



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item Meeting of May 5, 2007

DATE: April 25, 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 16th Street North, North Queen Street, 14th Street North, and North Quinn Street.
- 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).
- 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 November 13, 2007 County Board meeting.
2. Defer consideration of General Land Use Plan amendments to add open space symbols to three locations until the November 13, 2007 County Board meeting.

County Manager: _____

County Attorney: _____

Staff: Molly Just and Margaret Rhodes, CPHD, Planning Division

PLA-4661

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 November 13, 2007 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 - while abiding by its recommended densities and heights. Changes to the goals, densities or heights originally recommended in the Plan may be required. Staff therefore needs additional time to analyze the remaining blocks and to evaluate the objectives of the Plan in concert with the community.

SUMMARY: In order to realize the vision for the Fort Myer Heights North neighborhood, the 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 Plan, some assumptions upon which the initial recommendations of the Plan were made are no longer viable. Staff is therefore analyzing certain target blocks and conducting feasibility studies using an expanded array of tools. Resulting changes to the Plan could include a reevaluation of priorities and/or the inclusion of a combination of additional development incentives. Staff will work with the community in its analysis of these potential changes. Given the additional work that is currently being undertaken, it is recommended that the County Board defer consideration of the Plan, General Land Use Plan ("GLUP") amendments and Zoning Ordinance amendments to the November 13, 2007 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 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, some of 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 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. With the 72 unit per acre maximum proposed in the Plan and the rising costs of development, there 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. Staff is therefore exploring different strategies for achieving the goals of the Plan. Additional time is needed to conduct this analysis and to determine what tools and incentives would work best given the current situation. Staff is currently evaluating certain target blocks and conducting feasibility studies using an expanded array of tools, including the Transfer of Development Rights. As these new strategies are tested and developed, staff will work cooperatively with the neighborhood, the Long Range Planning and Zoning Committees of the Planning Commission, and the Housing Commission. Staff has scheduled a briefing with community leaders for the week prior to the May County Board hearing and is in the process of coordinating a broader community meeting later in the month of May. In terms of a preliminary long-term schedule, staff proposes:

- Briefing key community leaders on the revised approach and schedule – early May;
- Hosting a broader community meeting to discuss the challenges involved in achieving the four goals of the Plan, to solicit feedback and to present the revised approach and schedule – mid-May;
- Analyzing target blocks and conducting feasibility studies of new tools and incentives – through June;
- Modeling the data to show proposed densities and heights with and without the inclusion of stated priorities such as, open space, preservation and the like – July;
- Evaluating the results and determining what changes may be necessary to the Plan – August;
- Holding progress meetings with the community and relevant commissions – September;
- Preparing a Request to Advertise the new recommendations and revised Plan by the County Board – October;

- Coordinating additional follow-up meetings with the community and relevant commissions – October and November; and
- Presenting the new recommendations and revised Plan for County Board consideration – November.

CONCLUSION: Given current economic realities, the tools and incentives originally enumerated in the 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 November 13, 2007 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.

* * *

Section 13. “RA8-18” 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.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:

* * *

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.