

**WATERFRONT PLAN WORK GROUP
MEETING NOTES
Wednesday, October 26, 2011
8:00 – 11:00 AM
City Council Work Room**

MEMBERS - Present

Christopher Ballard, At-Large Member. Principal at McWilliams/Ballard.
Bert Ely, At-Large Member. Head, Ely and Company; Board Member, Citizens for an Alternative Alexandria Waterfront Plan and Old Town Civic Association.
Mindy Lyle, At-Large Member. Vice President Client Development, Haley & Aldrich, Inc.; and President, Cameron Station Homeowners Association.
Nathan Macek, Waterfront Committee Chair and Representative; and Transportation Consultant.
David Olinger, Old Town Civic Association Representative. Realtor; and Senior Foreign Service Officer (Ret.) with a background in urban planning.
Councilman Paul Smedberg, Non-voting City Council Representative and Work Group Convener.
Lt. Gen. Bob Wood, (Ret.), At-Large Member. Alexandria resident and Business Owner.

Absent with Excuse - Elliot Rhodeside, At-Large Member. Principal, Rhodeside & Harwell, a firm offering urban planning and landscape design with a focus on revitalization and sustainability.

FACILITATOR

Sherry Schiller, Ph.D., The Schiller Center.

CITY STAFF

Faroll **Hamer**, Director, Planning and Zoning (P&Z); James **Banks**, City Attorney; Joanna **Anderson**, Assistant City Attorney; Karl **Moritz**, Deputy Director, P&Z; Barbara **Ross**, Deputy Director, P&Z; Tom **Canfield**, City Architect, P&Z; Al **Cox**, Historic Preservation Manager, P&Z; Ben **Aiken**, Urban Planner, P&Z; Emily **Baker**, City Engineer, Transportation and Environmental Services (T&ES); Brian **Rahal**, T&ES; Jack **Browand**, Deputy Director, Department of Parks, Recreation and Cultural Affairs (RPCA); Cheryl **Lawrence**, Special Events Supervisor, RPCA; Jennifer **Harris**, Communications Officer, Communications; Sharon **Annear**, City Council Aide.

PUBLIC ATTENDEES – (Signed-in):

Gina **Baum**; Katy **Cannady**; Susan **Cohen**; John **Gosling** (OTCA); Janice **Magnuson** (Alexandria Archaeological Commission); K. **McVicker**; Sandy **Northrop**; Nina **Randolph**; Carl **Smith**; Robert **Taylor**; Van **Van Fleet**; Margaret **Wood**; Mike **Young** (Old Towne Gemstones); MEDIA Sign-in: Sharon McLoone (Old Town Alexandria Patch).

I. Opening

A. Welcome - Smedberg convened the meeting at 8:00 a.m. and Waterfront Plan Work Group (Work Group) members introduced themselves.

B. Meeting Overview - Smedberg indicated the meeting will cover the following:

- A series of organizational items;
- A presentation by Moritz related to Road Map items continued from last week's meeting with discussion among the Work Group led by Schiller; and
- Public Comment.

II. Organizational Items

A. Approval of October 12, 2011 Meeting Notes – Moved by Macek, seconded by Ballard, and approved by unanimous voice vote. Wood indicated that he has a comment related to the pierhead line that he will follow-up on after the meeting.

B. October 19, 2011 Meeting Notes – Notes were distributed for review.

C. Comment Board Summary – It was noted that the latest Comment Board Summary of new comments posted since the last meeting is included in the day's meeting packet. The summary consists of three brief comments, including a comment from a speaker at the October 12th Work Group meeting asking that her statement during the public comment period be clarified in the notes.

D. Updated Meeting Schedule – It was noted that the schedule includes the Work Group's change of the November 16th meeting from morning to evening at 5:30 pm. A question was raised as to whether the tentative meeting of November 30th could be changed to the evening. One member indicated that a change of the November 30th meeting to the evening would conflict with that member's travel arrangements already made to accommodate a morning Work Group meeting that day. Smedberg indicated that since the November 30th meeting is tentative the Work Group can wait to decide on any change in time.

E. Report Outline Update – Work Group members Macek and Wood briefly reviewed key elements of the Report Outline (Outline) which they drafted the previous weekend for the Work Group to review and approve, indicating the Outline is consistent with what has been previously discussed in that it is formatted as follows:

- Introduction
- Background on the Work Group and its Charge
- Vision Statement, and the Waterfront Plan's Goals and Objectives
- Plan Statements and Discussion in detail for each Topic Area (i.e., Plan Statement Areas)

- Findings and a Discussion on how well the Plan Statements align with the Waterfront Plan noting areas of Agreement and Disagreement
- Recommendations to be formatted consistent with the Work Group's Charge: (1) Plan Refinements for City Council consideration; (2) Additional Actions for City Council consideration now or later outside the Waterfront Plan arena; and (3) Implementation Actions that the City needs to take into account when implementing the Plan, namely actions which may not need to be codified in the Plan or through City Council action but which the City still needs to be mindful of.

In terms of additional potential topic areas, the purpose is to identify a placeholder for such topics that may need more research or that may be real points of contention to which the Work Group may or may not need to attach some sentiment.

It was noted that the Work Group will want to distill their discussions in a narrative form, so note taking will be important. With that, key elements of the discussions will need to be captured by the Work Group and brought back at the following meeting or shared through email, noting that the Work Group will be under a tight time crunch starting November 10th.

It was further noted that the Outline might help Smedberg in presenting the Work Group's Status Report to City Council on November 9th.

Smedberg indicated that he envisions the Status Report to include a combination of Work Group documents such as the vision statement, plan statements, outline for the report and schedule.

There was general consensus in support of the Outline among the Work Group, with some specific feedback as follows:

- Two members underscored the importance of discussion among the Work Group regarding what members like and do not like about the Waterfront Plan.
- Two members suggested inviting CAAWP to present its alternative to the Work Group.
- Two members indicated that limiting discussion of GenOn to a basic paragraph in the Waterfront Plan is sufficient since there are approximately 89 years remaining on the lease and therefore the property will not be in play for a while; another mentioned that at a City Council work session, the Planning and Zoning Department discussed a draft 2013 work program which includes a GenOn/Old Town North Small Area Plan and adding that it would be helpful to see a copy of the GenOn property lease, as it may contain a termination clause which could result in the redevelopment of the property sooner than anticipated.
- Smedberg indicated that the current Plan includes a paragraph on GenOn because he talked to the Department early on to ensure that access will continue to be protected on that site through connectivity of the trail whether the site gets developed or not. Another member indicated full agreement in terms of continued connectivity via the trail on the GenOn site, but added that connectivity also relates to streets and uses.

In response to hearing a desire by some for a need for more in-depth discussion, Schiller advised that successful negotiations regarding controversial issues begin with answering the question: “What are the criteria against which we will measure success?” She indicated that the Work Group recommendations to Council will be strengthened by referencing the Plan Statements the Work Group has developed for evaluating the elements of the Plan.

III-1. Road Map – Zoning - Questions/Responses (Responses in italics)

A. Zoning Questions raised today:

- How was the zoning for The Strand building determined? *The Strand was built before the 1992 zoning regulations for W-1 were in effect, changing the W-1 SUP from 2.5 to 2.0. Also, height measurements are now calculated differently. The Strand’s “effective FAR” of 3.5 is due to its parking; its actual FAR is about 2.5. The Waterfront Plan’s guidelines require parking to be onsite and underground; In addition, along with the height and BAR guidelines, that are now in place, the Waterfront Plan’s guidelines would require urban design features that would make the building more permeable, through the use of alleys, open space and height and building articulation.*
- Request to staff for a list of sample buildings on the waterfront that would not be allowed today and why.
- Request to staff to clarify the parking allocation for the Carr Indigo site for residential vs. hotel use, and also staff was asked why hotels are anticipated to generate less congestion than residential particularly given the Carr Indigo site is not near a mass transit center and will have a restaurant. *Staff will clarify the manner in which the residential spaces should be calculated and can also come back with the parking ratios for some existing hotels. Also, staff indicated that it should be remembered that hotels here aren’t always full; a 70% occupancy rate which is very good is the norm here but it is not full occupancy; and, also, the traffic circulation for hotels does not occur during peak commuting hours as it does for residential use.*
- Should the discussion change from three hotels to four when you consider the Turner site? *The Planning Commission put a limit on the number of rooms and not the number of hotels. Once the limit is met under the Plan then it has reached the maximum.*
- Request to staff for more future discussion relating to the nexus between density and amenities. Is more density the only approach a City can take to get amenities? *It was agreed that more discussion can occur.*

B. Follow-up Questions/Comments from October 19, 2011 (responses in italics):
Moritz indicated that as a follow-up from the October 19, 2011 meeting, a request was made to provide a chart which shows the differences in total square footages for the three sites under four alternative scenarios:

Existing Square Footage:	301,687 sf
Current Zoning with SUP:	651,049 sf
Settlement Agreement:	747,705 sf (Robinson Terminal North and South)
Waterfront Plan:	811,885 sf

This shows a difference of 349,362 sf between what is existing now and what is allowed under current zoning with an SUP; a difference of 96,656 sf between what is allowed under current zoning and the Settlement Agreement for the Robinson Terminal Sites; and a difference of 64,180 sf between the Settlement Agreement square footage and the Waterfront Plan.

- Why do the revised chart's measurements appear to differ from those on page 103 of the July 2011 draft Plan? *Staff will look at the differences more closely and get back to the Work Group but can say that Robinson Terminal's existing footage has been added into the chart.*

C. Road Map - Funding and Implementation Presentation – Karl Moritz, Deputy Director

Similar to the more recent small area plans, Moritz explained that costs and revenues for this Plan were generated to provide a rough judgment as to whether the Plan is feasible and can be implemented. Moritz indicated that, early on, the public expressed concern that the Plan had a lot of amenities and, consequently, questions were raised as to how the City would pay for it. Also, questions were raised as to whether the Plan's benefits would result in a need to raise the property tax rate. With that, the challenge was to show that the Plan is feasible from a financial point of view. As a result, the Plan is purposely conservative in terms of projected revenues.

More recently, a different set of concerns have emerged, first that perhaps the cost estimates are too high particularly in terms of property acquisition relative parks, museums and cultural institutions and, second, the notion that the Plan should pay for itself is being challenged by the idea that the waterfront is a city-wide amenity and therefore it is wrong to assume that the revenues from the Plan should be used to pay for it.

Moritz reviewed the methodology for developing costs and revenues, indicating that the process started with the use of industry experts who were brought in under contract in the required areas: Moffatt and Nichol (shorelines, piers and marine engineering); AECOM (landscape architecture and public space improvements); and URS (flood mitigation). The estimates from these experts were shared with the City's internal experts because the City does have experience in building parks,

marinas and in new building design and construction and, then, staff talked to other organizations in the region that have built similar projects. For museums, the process was similar and for land and building acquisition, assessed value was utilized.

The presentation also included summaries of the various alternative scenarios highlighting the costs and revenues (and revenue sources) associated with each, and it included an overview of the costs and revenue phasing program that would occur with a phased implementation.

D. Road Map – Costs/Revenues Comments and Questions/Responses posed prior, during and post the presentation (Responses in Italics):

- A request to staff for more discussion in the future relative the area of the environment and environmental costs. It was indicated that it would be helpful to get an understanding of the potential costs of environmental remediation that might be required for the private redevelopment sites or for any sites the City might acquire. *No discrete costs have been included for environmental remediation that might be required for private site development but; yes, those costs would be particularly important for property the City would acquire.*
- Are the bulkhead replacement costs broken down by area? *Yes; they are broken down into four areas: (a) Thompson Alley bulkhead; (b) Marina or Torpedo Area bulkhead; (c) Windmill Hill Park bulkhead; and (d) Point Lumley bulkhead.*
- Why is it appropriate to include the costs of Windmill Hill Park bulkhead replacement within the Plan's aggregate costs since the need to replace them has been before the City as a parks maintenance issue since 2004? Why should revenues generated under the Plan's elements be used to pay for a previously approved City parks maintenance budget item? *Macek responded to the above question indicating the Waterfront Committee requested that the Windmill Hill Park bulkhead be included in the Plan to help make it a priority of the City. He pointed out it is a needed improvement to the waterfront area even though it is part of a plan approved in 2004. He further indicated that currently funding for Windmill Hill Park's bulkhead is in the City's capital budget for FY2016 or FY2017; but, sources for all the necessary funds have not yet been identified.*
- Request to staff to provide a cash flow analysis for the first several years of the Plan. If revenues generated by waterfront commercial activities are insufficient (or not readily available in a timely manner) to pay for waterfront amenities in phase 1 of the Plan's implementation, what are other possible funding sources that could be utilized to promote progress for the waterfront during this time? For example, would the City consider floating a bond? *It was pointed out that later portions of the presentation addressed these issues to some degree.*

- When estimating potential revenue that might be available for waterfront amenities, is there information about similar revenue sources such as grants or private foundation funds that have been available for use by other localities undergoing recent waterfront revitalization? *Smedberg indicated that Council has discussed the fact that while municipalities in other states have had some state funding for their waterfront revitalizations, Alexandria cannot rely on state grants, as currently we are experiencing problems in receiving state funding even for some basic services.*
- Has consideration been given to the potential negative impacts, such as congestion, on Old Town property values in areas bordering or near higher density waterfront area – and how such a reduction might reduce revenue from property taxes? *Staff is unaware of data showing that congestion impacts property tax revenues. Places like Georgetown are congested because people want to live and visit there.*
- It was suggested that there is a need to consider revenues that are currently generated from existing properties at the waterfront, as the discussion of operation and maintenance of the waterfront is further pursued and that perhaps a “lock box” should be considered. *It was noted that those revenues are already being claimed for existing city-wide services and thus the reason they weren’t included. It was also noted that the approach of using net revenues is not new; for example, using the examples of the North Potomac Yard and Landmark Plans, the City estimated the potential revenue and applied them to the infrastructure costs anticipated for those plan areas respectively.*
- How is the assumption that residential uses generate more demand for city services than do commercial uses (such as hotels) factored into revenue estimates? *Staff recognizes that residential development typically requires more in City services than non-residential development. Staff chose not to make the distinction in the waterfront revenue estimates in part because that difference is mitigated for very high-end housing. Nevertheless, there is a difference and the estimates could reflect it.*
- It was noted that \$14 and \$17 million for land costs for the Robinson Terminal sites seems very low; another notation was that those figures likely reflect the need for remediation costs and that is why environmental costs are important. A related request was made of staff to provide the average cost per acre for the Robinson Terminal sites.
- Why is the cost for a new private cultural institution, which would house the Seaport Foundation and Art League, assumed to be covered only by City funding rather than, for example, those private organizations’ capital costs? *The costs for those elements are included but could be removed or modified, or, assumed to be funded from other sources.*

- Members discussed the timing of costs and revenues, noting that expenditures could be timed more closely with revenues, but local governments also have the option of using bonds to make early improvements that are repaid with an anticipated revenue stream. A member suggested considering the possibility of non-hotel, lower-density mixed-use redevelopment that could pay back improvement costs over a different timeframe and staff noted that this approach would require a longer timeframe than 25 years or reliance on other sources of revenue to make up the difference.
- What would be the next steps for the City marina? *The next step would be engineering and design.*

III-2 Plan Statements - Redevelopment Sites

The majority of Work Group members present agreed with the following statements as principles that a waterfront plan should reflect.

It was further noted that all of the statements will be revisited, that they can be modified during future discussions, and that those members who have not been able to record their positions on a statement due to absence at a meeting will be able to record for the record whether they agree with those statements before the record is finalized.

1. **There should be some additional mixed use development on Alexandria’s waterfront.**

Agreed:	Wood, Olinger, Macek, Lyle, Ballard.
Agreed (11.2.2011 in writing):	Rhodeside
Disagree:	Ely

Discussion:

- Ely: Felt “additional” conveys an open-ended amount and wanted “should be” changed to “could be”.
- Lyle: Will not support a limit on development as alternative wording proposed might have suggested.
- Macek: Noted that “mixed use” refers to “aggregate uses along the waterfront” not to mixed use on every parcel.

2. **A plan should not decrease existing development rights of private property**

- The consensus of the Work Group is that this statement is *not* necessary.
- No formal vote was taken.

- 3. Current guidelines for redevelopment (existing small area plans, zoning ordinance, etc.) are not sufficient to ensure that the public's goals for architecture and site design, land use, historic preservation, public art, public spaces, and other public benefits are met.**

Agreed: Wood, Macek, Lyle, Ely, Ballard.
Agreed (11.2.2011 in writing): Rhodaside.
Abstained: Olinger.

- 4. If there is increased density on redevelopment sites, it should be balanced by increased amenities and benefits and additional zoning controls.**

Agreed: Wood, Olinger, Macek, Lyle, Ely, Ballard.
Agreed (11.2.2011 in writing): Rhodaside.

- 5. Uses on redevelopment sites that face public space should accommodate and be compatible with active, publicly accessible public space.**

Agreed: Wood, Olinger, Macek, Lyle, Ely, Ballard.
Agreed (11.2.2011 in writing): Rhodaside.

Discussion:

It was made clear that The Strand Building where it faces Waterfront Park would be inconsistent with this principle. Hamer suggested that this statement might also open up the possibility of the ground floor of The Strand Building being reconfigured.

- 6. Boutique hotels (hotels limited to 150 rooms) should be added to the list of land uses permitted in the W-1 zone with a special use permit.**

Agreed: Macek, Lyle, Ballard.
Agreed (11.2.2011 in writing): Rhodaside.
Disagreed: Wood, Ely, Olinger.

Discussion:

- The Work Group agreed to discuss this issue in further detail at a future meeting.
- Olinger: Considers a 150-room size as inappropriate and suggested that perhaps 75 rooms would be more consistent with the waterfront's scale, saying that the 150 room number as generated at the Planning Commission meeting was arbitrary.
- Smedberg: "Boutique" is a phrase open to too much interpretation, noting that some people see the "W" as boutique hotel. Smedberg sees boutique as "smaller scale".
- Wood: Supports mixed use along the waterfront but does not believe a room number should be included and including the number adds too much detail and does not make it a principle. Noted that the Turner letter submitted to the City said using the 150-room size for boutique hotels put them in a difficult commercial situation.

- Macek: Hotels need to be mentioned specifically because this is the only use not allowed in current zoning law.

7. The heights on redevelopment sites should permit the existing height district limits.

Agreed:	Ballard, Lyle, Macek.
Agreed (11.2.2011 in writing):	Rhodeside.
Disagreed:	Olinger, Ely.
Abstained:	Wood.

Discussion:

- The Work Group agreed that this issue will be returned to for a fuller discussion.
- Wood: Expressed concern that a 66-foot height is needed to achieve a density that may not get the amenities anticipated.
- Olinger: Expressed concern over the canyon effect and indicated he is voting against the 66 feet height.
- Ely: Indicated that he is voting no against the 66 feet height.

IV. Public Comment Period (Up to 3 minutes per speaker)

- 1. VAN FLEET** – Environmental remediation costs for Robinson Terminal should be considered; GenOn development should be considered as part of the Waterfront Plan process.
- 2. Katy CANNADY** – Supports underground parking throughout the City, but indicated the waterfront is a special case regarding underground parking. Asked how a building on the d Union Street Carr Indigo site can have underground parking with just nuisance flooding protection proposed for the waterfront area.
- 3. Margaret WOOD** – Indicated the process has been enlightening. Hopes the Plan will be something all can embrace. Has some misgivings about the Carr/Indigo property since it is her understanding they already have some properties in or facing bankruptcy, and regretted Shah did not share that information. Asked planners to obtain more information so that a similar situation does not happen here. Invited people to attend the CAAWP presentation on Sunday.

V. Meeting Summary and Next Meetings

- Olinger, following public comment, reiterated that he would like to invite **CAAWP** to provide an overview of its report to the Work Group.
- It was agreed that Work Group members who missed a meeting can incorporate their positions on **Plan Statements** and that all Work Group members can offer further changes to a Plan Statement during additional Work Group discussion of that plan statement.
- Members were requested to send to staff their **Plan Recommendations for parking** that they do not agree with and staff can provide a consolidated list at the next meeting for Work Group discussion.
- Members agreed to send the **parking recommendations information by Monday**.
- P&Z agreed to prepare a **schedule for completing remaining tasks**.

Next meetings:

- Wednesday, November 2, 2011, 8:00 – 11:00 AM, City Council Work Room
- Wednesday, November 9, 2011, 8:00 – 11:00 AM, City Council Work Room
- Wednesday, November 9, 2011, 7:00 PM, City Council Meeting – Status Report to City Council

The meeting adjourned at 11 AM.