



Falls Church Chamber of Commerce Board of Directors

STATEMENT OF ENDORSEMENT

Recommending Approval of the 540 South Washington Street; The Reserve at Tinner Hill City of Falls Church, Virginia

The Chamber Legislative Committee met on March 22, 2013 to examine and assess the mixed-use development proposed by Lincoln Properties at 540 South Washington Street, aka, The Reserve at Tinner Hill. Co-Chair of the Chamber's Legislative Committee Gary LaPorta, Chamber Chairman Chris Bergen, committee members Steve Rogers, Bill Madden, Joe Wetzel, Jonathan Hunult, Mario Gamboa, Gary Hughes, Mary Alexander, and Executive Director Sally Cole, represented the Chamber. The presentation was given by Richard Rose and Michael Rafeedie of Lincoln Property Company and Jack Waghorn of NV Retail. Chamber Member David Lasso, attorney for the developer, was also present.

The subject proposal is for a mixed use development at 540 and 580 South Washington Street. The site is currently zoned B-3, General Business District, and designated for Business use on the Comprehensive Plan Future Land Use Map. 540 S. Washington Street (RPC# 52-308-008) is a site of 79,310 square feet currently developed as a motor vehicles sales use. 580 S. Washington Street (RPC# 52-308-004) is a site of 16,245 square feet currently developed as motor vehicle repair and used car sale uses. According to the developer, the project will:

- Create a new Mixed Use Project that offers the enhanced services of a neighborhood grocery store of approximately 25,000 square feet, Retail/restaurant space of approximately 8,000 square feet, 224 new dwelling units, and commercial lease space.
- Create a new gateway to the City
- Provide about 10,500 square feet of commercial leased space that could be an entertainment venue and an enhancement of the growing arts community in the City of Falls Church.
- Provide for ease of connection to existing and future public transit in the area including the new bus transfer station on South Washington Street
- Celebrate the Historic Tinner Hill area and provide connections to other historic assets
- Create a new park at the southern end of the City at the south end of this site
- 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

- Enhance pedestrian connections to the neighborhood and walking and bike trails that connect to the regional system.
- Improve the appearance of the Route 29 corridor into the City and announce the City's statement of its commitment to a sustainable and superior mixed use environment
- Remove this site for likely reuse as an automotive based commercial activity.

The Developer is also proffering to the city the following:

Value	Community Benefits
\$1,577,310	School Capital Contribution
\$1,100,000	Undergrounding Utilities
\$3,000,000	Value-14 Affordable Dwelling Units
\$2,000,000	Gateway Park
\$250,000	Traffic Signal –Tinner& Washington
\$100,000	Tinner Hill Heritage Celebration

Additional Community Benefits
Commitment to Grocery Store
Approximately 45,000 SF Non-Residential Use
Environmental Clean-Up
Stormwater Management
LEED Silver
Electric Car Charging Stations
Streetscape Improvements
Bicycle Storage

Using the city's fiscal impact model, the Reserve at Tinner Hill project is estimated to generate a minimum of \$604,000 to \$1,200,000 net annual revenue depending on the commercial mix. The current properties contribute \$79,000 at the current tax rate.

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 grocery store of approximately 25,000 square feet, Retail/restaurant space of approximately 8,000 square feet, 224 new dwelling units, and commercial lease space. The city's economic model reflects a total market value of the project is \$64 million with the total value for the nonresidential area of \$17,322,685. The residential value is just under \$47 million. City staff analysis indicates that based on the configuration of the commercial space, this project will produce net tax revenue per year of between \$600,000 and \$1,196,000. The

current uses on the site yield under \$80,000 **gross** annual revenue. The addition of 7.5 times the existing revenue, 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 very modest revenue for the city. Due to its location and the proximity to the planned intermodal transportation center and the East Falls Church Metro station, 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. 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 retail establishments, potentially an upscale grocery and quality eating establishments, will draw non-resident users (commuters on South Washington Street), as well as existing residents of the city, and the new residents of The Reserve, thus creating spin-off economic benefits for the overall business community in the City. The developer has a letter of intent from Fresh Market and has been in discussions with a number of potential restaurant and retail tenants. 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, an interesting streetscape and a plaza/park green space. The building materials blend well with the existing structures in the immediate area. Review by the city's Architectural Review Board will take place during the site planning period and will insure that this project is a fitting addition to the street scene. This project will be an attractive entry point to the southern entrance of the city. We believe the project will meet 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 both South Washington Street and South Maple Avenue. 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. Working with the management could provide shared parking to serve adjoining businesses, thus meeting this criterion.

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 Reserve at Tinner Hill project has proposed a handsome building with interesting facades along South Washington Street and South Maple Avenue with improved access to the Tinner Hill Foundation planned project. The developer has offered a proffer to the city for a traffic signal at that intersection. The pedestrian walkways lead south to a landscaped plaza with courtyards and buffer areas with trees and other plantings. 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 at the intersection of North Washington and Jefferson.

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 Reserve at Tinner Hill project achieves the benefits discussed in the white paper. Therefore, this criterion is met. Furthermore, the project will have a complimentary and beneficial impact on the realization of the City's proposed future land use development of the South Washington Street Corridor 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 project will provide 14 much needed affordable housing units to the limited number now available. These units will provide teachers, city workers, and seniors with an opportunity to live in the city. The city's fiscal model projects that 26 students will be added to the school enrollment which is the same number projected by the school boards budget submission. 70% of the units (157) will be one bedroom with an average of 750

square feet and the remaining 30% (67) will be two bedroom with 1135 square feet on average. Thus, this criterion is met.

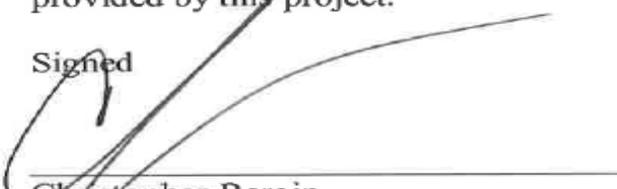
9. **The project's design, massing of building elements, scale, use of materials, colors, and textures, height, and density, and overall architectural character will contribute to the image of a maturing and substantially prosperous commercial business center within the metropolitan Washington, DC area - 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 project is a viable and supportive extension of the future redevelopment of South Washington Street.

CONCLUSION:

On Tuesday, **April 9, 2013** the Greater Falls Church Chamber of Commerce Board of Directors, finding that the proposed **The Reserve at Tinner Hill** 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



Christopher Bergin
Chairman
Falls Church Chamber of Commerce