



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item Meeting of June 17, 2008

DATE: May 16, 2008

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):

1. Northeast corner of the block bordered by 16th Street North, North Queen Street, 14th Street North, and North Quinn Street.
2. Southwest corner of the block bordered by Clarendon Boulevard, North Quinn Street, North Rhodes Street, and 16th Street North (south of the existing public park).
3. Northeast corner of the block bordered by 14th 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 July 19, 2008 County Board meeting and the associated Planning Commission meeting.
2. Defer consideration of General Land Use Plan amendments to add open space symbols to three locations until the July 19, 2008 County Board meeting and the associated Planning Commission meeting.

County Manager: _____

County Attorney: _____

Staff: Margaret Rhodes, CPHD, Planning Division

PLA-4982

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 July 19, 2008 County Board meeting and the associated Planning Commission meeting.

ISSUES: A thoroughly revised and updated iteration of the Fort Myer Heights North Plan is currently being reviewed internally by County staff and will be circulated for community and commission review in June and July. Staff therefore recommends a deferral to the July 19, 2008 County Board meeting and the associated Planning Commission meeting, at which point staff will bring forward a Request to Advertise the new Fort Myer Heights North Plan and recommend that the County Board take no action on the now obsolete 2005 draft Plan and accompanying GLUP and Zoning Ordinance amendments.

SUMMARY: Given the changing economics in the Fort Myer Heights North area, it is no longer feasible to achieve the four goals enumerated in the 2005 draft Fort Myer Heights North Plan - the preservation of affordable housing, historic buildings, open space and significant trees - while abiding by its recommended densities and heights. Staff, with input from the community and various advisory commissions, has drafted a revised iteration of this Plan. The new Plan seeks to achieve the same goals as the previous Plan, but has been updated to reflect existing conditions and trends, namely the loss of historic garden apartments with their market rate affordable units, surrounding open spaces and mature trees to by-right, luxury condominium development. To counteract the loss of the fabric of the neighborhood, the new Plan includes revised and realistic density and height recommendations supported by feasible implementation mechanisms. It is recommended that the County Board defer consideration of the 2005 draft Plan, General Land Use Plan ("GLUP") amendments and Zoning Ordinance amendments to the July 19, 2008 County Board meeting and the associated Planning Commission meeting, at which time staff will bring forward a Request to Advertise the new iteration of the Plan and accompanying GLUP and Zoning Ordinance amendments.

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 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 Plan are no longer financially attractive to developers.

Developing large unit (approximately 1,400 square feet), luxury condominiums by-right is currently 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, 16th Street and Quinn Street. Due to the rising costs of development, the 72 unit per acre maximum proposed in the 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 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. Given the changing economics in this area, it is no longer feasible to achieve the primary goals of the Plan while abiding by its recommended densities and heights.

As the key concept plan and implementation recommendations of the 2005 draft Plan are thus no longer viable nor feasible, staff has developed a new iteration of the Plan based on extensive research and analysis. 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 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, helped to inform the development of new redevelopment strategies. Staff used a three-dimensional computer graphics program to help model the different redevelopment scenarios and conducted additional economic feasibility studies to ensure that what it recommends is potentially viable from both a planning and an economic perspective.

Staff's modeling exercises have revealed that, in order to achieve the desired mix of preservation and redevelopment shown in the draft Plan, additional density over the 72 units per acre proposed in said Plan is necessary. That is, according to the economic analysis, it is at a density of approximately 3.24 FAR that developers may chose to enter the site plan process in Fort Myer Heights North, given the price of land in this area and current construction costs. Heights greater than those shown in the draft Plan are also necessary in order to accommodate the density needed

to encourage developers to choose to build by site plan and provide the community benefits needed for this area, as opposed to building by-right.

Staff has developed a compromise Plan that seeks to respond to the civic association's concerns regarding density and height, yet also seeks to provide the committed affordable housing, preservation of historic buildings and the provision of new parks that the community and County are also looking for in this neighborhood. The new concept plan aims to preserve the historic core of the community by permitting no additional density or height above what is allowed by-right in the northern half of the neighborhood, which is designated the Conservation Area on the concept plan. Through the Special Exception Site Plan process additional density and height will be allowed in a defined swath along Fairfax Drive in the southern portion of the neighborhood in what is known as the Revitalization Area. This additional density and height will only be permitted in return for: an acceptable level of affordable housing; the preservation of historic buildings and their associated open space identified by Historic Preservation Program staff and members of the Historic Affairs and Landmark Review Board; and the provision of parks shown in the draft Fort Myer Heights North Plan. The Plan identifies this area along Fairfax Drive as an area that could accommodate additional density and height, because this area is adjacent to high volume Arlington Boulevard and the sloping topography will minimize the appearance and impact of greater heights. Design guidelines are included in the Plan to ensure that any new development is consistent with the community's vision for the area.

Staff met with the community in December and again in March and developed this new approach based on feedback received at those meetings. At their request, staff has made presentations to the Planning Commission, the Long Range Committee of the Planning Commission, the Urban Forestry Commission, the Historical Affairs and Landmark Review Board, the Park & Recreation Commission, the Housing Commission and the Transportation Commission. Staff has also taken into consideration the input received at these meetings as it has drafted the new iteration of the Plan. There appears to be general support for the new Plan among the commissions. The Urban Forestry and Park & Recreation Commissions, along with the Environment and Energy Conservation Commission, recently sent a letter to the County Board Chairman expressing their support for the new concept plan for Fort Myer Heights North. Staff will continue to work closely with the neighborhood and all relevant commissions, seeking their input and responding to their questions and concerns as it finalizes and presents the new Plan. In terms of the schedule for bringing forward this new Plan and the associated GLUP and Zoning Ordinance amendments, staff proposes:

- Circulating the new Plan for internal review – May and June;
- Recommending a deferral of the 2005 draft Plan and accompanying GLUP and Zoning Ordinance amendments to the July County Board meeting – June;
- Circulating the new Plan for community review – June;
- Coordinating follow-up meetings with the civic association leadership and relevant commissions – June and July;
- Recommending taking no action on the 2005 draft Plan and associated GLUP and Zoning Ordinance Amendments; Presenting a Request to Advertise the new Plan for County Board consideration – July; and

- Presenting the new Plan and associated GLUP and Zoning Ordinance amendments for Planning Commission and County Board consideration – September.

CONCLUSION: Given current economic realities, the tools and incentives originally enumerated in the 2005 draft Fort Myer Heights North Plan are no longer 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 July 19, 2008 County Board meeting and associated Planning Commission meeting, at which time staff will bring forward a Request to Advertise the new iteration of the Plan and the associated GLUP and Zoning Ordinance amendments.

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:

* * *

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.

* * *

Section 15. “RA6-15” Apartment Dwelling Districts

* * *

B. Special Exceptions

* * *

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.5 below) the county board may approve additional height and density based on 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 (25) percent increase above forty-eight (48) units per acre in residential density for a project that provides low or moderate-income housing as provided in Subsection 36.H.5.b., provided that:

* * *

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.

- 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, dry cleaner, 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.