



## ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item  
Meeting of November 13, 2007**

**DATE:** October 23, 2007

**SUBJECTS:** A. Adoption of the Fort Myer Heights North Plan.

B. GP-300-04-2 Adoption of General Land Use Plan amendments to add an Open Space symbol (triangle) to the following locations in order to encourage public open space (see Attachment):

- Northeast corner of the block bordered by 16<sup>th</sup> Street North, North Queen Street, 14<sup>th</sup> Street North, and North Quinn Street.
- Southwest corner of the block bordered by Clarendon Boulevard, North Quinn Street, North Rhodes Street, and 16<sup>th</sup> Street North (south of the existing public park).
- Northeast corner of the block bordered by 14<sup>th</sup> Street North, North Rhodes Street, Fairfax Drive, and North Rolfe Street.

C. Ordinance to amend, reenact, and recodify Zoning Ordinance Section 13. "RA8-18" Apartment Dwelling Districts and Section 15. "RA6-15" Apartment Dwelling Districts of the Zoning Ordinance, to add new items to the list of Special Exceptions in order to preserve the character of the "Fort Myer Heights North Special District," which includes multi-family residential development reminiscent of the first multi-family housing in Arlington County and which provides a significant supply of affordable housing; to facilitate the creation of convenient, attractive and harmonious community within the "Fort Myer Heights North Special District" (see Ordinance).

### **C.M. RECOMMENDATIONS:**

1. Defer consideration of the Fort Myer Heights North Plan until the March 2008 County Board meeting.
2. Defer consideration of General Land Use Plan amendments to add open space symbols to three locations until the March 2008 County Board meeting.

County Manager: \_\_\_\_\_

County Attorney: \_\_\_\_\_

Staff: Margaret Rhodes, CPHD, Planning Division

PLA-4800

3. Defer consideration of amendments to Section 13. “RA8-18” Apartment Dwelling Districts and Section 15. “RA6-15” Apartment Dwelling Districts of the Zoning Ordinance, to add new items to the list of Special Exceptions in order to preserve the character of the “Fort Myer Heights North Special District,” which includes multi-family residential development reminiscent of the first multi-family housing in Arlington County and which provides a significant supply of affordable housing; to facilitate the creation of convenient, attractive and harmonious community within the “Fort Myer Heights North Special District” (see Ordinance) to the March 2008 County Board meeting.

**ISSUES:** Given the changing economics in the Fort Myer Heights North area, it appears that it is no longer feasible to achieve the four goals of the draft Fort Myer Heights North Plan – the preservation of affordable housing, historic buildings, open space and significant trees – using the tools enumerated in the Plan.

**SUMMARY:** In order to realize the vision for the Fort Myer Heights North neighborhood, the draft Fort Myer Heights North Plan included incentives to redevelop using the County’s Special Exception Site Plan process. However, given the significant changes in land and construction costs since the development of the draft Plan, some assumptions upon which the initial recommendations were made are no longer viable and changes to the goals, densities, heights and/or implementation mechanisms originally recommended in the draft Plan may be required. Since the last time the draft Plan came before the County Board, staff has been analyzing, from an urban planning and an economic perspective, various ways of achieving the goals of the Plan, including tiered density bonus and Transfer of Development Rights (“TDR”) approaches. These approaches will need to be further explored and discussed with the community to determine whether or not some changes to the heights and densities recommended in the Plan may be acceptable to the community in return for achieving the stated goals of the Plan. Resulting changes to the Plan could also include a reevaluation of priorities and/or the inclusion of a combination of additional development incentives or implementation mechanisms. Staff will continue to work with the community in its analysis of these potential changes. Given the additional work that is currently being finalized and the need for adequate time for public review and comment, it is recommended that the County Board defer consideration of the Plan, General Land Use Plan (“GLUP”) amendments and Zoning Ordinance amendments to the March 2008 County Board meeting.

**BACKGROUND:** During 2003 and 2004, a planning process was conducted to develop a plan for the Fort Myer Heights North neighborhood. The first phase of this planning process, approved by the County Board at its April 16, 2005 meeting, included: 1) adding a note to the GLUP that designated the boundaries of the Fort Myer Heights North Special District; 2) adding a paragraph under Special Planning Areas on the GLUP generally describing the vision for the neighborhood; and 3) amending the Zoning Ordinance to remove townhouses as a by-right use, but continuing to permit them through the Special Exception Site Plan process. The second phase, which is the subject of this report, includes: 1) adoption of the Fort Myer Heights North Plan; 2) GLUP amendments to depict the desired location for public open space in the

neighborhood; and 3) Zoning Ordinance amendments to allow for an increase in density in the Fort Myer Heights North Special District in exchange for specified community benefits.

**DISCUSSION:** At the time the draft Plan was scheduled for review by the County Board at its April 2005 meeting, the County also embarked on establishing legislation for including affordable housing with site plan development. This necessitated pausing to refine the vision and implementation strategies for the Fort Myer Heights North area. In the interim, several changes occurred. First, the price of land in the Fort Myer Heights North area continued to steadily increase to approximately \$8 or 9 million an acre. Second, construction costs, including both materials and labor, increased significantly. Given these changes, the tools and incentives included in the original draft Plan are no longer financially attractive to developers.

Developing large unit (approximately 1,400 square feet), luxury condominiums by-right is more profitable than developing under the Site Plan option, as evidenced by recent projects in the neighborhood, such as the by-right ABDO development project on the block bordered by Clarendon Boulevard, Queen Street, 16<sup>th</sup> Street and Quinn Street. Due to the rising costs of development, the 72 unit per acre maximum proposed in the draft Plan is not enough density to secure viable returns on Site Plan projects. Even with townhouses removed from the by-right option, the greater financial returns and lower risk of developing large unit-size condominiums exceed the financial returns to the developer under the Site Plan option, even if densities are increased significantly. This is problematic, as it is through the Site Plan process that it was contemplated that the original goals of the draft Plan - the preservation of affordable housing, historic buildings, trees and open space - would be achieved with incentives to redevelop using the County's Special Exception Site Plan process.

Staff has been exploring different strategies for achieving the goals of the Plan since last meeting with the community. Staff first identified certain target blocks which may be likely to redevelop and which may present an opportunity for achieving on site one or more goals of the draft Plan. Staff then undertook an economic study of the area to determine what potential tools and incentives could encourage the realization of the community and the County's desired preservation/development mix. This economic analysis, verified with the assistance of outside consultants, was helpful in identifying potential new redevelopment strategies. Staff has been evaluating these potential strategies, including a tiered density/bonus approach and a Transfer of Development Rights approach to incentivizing redevelopment while potentially preserving affordable housing, historic buildings, trees and open space. Staff is using a three-dimensional computer graphics program to help model the different scenarios and has been conducting additional economic feasibility studies to ensure that recommendations are potentially viable from both a planning and an economic perspective.

Staff recognizes that the community has concerns regarding potential building heights and densities greater than those recommended in the draft Plan and will therefore be working with the community to determine whether or not some of the potential strategies it has identified for achieving the goals of the Plan are in keeping with the community's vision for the area. Staff briefed the Planning Commission leadership on its progress during the summer and early fall and would now like to share some of the challenges and potential opportunities it has identified with

the community at large. With feedback from the community, staff will be able to determine which strategy to pursue and will then be able to refine the approach and develop an implementation package potentially including GLUP and Zoning Ordinance amendments.

As these strategies are further developed, staff will work cooperatively with the neighborhood, the Long Range Planning and Zoning Ordinance Committees of the Planning Commission, the Housing Commission and the Historical Affairs and Landmark Review Board, seeking their input and responding to their questions and concerns. Staff has scheduled a briefing with community leaders for early November and is in the process of coordinating a broader community meeting. In terms of a preliminary long-term schedule, staff proposes:

- Briefing key community leaders on the revised approach and schedule – early November;
- Hosting a broader community meeting to present and solicit feedback on the revised approach and schedule – November;
- Refining strategies based on community input – November to January;
- Meeting with relevant commissions and coordinating additional follow-up meetings with the community – January and February; and
- Requesting advertisement of public hearings on the new recommendations and revised Plan – March.

**CONCLUSION:** Given current economic realities, the tools and incentives originally enumerated in the draft Fort Myer Heights North Plan are no longer a sufficient inducement for the preservation of affordable housing, historically significant buildings, mature trees and public and private open space, which were the primary objectives of the Plan. Therefore, it is recommended that consideration of the items that are the subject of this report be deferred until the March 2008 County Board meeting, while staff continues to explore the development of more appropriate and feasible tools and incentives.

## ZONING ORDINANCE

ORDINANCE TO AMEND, REENACT, AND RECODIFY ZONING ORDINANCE SECTION 13. “RA8-18” APARTMENT DWELLING DISTRICTS AND SECTION 15. “RA6-15” APARTMENT DWELLING DISTRICTS OF THE ZONING ORDINANCE TO ADD NEW ITEMS TO THE LIST OF SPECIAL EXCEPTIONS IN ORDER TO PRESERVE THE CHARACTER OF THE “FORT MYER HEIGHTS NORTH SPECIAL DISTRICT,” WHICH INCLUDES MULTI-FAMILY RESIDENTIAL DEVELOPMENT REMINISCENT OF THE FIRST MULTI-FAMILY HOUSING IN ARLINGTON COUNTY AND WHICH PROVIDES A SIGNIFICANT SUPPLY OF AFFORDABLE HOUSING; TO FACILITATE THE CREATION OF A CONVENIENT, ATTRACTIVE AND HARMONIOUS COMMUNITY WITHIN THE “FORT MYER HEIGHTS NORTH SPECIAL DISTRICT.”

*BE IT ORDAINED THAT, Sections 13 and 15 of the Zoning Ordinance are hereby amended, reenacted, and recodified as follows in order to in order to preserve the character of the “Fort Myer Heights North Special District,” which includes multi-family residential development reminiscent of the first multi-family housing in Arlington County and which provides a significant supply of affordable housing; to facilitate the creation of a convenient, attractive and harmonious community within the “Fort Myer Heights North Special District;” and for other reasons required by the public necessity, convenience and general welfare and good zoning practice.*

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### **Section 13. “RA8-18” Apartment Dwelling Districts**

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#### *B. Special Exceptions*

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3. When a site with an area of more than twenty thousand (20,000) square feet, or with ten (10) or more existing dwelling units, is sought to be used in a manner inconsistent with existing regulations for height, setback, yard, coverage, or parking, or is sought to be developed using additional residential density, the county board may allow exceptions, after application for a site plan approval consistent with subsection 36.H. of this ordinance, in order to achieve a design which is appropriate for the site, project, and the surrounding area. Except in the “Fort Myer Heights North Special District,” (which is governed by subsection B.4 below) the county board may approve additional height and density based on the provision of low or moderate income housing as provided in Subsection 36.H.5.b. The county board, in its discretion, may modify regulations on height, setback, yard, coverage, or parking requirements and may approve up to a twenty-

five percent (25%) increase above thirty-six (36) units per acre in residential density for a project that provides low or moderate-income housing as provided in subsection 36.H.5, provided that:

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4. When a site within the area designated as the “Fort Myer Heights North Special District” on the General Land Use Plan is sought to be used in a manner consistent with the *Fort Myer Heights North Plan*, and as generally described herein, then by Special Exception Site Plan approval pursuant to Section 36.H, development may be permitted at up to 72 units per acre. As a development proposal increases in density above what is otherwise allowed by-right, and approaches 72 units per acre, the proposal will be expected to make greater progress toward those goals, including by way of illustration and not limitation affordable housing, historic preservation and the provision of open space. The purpose of the “Fort Myer Heights North Special District” is to: 1) promote the compatibility of new and existing development by coordinating building placement, orientation, scale, bulk, streetscape and pedestrian facilities; 2) provide for creative opportunities to encourage and retain affordable housing; and 3) promote opportunities for the preservation of historically significant buildings.
- a. When an on- or off-site building that is on the preferred buildings list is preserved and units inside the building are committed as affordable, that number of units shall not count toward the permitted density. In such case the County Board may approve additional density, above 72 units per acre when the height and site design recommendations of the plan are met.
- b. Building height shall generally be consistent with the building heights plan for the “Fort Myer Heights North Special District” and shall in no event exceed 10 stories or 100 feet, exclusive of penthouse. Penthouses shall be minimized in terms of height, bulk and visual appearance.
- c. Externally oriented convenience retail and service uses such as a doctor’s office, neighborhood delicatessen, drycleaner, neighborhood-scale library branch or small café may be approved, where the County Board finds they will not adversely affect the neighborhood and will otherwise be appropriate at primary intersections and/or locations that experience significant pedestrian traffic.

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**Section 15. “RA6-15” Apartment Dwelling Districts**

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5. When a site within the area designated as the “Fort Myer Heights North Special District” on the General Land Use Plan is sought to be used in a manner consistent with the *Fort Myer Heights North Plan*, and as generally described herein, then by Special Exception Site Plan approval pursuant to Section 36.H, development may be permitted at up to 72 units per acre. As a development proposal increases in density above what is otherwise allowed by-right, and approaches 72 units per acre, the proposal will be expected to make greater progress toward those goals, including by way of illustration and not limitation affordable housing, historic preservation and the provision of open space. The purpose of the “Fort Myer Heights North Special District” is to: 1) promote the compatibility of new and existing development by coordinating building placement, orientation, scale, bulk, streetscape and pedestrian facilities; 2) provide for creative opportunities to encourage and retain affordable housing; and 3) promote opportunities for the preservation of historically significant buildings.

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