



## **Falls Church Chamber of Commerce Board of Directors**

### **STATEMENT OF ENDORSEMENT Recommending Approval of the 301 West Broad Street; Rushmark Properties City of Falls Church, Virginia**

The Chamber Legislative Committee met on April 22, 2013 to examine and assess the mixed-use development proposed by Rushmark Properties at 301 West Broad. Co-Chairs of the Chamber's Legislative Committee Gary LaPorta and Erik Pelton, Chamber Chairman Chris Bergen, committee members Bob Young, Joe Wetzel, Mary Alexander, and Executive Director Sally Cole, represented the Chamber. The presentation was given by Patrick Kearney and Stefan Gassner of Rushmark.

The subject proposal is for a mixed use development at 255 and 301 West Broad South Washington Street. The site is currently zoned B-2 and designated for Mixed Use, City Center on the Comprehensive Plan Future Land Use Map. The sites are currently used as Anthony's Restaurant, the old Post Office, and a parking lot owned by the City's Economic Development Authority.

According to the developer, the project will:

- Consolidate three properties;
- Create a new Mixed Used Project in the city center area that offers the enhanced services of a large grocery store of approximately 60,000 square feet, retail/restaurant space of approximately 3,500 square feet, and 282 new rental units;
- Enhance and improve the quality, look and tax revenue from the current uses of the properties;
- Provide opportunities for a more walkable downtown area;
- Provide opportunities for encouraging the use of bicycles in the city center area;
- Enhance the leasing appeal of the retail space in adjacent buildings by adding to the critical mass of the retail and housing in the neighborhood;
- Spark new development in this area of the City and lay the foundation for longer term office/retail development;
- Improve the appearance of the City Center area and announce the City's statement of its commitment to a sustainable and superior mixed use environment; and
- A projected net fiscal impact of over \$1 million per year to the City.

The Developer is also proffering to the city the following financial and other contributions to the City and the community:

- Funds for the care of the adjacent park;
- a direct school contribution of over \$2 million;
- costs of undergrounding utilities;
- stormwater handling improvements;

- Affordable housing contributions;
- LEED Silver certification for the residential portion;
- electric car charging stations;
- bike racks;
- potential for bike share and short term car rental locations; and
- streetscape improvements and maintenance

The Developer has met with many interest groups and has met repeatedly with residents of the adjacent Winter Hill neighborhood. As a result of those discussions, the Developer has made significant modifications to the design of the property and the surroundings, added a pedestrian crosswalk, agreed to enclose the loading and truck turning areas, and agreed to limit delivery hours.

Using the city's fiscal impact model, the Rushmark project is estimated to generate approximately \$1.3 million net annual revenue. The current properties contribute far less.

The project was analyzed by the committee with respect to whether it meets the Chamber's established criteria for support of proposed real estate development projects. Those criteria and the development's compliance are set forth below:

**1. The project adds significant value to the City's commercial real estate assessments, thus spreading the cost of public services over a larger group of property owners.**

The proposal involves construction of a Mixed Use Project that includes a neighborhood high-end grocery store of approximately 60,000 square feet, Retail/restaurant space of approximately 3,500 square feet, 282 rental units. The city's economic model reflects a total market value of the project is \$103 million with the total value for the nonresidential area of approximately \$31 million. The residential value is approximately \$72 million. City staff analysis indicates that based on the configuration of the commercial space, this project will produce net tax revenue per year of approximately \$1,300,000. The current uses on the site yield a fraction of the annual revenue. The proposed project certainly meets this criterion.

**2. The project will generate additional employees and residents who will add substantially to the customer base for existing, new, and future businesses.**

The proposed development will bring a number of new residents and new employees to the city on a site that is underutilized and generating negligible revenue for the city. Due to its location near the city's center and adjacent to both Route 7 and Route 29 and relative proximity to the Metro, we can presume that the residents of this project will be urban professionals of more than moderate income. The addition of new residents will generate additional sales opportunities for both existing city businesses and the new businesses to be established. In addition, the grocery store will bring several dozen employees to the area daily. This criterion is met.

**3. The project will serve as an anchor or attraction for drawing people to the City of Falls Church, thus increasing spin off economic benefits for the business community.**

The upscale grocery, pedestrian/bike friendly features, and attractive design will draw both non-resident users (commuters on Broad Street), as well as existing residents of the city, and the new residents of the property, thus creating spin-off economic benefits for the overall business community in the City. This criterion is met by the proposed project.

- 4. The project will provide for significant amenities and aesthetic considerations that enhance the look and experience of visiting the City's business districts thus serving as an inducement to promote increased business activities.**

The overall design of the project, as proposed, provides an attractive facade treatment, a nice streetscape, far nicer than the existing old buildings and parking lots. The building materials blend well with the other recent and ongoing construction in the City. This project will be an attractive feature of the City's center. We believe the project meets this criterion.

- 5. The project will provide for significant parking facilities, well integrated into project design which may serve the broader business communities parking needs as well as its own.**

The proposed project provides self-contained structured parking, which is situated in a concrete parking garage. The parking meets the city's requirement for the number of spaces for the intended uses. The parking is designed to have direct access to both the residential and the retail components of the project from a variety of entrances to reduce traffic and make parking at the grocery store easy and attractive. The parking, as proposed, is well integrated into the project design and completely hidden within the building. Loading docks are totally enclosed and separate from the resident and customer parking. The Developer has also committed to having its staff trained to advise residents regarding all the local transportation options, and has indicated an interest in having bike share and/or a shuttle bus to the Metro. We believe this criterion has been met.

- 6. The design and orientation of the project will provide for attractive pedestrian access and circulation while mitigating any congestion or safety concerns generated by the increased motor vehicular traffic serving that project.**

The proposed design by Rushmark is an attractive building with no "back side" using cheaper materials. Entrances to the parking garage are designed to maximize both pedestrian and vehicular safety while mitigating congestion. Traffic studies that have already been completed show that this development will not degrade the flow of vehicular traffic in the area. The front of the building on Broad Street will feature a small plaza to be used for outdoor dining by visitors to the grocery store. In addition to new plantings, this will provide an attractive streetscape.

- 7. The project provides for mixed uses such that the project benefits meet those discussed in the Chamber's commissioned white paper (Perspectives on Development in Falls Church) prepared by John McClain, AICP, Senior Fellow for the Center for Regional Analysis at George Mason University.**

The Rushmark project achieves the benefits discussed in the white paper. Therefore, this criterion is met. Furthermore, the project will have a complementary and beneficial impact on the realization of the City's proposed future land use development of remainder of the City Center and adjoining areas as outlined in the Comprehensive Plan through the creation of the critical mass of development necessary to sustain the economic viability of a true urban city in such close proximity to a mass transit hub.

8. **The project does not place an undue burden on municipal services including the public school system and utilities, such that it would have an adverse impact on existing businesses and future growth.**

The proposed project will provide positive net revenue gain for the City per the city's economic impact model and does not place an undue burden on municipal services. This increased population would have a positive impact on existing businesses helping to insure future growth. The small unit sizes are not projected to produce a lot of school age children, but regardless of which projection is used to calculate the number of children, the net direct economic benefits are projected will be positive, in addition to any indirect economic benefits. Thus, this criterion is met.

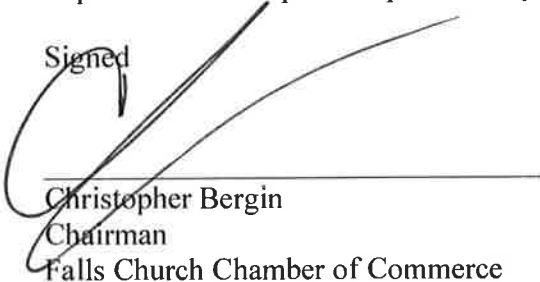
9. **The project's design, massing of building elements, scale, use of materials, colors, and textures, height, and density, and overall architectural character will contribute to the image of a maturing and substantially prosperous commercial business center within the metropolitan Washington, DC area - one that will appeal to a growing number of office and retail enterprises, customers, clients, and visitors.**

The various elements of the proposed project are designed in a way to meet this criterion, and are similar to mixed-use projects already underway in the city. This concrete and steel project is a viable and supportive extension of the future redevelopment of the City's center.

#### **CONCLUSION:**

On **Friday, May 03, 2013** the Greater Falls Church Chamber of Commerce Executive Committee of its Board of Directors, finding that the proposed **Rushmark** mixed-use development project meets or exceeds each of the criteria necessary to obtain the Chamber's endorsement, adopted this **Statement of Endorsement** recommending approval of the project. Accordingly, the Chamber shall take such action as necessary to make its position known through distribution of this written statement to City officials and the public and through testimony at public hearings considering the approval of the project. We urge the council to approve this proposal as quickly as possible so that the community can benefit from the positive improvements and proffers provided by this project.

Signed

  
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Christopher Bergin  
Chairman  
Falls Church Chamber of Commerce