about whether the first floor ceiling height can be increased by six inches to expand the vertical clearance of the catwalk. Ms. Walsh responded that while it will be tight, it could be accomplished. However, she does not know if it is warranted and defers to County staff to make that determination. Commissioner Savela inquired if the draft scope of work includes full soundproofing. Mr. Becker responded that the developer has established acoustical standards for the theater space and rehearsal rooms and has contracted an acoustical consultant. Commissioner Savela asked if the developer is willing to modify Condition #66 to expand validated parking for theater patrons to two hours prior to the start of an event. Ms. Walsh responded yes.

Commissioner Cole asked for a ballpark estimate of the additional costs to the theater for increasing the first floor ceiling height by six inches, to which Mr. Fairbrother responded approximately \$100,000.

Commissioner Harner inquired about the staff's vision for Fairfax Drive and the vision for transforming the neighborhood in the theater area in exchange for economic contributions toward these amenities. Ms. Sun responded that the Sector Plan envisions cultural and educational amenities in the area, including art galleries, theaters and universities. Most of the County's theater uses are in south Arlington; the Virginia Square area is preferable due to transit access. Commissioner Harner noted that the ACA referred to the 2030 study, asked about the vision for Virginia Square as a place for the arts and if staff expects immediate redevelopment and transformation of blocks adjacent to site. Ms. Sun responded by outlining the recommendations of the Sector Plan for this area and identifying development envisioned for adjacent and surrounding blocks.

Commissioner Ciotti asked if staff was aware of the costs associated with the equipment needed for the theater and if consideration was given to use some of the funds allocated to Quincy Park towards start-up costs for the theater. Ms. Sun responded that the bonus density provisions of the Zoning Ordinance preclude the interchange of community benefit allocations. Commissioner Ciotti inquired about the availability of other funds or mechanisms that could be applied to the theater's start-up costs as it may be too much of a burden for the arts community to bear. She inquired about the involvement of County schools and universities. Mr. McCauley responded that staff is considering schools and universities as an alternative and is in the process of identifying potential end users and an RFP process. Commissioner Ciotti urged staff to do what is necessary to ensure the theater's success. Mr. McCauley indicated that the design is not yet final and there is flexibility to make adjustments.

Commissioner Savela noted her sensitivity to the comment made by Ms. Johnson about the competition for community benefit funds established in the Sector Plan, and is disinclined to try to

further concentrate the available benefits within this site plan on the theater. She asked if the business improvement district (BID) could play a role in helping with the theater costs. Mr. McCauley responded that the theater is outside the boundaries of the nearest BID but that involving a BID may be an option as they are less constrained by fundraising restrictions.

Commissioner Serie stated that he believes the Zoning Ordinance provides the needed flexibility on the use of community benefit funds provided through the bonus density provisions; however, the site plan conditions are too restrictive. In the Zoning Ordinance language, it appears there are several ways one could use bonus density that is generated under the provision. The County Board should have the option on the table. He suggested that a written opinion from the County Attorney could clarify that the Zoning Ordinance language provides the County Board that flexibility. Maybe, the discussion ought to be at the County Board.

Commissioner Monfort asked for further clarification about the vision for Virginia Square as a cultural hub. Mr. Cliff Chieffo, a resident of Virginia Square, described some of the cultural and educational amenities in the Virginia Square area, including Central library, Quincy Park, FDIC, and the GMU Founders Hall and Law School. Mr. Miller added the Maury School Arts Center and the Joule Building's artist studios, noting that Virginia Square has long been planned for cultural arts.

Commissioner Serie noted that the developer has worked hard to provide a good project. He stated that there are options available if the County Board chooses to go forward, such as utilizing some of the community benefit allocation for Quincy Park or considering expanding options for end users to the larger metropolitan area. He believes the developer has gone as far as it can go on the black box theater with this proposal given the modest size of the office building.

Plaza Design & 10th Street design

Commissioner Malis referred to the new language in the staff report for Condition #15.i. that Ms. Sun noted in her presentation, specifically the reference to the public workshop to design the plaza. She inquired about the budget for the workshop and consultant. Ms. Sun responded that presently there is no budget and the County would be responsible for incurring the costs for a consultant and public workshop. When asked about the budget for the plaza, Ms Sun responded that it would be approximately \$825,000, which is approximately \$500,000 more than the previously approved site plan. Commissioner Malis followed up asking how the plaza would be paid for if the design generated from the workshop and consultant exceeds the budget. Ms. Sun responded that the intent is to cap the budget at \$825,000, as the developer expressed concern because it will be paying for the improvements. The developer has already designed the plaza to include a significant level of improvements and assurance is needed that there will not be additional costs. Commissioner Malis noted that the County picked up the difference in costs for the Penrose Square plaza improvements. She expressed concern for placing a cap on the design before it has been determined what it will be and the various mechanisms to achieve it. Ms. Probus stated that for the Penrose Square plaza the County was responsible for paying the additional costs for the streetscape and the developer paid for the plaza improvements. She believes \$825,000 is a significant sum for the size of the proposed plaza, and is confident that the improvements can be achieved within the budget and will result in a nice space. Ms. Maher pointed out that unlike Penrose Square, which is owned by the County and has no garage beneath it, the proposed plaza would remain under the developer's ownership and a

garage would be constructed beneath it. Furthermore, the County would not make that level of investment into something that it does not own. Commissioner Malis disagreed and noted that more information is needed.

Commissioner Cole asked staff to confirm that the cap for the plaza improvements is \$825,000 and that the County would pay any additional costs. He also asked whether, if there are additional costs, they would take precedence over other priorities in the CIP to allow the plaza to be completed once the building is constructed. Ms. Probus responded that the \$825,000 is the maximum contribution and will be sufficient to complete the plaza improvements. Mr. Miller added that a plaza design totaling \$825,000 was negotiated with the developer through the SPRC process. If the post-approval design process results in additional costs, then they will be considered at that time. Commissioner Cole stated that his concern is that through the post-approval process a preferred design will be developed and insufficient funds may be available to implement it. Therefore, he wants assurance that funds will be available, and priorities established, through the CIP. Mr. Miller responded the CIP process will most likely not be used, but a process will be identified if it is determined that additional design elements are desired.

Commissioner Savela commented that the CPI adjustment for inflation has been included in a number of conditions and suggested that it be added to Condition #15.i. for the plaza improvements. She further inquired about whether a discussion of the proposed plaza design is relevant given her understanding from staff that there will be a design process for the plaza post-approval. Ms. Sun responded that the design could change pending the outcome of the post-approval process.

Commissioner Forinash inquired about the design option proposed by the civic association, to which Mr. Schroll responded that their option moved the water feature closer to the center of the plaza along with the seating area for children for safety reasons.

Commissioner Harner followed-up on the questions asked by Commissioner Savela, regarding the relevancy of the proposed plaza design. He asked about the requirements in Condition #15 and clarification on design elements that are fixed and those that are flexible. He inquired about the improvements specifically called out for 10th Street, which seem to be fixed and include high performance color coating for the asphalt. Ms. Jessick responded that the intent is that 10th Street be designed to coordinate with the plaza design, consistent with Sector Plan guidance. Commissioner Harner expressed concern that there may be confusion in the future about which requirements are fixed and which ones are flexible. Ms. Jessick agreed to revise the language to make it clear.

Commissioner Malis inquired about the timing to fulfill the requirements of Condition #15.i, and if the process for the final plaza design needs to be completed prior to submission of the final site development and landscape plan, which is required to be submitted prior to issuance of the Excavation, Sheeting and Shoring Permit. Mr. Becker indicated that the developer plans to file the final site development and landscape plan in March 2012. Ms. Sun responded that revisions will be made to the condition to address submission of the final plaza design in a manner that will not hold up submittal of the final site development and landscape plan. Perhaps the language could permit an amendment to the approved landscape plan to include the final plaza design upon completion of the design process and SPRC review. Commissioner Malis commented that it is important that the timing be understood. Ms. Walsh responded that the County is very strict in adhering to its timing

requirements. The developer will need to get the necessary permits in order to construct their building. The approved landscape plan can be amended. A final deadline will have to be identified for the plaza design for the developer to move forward with the project. Commissioner Malis noted that the condition states that SPRC review is limited to the design pattern and color of the street paving material. She assumes that the entire condition will be revised to allow SPRC review of the plaza and 10th Street as part of an integrated design.

Commissioner Kumm stated that while there are many desirable elements in the proposal, the program for the plaza, for which guidance is provided in the Sector Plan, includes outdoor events, etc. The reason the Commission is having problems with the proposal is because the proposed plaza is not achieving the Sector Plan goals as a gathering place with flexibility to stage community events. The charette process should ensure that the Sector Plan goals are being met. Prior to the charette process, decisions need to be made about how the space will be programmed. While there is an \$825,000 commitment from the developer, the design should include options to improve its comfort, such as the provision of additional trees. Commissioner Kumm also recommends that the final plaza design be approved by the County Board, not the County Manager, to ensure a public process. Ms. Walsh expressed concern that this additional legislative requirement will create financing problems as lenders will not consider this an approved site plan.

Commissioner Savela asked for clarification regarding the required 10th Street improvements identified in Condition #15.i. Ms. Sun responded that the requirements for the 10th Street curb and bioretention tree pits are fixed. The paving design for 10th Street is required to be coordinated with the design of the plaza, which is flexible. The condition will be revised to make that clear.

Commissioner Serie noted that if there is the intent to have a public review, coming back to the SPRC process is very restrictive. One SPRC review for ninety minutes is not a public hearing, as we do not allow the public to speak. The suggestion to have a public review process was made to the applicant and the staff four months previously and repeatedly discussed at the October SPRC meeting. Within days of that meeting, Mr. Serie noted that he followed up with a letter encouraging consideration of this process. He appreciates the concern regarding County Board approval of the final plaza design and emphasized the need for a good public review process. He presented images to the Commission depicting examples of good and bad plaza designs across the street from the site and in the R-B corridor. He noted that Wellburn Square has a flexible combination of hardscape and landscape for multiple types of community uses: arts fairs, farmers markets and concerts. He indicated that it makes it possible for the community to come in and use the space. The problem here is that we are capping spending on this plaza and saying it cannot be developed to be more robust. Commissioner Serie inquired what if the County wants to make it more robust? It should have that opportunity.

Commissioner Monfort stated that the intent of Condition #15.i is to ensure that there is an integrated design approach to 10th Street and the plaza; however, the SPRC will only be reviewing the plaza. In addition he asked for confirmation that the County is committed to maintaining 10th Street, to which Ms. Jessick responded yes.

Bonus Density

Commissioner Serie expressed concern for the restrictive language in the site plan conditions that preclude flexibility with the allocation of community benefit contributions. The Zoning Ordinance does not require that the community benefit money be moved off site. There are options in the Zoning Ordinance that allow the County Board flexibility, but the way the site plan condition is written, the Board is handcuffed. This condition would prohibit any consideration by the Board to use any of the funds raised from added density to finish off public amenities on and adjacent to the site.

Commissioner Cole stated that the Sector Plan recommends more planning for Quincy Park. He does not see it as a gem for the Rosslyn-Ballston corridor. Furthermore, substantial funding is going to the black box theater.

Commissioner Forinash asked if the .93 FAR bonus density identified in the staff report's statistical summary was related to Condition #89 (Quincy Park Bonus Density Contribution). Ms. Sun responded yes, that \$1 million would be allocated to Quincy Park improvements and the remaining funds represent the value associated with the special construction techniques to achieve the theater design. Commissioner Forinash asked if the language in Condition #89, where it states that the funds will be used for open space improvements and park facilities, would allow or preclude use of the funds for Quincy Park planning, or would funds be targeted solely for construction of improvements. Ms. Sun responded that it does not preclude use of the funds for planning. Commissioner Forinash asked if there are other County funds already approved for master planning, or interim planning, for Quincy Park to aid in identifying how the proposed community benefit funds will be spent or if there is a possibility that the community benefit funds will be used just for planning. Ms. Probus responded that there are no master planning funds set aside in the CIP for Quincy Park, so a small portion of the community benefit contribution may have to be used for that purpose. Commissioner Forinash followed that it has been indicated that Quincy Park is in need of a substantial, complicated and very lengthy planning effort so he wanted to highlight any possibility that a substantial portion of the contribution would be used for planning rather than physical improvements. Mr. Miller responded that the intent of Condition #89 is to achieve physical improvements to Quincy Park, not planning, and the County would prefer that the funds be used for that purpose.

Commissioner Cole asked for clarification on the construction problems and techniques needed to justify the requested bonus density. Mr. McCauley responded that it is related to the increase in construction costs for the black box theater resulting from design requirements that exceed the 2007 site plan. Furthermore, the height of the building had to be increased to accommodate the requested theater ceiling height.

Commissioner Kumm stated that the improvements to 10th Street and Quincy Park should be implemented in the context of an overall plan for these areas, and not in a piecemeal approach as proposed by this site plan.

Commissioner Serie noted that the Sector Plan recommends development of a master plan for Quincy Park. Quincy Park has not been through a master planning process and a plan is needed to determine how to proceed with improvements before spending money on specific project changes.

Commissioner Kumm noted that the bioretention tree pits on 10th Street require greater maintenance and oversight and questioned whether the County was aware of the periodic maintenance requirements. Ms. Jessick responded that maintenance of the bioretention tree pits is the responsibility of the developer. Ms. Walsh agreed.

Other (Parking, architecture)

Commissioner Cole asked a number of clarifying questions regarding the proposed comprehensive sign plan and the proposed roof top signs.

Commissioner Klein stated that she does not view LEED as a community benefit, but rather a benefit to the developer. While Gold certification is great, the benefits are to the developer in terms of marketing and energy efficiencies and savings. The real community benefits are affordable housing and the black box theater. Commissioner Klein further commented that if the black box theater is envisioned as a cultural amenity, then the building and plaza designs should support it. The building design needs improvement as it is unexciting, very anonymous, and does not speak to the theater use. Both the building architecture and plaza design should be considered benefits to the community.

Commissioner Forinash expressed serious concern that a new parking standard, in conjunction with TDM contributions has been established for the Rosslyn-Ballston corridor – as both the Penzance and 3901 Fairfax site plans have the same parking ratio of 1:780 and TDM contribution totaling \$150,000. This represents a policy change that he is not comfortable with. He will request that this concern be forwarded to the County Board in either the PC letter on 3901 Fairfax, or a separate letter to the County Board.

Commissioner Cole shares the concerns voiced by Commissioners Klein and Forinash. The proposed building has two major frontages and only a single frontage was provided a special architectural treatment. He was disappointed in the outcome of the design discussions and hopes the applicant will consider improving the design on the 10th Street frontage as well.

Commissioner Kumm stated that the theater is an important use in the building. The applicant is trying to make a prominent statement about the theater use on the first floor. But the hanging/tilted plane on the Fairfax Drive façade creates a broad statement that is not appropriate in a city context. Horizontal expression in the building façade is more suburban; vertical expressions are more typical of urban buildings. Mr. Fairbrother responded that the building has a great deal of modulation, there are breaks in the lines for the bottom expression, and the elements are very strong. He is confident that this will be a superior building.

Commissioner Serie stated that the Sector Plan provides site-specific guidance that identifies architectural goals, one of which states “All elevations of buildings that can be seen from public spaces shall be designed as fronts”. He commented that the Quincy Street side of the building on the

plaza is not designed as such. The Quincy Street side is seen more frequently and longer by travelers going North and South on Quincy Street and going east on Fairfax Drive than the building front on Fairfax Drive. Furthermore, the architectural guidelines require that buildings have a base, body and top. The proposed building has a base and body, but provides no distinguishable top. Commissioner Harner stated that he needed to better understand the context of the project and the vision for the place to be created. He cannot critique the architecture without knowing the vision for Fairfax Drive. He acknowledged that Fairfax Drive is home to a number of institutions, such as GMU, FDIC, and the Fish and Wildlife Conservatory. Staff needs to think about the site plan as part of a larger place. A larger discussion of the places, their character and vision, is how the architecture should be approached.

Commissioner Malis asked if sites have been identified in Virginia Square to target the affordable housing contribution. Mr. Miller indicated that there have been discussions about certain sites but he did not have the authority to divulge that information. He affirmed that it is likely that the funds will go towards projects in Virginia Square, which is the intent of the Sector Plan.

Commissioner Malis inquired as to whether the snow removal condition (#61) was needed given the County's snow removal ordinance. She also asked if it should be targeted to the plaza or its maintenance plan. Mr. Miller responded that a general condition may not be needed, but staff would follow-up with the applicant regarding language for the plaza.

Planning Commission Motion

Commissioner Serie moved that the Planning Commission recommend the County Board adopt the attached ordinance to approve a site plan for the construction of a 201,627 square foot commercial building with 178,131 square feet of office space, approximately 3,200 square feet of ground floor retail, a 12,985 square foot black box theater, and a comprehensive sign plan, with modifications of zoning ordinance regulations for parking ratio, increased sign area, changeable copy signage, and surface parking as an interim use, exclusions from density for the theater, below-grade storage and a below-grade fitness facility, bonus density for LEED[®] Gold certification, affordable housing contribution, and specific construction problems and techniques needed for the black box theater, open space and environmental amenities, subject to the conditions of the ordinance, with the following modifications:

- 1) Amend Condition #15i. to read as follows:

Prior to submission of the final site development and landscape plan, the developer agrees to participate in a consultant-led design charette sponsored by the County Board to be held within 90 days after the County Board approval. The charette will be open to the public and designated participants named by the County Board who will represent the surrounding community, County staff, various interested commissions including the Planning Commission, and the applicant's design team. The purpose of the charette is to develop a plaza that encourages public use for a range of user groups including families and accommodates special events and public gatherings as called for in the Ballston-Virginia Square Sector Plan. Final revised plaza designs shall be submitted by the developer to the County Board for final approval prior to release of building permits.

- 4) Amend Condition #66 to increase the timing of validated theater parking from 1 hour to 2 hours prior to the start of the theater event.
- 5) Amend Condition #89 to clarify the purposes for the Quincy Park bonus density contribution, with added (underlined) and deleted (strike through) language as follows:
The developer agrees to make a contribution in the amount of \$1,044,670, adjusted for inflation as provided below, to the County prior to the issuance of the first Certificate of Occupancy for the last occupied floor of the building. This contribution ~~will~~ can be used for open space or environmental amenities, on site, on both sides of 10th Street North, and for master planning of Quincy Park improvements and park facilities at Quincy Park. In the event funds are not needed for that purpose before January 21, 2022, then the funds may be used by the County for open space or environmental amenities anywhere within the County. If the contribution is made after the three-year term of the approved site plan, the developer agrees that the contribution amount will be increased for inflation by the same percentage as the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index (CPI) Inflation Calculator that occurs between the first day of the month following the expiration of the three-year term of the site plan approval and the first day of the month in which the payment is made.

Commissioner Harner seconded the motion.

Commissioner Savela voiced concern that having another legislative step with the approval of the final revised plaza design will adversely affect the project's ability to get financing, delay construction, and increase construction costs.

Commissioner Monfort shared Commissioner Savela's concern. He offered an amendment to the motion to replace County Board approval with County Manager approval of the final revised plaza design. Commissioner Ciotti seconded the motion.

Commissioner Monfort stated that if the charrette process is successful, the final plaza design would probably be approved by the County Board as a consent agenda item. He fully expects that if the process involves the right people, the resulting design will be successful and will not cause any controversy.

Commissioner Kumm indicated that she suggested that the final design be reviewed by the County Board to ensure that the process is open and public. However, if the Commission feels that an administrative process will be inclusive and allow public input, then that will address her concern.

Commissioner Harner stated that his concern is with the process. He has not seen that the proposed design has been modified in a significant way to address Commissioner Serie's concerns. He did not see much change in the SPRC process. He is more concerned about how the process will be managed.

Commissioner Ciotti stated that she has been involved with charrette processes in the County before and they have been successful. The plaza design has been an outstanding concern for months. She believes that with a trained facilitator, the charrette process will be successful. She believes the final plaza design should be reviewed by the County Manager and not the County Board.

Commissioner Serie stated that for seven months no significant changes to the plaza design were presented through the SPRC process, so he does not believe it should go back through the same process.

Commissioner Savela stated that she has recently been involved in a very successful process for Mosaic Park. She wondered if Park or Planning staff had considered a similar approach. That process involved starting off with basic concept drawings that were approved with the site plan. The County managed the park design and planning process and the developer is responsible for implementation.

Commissioner Ciotti noted that with a charrette process, the Planning Commission will be at the table, so it will continue to be a public process.

Commissioner Serie commented that the process' success is dependent upon the strength of the design charrette. It also means that all options should be on the table for discussion. Unfortunately Condition #15.i. has a restrictive financial cap. The design charrette should not be limited to the constraints of the condition.

The Planning Commission voted 9-1-1 to support the amended motion, so the amendment was incorporated into the main motion. Commissioners Ciotti, Forinash, Harner, Klein, Kumm, Malis, Monfort, Savela, and Sockwell supported the motion. Commissioner Serie opposed the motion. Commissioner Cole abstained.

Commissioner Savela stated that Condition #89 provides language that allows some flexibility to redistribute the funds allocated for Quincy Park. She emphasized that all elements of the proposal should be balanced to reflect the different improvements sought by the Sector Plan. Her biggest concern is Condition #15, and would have liked to have reviewed the revised language. She expects to see a completely revised condition that reflects the Commission's discussion and which makes it clear that the current design is not the design that is going to be built. Furthermore, she hopes the condition will specify that the charette will be a meaningful process and include a follow-up meeting to demonstrate the inclusion of charette participants' comments in the final design.

Commissioner Harner believes the Commission should advise the County Board on what it thinks the priorities are in this balancing act. He believes the theater should be a top priority in order to ensure its success. The plaza should also be a priority. Improvements to Quincy Park may be more the responsibility of the County.

Commissioner Cole stated that he feels torn because he does not have all of the information he needs to make an informed recommendation. He is concerned about the economics of the theater, and that the business models of the end users will not be able to support this theater. He is also concerned with Condition #79, which allows the space to be converted to another use if the theater is unsuccessful. He does not believe the condition as drafted provides sufficient guidance regarding the conditions that would be on this space if it were not used as a theater. Additionally, he expressed concern about the building architecture and the failure to treat Quincy Street as a frontage. Together, these things will cause him to vote against the proposal.

Commissioner Malis indicated that she will support the motion. Although she is concerned about the number of parking spaces being provided, the parking policy issue received significant discussion with the Penzance proposal. She believes the LEED Gold certification is a community benefit as it provides general benefits such as reducing the carbon footprint. She hopes the affordable housing contribution will be used to support initiatives in Virginia Square as envisioned in the sector plan. With regard to the theater, she believes that raising the ceiling height or lowering the catwalk are fundamental issues that can be worked out in the final designs. However, she is concerned about how the theater will operate. She wants to make it clear that the Commission did not have the opportunity to see all of the conditions relating to the theater, so she is not weighing in on the feasibility of the current proposal. With regard to the plaza design, the group that will be involved in the post-approval review should be launched with a charge that defines the scope of the review and the group's role and responsibilities. For example, if the group is going to be responsible for determining the program for the plaza, this needs to be clear prior to formulating the group. With regard to the Quincy Park contribution, she does not know if the County Board will want a site plan condition that puts restrictions on how County funds will be used or if the Board would prefer to have flexibility to use the funds as it directs.

Commissioner Klein agreed with Commissioner Cole's comments. She stated that almost every element of the proposal contained unanswered questions with no resolutions. She is not confident that the outstanding issues will be resolved in a timely manner. The County is investing in this project and therefore the Commission has the additional responsibility to make the best recommendation for the County and therefore she cannot support the motion.

Commissioner Savela indicated that she will support the motion. While she does not know if the funding for the theater is adequate, she has greater confidence in this proposed theater design than the previous approvals because of the hard work of Commissioner Serie, involvement of the theater consultant, and meetings with the arts groups. The proposed theater design is far better than the previous approvals. She thanked Commissioner Serie for his hard work on this and bringing the issues to the forefront. She does not believe that funds from other community benefits should be diverted to further enhance the theater because details of the business plan, or whether the theater will be viable, are unknown. Involvement of good theater groups could make the theater a success and additional funds would not be needed. Commissioner Savela stated that she does not want to risk depleting other community benefit funds because of the lack of confidence that the management plan would be successful. She thanked the developer for significantly enhancing the community benefits associated with this proposal. She also commented on the handsome quality of the architecture, and thanked the developer for its work on the building. With regard to the contribution for Quincy Park as identified in Condition #89, Commissioner Savela recommended that the County Board direct the County Manager to develop a work plan for master planning Quincy Park, with assistance from the Park and Recreation Commission, to include a timeline and budget. She noted that unspent funds would be diverted to a general fund after January 2022 and wants assurance that the diversion will not occur. Commissioner Savela stated that she does not share the concern of others regarding the modification to the parking ratio. This is often done in site plans and is encouraged under County transportation policies. She suggested that the Planning Commission have a work session with DES and possibly the County Board or County Manager to discuss parking policies and how they are implemented with site plans. She is concerned by the references to the site plans heard this month resulting in changes to County policies. The Master Transportation Plan

specifically states *“Although separate lower minimum parking requirements for special exception development are set forth in the Zoning Ordinance, these standards may be further modified by the County Board. In areas that are rich in travel choices, the flexibility of these standards permits a parking requirement that takes into account other factors, including, but not limited to, site location, TDM measures, trends in parking demands, and management strategies of parking spaces.”* Staff has been working diligently towards this goal, following parking policies to ensure that minimum, and not excess, parking is constructed in order for the County to move toward its target modal split.

Commissioner Kumm stated that she will support the motion. The charette process must define the program for the plaza in conformance with the Sector Plan. With regard to the issue of parking ratios, the ratios should not be determined on a site plan by site plan basis, but rather a study should be conducted to determine the appropriate ratio by districts, not county-wide. She agreed with Commissioner Harner that priorities for community benefit funds must be balanced. The theater is a top priority, and if it is unable to function then the area will lack the cultural amenity that the Sector Plan envisioned. The plaza is the next priority because it is a civic space that would support outdoor activities and gatherings that might be associated with the theater.

Commissioner Monfort indicated that he will support the motion. The proposal is an improvement over previous approvals. He expressed concern about the theater because he does not know if it is financially viable.

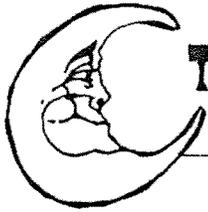
Commissioner Sockwell stated that he will support the motion with some reservations. There is a lot about the project that is still unresolved. The processes for the theater and plaza design are fluid and will continue beyond post-approval. He does not know if the financial contribution for the plaza design will be sufficient. He agrees with Commissioner Harner that thinking about the theater is the top priority for analyzing the project; however, he does not know how the theater will work out, whether it has a viable business model. The plaza design is also critical for success of the site, but the ultimate plaza design is unknown. He believes the Commission discussion is an endorsement of the charette process, but the Commission does not have the details on how that process would work either. He supports the proposal because he accepts that the most critical element, the theater, is planned as well as it could be at present.

The Planning Commission voted 9-2 to support the motion. Commissioners Ciotti, Forinash, Harner, Kumm, Malis, Monfort, Savela, Serie, and Sockwell supported the motion. Commissioners Cole and Klein opposed the motion.

Respectfully Submitted,
Arlington County Planning Commission

A handwritten signature in cursive script that reads "Stephen Sockwell".

Stephen Sockwell
Planning Commission Chair



TEATRO DE LA LUNA

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Sept. 23, 2011

Chris Zimmerman
Chairman, Arlington County Board
2100 Clarendon Blvd., Suite 300
Arlington, VA 22201

Dear Chairman Zimmerman:

For 20 years, Teatro de la Luna has contributed to the multicultural performing arts landscape of northern Virginia. Our annual International Festival of Hispanic Theater, featuring top plays and theater troupes from Latin America and Spain, has become a trademark event in Arlington.

Our international festival, main stage plays and children's Experience Theater Program currently unfold at the Gunston Arts Center. But we are excited about the proposed black box venue on North Fairfax Drive between the Virginia Square-GMU and Ballston-MU metro stations.

In the several years since we were first interviewed about cultural needs for the community (part of a feasibility study) we have followed the evolution of the black box proposal. At various intervals, we were told that first priority for the space may go to the theater groups now using Gunston Arts Center. That would be Teatro de la Luna and American Century Theater.

We understand that the project may be pushing forward and we want the Council to know that we are still very interested and enthusiastic about the possibility of moving to a new venue that better matches our needs.

The nearness of the proposed black box theater to two metro stations would dramatically increase access for our current patrons, as well as allow us to draw new theatergoers—something that is critical to our capacity-building plan. The new venue would also be better suited for our children's programming, key to our multigenerational strategy to help grow a future community of arts patrons and supporters.

Because of the makeup of our audience, which ranges from recent immigrants to officials of the Inter-American Development Bank and foreign embassies, the new venue would introduce Arlington to D.C.-area residents who usually go elsewhere for cultural events. We believe our audience is an as-yet-untapped market for many Arlington businesses.

The multicultural nature of our work serves the fast-growing Hispanic population (the area's "majority minority"). Our highly regarded annual International Festival of Hispanic Theater, at the same time, brings international attention to the area and contributes to Arlington's growing reputation as a vibrant arts city. The presence of Arlington's largest multicultural performing arts organization—Teatro de la Luna—in the new venue would help showcase Arlington as a world-class community.

We look forward to hearing from you.

Best regards,



Mario Marcel
Artistic and Executive Director



Nucky Walder
Producer

Cc: Mary Hughes Hynes
Barbara A. Favola
Jay Fiset
J. Walter Tejada