

Master Plan Amendment #2021-00006 Zoning Text Amendment #2021-00005

Coordinated Development District Conceptual Design Plan #2021-00001 Subdivision #2020-00010

Hilton and IDA Sites - 5000 Seminary Road and 4880 Mark Center Drive

Application	General Data	
Project Name: Hilton & IDA Sites	PC Hearing:	October 5, 2021
	CC Hearing:	October 16, 2021
	If approved, CDD amendment expires if DSUP is not filed by:	October 16, 2026 ¹
	Plan Acreage:	12.83 acres (Hilton site) 4.07 acres (IDA site)
Location: 5000 Seminary Road and 4880 Mark Center Drive	Zone:	CDD #4 / Coordinated Development District #4
	Existing Floor Area:	594,300 SF (Hilton site) 368,400 SF (IDA site)
	Additional Floor Area Requested:	438,367 SF (Hilton site) 82,487 SF (IDA site)
	Total Floor Area (if approved):	1.03 million SF (Hilton site) 450,887 SF (IDA site)
	Small Area Plan:	Beauregard
	Historic District:	N/A
Applicants: CRP Mark Center Hotel, LLC, and Institute for Defense Analyses, represented by Kenneth W Wire, attorney; and City of Alexandria Department of Planning & Zoning (text amendment only)	Green Building:	Green Building Policy in effect at time of DSUP submission will apply

Purpose of Application

The applicants request approval of a Master Plan Amendment, Coordinated Development District (CDD) Conceptual Design Plan amendment, and a Subdivision to eventually construct new buildings on two different sites in CDD#4. The Department of Planning & Zoning is the applicant for a Zoning Text Amendment to Section 5-602 of the Zoning Ordinance to amend the CDD#4 zone regulations in connection with the applicants' requests.

Applications and Modifications Requested:

1. Amendment to the Beauregard Small Area Plan chapter of the Master Plan to add residential, office, commercial, and continuum of care uses to the land-use designation for Area III-B of the Hilton site and to add hotel and continuum of care uses to the land-use designation for 4880 Mark Center Drive (IDA site);

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¹ The validity period may be extended consistent with City Council guidance for land-use approvals due to the COVID-19 pandemic.

- 2. Zoning Text Amendment to Section 5-602 of the Zoning Ordinance to increase allowable FAR and amend allowable uses in CDD#4;
- 3. Amendment to the Coordinated Development District (CDD) Conceptual Design Plan to:
 - a. Add residential, commercial, office, and continuum of care as allowable uses in Area III-B of the Hilton site;
 - b. Add hotel and continuum of care uses as allowable uses at 4880 Mark Center Drive (IDA site);
 - c. Increase the maximum FAR to 1.5 for Area III-A and 2.5 for Area III-B;
 - d. Increase allowable building area at 4880 Mark Center Drive; and
 - e. Increase maximum building heights from 65 feet to 100 feet at Area III-B and from 150 feet to 180 feet at 4880 Mark Center Drive;
 - f. Allow future development in the CDD to proceed in phases;
 - g. Allow a period of five years, rather than two, in which future DSUP requests must be filed or the CDD amendment expires; and
- 4. Subdivision to subdivide 5000 Seminary Road from one parcel into two parcels.

Staff Recommendation: APPROVAL WITH CONDITIONS

Staff Reviewers:

Robert M. Kerns, AICP, Division Chief
Maya Contreras, Principal Planner
Nathan Randall, Urban Planner

nathan.randall@alexandriava.gov
nathan.randall@alexandriava.gov

<u>CITY COUNCIL ACTION, OCTOBER 16, 2021</u>; City Council approved the Planning Commission recommendation subject to an amendment to Condition #29 to place a period after the word "fund" and delete a, b, c of Condition #29.

<u>PLANNING COMMISSION ACTION, OCTOBER 5, 2021</u>: On a motion by Commissioner McMahon, seconded by Commissioner Lyle, the Planning Commission voted to recommend approval of Master Plan Amendment #2021-00006. The motion carried on a vote of 6 to 0, with Commissioner Koenig absent.

On a motion by Commissioner McMahon, seconded by Commissioner Lyle, the Planning Commission voted to initiate Zoning Text Amendment #2021-00005. The motion carried on a vote of 6 to 0, with Commissioner Koenig absent.

On a motion by Commissioner McMahon, seconded by Commissioner Lyle, the Planning Commission voted to recommend approval of Zoning Text Amendment #2021-00005. The motion carried on a vote of 6 to 0, with Commissioner Koenig absent.

On a motion by Commissioner McMahon, seconded by Commissioner Lyle, the Planning Commission voted to recommend approval of Coordinated Development District Conceptual Design Plan #2021-00001. The motion carried on a vote of 6 to 0, with Commissioner Koenig absent.

On a motion by Commissioner McMahon, seconded by Commissioner Lyle, the Planning Commission voted to approve Subdivision #2020-00010, subject to all applicable codes and staff recommendations. The motion carried on a vote of 6 to 0, with Commissioner Koenig absent.

Reason: The Planning Commission agreed with the staff analysis.

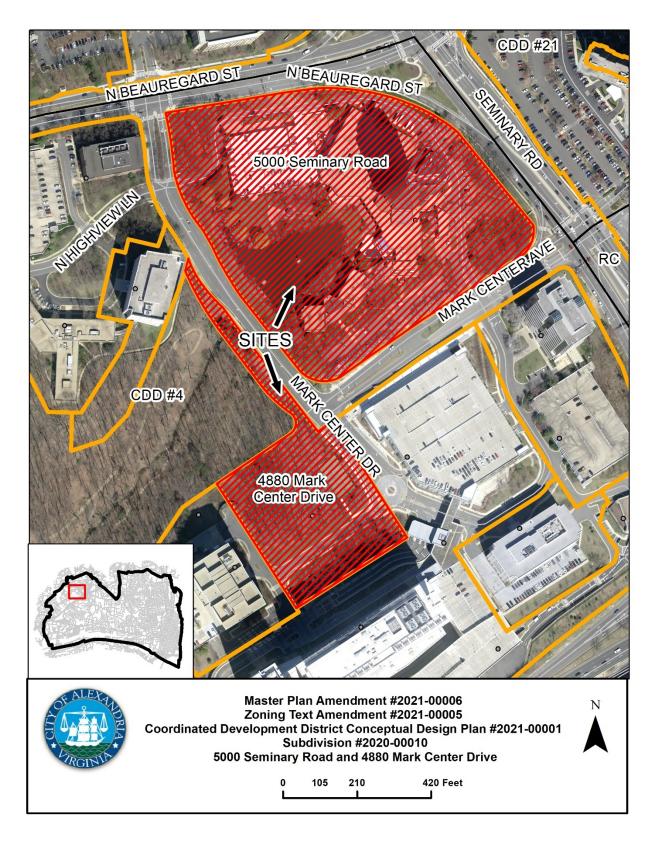
Chair Macek asked for clarification regarding Mark Center ownership and the applicant's position regarding the points raised in an email from Bill Keech dated October 5, 2021. Ken Wire, representing the applicants, noted that there are some connections and coordination for shared maintenance, but to a lesser degree than in, for instance, Carlyle. The Hilton site predates CDD#4 and so there are limited agreements associated with that property and the rest of the CDD. Mr. Wire stated that his client does not disagree with the points raised in the letter, but that they may be better addressed at the DSUP level.

Chair Macek asked whether participation in the Mark Center ownership/neighborhood group is a matter of City interest. Staff and the applicant agreed that the participation in the group appears to be a private matter covered under private covenants. Staff also noted that it has been working with Mr. Keech for the last few months regarding a variety of Mark Center-related matters and that the issues raised in his letter, as well as the one submitted from Bill Pugh, are better addressed at the DSUP level.

The Commission also discussed the request from the applicant, in its letter dated October 5th, to add new subsection (d) to Condition #29 to allow above-grade garage parking to be exempt from the Beauregard Implementation Fund contribution calculation. Mr. Wire reiterated his request, stating his concern that the current calculation method would put his clients' project at a disadvantage. In response, staff noted that the referenced development project is located in a different CDD (CDD#21) that was approved prior to changes to the FAR definition in the Zoning Ordinance. Staff recommended maintaining consistency with more recent approvals, such as Greenhill and the Landmark neighborhoods, regarding the method of calculating the contribution. Commissioner Lyle noted that contribution changes are typically better left to City Council.

Speakers:

Ken Wire, attorney for the applicants, spoke in support of the project. He answered questions from the Commission and requested flexibility to allow above-ground parking to not count towards the required Beauregard developer contributions, consistent with the concerns raised in his October 5th, 2021 email.



PROJECT LOCATION MAP

I. <u>SUMMARY</u>

A. Recommendation

Staff recommends **approval** of the proposal for Master Plan and Coordinated Development District (CDD) Conceptual Design Plan amendments and related applications, subject to the conditions contained in this report. The current request would allow for the future construction of new buildings at two different sites at Mark Center, subject to future Development Special Use Permit (DSUP) approvals. Community benefits from the current proposal include:

- Additional density on sites immediately adjacent to the Mark Center transit facility, and along the envisioned West End Transitway, consistent with transit-oriented development planning principles;
- Diversification of the allowable uses in the CDD Conceptual Design Plan at the two sites to continue to develop a mixed-use community and support renovation of the current Hilton hotel facility in Mark Center;
- Dedication of land to the City along the North Beauregard Street and Seminary Road frontages of the Hilton site, if deemed necessary for future transportation improvements anticipated in the Beauregard Small Area Plan (or as the Plan may be revised in the future);
- Contributions to the Beauregard Implementation Fund or equivalent community improvements (estimated value of up to \$7 million in 2021 dollars); and
- Consistency with the City's Affordable Housing Policy in effect at the time of DSUP submission (estimated value of up to \$8.2 million in 2021 dollars in addition to Beauregard Implementation Fund contribution, under current policy if future residential uses are constructed in excess of density currently permitted).

B. General Project Description

The applicants, CRP Mark Center Hotel, LLC and Institute for Defense Analyses, have submitted land-use requests to allow for the future development of two parcels in the Mark Center near the intersection of North Beauregard Street and Seminary Road: 5000 Seminary Road (referred to as the **Hilton site**) and 4880 Mark Center Drive (referred to as the **IDA site**). Although separate properties under separate ownership, they are located across the street from each other, are both zoned CDD#4, and therefore are both included in the CDD#4 Conceptual Design Plan approval.

The proposal anticipates adding new uses in order to allow residential, office, commercial, hotel, and continuum of care uses at both sites, adding between 30 and 40 feet of additional building height at each site, and adding up to 520,854 square feet of new floor area (to what is already allowed) across both sites (although primarily at one portion of the Hilton site.) A subdivision is requested to divide the one existing Hilton hotel parcel into two parcels. These parcels are referred to as Lot 501 or Area III-A, on which the hotel would remain, and Lot 502 or Area III-B, where future development is expected. The City is also bringing forward a text amendment to revise the FAR and allowable uses in the CDD#4 zone table.

Key issues under consideration and discussed in greater detail in this report include:

- The Master Plan Amendment request;
- The scope of the additional density and height amendments to the CDD Conceptual Design Plan in comparison to the existing Plan and to changes brought about by the construction of the BRAC-133 building in 2011;
- The compatibility of the additional density and height amendments with the surrounding area;
- Infrastructure impacts; and
- The provision of affordable housing in the future in connection with the proposal.

II. BACKGROUND

A. Site Context

The project sites are two separate parcels, located immediately across Mark Center Drive from each other: one at 5000 Seminary Road, known as the **Hilton site**, and the second at 4880 Mark Center Drive, known as the **IDA site**. Both properties are located in the Beauregard Small Area Plan (SAP) chapter of the City's Master Plan, which was amended with Master Plan Amendment MPA#2021-00005 to include explicit land-use or building height recommendations for both properties. The SAP recommends for both properties those land-uses already existing or allowed on Figure 24 and maximum building heights consistent with existing zoning. The Beauregard SAP does not contain maximum density recommendations for properties in the Plan area.

The property at the **Hilton site** measures 12.83 acres in size and is located at the southwest corner of North Beauregard Street and Seminary Road. The site is currently improved with a hotel building approved by City Council in April 1981 pursuant to SUP#1386 and Site Plan #81-0028. The hotel has a 320-foot-tall central building and two wings, one of which is an above-grade parking garage and the other a 65-foot-tall conference/retreat center. The Hilton site also features a man-made pond between the two hotel building wings. The site is landscaped and includes a downward slope toward the southwest and west in the vicinity of Mark Center Drive. Vehicular access is provided either directly from Mark Center Avenue, in the case of the conference center, or via a private drive aisle that runs through the site from Mark Center Avenue to Mark Center Drive.

The property at the **IDA** site measures 4.07 acres in size. The major portion of this largely rectangular property begins opposite from the intersection of Mark Center Drive and Mark Center Avenue and continues southward to include a portion of Mark Center Drive itself, which becomes a private street south of Mark Center Avenue, and a green space located between Mark Center Drive and an adjacent office building. The property also includes a long, narrow strip of land extending along Mark Center Drive across the street from the man-made pond at 5000 Seminary. The property 4880 Mark Center Drive is currently vacant, except for a tennis court and a portion of Mark Center Drive. The heavily wooded site slopes downward to the north and west.

The two sites are located in the Mark Center, southwest of the intersection of North Beauregard and Seminary Road. It is primarily surrounded by office uses in Mark Center, including the BRAC-133 building in which the federal Washington Headquarters Service is located, the City-leased property at 4850 Mark Center Drive, and a building at 4900 Seminary Road that is actively converting from office to residential use. The Winkler Botanical Preserve is located to the west, and Interstate 395 is to the south of the BRAC-133 building. The property is also located near existing and future residential buildings — including Southern Towers, the future Monday Properties multifamily project at 2000 North Beauregard Street, and the recently-approved Upland Park community. Additional offices and commercial uses are also located in the vicinity.

B. Previous Approvals

CDD#4 Approvals

Coordinated Development District (CDD) #4 was first approved in 1995 and was most recently amended in September 1999 (CDD#99-0002). The entire CDD#4 covers an area of approximately 275 acres in total, roughly coinciding with the area known as the Mark Center today. It includes all of the property west of Seminary Road, south of North Beauregard Street, north of Interstate 395, and east of Roanoke Street, including the Winkler Botanical Preserve, the apartments referred to today as "Town Square at Mark Center," Ferdinand T. Day Elementary School, and the BRAC-133 (Washington Headquarters Service) building. The Hamlet Shopping Center, north of North Beauregard Street, was included in the original CDD#4 approval but was later rezoned to CDD#21.

The CDD#4 Conceptual Design Plan approval included vacant properties as well as those already developed in 1995, such as the Hilton hotel at 5000 Seminary Road. The CDD Conceptual Design Plan was divided into different "areas" or "plazas," like the "landbays" used more recently in projects such as Potomac Yard, and which sometimes contained more than one parcel of land. In the most recent CDD#4 approval, the Hilton site did not belong to a particular "area" or "plaza." The IDA site was included with other properties as part of "Plaza I", which was further divided into "Plaza I-A" and "Plaza I-B." All of Plaza I was vacant at the time of the original CDD approval in 1995.

The CDD#4 Conceptual Design Plan specified maximum FAR, maximum building height, and the uses that would be allowed at each site or each area/plaza. The Hilton site was limited to the FAR, height, and uses as they already existed in 1995. In Plaza I, including the IDA site, the limitations were expressed as one set of regulations that applied to all properties in that group. All properties in Plaza I-A were expected to share the "lump sum" of 2.23 million square feet of approved development. However, the CDD approval itself was silent regarding how that square footage would be divided, leaving further decisions for the DSUP approvals that would follow for individual buildings. The 2.23-million square feet of development approved in the CDD for Plaza I-A corresponded to a 2.0 FAR, or approximately a 1.0 FAR when combined with other properties in CDD#4 and the required open space at the Winkler Botanical Preserve. Similarly, an allowance for additional building height for two buildings within Plaza I-A (above the 150-foot limitation available to all properties) was approved without specifying which buildings would receive the additional building height. A summary of the maximum FAR, maximum building height, and uses allowed in the most recent CDD#4 Conceptual Design Plan approval from 1999 for the Hilton site and Plaza I are listed in Table #1-A on the following page.

5000 Seminary Road & 4880 Mark Center Drive

Table #1-A: CDD#4 Conceptual Design Plan – 1999 Approval

	Building Area/FAR	Maximum Height	Uses
Hilton Site	594,300 SF (1.06 FAR)	65 feet (conf. center) 320 feet (remaining)	Hotel
Plaza I (both I-A & I-B)	2.23 million SF (2.0 FAR)	150 feet, except two buildings may extend to 250 feet	Residential, Commercial and Office

DSUP Approvals (Plaza I)

City Council first approved a development proposal for Plaza I of CDD#4 in 1998 pursuant to SUP#97-0164. This approval anticipated several office buildings to be built out over multiple phases. Since that time several amendments have been approved to reflect changes desired by property owners, such as one in 2000 that included a 15-year expiration date for the DSUP approval. In June 2009, City Council approved DSUP#2007-0027 that slightly increased the amount of building area permitted at the IDA site to 368,400 square feet and split the allowable office space into two buildings. Most recently, in September 2015, City Council approved DSUP#2015-0006 to extend the 15-year expiration date of the DSUP another three years. That approval expired in September 2018 without new construction having occurred at the IDA site.

BRAC-133 Building & CDD#4 Adjusted Total Buildable Area (Plaza I)

One of the largest changes in Plaza I of CDD#4 occurred when the United States Department of Defense (DoD) relocated its Washington Headquarters Service into a new building at the Mark Center, along with over 6,000 workers, in 2011. The new building, which measures 17 stories in height and contains approximately 1.38 million square feet of office space, is also known as BRAC-133. It was built on the southern side of Plaza I-A, adjacent to Interstate 395. An approximately 350,000-square foot, above-grade parking garage was constructed to the north/northeast of that building on the last remaining vacant parcel in adjacent Plaza I-B.

Given that it is owned by the Federal Government, the BRAC-133 project was not required to meet the City's land-use requirements. The 1.73 million square-foot complex used virtually all of the approximately 1.74 million square feet of office space left at the time, after accounting for existing buildings, in the "lump sum" of density anticipated for Plaza I in the CDD#4 Conceptual Design Plan approval from 1999. Only a small amount of square footage was left in the CDD approval for development of the remaining vacant property in Plaza I – the IDA site.

The circumstance of the Federal Government using for the BRAC-133 building more than its share of the "lump sum" of building area allowed in the approved DSUP for Plaza I – and virtually all of what was remaining at the time in the approved 1999 CDD Conceptual Design Plan – is unique. Staff has taken the position that this additional square footage at BRAC-133 that was not built to City land-use requirements should be attributed to the BRAC-133 building itself rather than being held against the property owner of the IDA site today. The baseline square footage that should be allotted for the IDA site in the existing CDD#4 Conceptual Design Plan approval today is therefore the 368,400 square feet anticipated for the site in DSUP#2007-0027. Although that DSUP has expired, the 368,400 square feet nonetheless represents the most recent square footage approved for the IDA site before the BRAC-133 building was constructed. The total Plaza I square footage, either constructed or allowable today, has therefore been adjusted in this report to attribute building floor area to the IDA site and to include the additional square feet constructed at the BRAC-133

5000 Seminary Road & 4880 Mark Center Drive

building. The purpose is to provide the most accurate representation of the baseline square footage in the CDD Conceptual Design Plan area today, from which the current applicants are requesting changes. Table #1-B below shows the updated existing/allowable building area for Plaza I. The adjusted total of 2.58 million square feet of existing or allowable building area shown below therefore should replace the 2.23 million square-foot total expressed in Table #1-A for Plaza I.

	Square Footage	Plaza I FAR
Existing Buildings Constructed Pre-BRAC-133	484,000	
BRAC-133 Building (including parking garage)	1,730,000	
Subtotal	2,214,000	1.99
IDA Allowance	368,400	
Adjusted Total	2,582,400	2.32

Table #1-B: CDD#4 Existing/Allowable Building Area Today (Plaza I Only)

Master Plan Amendment #2021-00005

Last month, City Council approved Master Plan Amendment (MPA) #2021-00005, for which the City was the applicant. The MPA included three clarifications to the Beauregard Small Area Plan (SAP). The first change allowed for land-use recommendations consistent with the existing land-use map in the Plan (Figure 24) for all Plan areas without an explicit land-use recommendation up to that point. Similarly, the second change allowed for maximum building height recommendations consistent with existing zoning for those properties in the Plan without an explicit height recommendation up to that time. Finally, the third change clarified that the specific property at 4880 Mark Center Drive (IDA site) should not be listed on office-only maps and that residential and commercial uses should be added to office as recommended land-uses for that property since those two uses are also allowed in the CDD Conceptual Design Plan and the CDD#4 zone table (Section 5-602(A) of the Zoning Ordinance) today.

All three recent revisions to the Beauregard SAP applied to the two sites that are the subject of the current requests. As a result of the first and third changes, both sites now have an explicit land-use designation in the SAP: hotel (for the Hilton site) and residential, commercial and office (for the IDA site). As a result of the second change, both sites now also have an explicit maximum building height recommendation: those allowed by zoning, which is 65 feet and 320 feet at the Hilton site and 150 feet (with up to two buildings being allowed to extend up to 250 feet) at the IDA site.

However, none of the changes that the applicants seek now in their own MPA (and part of the current request) were a part of the City-led MPA approved last month. The purpose of last month's request was to adjust or correct the three noted matters in the Beauregard SAP for affected properties – both the subject sites and, in some cases, many other properties as well – to ensure that all properties in the Plan area have clear land-use and maximum building height recommendations.

C. Adjacent Properties in Mark Center

4850 Mark Center Drive

The Institute for Defense Analyses (IDA or "the Institute") owns both the "IDA site" at 4880 Mark Center Drive as well as the property immediately to the west at 4850 Mark Center Drive. The latter property is improved with a 270,000 square-foot office building that the Institute will occupy until next year, when it will move to a new office building in Potomac Yard. In May 2020, the City signed a lease with the Institute to occupy the entire building with the consolidated offices of the Department of Community and Social Services, the Alexandria Health Department, and a community health non-profit agency. In July 2020, City Council authorized the purchase of the building after a finding that doing so would be more cost-effective than leasing across the 15-year lease term. Those negotiations are currently ongoing and, as of this writing, the City has not purchased the property.

4900 Seminary Road

An office building was approved at this site, located to the south and east of the subject sites near the intersection of Seminary Road and Interstate 395, in the early 1980s pursuant to SIT84-0036. Consequently, it had already been constructed when it was included in the original CDD#4 approval in 1995. In June 2019, the property owners expressed interest to the City in converting the office building for residential use. Staff indicated that such a conversion was allowable with only administrative-level reviews, provided that the building height remains the same and that changes to the building square footage are minimal. City approval to convert the building to residential use has been administratively approved and construction work is ongoing at the site today.

D. Future Transportation Projects

West End Transitway / Transit Center Expansion

Consistent with recommendations in its Transportation Master Plan, the City is implementing a Bus Rapid Transit (BRT) system known as the West End Transitway to provide high-capacity transit service using a combination of dedicated and shared lanes and enhanced stations with rider amenities. The future transit corridor route is expected to run along Mark Center Drive and Mark Center Avenue between the two sites, with a stop at the Mark Center Transit Station. An expansion of the existing station to an area across the street adjacent to the Hilton site, which would include four to five additional bus bays, is planned to accommodate the West End Transitway, a future eastern terminal for the Route 7 BRT line, and additional DASH and Metrobus service.

The West End Transitway project was awarded funding from the Commonwealth Transportation Board in June 2019 and design work for the first phase of the BRT project will begin later this year. Preliminary design work for the transit center expansion at Mark Center has not yet begun and is estimated to occur in the next few years. As such, the configuration of the bus bays and the amount of land needed to accommodate them are still unknown. This information is expected to be available to coincide with the applicants' future submission of the necessary Development Special Use Permit (DSUP) for new construction on the Hilton Site. Staff intends to request a land dedication along Mark Center Avenue for the transit center expansion as part of that future DSUP.

Ellipse Re-Evaluation Study

At the time of its adoption in 2012, the Beauregard Small Area Plan anticipated the need for traffic-related improvements at the intersection of North Beauregard Street and Seminary Road, immediately adjacent to the Hilton site. One of the largest of these improvements is known as "the Ellipse", or an elliptical-shaped re-design of the intersection, to improve traffic flow. However, in the nine years since the adoption of the Plan, the anticipated redevelopment prompting the need for the Ellipse has not occurred and is not expected to occur into the future.

Transportation & Environmental Services (TES) staff has therefore embarked upon an "Ellipse Re-Evaluation Study" to determine whether the Ellipse is still needed, or if other traffic and transportation improvement projects are warranted. Staff is currently evaluating "existing conditions" by modeling the study intersection's performance using updated traffic counts in pre-Covid conditions. This evaluation, to be used as a baseline for future assumptions and projections, is expected to be complete in about one month. The full study is slated to be complete by fall 2022.

E. Project Evolution

Early proposals for this project involved rezoning and subdivision requests for the Hilton site alone. Staff encouraged that site's owner to keep the property within the existing CDD#4 zone, and instead consider requesting revisions to the associated CDD Conceptual Design Plan. Shortly after receiving a CDD Conceptual Design Plan amendment Concept submission for the Hilton site, staff also received a similar submission from the property owner of the IDA site. Although they are different sites with different owners, the two properties are located in the same approved CDD Conceptual Design Plan (CDD#99-0001). Staff could not bring forward two separate requests to amend the same CDD Conceptual Design Plan at the same time and asked the applicants to combine the two submissions into one, which they agreed to do.

III. PROJECT DESCRIPTION

The applicants, CRP Mark Center Hotel, LLC, and Institute for Defense Analyses, request approval of a Master Plan Amendment, CDD Conceptual Design Plan amendment, and a subdivision to allow for future development of two separate parcels of land in CDD#4. As previously described, the property at 5000 Seminary Road is described as the "Hilton site" and the property at 4880 Mark Center Drive is described as the "IDA site." The subdivision request would divide the Hilton site into two parcels: Lot 501 and Lot 502, which correspond with Area III-A and Area III-B, respectively, of the CDD Conceptual Design Plan amendment. A fourth application, for which the Department of Planning & Zoning is the applicant, is a Zoning Text Amendment necessary in connection with the CDD Conceptual Design Plan amendment.

Master Plan Amendment

The Master Plan Amendment contains two parts, both of which would recommend additional uses for the portion of the Hilton site known as Area III-B as well as the IDA site. The Beauregard Small Area Plan currently only recommends hotel uses at the entirety of the Hilton site. As a result of the City-led Master Plan Amendment (MPA#2021-00005) that City Council approved last month, the Beauregard Small Area Plan (SAP) currently recommends residential, commercial and office for the IDA site. The applicants now request approval to add residential, commercial, office, and continuum of care uses as recommended uses for Area III-B of Hilton Site and to add hotel

and continuum of care uses at the IDA site. The result would be that the SAP would recommend the same five uses both sites: residential, commercial, office, hotel, and continuum of care. The portion of the Hilton site on which the hotel would remain, Area III-A, would be unchanged and therefore continue to carry a recommended land-use of hotel only.

CDD Conceptual Design Plan Amendments

The applicants have requested a Coordinated Development District (CDD) Conceptual Design Plan amendment that contains a total of six individual amendments. Some of these individual parts affect both sites while others impact just one, a portion of one, or some combination thereof. Each of these individual amendments is detailed in the list below.

1. Add allowable uses to the CDD for both Area III-B of the Hilton site and to the IDA site.

Like the Master Plan Amendment request, the applicants have requested to add allowable uses in the CDD Conceptual Design Plan such that both Area III-B and the IDA site would allow the same five uses: residential, commercial, office, hotel, and continuum of care. More specifically, the applicants have requested to add residential, commercial, office and continuum of care to Area III-B and hotel and continuum of care to the IDA site.

2. Increase the maximum allowable FAR to 1.5 for Area III-A of Hilton site and to 2.5 for Area III-B.

The CDD#4 Conceptual Design Plan limited development already existing in the CDD to those densities (and heights and uses) as they existed in 1995, when the original CDD was approved. For the Hilton site, this means that the existing floor area ratio (FAR) of 1.06 cannot be increased to allow more floor area or to create smaller parcels at Area III without a CDD amendment. The applicants have requested a maximum FAR of 1.5 for the existing hotel to remain on the smaller, and newly created Lot 501 (Area III-A). It has requested a maximum FAR of 2.5 for the future new building that it plans for Lot 502 (Area III-B).

3. *Increase the maximum allowable building area at the IDA site.*

In the most recent, pre-BRAC-133 DSUP approval, a total of approximately 368,400 square feet of office space was approved for the IDA site. As previously explained, staff has used this figure as the new baseline amount allowed for the site in the CDD#4 Conceptual Design Plan today given that the BRAC-133 building used virtually all of the remaining building area in Plaza I when it was completed in 2011 without needing to conform to the City's land-use regulations. Using this baseline, the applicants are now requesting to increase the maximum allowable building area for the IDA site by approximately 82,487 square feet, allowing for a future new building totaling up to 450,887 square feet. The additional square footage is approximately equivalent to the amount of structured parking that may be necessary for the future building. According to the applicants, this building area has been included the CDD Conceptual Design Plan amendment given that above-grade parking garages had previously been deductible from FAR calculations in the Zoning Ordinance.

4. Increase the maximum allowable building heights at Area III-B and the IDA site.

The same provision that limits the Hilton site to the density and uses from 1995 also limits the maximum building height at the site to what existed 26 years ago. The only portion of the existing Hilton hotel on the Area III-B portion of the site is the conference/retreat center, which has a maximum height of 65 feet. The applicants therefore seek to increase the allowable height in the CDD from 65 to 100 feet for a future building or buildings to be constructed pursuant to a future DSUP approval. At the IDA site, the applicants are seeking to use the provision in the CDD#4 zone table that would allow up to two buildings to extend above the ordinary 150-foot maximum building height to as much as 250 feet – but is only requesting a CDD amendment to allow up to 180 feet. The request would therefore increase height at Area III-B and the IDA site by 30 feet and 35 feet, respectively.

- 5. Allow future development in the CDD Conceptual Design Plan area to proceed in separate phases; and
- 6. Extend the CDD Conceptual Design Plan expiration date, by which development plans must be submitted, from two to five years.

The final two CDD Conceptual Design Plan amendments are technical requests that are common for CDD Conceptual Design Plan approvals. Section 5-603(A)(2) of the Zoning Ordinance requires that all areas of a CDD Conceptual Design Plan must obtain development approval (i.e. DSUP approval) at the same time unless approval is granted in the CDD to allow the project to move forward in different phases. The applicants are now seeking such approval to allow the two sites to move forward in separate phases. Section 5-604(J) of the Zoning Ordinance limits the submission of development approval to no longer than two years from the approval date of the CDD Conceptual Design Plan. The applicants are requesting that the extension of that limitation to five years instead of two.

Subdivision

The subdivision request would divide the one property at 5000 Seminary Road, or the Hilton site, into two new parcels, Lots 501 and 502, which coincide with Areas III-A and III-B, respectively, of the CDD Conceptual Design Plan. Proposed Lot 501, on which the Hilton hotel would remain, would measure a total of 360,208 square feet (8.27 ac) and continue to have frontage on North Beauregard Street, Seminary Road, Mark Center Avenue, and Mark Center Drive. Proposed Lot 502, which contains the existing hotel conference/retreat center that would be demolished for a future new development, would measure 198,820 square feet (4.56 ac) and have frontage on Mark Center Avenue and Mark Center Drive.

IV. ZONING TEXT AMENDMENT

The Department of Planning & Zoning is also bringing forward as part of the current project a request to amend the CDD#4 zone table to accommodate the new maximum FAR limitation of 1.5 and 2.5 for Areas III-A and III-B, respectively, and to add hotel and continuum of care uses as allowable in the zone. The zone table is also making clear that retail shopping establishments and personal services are allowed for consistency with the Zoning Ordinance rather than the currently-used "retail service" term. No other changes to the CDD#4 zone table are requested. The proposed revised CDD#4 zone table can be found in Attachment #1 of this report.

V. **ZONING**

The subject site has been zoned CDD#4 / Coordinated Development District #4 since 1995, when the zone was originally created and the CDD Conceptual Design Plan was approved as part of CDD#95-0001. Currently, the OC, CG, and RA zones apply to various portions of CDD#4 as the "underlying zone" if not developed pursuant to a CDD (Development) Special Use Permit. With a CDD (Development) Special Use Permit, the zone allows for a maximum floor area ratio (FAR) of 1.0 except that buildings existing in 1995 are to remain at their existing densities. The maximum allowable building height is generally 150 feet, except that up to two buildings may be allowed to extend up to 250 feet in height. Uses currently allowed in CDD#4 with a CDD (Development) Special Use Permit are existing uses, office, retail, public schools, and residential. As noted previously, some of these existing provisions in the CDD#4 zone table have been revised as part of the Zoning Text Amendment #2021-00005 included in this request.

Consistent with Section 5-604 of the Zoning Ordinance, approval of a CDD Conceptual Design Plan is required for development located in a CDD. The approved Conceptual Design Plan for CDD#4, from 1999, includes zoning provisions applying to both the Hilton and IDA sites that either match or are more restrictive than what is contained in the CDD#4 zone table.

Table #2 on the following page outlines the existing and proposed zoning for both sites that are the subject of this proposal. Unless otherwise stated, the regulations are based upon the existing CDD Conceptual Design Plan approval from 1999.

Table #2: CDD/Zoning Requirements

Property Addresses:	5000 Seminary Road (Hilton site) 4880 Mark Center Drive (IDA site)							
Total Site Area:	559,037 square feet / 12.83 acres (Hilton site) 177,144 square feet / 4.07 acres (IDA site)							
Current Zone:	CDD#4 / Coordinated Development District #4							
Current Uses:	Hotel (Hilton site) / Vacant (IDA site)							
Proposed Uses:	Residential, Commercial, Office, Hotel and Continuum of Care (both sites)							
	Permitted / Required in CDD Conceptual Design Plan			Proposed				
		Plaza I		Hilton Site		Plaza I		
	Hilton Site	IDA Site	Total Plaza I	Area III-A	Area III-B	IDA Site	Total Plaza I	
Lot Area	559,037 SF (12.83 ac)	177,144 SF (4.07 ac)	25.6 acres	360,208 SF (8.27 ac)	198,829 SF (4.56 ac)	177,144 SF (4.07 ac)	25.6 acres	
Max FAR / Max Building Area	594,300 SF (1.06 FAR)	368,400 SF*	2.23 million SF (2.0 FAR)** 2.58 million SF (2.32 FAR)****	535,595 SF (1.5 FAR)	497,072 SF (2.5 FAR)	450,887 SF	2.31 million SF (2.07 FAR)*** 2.66 million SF (2.39 FAR)****	
Max Building Height	320 feet (Area III-A) 65 feet (Area III-B)	150 / 250 feet*****		320 feet	100 feet	180 feet	N/A	
Uses	Hotel	Residential, Office, and Commercial		Hotel	Residential, Office, Commercial, Hotel, and Continuum of Care			
Minimum Open Space	None currently specified. New minimum requirement is 25% as a new condition of approval.	Open space provided at adjacent Winkler Preserve		42%	25%	N/A	N/A	

^{*} As adjusted to reflect square footage approved in last pre-BRAC-133 DSUP approval.

^{**} This figure excludes the additional square footage built at BRAC-133 above the 1999 allowance. Also note that the 2.0 FAR for Plaza I is also expressed as being a 1.0 FAR in the 1999 CDD staff report when Plaza I, other development sites, and the open space at the Winkler Botanical Preserve are all counted together.

^{***} This figure <u>excludes</u> the additional square footage built at BRAC-133 above the 1999 allowance and <u>includes</u> the additional SF that the applicants are requesting now at the IDA site.

^{****} This figure includes the additional square footage built at BRAC-133 above the 1999 allowance.

^{*****} This figure <u>includes</u> the additional square footage built at BRAC-133 above the 1999 allowance <u>and</u> the additional SF that the applicants are requesting now at the IDA site.

^{*****} Although not approved for the IDA site in current CDD Conceptual Design Plan for the IDA site, two buildings may increase from 150 to up to 250 feet in height according to CDD#4 zone table.

VI. STAFF ANALYSIS

Staff supports the land-use requests for a Master Plan Amendment, Coordinated Development District (CDD) Conceptual Design Plan amendment, subdivision, and text amendment. The current proposal would allow for the future redevelopment of Mark Center, initially approved as an office park, with a greater diversity of uses than existing today and in a location immediately adjacent to the future West End Transitway. The requests support the goals of the Beauregard Small Area Plan while providing several community benefits, many of which would be tied to the actual development of new buildings pursuant to separate DSUP approvals in the future.

A. Master Plan Amendment

Staff supports the request for a Master Plan Amendment (MPA) to add to the land-use designations for both sites in the Beauregard Small Area Plan, which would ultimately result in the same list of recommended uses for each property: residential, commercial, office, hotel, and continuum of care. The addition of these new recommended land uses is reasonable and would support the major elements of the SAP that implement its vision statement. One of these elements is the integration of transit, land use, and urban design — more specifically defined as the provision of an urban mixed-use development pattern around transit stops. Another element is the encouraging of a diversity of uses and housing in the Plan, including neighborhood-serving uses for nearby residents and opportunities for affordable housing.

The proposal generally, and the MPA specifically, would help to diversify the mix of uses in the Mark Center area – which tilts heavily toward office uses today. Included within that new mix of uses is the potential for neighborhood-serving retail and personal service uses. The introduction of residential uses to the Area III-B portion of the Hilton site offers an opportunity for additional affordable housing as discussed in greater detail later in this report. It is also important to note that these new uses would be introduced at two sites located immediately adjacent to the future West End Transitway stop.

B. CDD Conceptual Design Plan Amendments

Staff also finds that all six elements of the Coordinated Development District (CDD) Conceptual Design Plan amendment are reasonable and supportable as described in greater detail below. An analysis of the project for consistency with the CDD review standards (Section 5-606 of the Zoning Ordinance) can also be found in Attachment #2 of this report.

Additional Density/Floor Area

One of the most significant of the six elements of the CDD Conceptual Design Plan amendment is the request to add density at both sites. First, it should be noted that some of the final floor area proposed for the sites would not be new. At Area III-B of the Hilton site, the existing 58,705 square-foot hotel conference/retreat center would be removed. At the IDA site, 368,400 square feet of building area has already been deemed to be allotted to that site following construction of the BRAC-133 building. The total additional building area being requested now for the CDD Conceptual Design Plan amendment is 82,487 square feet at the IDA site and 438,367 square feet at Area III-B of the Hilton site – for a total across both sites of 520,854 square feet. Consequently,

although future new buildings are anticipated to measure approximately 497,000 square feet (Area III-B) and 450,000 square feet (IDA site) in size, some of that density to be constructed in the future would not be new within the CDD Conceptual Design Plan.

The additional density being sought here in the CDD Conceptual Design Plan, while moderate in size, is appropriate for these two properties. The Hilton site is currently developed at a 1.06 FAR, which is relatively low for a property close to a future bus rapid transit line and an interchange at Interstate 395. The increases that the applicants seek, in combination with the subdivision request, would result in an increase to 1.5 FAR for the site on which the hotel would remain (Area III-A) and 2.5 FAR for the future new development (Area III-B). Plaza I, of which the IDA site is a part, has been approved for a 2.0 FAR (not including the Winkler Tract or the additional density BRAC-133 built above the CDD Conceptual Design Plan allowance) and additional density that the applicants seek to add at the IDA site would increase it only slightly, to 2.07. (As noted in Table #2, the inclusion of the additional density constructed at BRAC-133 above the CDD Conceptual Design Plan allowance plus the applicants' current request results in an FAR of 2.39.)

These maximum FAR figures are supportable given that they are generally consistent with the approved maximum FAR seen elsewhere in in the area. For example, the approved FAR at the Blake, the Monday Properties multifamily residential project at 2000 North Beauregard Street, and at Southern Towers is 2.15 each. The approved FAR for the Spire, at 2280 North Beauregard Street, is 1.82 while the zone for that property allows up to a 2.5 FAR. The most recently approved project in the general vicinity, a new multifamily residential building at Newport Village, has an approved FAR of 2.3. The approved FAR for Goodwin House and the West Alex project at the intersection of King and North Beauregard Streets is also 2.5.

Additional Height

The requests for additional height in the CDD Conceptual Design Plan for Area III-B and the IDA site are also supportable. The increases that the applicants seek are relatively modest: from 65 feet to 100 feet at Area III-B and from 150 feet to 180 feet at the IDA site – with the total increase of 35 and 30 feet, respectively. The new maximum heights are also consistent with the CDD#4 zone table, which allows for a maximum building height of up to 150 feet, except that height may be extended to 250 feet for up to two buildings. Neither of the two existing buildings in CDD#4 exceeding the typical 150-foot building height have made use of this provision given that the Hilton hotel was built before the CDD was established and the BRAC-133 building did not need to adhere to City land-use regulations. The additional height provision is therefore available to be incorporated into the CDD Conceptual Design Plan provisions for the IDA site.

Staff has also compared the 100-foot and 180-foot building heights proposed here to the building heights for other properties nearby. The maximum building height approved at the Newport Village and Monday Properties projects is 92 and 98 feet, respectively. Goodwin House extends to 150 feet, as do all of the existing office buildings within Plaza I of the CDD (except for the BRAC-133 building). The BRAC-133 building contains 17 stories (over 200 feet tall) and the Hilton hotel measures 320 feet in building height. Staff concludes that, since the CDD Conceptual Design Plan amendment proposal of 100 feet and 180 feet falls within the range existing elsewhere in the vicinity, the two sites are appropriate locations for the requested additional building height.

Additional Uses

The request to add new uses to the CDD Conceptual Design Plan as part of this amendment is also appropriate for the reasons previously described in the Master Plan Amendment section of this report. Diversifying uses in this area that contains a preponderance of office buildings represents good urban planning practice generally and is a goal of the Beauregard Small Area Plan.

Technical Requests

Staff has no objection to the two technical requests that are a part of the CDD Conceptual Design Plan amendment. The proposal to allow future development to proceed in different phases from each other is very common within CDDs. It also makes practical sense in this instance given that the two subject sites are owned by different entities and are mostly surrounded by properties that have already developed. The request to extend the time period – from two years to five years – in which all development plans (DSUPs) must be filed or the CDD amendment expires is also a common request in CDDs. Five years is a reasonable timeframe to expect all requests for development to be filed given the number of sites involved (two) and their size.

C. Subdivision

Staff supports the subdivision request to divide the Hilton site from one parcel into two. The two new lots (Lots 501 and 502) comply with lot requirements given that no such requirements exist in the CDD#4 zone. The only impact from the subdivision on existing structures is that it increases the existing floor area ratio (FAR) for the Hilton hotel building, a situation that is proposed to be remedied in this project through an increase in maximum allowable FAR to 1.5 for Area III-A/Lot 501 in both the CDD Conceptual Design Plan and the CDD#4 zone table. The proposal is consistent with the regulations of Section 11-1700 of the Zoning Ordinance and would not preclude redevelopment envisioned in the Beauregard Small Area Plan.

Staff has compared the proposed new lots to the existing lots in the immediate area. Existing lots nearby exhibit a variety of lot sizes, frontages and orientations toward the street and lack a uniform character. This circumstance is expected to occur in areas like this one that are located in zones without lot size and frontage requirements. Staff concludes that neither of the new lots would be out of character in an area without a regular lot pattern and are reasonably sized for future development.

D. Zoning Text Amendment

The proposed Zoning Text Amendment, for which the Department of Planning & Zoning is the applicant, is a reasonable extension of the applicants' proposals for the two subject sites. The first notable change, to increase the maximum allowable FAR to 1.5 for Area III-A (on which the Hilton hotel would remain) and to 2.5 for Area III-B (which would be redeveloped in the future), is consistent with the CDD Conceptual Design Plan amendment proposal for that portion of the project. The second notable change, also consistent with the CDD Plan amendment proposal, would explicitly add hotel and continuum of care uses to the list of uses allowed with a CDD Special Use Permit. Staff had also slightly adjusted language regarding retail and personal service uses for consistency with today's Zoning Ordinance language. The rest of the CDD#4 zone table, shown in Attachment #1, would remain unchanged.

E. Affordable Housing

The applicants are seeking density in excess of what is permitted today in CDD #4 and requests that a mix of uses, including residential and senior housing, be permitted in future DSUP proposals. City Council approved an update to the City's Affordable Housing Contribution Policies and Procedures on December 12, 2020 regarding projects seeking density in excess of the density permitted in the underlying small area plan, senior housing projects, and commercial to residential building conversions. The updated policies and procedures, as modified by future amendments, will apply to future DSUPs submitted under this CDD.

With respect to the Hilton site, density up to 58,705 square feet constitutes the site's base development for the purposes of calculating the affordable housing contribution. Residential density in excess of 58,705 square feet will be required to provide a percentage of units as affordable housing consistent with city policy in effect at the time. For example, if the 2020 policy is in effect at the time future DSUPs are submitted, eight percent of non-age restricted residential density requested in excess of 58,705 square feet would be provided as onsite affordable housing.

With respect to the IDA pad site, all density up to 368,400 square feet constitutes the site's base development for the purposes of calculating the affordable housing contribution. Residential density in excess of 368,400 square feet will be required to provide a percentage of units as affordable housing consistent with city policy in effect at the time. For example, if the 2020 policy is in effect at the time future DSUPs are submitted, eight percent of non-age restricted residential density requested in excess of 368,400 square feet would be provided as onsite affordable housing.

Pursuant to the Beauregard Small Area Plan, developer contribution funds remaining after planned infrastructure improvements are made will be available for investments in affordable housing, including buying down affordable units in market-rate buildings, subject to agreement by the applicants and Director of Housing.

The applicants presented their Affordable Housing Plan (AHP) to the Alexandria Housing Affordability Advisory Committee (AHAAC) on September 2. The Committee voted to approve the AHP dated August 25, 2021.

F. Beauregard Developer Contribution / Other City Policies

Several City policies commonly discussed in connection with land-use applications, such as the Green Building Policy and the Public Art Policy, would only apply in the future when DSUP submissions are requested for individual buildings and under the policy terms in effect at that time. However, one policy that staff has considered in particular in connection with the CDD Conceptual Design Plan amendment is the Beauregard Implementation Fund contribution, which was approved shortly after the 2012 Beauregard Small Area Plan.

Beauregard Developer Contribution

Developer contributions to the Beauregard Implementation Fund are based on the estimated costs to provide several major infrastructure improvements identified in the Beauregard Small Area Plan (SAP) that are intended to serve the area, including the Ellipse and the West End Transitway. Staff acknowledges certain individual improvements, such as the Ellipse, may be significantly revised

in the future or be deemed no longer be necessary. At the present time, however, the contribution rates remain the same as those previously approved.

Consistent with the adopted formula, the contribution expected from developments seeking density above the Small Area Plan recommendation, or current zoning allowances, is \$13.56/square foot in 2021 dollars. This rate represents the combination of a base contribution rate of \$11.56/square foot and a "neighborhood" contribution rate of \$2/square foot. The applicants are currently seeking a density increase in the CDD Conceptual Design Plan of 520,824 square feet. This figure excludes the to-be-demolished Hilton conference/retreat center and the 368,400 adjusted square feet that would be allowed today in the CDD Conceptual Design Plan for the IDA site. The total contribution for both sites amounts is therefore estimated to be up to approximately \$7 million.

Depending on the timing of the future DSUPs, the requested density and uses, and the policies in place, there is a maximum potential of an additional \$8.2 million affordable housing contribution, above the Beauregard Implementation Fund. Consistent with Condition #29, the applicable contribution would be due at the time of construction of the new floor area and after future DSUP approval.

G. Traffic

To determine the potential for traffic impacts on the surrounding area from the future new buildings envisioned at the two subject sites, the applicant of the future Development Special Use Permits would be required in Conditions #19 and #20 to submit either a standard Multimodal Transportation Impact Analysis or a traffic memorandum to the satisfaction of the Director of Transportation & Environmental Services and in coordination with the City's Ellipse Re-Evaluation Study. Staff may be able to share with the applicant some of the pre-pandemic traffic data that it is using as part of its Ellipse Re-Evaluation Study.

Recommended Condition #11 of this CDD approval would also require the applicants of the current request to dedicate just over 5,000 square feet of land in three locations around the portion of the Hilton site on which the hotel would remain (Area III-A). As provided for in the condition, the dedication would only be required upon request from the City if it determines that additional public right-of-way is necessary for the Ellipse or other transportation-related improvements that may be recommended adjacent to the site once the Ellipse Re-Evaluation Study is complete.

H. Sewer Capacity

Staff has completed a preliminary sanitary sewer capacity analysis for the vicinity of the Hilton and IDA sites. The preliminary analysis reveals that adequate capacity would continue to exist in the area upon the construction of two new buildings measuring approximately 450,000 square feet (IDA site) and 500,000 square feet (Area III-B of Hilton site), consistent with the requests in the current CDD Conceptual Design Plan amendment. This analysis has used certain assumptions, such as other anticipated development projects, that the buildings would be requested for residential use, and that each residential unit would be 1,000 square feet on average. Developers of the future new buildings would be required to further demonstrate adequate sanitary sewer capacity in their DSUP submissions.

I. School Impacts

The applicants have not proposed a specific use as part of this CDD Conceptual Design Plan amendment and would be required to obtain approval of a DSUP in the future for such new buildings. However, if all new buildings are approved for multifamily residential use, it is estimated that an overall building area of 950,000 square feet would be constructed that would translate to approximately 951 new units. Of the 951 new units, it is estimated that up to 46 of them could be affordable units and 905 of them could be market-rate units. The most recent student generation rate for affordable housing units is 0.83 students per unit and for new, market-rate multifamily units the rate is 0.04 students per unit. The new development is estimated to yield, on average, a gain of 75 students. The students from this neighborhood would be included in the enrollment forecasts that are used to plan school capacity improvements. The neighborhood is in the attendance area for Ferdinand T. Day Elementary School and Francis Hammond Middle School.

VII. COMMUNITY

In addition to satisfying standard written notice requirements to abutting property owners, the applicants held a virtual community meeting to discuss the project on July 21st, which was advertised to nearby residents, property owners, and community groups, including Southern Towers. The owners of other properties within Plaza I, including the Washington Headquarters Service at the BRAC-133 building, and the Mark Center management were also notified of the request in July 2021.

The applicants presented the project to the Seminary West Civic Association meeting on September 15th. Information about the project was shared with the Beauregard Design Advisory Committee (BDAC) in August as an informational item. The request is scheduled to be discussed with the Federation of Civic Associations at its regular September 2021 meeting.

VIII. CONCLUSION

Staff recommends approval of the Master Plan Amendment, CDD Conceptual Design Plan amendment, subdivision, and Zoning Text Amendment proposals, subject to compliance with all applicable codes and the recommended conditions included in this report.

Staff: Robert M. Kerns, AICP, Division Chief, Development; Maya Contreras, Principal Planner; and Nathan Randall, Urban Planner.