

MEETING MINUTES

Bluemont Civic Association (BCA)

Special Meeting

June 18, 2002 at Arlington Traditional School

Return Comments/Corrections to John Huennkens jhuenn@gwu.edu

ATTENDANCE (no sign-up sheet) approximately 40 to 50.

Among the speakers: Andrew Basham (AB), Bob Berchick (BB), Carl Hallinan (CH), Tim Lynch (TL), Gerry Procanick (GP), Mark Silverwood (S/wood), Martin Tatuch (MT)

AGENDA TOPIC:

1) Redevelopment Proposal for the Safeway Block, bounded by N Edison, Wilson, N Frederick, & 8th Rd N.

INTRODUCTION by Carl Hallinan (CH), chair of the BCA's Wilson Boulevard Committee, of Mark Silverwood (S/wood) the president of Silverwood Associates, a development firm from Leesburg, VA.

Mark Silverwood introduced two other colleagues - Andrew Basham (AB), a project manager with Silverwood Associates; and Bob Berchick (BB), a real estate broker with Carey Winston Transwestern who has worked with Silverwood on previous multi-family residential projects.

Silverwood has worked on 3 projects in Arlington since 1988. The first was the redevelopment of the former Briarcliff Apartments near Rhodes St and US Route 50. With the assistance of a loan from Arlington County, S/wood renovated the buildings and reopened them as the Marbella Apartments. Silverwood recently completed the renovation of the Patrick Henry Apts., along Wilson Blvd near Upton Hill Park, again with county assistance. The company is now working on the Quebec Apts. on Columbia Pike.

Silverwood Associates is currently working on several projects in Virginia and North Carolina, including a 340 unit residential project in Alexandria for the B.F. Saul Co. Silverwood's real estate niche or specialty is to transform suburban sites into higher density, more urban type developments. He said that his company is not the type to stubbornly stick with a project at all costs. Rather, if things aren't working out, they'll cut their losses and look for opportunities elsewhere.

When Tim Lynch, a BCA member and executive director of the Columbia Pike Revitalization Organization, mentioned the Wilson Boulevard committee's interest in redevelopment of the Bluemont commercial district, Silverwood Associates began to look into the opportunity there for another project. The company entered into some preliminary discussions with county staff and with Safeway. Safeway built its first store in the 1950's and renovated it in the late 1970's. The current store is about 25-30,000 sq.ft., about half the size of the smallest type store that Safeway would build today.

Silverwood and Safeway have talked about a sell/lease back concept in which Silverwood would buy the lot, along with the other 12 homes on the block, and then build a new mixed-use project that would include a new store that Safeway would lease and operate. The new store would be around 50-60,000 sq.ft. with enough room for perhaps a coffee shop, bank, drycleaners, bakery, etc. County staff seemed receptive to the idea and actually suggested that Silverwood redevelop all three blocks between Wilson and I-66.

S/wood displayed a rendering of a proposed facade for the Wilson Blvd side of the project. The structure would be 5 stories tall along the entire length between Edison and Frederick, with retail on the first floor, and 4 stories of apartments above. The Wilson Blvd facade was broken up by 2 recessed 'courts', and an arched entry to the interior parking garage. The building's skin would be made of brick and pre-cast. Along the street, there would be a wide sidewalk with landscaped areas. Current zoning for the site is C-1, Local Business, which allows a 35 foot building height. The project would require a rezoning to the C-T-H category, which allows buildings up to 55 feet high.

S/wood also displayed plan views of the project. At the ground level, the new Safeway would take up the west half of the block all the way from Wilson to 8th Rd. On the east side, about 12,000 sq.ft. of space along Wilson, and turning the corner up Edison, would be available for lease to other small businesses. At about mid-block along Edison, there would be an entrance/lobby/office for the apartment complex. Since the site slopes upward toward the north, the 8th Rd side of the ground level would be underground. The interior of the ground level would hold a parking area for shoppers, with the entry/exit through the arch along Wilson at a point just east of the Emerson St intersection. The retail garage would ramp down to an underground level. An elevator would run from the lower parking level directly into the interior of the Safeway store.

The upper floor plans are occupied by somewhere between 240 and 280 residential units, with a

parking area on each level in the interior of the east half of the block. The building is cut back on the Frederick St side to form a large court. Along 8th Rd, S/wood is considering setting back the upper floors and providing 'townhouse' style units with a 2-1/2 story facade along the street. The residential units will probably be rental vs. condo. Silverwood is willing to discuss with the county about providing some 'affordable' housing units.

MARK SILVERWOOD THEN ANSWERED QUESTIONS FROM THE FLOOR.

Q. Will there be a stoplight installed at N Emerson St? A. Perhaps

Q. Are there any plans to redevelop the stores east of N Edison St? A. The owner of the "Three Chefs row" wasn't interested in redevelopment at this time. If S/wood's project gets built, there may be some spin-off redevelopment on that block. S/wood would be willing to look into purchasing and redeveloping that site.

Q. How many parking spaces are there for the apartment floors? A. 90 spaces on each of 4 levels. Thus, a total of 360 spaces for some 240 to 280 units. (S/wood) the one thing I won't do is "underpark" my properties.

Q. How much would the parking cost? A. Retail parking would be free.

Q. How many spaces for the Safeway? A. 250 plus or minus.

Q. I live near some apartments. There are at least 1 or 2 vehicles per unit. Some have 3. You need more parking. A. (S/wood) we'll study the need for parking. We want to ensure that there is adequate parking.

Q. Would residential zone parking stickers be implemented for the back streets near this project? A. Gerry Procanick (GP) The county is pretty flexible about creating residential parking zones. But also, the zoning ordinance will require a certain amount of parking, and the number of spaces may be negotiable in order to prevent the spillover of parkers onto adjacent streets.

Q. What about the county's suggestion to redevelop all the way to I-66? A. (S/wood) If we went into those blocks, the new construction would be all residential. Probably some mix of rentals and condos.

Q. This project would depreciate the property values of the people who live across 8th Rd. Your big building will be cutting off our light and air. A. Tim Lynch (TL) It's not certain what the effect would be on your property values. If you look at 11th St between Randolph and Stafford Sts, it appears that the property values haven't suffered. {?This block is all townhouses built since the Metro?}

A. Bob Berchick (BB) Asked those in attendance to raise their hands if they live in the areas behind the site and would be affected by the project. About 40% raised their hands. BB then said that he realized that this project would have a big impact that would affect their lives. But he reassured them that he was here to work with them to make sure they are satisfied with the outcome.

Q. If the homeowners on 8th Rd N don't sell, can the redevelopment be limited to just the Safeway lot? A.

(S/wood) No. The residences subsidize the retail space. In order to build the bigger Safeway and the parking, we need to build the residences. Also, his financing generally comes from big institutional investors who won't even bother to look at projects that have less than 200 dwelling units. Finally, (S/wood) noted that Safeway had their own plan for a new store that also required using the whole block, with half occupied by the store, and half by surface parking. In order to build a new store they need more room for the parking.

Q. How long would we be without a store while you were building this project? A. About 12 to 15 months.

Q. I live on the north side of 8th Rd, and I think it's disingenuous to talk of the benefits of the modernized store. This is a big change that reconfigures the whole area. You're going from 12 houses to 240 apartments. that means more cars, ... A second attendee added that: I second that opinion. I just moved back from 6 years overseas and am thinking of building an addition. At the charette, people in my group said they didn't want this area to be a destination. But this project sure looks like it. A. (BB) I agree. This is a big change. I was once in the same situation with my house. But ... we'll try to work something out with you.

Q. Is 240 units really the bare bones minimum? A. That's where we started based on the assessed value of the property. We haven't heard a price from Safeway's national real estate people.

Q. I'm wondering about the effect on property values. Is there any data on whether property values go up or down with new construction nearby? A. (S/wood) I think typically property values go up. I don't know of any studies offhand, but I'll check.

Q. How would products arrive at the Safeway? A. We haven't designed that yet.

Q. How many customers does Safeway expect from this new and improved store? A. (S/wood) I don't know the answer to that, but all of Safeway's new stores are at least 50,000 sq.ft.

Q. Where is there a 50,000 sq.ft. store? A. I believe the store on N Harrison St is about 45,000 sq.ft.

Q. How does your timing work with the county zoning and the Safeway negotiations? A. (S/wood) We're talking design with the Safeway corporation at the regional level, and then they'd go talk to their national

level. That's going to take about 4 to 9 weeks. Meanwhile we'll be contacting the owners of the 12 other homes on the block.

Q. At the charette, people seemed to be talking about the Westover model, or maybe a little larger up to 3 stories. Can refurbishment work? A. (S/wood) I don't know. I want to have no more than 2 representatives from the BCA to work with to find out if we can make up a project that will work financially.

Q. What about redevelopment on the south side of Wilson? A. If an opportunity presents itself there, we'll look at it.

Q. The residential would be apartments, not condos? A. Yes Q's comment I think apartments have more cars.

THE REPRESENTATIVES FROM SILVERWOOD THEN LEFT, AND THE MEETING CONTINUED WITH COMMENTS FROM THE BCA OFFICERS AND THEN QUESTIONS FROM THE ATTENDEES.

Carl Hallinan (CH) Two things - 1) we'll obtain some copies of the drawings that Silverwood brought tonight, but as he stated they're going to change a little. 2) As you know, the BCA has a Wilson Boulevard Committee, which started up when Safeway proposed to build a gas station on the restaurant pad. We've thought that instead of reacting to every proposal that comes along, we'd try to be more proactive and try to address the big picture by outlining our 'vision' for the whole commercial area, including traffic considerations.

Gerry Procanick (GP) {BCA past president and member of ArlCo Planning Commission} The Planning Commission is very interested in what the BCA is doing, because it's very unusual to have a neighborhood get involved upfront like this. This project represents an unusual opportunity. This is just the beginning of a very long process, and there will be very many changes along the road to any approval.

(GP) As to what happens to the neighborhood, in Clarendon assessments went up 90%. Finally, the BCA has some unique leverage in this process, because we have lots of representation on various county commissions. Scott Tate and Gerry Procanick are on the Planning Commission. Ed Fendley and Adrienne Pilot are on the Transportation Commission. Ellen Armbruster serves on the Pedestrian Safety Committee.

Q. What's the next step, where do we go from here? A. Any rezoning will have to be endorsed by the BCA.

Q. So we'd have votes? A. Yes. (GP) For a site plan approval, there are usually 3 public hearings.

Q. What happens if Safeway says no? A. Who knows. (GP) Even though C-1 has a 35 foot height limit, you really can't build that much because of other requirements for things like setbacks, parking, and landscaping.

(CH) We killed the gas station plan. Then we tried to suggest leasing the site to Morning Glory Farms, but Safeway said no. I don't think they have any idea locally of what they want to do.

Q. Given the size of the Safeway lot, is it really only economical to redevelop the whole block? A. (GP) I think smaller lots is one of the reasons you don't see much rebuilding in Cherrydale.

Q. The Bluemont neighborhood is very big. I hope that the immediate neighbors get some consideration and are not overwhelmed by the votes of the larger Bluemont area. A. (CH) I originally wanted only gradual change to the district. But after working on it for 2 years, I know that something more aggressive is needed. Carl then announced that he was circulating a sign-up sheet for people who want to keep up with this issue by participating on the Wilson Boulevard Committee, and/or get on its e-mail list.

Q. Silverwood was pretty clear that he only wanted to talk with 2 representatives from BCA. How do you intend to deal with that? A. (CH) Not sure yet, but it will certainly be 2 people out of the Wilson Boulevard Committee.

Q. How does Safeway feel about their store? Is it a loser that they'd like to close? A. Martin Tatuch (MT) I talked with the new manager there {J.D.} and he said they were Number 3 in sales, out of 140 stores. So business must be pretty good. (CH) The manager is relatively new and seems to be doing well with the store. When I talked to Safeway's real estate division they told me "that neighborhood doesn't support investment".

Q. What about the other properties along the strip? A. (CH) We've been talking about developing a BCA vision for the strip for about 2 years. This Silverwood proposal has just really accelerated things.

Q. Can there be redevelopment without taking residential land? (GP) I know in Cherrydale, the county staff said that for C-2 zoning to work, you really need a lot about 200 feet deep. It's just really tough with the layout we have here. (CH) The committee is trying to get the county staff to think outside of the box.

Q. Just as they can't do anything without us, can we do anything without Safeway? A. (CH) I assure you, Safeway doesn't have any plans.

Q. How does the BCA decision process work? Who votes? Will the neighbors have input? A. (CH)

Actually, we're trying to sort out the BCA by-laws right now. Probably we'll end up with 1 vote per membership (household). Votes for an endorsement would have to go before the BCA general membership. Business owners and non-resident property owners can join the BCA membership.

Gerry Procanick commented that if a neighborhood is divided over an issue, the county usually looks at what the planning documents have to say about an area.

Q. Do we have any planning documents for our area? A. (GP) There's the zoning map and the GLUP (general land use plan). That's why BCA support is required, in order to change the zoning and/or GLUP. (CH) If a BCA vote was a slim majority, there are always public hearings that provide the opportunity for dissenters to voice their concerns directly to the Planning Commission.

Q. This project faces the school, does that affect the decisions by the county? Would the School Board have input? (CH) I talked with the principal of Arlington Traditional School, Holly Hawthorne. I invited her, the ATS PTA, and the school system's Asst. Supt. of Facilities, to attend; and they are on our mailing list. I can't say if there's anyone here tonight from the schools. In general, the Neighborhood Conservation Rep and the Civic Association President, are on the county's contact list for any planning and zoning issue. (GP) The ATS PTA didn't like the gas station proposal, so they were active there.

Q. I'd like to invite the Wilson Boulevard Committee to walk the streets around ATS on nights when there's a PTA meeting. The parking is very tight. A. (CH) On the issue of Bluemont versus the Safeway neighbors, I know that John Van Doren is active on the committee and that there are other immediate neighbors who are members. I heard someone say tonight that they lived in Carlisle Park. (GP) Some neighborhoods have used new development to fix their problems, through ideas like shared parking lots.

Q. Traffic and parking are already so lousy in this area, what is the advantage of a project like this? (CH) the Wilson Boulevard Committee is open to all BCA members. Memberships cost \$12 a year, prorated monthly, so please join today if you want to have some input.

Carl Hallinan asked how many people in attendance were owners of the 12 single-family properties on the Safeway block. 4 hands went up. Carl noted that they certainly have more leverage since Silverman needs there land to redevelop the site. One homeowner noted that everyone on the block got an offer from Safeway 18 years ago, and there was even some money set aside in an escrow account. But the deal fell through when Safeway couldn't get all the properties assembled.

Q. In the Courtlands neighborhood, a group of property owners combined their lots and got a zoning/GLUP change. What's to prevent a group combining to sell their land? A. (GP) Nothing, but the County Board won't have to cooperate. After Courtlands, they said they would never rezone again in such a situation, unless there was a compelling countywide interest.

Q. I think there's 2 things we need to know - what is the market area for our commercial district, and what is the effect on neighboring properties. A. (CH) I think we'll need to do some research.

THE MEETING THEN CONCLUDED with Carl Hallinan urging everyone to sign-up and put there e-mail address on the list. Carl noted that the BCA usually has no general meetings or newsletters during the summer, but that the Wilson Boulevard Committee should be active all summer. He told everyone to expect another Wilson Blvd meeting in a few weeks to discuss the latest developer information, and to review the results of the charette.