

March 13, 2019

Dear Reader,

The following memorandum delineates one method to achieve the Town of Vienna's goals for the Maple Avenue Corridor (MAC) with significantly less building mass and residential density than MAC applications received thus far. It is not the only way to achieve commercial redevelopment on Maple Avenue, but it is a viable alternative worthy of consideration. To understand the goals of the MAC, one must review the history of commercial growth and development in Vienna.

From 1976 through 2000, Mayor Charlie Robinson maintained Vienna's small town feel by blocking growth and resisting trends in commercial development over two decades. This strategy made Vienna a unique small town in Northern Virginia. It also accumulated hundreds of millions of dollars of value in untapped growth potential. The Town holds that value and governs its allocation through zoning laws. Mayor Robinson's strategy gave future generations the opportunity to capitalize on that potential through a growth strategy designed to benefit citizens.

Mayor Jane Seeman recognized Vienna's value and formulated a strategy. The challenge to grow while maintaining Vienna's small town feel was difficult; multiple efforts were needed. From the original Vision Vienna project, to the Maple Avenue Vision Committee, to the commissioning of a feasibility study, to the MAC Steering Committee, the development of the MAC was a long road. Mayor Seeman commissioned the feasibility study published in 2006. This study, authored by Duncan Associates ("Duncan Report"), contains multiple recommendations that serve as the foundation for the MAC. The Duncan Report captured the shared vision that Vienna citizens have for Vienna: citizen feedback in 2019 echoes the same principles laid out in 2006. Through these steps over many years, Mayor Seeman set the vision for Vienna's future.

Building off the Duncan Report, the MAC Steering Committee led by Councilman Doug Noble created an ingenious new mechanism for executing Vienna's growth strategy: an optional zoning overlay featuring a matrix of incentives. This policy innovation was developed through tireless work, input from stakeholders, and deliberation over multiple strategies. The MAC is designed to create a pedestrian-friendly commercial district with mixed-use commercial and residential. It allows developers to be creative but also subjects rezoning applications to political review so that the Town Council maintains control of growth. The MAC is designed to be a "living" document, so that the Town can adapt to changing market conditions, as well as feedback from citizens.

Mayor Laurie DiRocco led the enactment of the MAC and the first test runs of its effectiveness as a policy innovation. As decades of planning moved into execution, public interest in the new MAC projects peaked. Citizen feedback on certain applications was mostly negative, but even those citizens critical of particular applications extolled the purpose and intent of the MAC and expressed support for redevelopment on Maple Avenue that met the MAC's stated principles.

Mayor DiRocco listened to the Town's citizens and boldly called for a temporary suspension of the MAC to address concerns. The Mayor met with dozens of residents during and after public hearings, scheduled public meetings to gather input, commissioned a survey to develop design guidelines that match citizens' preferences, and commissioned a study on transportation and land use on Maple Avenue to address traffic concerns. The MAC is currently under suspension to complete these reviews called for by Mayor DiRocco and consider corresponding code changes.

The MAC is designed to adapt to changing conditions and improve with citizen feedback. Mayor DiRocco's leadership has ensured that the MAC will do exactly what it was designed to do: change with the times to deliver what citizens want.

To: Mayor DiRocco, Town Council, Planning Commission, Board of Architectural Review
Cc: Town Manager, Director of Planning and Zoning, Town Attorney
From: Pasha Majdi
Date: March 13, 2019
Re: Recommended strategic changes to the MAC based on citizen comments in public hearings

EXECUTIVE SUMMARY

The Town should change the Maple Avenue Corridor optional zoning overlay district (“MAC”) to make it smaller with significantly less building mass, to maintain commercial primacy for buildings facing Maple Avenue (“Maple”), and to address traffic on Maple and abutting residential neighborhoods. MAC changes should be rooted in feedback from citizens given in public hearings. Key recommendations from citizens should be added to the key principles of the feasibility study commissioned by the Town.

I. MAC 2014-2019: What We Have Learned

The MAC has been in effect for five years, with six applications submitted, one rejected, three approved, and two under consideration. It is currently under suspension for review. Now is an appropriate time to gauge whether MAC applications and developments thus far are serving the public interest.

Trends among MAC applications and comments from citizens at public hearing provide important data. MAC changes should be based on that data.

Feasibility study recommendations and outstanding questions

In 2005, the Town of Vienna commissioned a feasibility study to ascertain the Town’s goals for Maple Avenue and assess options for achieving them. Authored by Duncan Associates (“the Duncan Report”) and published by the Town in 2006, the study makes key recommendations (p. 40), provided verbatim:

- Stimulate higher quality design
- Strengthen a distinct sense of identity
- Allow appropriate redevelopment
- Ensure that new development complements and enhances the established character
- Recognize and address the edges of the commercial areas at nearby neighborhoods
- Enhance the pedestrian experience
- Provide clear guidance to applicant, staff and Town officials, and the community at large

Duncan Report

The Duncan Report left several questions unanswered (*see* “outstanding questions” p. 40):

- Should new regulations promote/allow change and redevelopment, or preserve existing development patterns?
- How much of an increase in building height and intensity is appropriate?
- Is mixed-use (or increased residential) development desired in the target area?

To accomplish the goals recommended in the Duncan Report and answer the outstanding questions, we should use what we have learned over the past five years from trends in MAC applications and incorporate citizen feedback into MAC revisions.

Citizen feedback from public hearings

Vienna citizens attended MAC public hearings and provided critical feedback. The most surprising and insightful feedback is that even among citizens who disapproved of particular applications, most endorsed the goals of the MAC (*see* “Purpose and Intent” Sec. 18-95.1, *see also* Duncan Report) and the idea of redevelopment of the commercial corridor. While there has been a range of commentary from citizens, among the most frequent comments are suggestions to:

- Reduce building height and building mass
- Reduce residential growth and maintain commercial nature of Maple
- Plan for and mitigate traffic impacts on Maple
- Address traffic impacts on residential neighborhoods

Citizen feedback

Additional recommendations were made regarding open space. Open space can be addressed with a separate recommendation, or can be considered a corollary to reduced building mass.

These recommendations must be added to the key recommendations from the Duncan Report to inform and guide strategic changes to the MAC and specific changes via amendments.

MAC application trends

In addition to recommendations from citizens, trends in MAC applications provide insight into what factors are driving investment decisions. This insight should be used to enhance the MAC and accomplish goals recommended in the Duncan Report and by Vienna citizens. Common elements of recent MAC applications show an emerging trend:

- Heavily high-density residential
- Minimal commercial space
- Structured parking
- Zero office space
- Near maximum allowed building footprint and building mass
- Exclusive, inwardly-focused blocks of buildings not integrated with neighboring residential community, separated by walls or barriers

MAC Development	Year	Status	Residential Units	Net Change Commercial ft ²	Office ft ²
Chick-fil-A	2014	Approved	0	Increase	0
Vienna Market 1	2014	Rejected	49	Roughly same	0
Vienna Market 2	2016	Approved	44	Decrease	0
444 Maple	2018	Approved	151	Decrease	0
380 Maple	2019	Pending	40	Decrease	0
Sunrise	2019	Pending	85	To be determined	0

II. Recommended Changes

Based on MAC application trends, citizen feedback through MAC public hearings, and the original recommendations provided in the Duncan Report, the MAC needs strategic changes. Specific changes to the code are needed to accomplish broader strategic changes.

1. Maintain commercial in buildings fronting Maple and focus on commercial use.

Strategic Recommendation:

- i) Maintain commercial aspect of buildings on Maple.
- ii) Focus on commercial needs, not square footage.
- iii) Develop commercial needs assessment.
- iv) Develop proffers guidelines as recommended by Duncan Report.
- v) Apply design guidelines to primarily commercial buildings fronting Maple.

Rationale: Commercial space has been an afterthought in MAC applications thus far. Current market conditions make commercial space less profitable than residential in Vienna. Retail is overbuilt nationwide. Rather than trying to fit a square peg into a round hole, we should shift focus and provide a different goal that our citizens want: commercial needs.

Desired types of commercial should be sought via proffers or voluntary concessions. A commercial needs assessment should be conducted for the Town, including a citizen survey, to identify needs for a self-sustaining town commercial sector. This strategy addresses the common complaint from citizens about 'too many banks and mattress stores.' The assessment should include an analysis of which types of businesses cannot succeed at Maple Avenue rents (\$/ft²), such as day care and dance studios. Highest priority should be given to businesses that are both a) needed for a self-sustaining town, and b) otherwise uneconomic on Maple Avenue.

Increasing commercial square footage should no longer be a goal, but, based on citizen feedback, we should maintain the commercial aspect of buildings fronting Maple Avenue. This can be accomplished by restoring the "primarily" commercial requirement for these buildings.

Proffers and voluntary concessions guidelines should be published including but not limited to a list of commercial needs. Height and density up to a 54 foot maximum should be allowed only when commercial needs and other desired proffers or voluntary concessions are provided. A soft cap of 41 feet should be implemented to limit height to three stories unless prioritized proffers are included. Two stories of commercial with only one story of residential should be desired, but a hard requirement limiting residential floors is not needed. Instead, proffers, voluntary concessions, and other public benefits determined through the MAC public hearing process should inform the Town's decision whether to approve projects.

Hard requirements for floor usage (i.e. two floors commercial, one floor residential) are not optimal because they limit creativity from applicants. Instead, a loosely defined "primarily" requirement is better. A hard requirement of 60% is recommended because it is between 51% (majority) and 66% (two floors), but other numbers are viable, as is a "primarily" requirement with no numerical definition.

Finally, commercial construction must be completed before occupancy permits for residential construction are issued. (See Metro West incomplete mixed-use projects, finished and occupied

residential, commercial not begun.) Without this provision, developers can win zoning rights through a MAC application, then sell properties with rezoning already approved. The new owner would pursue more profitable construction first (residential) and leave commercial projects unfinished. Commercial redevelopment would languish.

Goals Targeted:

- Reduce residential growth and maintain commercial nature of Maple
- Strengthen a distinct sense of identity
- Allow appropriate redevelopment
- Ensure that new development complements and enhances the established character
- Recognize and address the edges of the commercial areas at nearby neighborhoods
- Enhance the pedestrian experience
- Provide clear guidance to applicant, staff and Town officials, and the community at large

Citizen feedback

Duncan Report

Specific changes regarding commercial use:

- i) Total area of any building fronting Maple must be primarily commercial: 60% including structured parking.
- ii) Buildings fronting Maple are limited in height by a soft cap of 41 ft. and a hard cap of 54 ft.
- iii) Require completion of commercial construction before issuing residential occupancy permit.
- iv) No first floor residential within 80 feet of Maple Avenue.

2. Use residential density as the primary incentive.

Strategic Recommendation:

- i) Limit residential density for the MAC.
- ii) Allow increased density and maximum height only when proffers, voluntary concessions, or exemplary design provide prioritized public benefits.
- iii) Develop proffer or voluntary concession guidelines as recommended by Duncan Report.
- iv) Establish medium-density, high-profit, low-height residential types in the MAC as the default, with maximum density and height allowed only for exceptional projects.
- v) Seek medium-density, 'mixed-use lots' rather than high-density, mixed-use buildings.

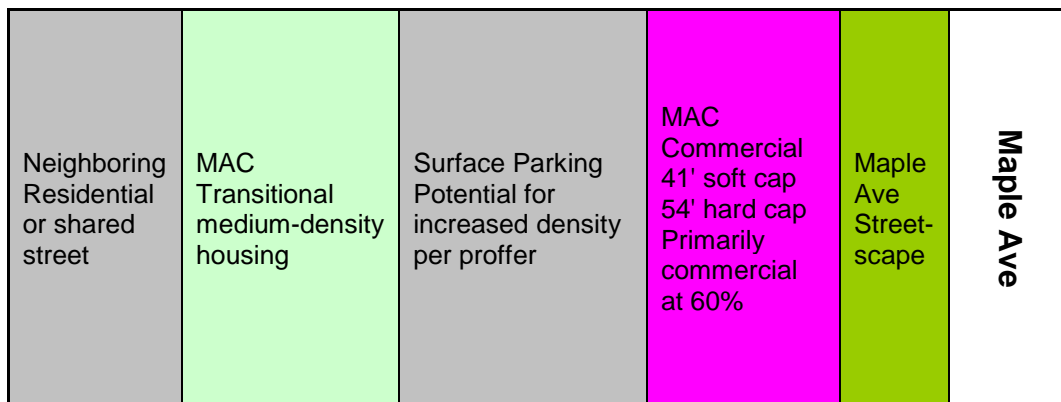
Rationale: Residential square footage is clearly the source of profit for developers. Residential density is therefore the most powerful tool to incentivize developers to design buildings for public benefit. The Town should use residential profit margins to accomplish the goals of the MAC, as informed by citizen input (i.e. decrease density) by allowing high-profit, medium-density development in the MAC.

Medium-density housing can be highly profitable at only 35 feet if the following types of housing are allowed: zero lot-line houses, duplexes, townhouses, garden apartments, and multi-family houses as well as mixed-use buildings. Some of these housing types are currently prohibited. By allowing medium-density housing, we invite applications that are profitable but do not bring the high-density residential that citizens do not want. Though some of these types may seem unattractive, in the Vienna housing market, with profit incentives to build quality medium-density residential, we can expect aesthetically pleasing development. See Appendix B for pictures of high-quality, medium-density housing.

Medium-density housing types limited to 35 feet should be allowed along the property line abutting residential zones. This aligns height with neighboring residential and adds moderate housing density. The Duncan Report, citizen feedback, and the Purpose and Intent section of the MAC all call for a smooth transition to surrounding residential neighborhoods: the Town needs a smooth transition for the MAC to be successful.

The consistent height and the moderate increase in density provides a smooth transition to neighboring residential zones, but does so *within* the MAC development. Because residential is the primary source of profit for MAC developments, and because profit is not driven by density (because it is capped), applicants achieve profit by making the transition as high quality as possible. This aligns applicant incentives with Town goals. A corresponding benefit is that it lessens the burden on the Town to elicit proffers to smoothen the transition; the Town can instead focus on proffers and voluntary concessions that provide citizen wants, not citizen needs.

A ‘back row’ of medium-density housing adds housing diversity to the Town. Density should be limited but not narrowly proscribed. Dwelling units per acre and average square footage requirements cap overall density for a project without narrowly proscribing individual housing units. This allows larger units that achieve higher profit (developer benefit) and smaller units for diversity (public benefit).



Goals Targeted:

- Reduce building height and building mass
 - Reduce residential growth and maintain commercial nature of Maple
 - Plan for and mitigate traffic impacts on Maple
 - Address traffic impacts on residential neighborhoods
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- Stimulate higher quality design
 - Strengthen a distinct sense of identity
 - Allow appropriate redevelopment
 - Ensure that new development complements and enhances the established character
 - Recognize and address the edges of the commercial areas at nearby neighborhoods
 - Enhance the pedestrian experience
 - Provide clear guidance to applicant, staff and Town officials, and the community at large

Citizen feedback

Duncan Report

Specific changes regarding residential use:

- i) Hard cap residential transitional housing to 35 feet within 100 feet of property line.
- ii) Limit residential unit size to an **average** of 1400 ft².
- iii) Limit first floor residential to MAC lots abutting residential lots, and only within 200 feet of the lot line.
- iv) Allow tandem parking in residential development, but no other parking incentives for residential.
- v) Limit residential density to 20 units per acre. Limit can be exceeded with proffers.
- vi) Gathering space must be equal to or greater than 2% of floor area **and** 25 ft² per unit and must be incorporated into the design of the application.
- vii) Add Fairfax County Affordable Dwelling Unit (ADU) requirements and 55+ age-restricted units as potential conditions for higher density.
- viii) Incorporate best building practices for multi-family residential, including open space, recreational set-asides, and minimum distance between separate buildings.

3. Remove incentive for above-ground structured parking.

Strategic Recommendation:

- i) Remove incentive for structured parking.
- ii) Focus on surface parking aesthetics.
- iii) Maintain underground parking incentives.

Rationale: Each structured parking space costs at least \$25,000 to construct. The high cost per space has a huge effect on profit. This causes applications to be more residential as the parking requirements are less. Above ground parking is significantly less expensive than underground parking; above-ground parking adds to building mass. Massive buildings decrease neighborhood compatibility and the small-town feel of Vienna.

Structured parking is not necessary to accomplish the goals of the MAC. Structured parking was intended to incentivize more commercial development. Since market conditions are not allowing commercial growth (as measured by ft²) to happen, the Town should no longer value structured parking. Instead, we should focus on landscaping and aesthetic qualities for surface parking.

Underground parking incentives can be maintained because they do not produce massive buildings (because the parking spaces are underground). In the unlikely event that underground parking incentives still yield applications with underground parking *and* massive buildings, then the incentive for underground parking should also be removed.

The Town already considered changing surface parking requirements in the commercial zone from 1:200 to 1:250 in 2016. The Department of Planning and Zoning at that time determined that 1:250 was a viable parking requirement for commercial, and that decreasing the requirement would spur investment and commercial growth.

Loading zones and docks are an issue closely related to parking requirements. The Town should adopt changes to loading dock requirements recommended by the Department of Planning and Zoning in

2019. These changes will modernize commercial zone regulations that directly affect parking and commercial viability.

Goals Targeted:

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| <ul style="list-style-type: none"> ➤ Reduce building height and building mass ➤ Reduce residential growth and maintain commercial nature of Maple | <div style="border: 1px solid black; background-color: #c8e6c9; padding: 5px; display: inline-block;">Citizen feedback</div> |
| | |
| <ul style="list-style-type: none"> ➤ Strengthen a distinct sense of identity ➤ Allow appropriate redevelopment ➤ Ensure that new development complements and enhances the established character ➤ Recognize and address the edges of the commercial areas at nearby neighborhoods ➤ Provide clear guidance to applicant, staff and Town officials, and the community at large | <div style="border: 1px solid black; background-color: #fff9c4; padding: 5px; display: inline-block;">Duncan Report</div> |

Specific changes regarding parking:

- i) Change structured parking incentives to apply to underground parking only.
- ii) Develop design guidelines for surface parking.

4. Embed ‘transitional housing’ into the MAC.

Strategic recommendation:

- i) Make MAC residential the transition between commercial and abutting residential zones.
- ii) Create profit incentive for quality transition to lessen neighborhood impacts to abutting residential zones.
- iii) Require sidewalk connection funding.

Rationale: Transitional housing is a concept in our Comprehensive Plan (see pp. 22-23) designed to smooth the transition between the commercial zone and the residential zone. The transition between MAC and residential is critical for the success of the MAC and for protecting our residential neighborhoods. Yet, developers have no financial incentive to ensure a smooth transition. By embedding transitional housing into the MAC itself, developers are then motivated to integrate their residential projects into the surrounding community.

The high value of residential incentivizes maximizing building footprint under current regulations. Maximum building footprint (i.e. big blocks) is not conducive to shared streets, cohesive neighborhoods, or smooth transitions to abutting residential zones.

Goals Targeted:

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| <ul style="list-style-type: none"> ➤ Reduce building height and building mass ➤ Address traffic impacts on residential neighborhoods | <div style="border: 1px solid black; background-color: #c8e6c9; padding: 5px; display: inline-block;">Citizen feedback</div> |
| | |
| <ul style="list-style-type: none"> ➤ Stimulate higher quality design ➤ Strengthen a distinct sense of identity ➤ Allow appropriate redevelopment ➤ Ensure that new development complements and enhances the established character ➤ Recognize and address the edges of the commercial areas at nearby neighborhoods ➤ Enhance the pedestrian experience ➤ Provide clear guidance to applicant, staff and Town officials, and the community at large | <div style="border: 1px solid black; background-color: #fff9c4; padding: 5px; display: inline-block;">Duncan Report</div> |

Specific changes regarding transitions:

- i) Require sidewalk connection funding for all streets within 200 feet of a MAC application.
- ii) (See also Specific Changes regarding residential use, page 5)

5. Address traffic impacts on Maple and residential neighborhoods.

Strategic recommendation:

- i) Address traffic impacts to residential neighborhoods in design phase.
- ii) Seek proffers for traffic calming and pedestrian safety measures for abutting and adjacent residential neighborhoods.
- iii) Account for cumulative traffic growth on Maple and fund mitigating projects.
- iv) Commit to maintaining and improving level of service on Maple (in Comprehensive Plan).

Rationale: Traffic studies that demonstrate that Virginia Department of Transportation thresholds are not crossed for individual projects do nothing to account for cumulative effects of increased traffic on Maple. A transportation and land use study for Maple Avenue must provide basic information such as the capacity for traffic on Maple Avenue and traffic impacts for projected MAC growth.

Under current MAC regulations, every traffic mitigation measure for residential neighbors is subtracted from developer profit. Rather than fight developers for each dollar, the MAC should require traffic mitigation measures for neighboring residential zones.

Goals Targeted:

- | | |
|---|------------------|
| ➤ Plan for and mitigate traffic impacts on Maple | Citizen feedback |
| ➤ Address traffic impacts on residential neighborhoods | |
| <hr/> | |
| ➤ Stimulate higher quality design | Duncan Report |
| ➤ Allow appropriate redevelopment | |
| ➤ Ensure that new development complements and enhances the established character | |
| ➤ Recognize and address the edges of the commercial areas at nearby neighborhoods | |
| ➤ Enhance the pedestrian experience | |
| ➤ Provide clear guidance to applicant, staff and Town officials, and the community at large | |

Specific changes regarding traffic:

- i) Amend Comprehensive Plan to require maintaining specific level of service on Maple Avenue as informed by the Transportation and Land Use Study.
- ii) Create fund dedicated to capital improvements related to transportation.
- iii) Require 50% of increased tax revenue from commercial redevelopment to be dedicated to transportation improvements.
- iv) Include traffic mitigation measures in Proffers guidelines.
- v) Require traffic mitigation for abutting and adjacent residential neighborhoods.

6. Non-changes

Elements of the MAC not listed here should not be changed. Most of the MAC is strong and does not need amendment. Key provisions in the MAC that must be maintained include:

- 1) Landscaping
- 2) Lighting
- 3) Streetscape
- 4) Visual Design Guidelines
- 5) Undergrounding utilities (in Comprehensive Plan)

III. Conclusion

The high profitability of recent high density residential MAC applications is good news. If the Town changes MAC rules to use the profitability of residential development to incentivize what the Town wants, we can update the MAC to spur redevelopment and control growth in line with our citizens' expectations.

- ✓ We can limit height and still allow profit for developers.
- ✓ We can use profit from residential development to incentivize desired commercial growth.
- ✓ We can allow increased height and density for proffers.

In the end, we can spur commercial growth and manage it for public benefit while also satisfying calls for smaller buildings, less traffic impacts, and less density.

Appendix A

All specific changes in the document are compiled here:

1. Hard cap residential transitional housing to 35 feet within 100 feet of property line.
2. Limit residential average square footage to 1400 ft².
3. Limit first floor residential to MAC lots abutting residential lots, and only within 200 feet of the lot line.
4. Allow tandem parking in residential development, but no other parking incentives for residential.
5. Limit residential density to 20 units per acre. Limit can be exceeded with proffers.
6. Gathering space must be equal to or greater than 2% of floor area or 25 ft² per unit and must be incorporated into the design of the application.
7. Add Fairfax County Affordable Dwelling Unit (ADU) requirements and 55+ age-restricted units as potential conditions for higher density.
8. Any building fronting Maple must be primarily commercial (51% -- including structured parking).
9. Buildings fronting Maple are limited in height by a soft cap of 40 feet and a hard cap of 54 feet.
10. Require completion of commercial construction before issuance of residential occupancy permit.
11. No first floor residential within 80 feet of Maple Avenue.
12. Change structured parking incentives to apply to underground parking only.
13. Develop design guidelines for surface parking.
14. Require sidewalk connection funding for all streets within 200 feet of a MAC application.
15. Amend Comprehensive Plan to require maintaining specific level of service as informed by the Transportation and Land Use Study.
16. Create fund dedicated to capital improvements related to transportation.
17. Require 50% of increased tax revenue from commercial redevelopment to be dedicated to transportation improvements.
18. Include traffic mitigation measures in list of sample proffers.

Appendix B

Pictures of potential medium density MAC housing

The Town of Vienna currently does not have any zero lot-line housing, duplexes, or villa housing. The added housing diversity is a benefit to the Town. Because MAC development is driven by profit in residential density, developers will be motivated to build high quality housing of these types.

Below are pictures of high quality zero lot-line housing, duplexes, and villa housing that illustrate what the Town can hope for in 35 foot limited height MAC housing.

Medium-density, higher occupancy homes that look similar to single-family housing:



More traditional duplex housing style:



Existing housing in Loudoun County ('over under duplex'):



These types of housing would fill the back end of MAC lots facing existing residential neighborhoods. The effect would be a medium density housing transition between commercial on Maple Avenue and abutting residential neighborhoods, fulfilling the transitional housing concept in the Comprehensive Plan (see pp. 22-23). Developers would be incentivized to make this transition high quality, aligning their interests with that of neighboring communities.