

# ULI ADVISORY SERVICES PANEL

## Final Presentation (REVISED 06.28.07)

---

Annandale  
Fairfax County, VA  
June 3-8, 2007

Annandale Advisory Services Panel  
Fairfax County, VA REVISED 06.28.07



The Urban  
Land Institute

# Introduction

---

Annandale Advisory Services Panel  
Fairfax County, VA REVISED 06.28.07



The Urban  
Land Institute

# Sponsors

---

- Fairfax County Board of Supervisors
- Office of the County Executive
- Fairfax County Department of Planning and Zoning
- Fairfax County Department of Housing and Community Development
- Fairfax County Department of Transportation
- Fairfax County Economic Development Authority



# Special Thanks

---

- Supervisor Penny Gross
- Supervisor Sharon Bulova
- County Executive Tony Griffin
- Barbara Byron
- Bob Fields
- Bridget Hill
- Harry Swanson
- Nicole Thompson



# ULI—The Urban Land Institute

---

ULI—the Urban Land Institute is a nonprofit research and education organization.

Mission:

*To promote leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.*



# Advisory Services

---

Assembles teams of land use professionals to offer strategic advice on land use challenges.

- Program started in 1947
- 20-30 panels each year
- Teams composed of ULI members
- Panels organized across the country



# The Panel Process

---

- Define the scope of the assignment
- Prepare background briefing materials
- Assemble the expert team
- Tour the site
- Interview stakeholders
- Debate and form recommendations
- Present recommendations
- Produce a final report



# The Panel

---

Chair:	Alex Rose	<i>El Segundo, CA</i>
Market:	Peter Elzi	<i>Aurora, CO</i>
	Maysa Sabah	<i>Dubai, UAE</i>
Development:	Arun Jain	<i>Portland, OR</i>
	Ben Magelsen	<i>Salt Lake City, UT</i>
Design:	Don Bauer	<i>Irvine, CA</i>
	Jack Wierzenski	<i>Dallas, TX</i>
Implementation:	Donna Lewis	<i>Trenton, NJ</i>
	Deni Schulz	<i>Los Angeles, CA</i>



# Panel Staff

---

Project Director:	Matthew Rader
Logistics Coordinator:	Romana Kerns
Logistics Support:	Carmen McCormick



# Key Themes of the Recommendations

---

- The community needs a unified vision for Annandale
- Careful development can balance Annandale's roles as a traffic node and a community center
- Visioning efforts must engage business owners, land owners, customers, and commuters, not just residents
- Revitalization activities must include frank and open dialogue among all ethnic groups in Annandale
- Development goals must reflect market demand



# Market Potential

---

Annandale Advisory Services Panel  
Fairfax County, VA REVISED 06.28.07



The Urban  
Land Institute

# Assets

---

- Strategic location within the metropolitan region
- Strong local demographics
- Established hub for the Korean community and a growing center for other ethnic groups
- Strong real estate sale and rental market



# Constraints

---

- High land prices and limited land availability
- High rental prices
- Predominance of small land parcels
- Lengthy and expensive entitlement process



# Population and Employment Trends

	<u>DC MSA</u>	<u>Fairfax County</u>
<b>Employment</b>		
Total (2007)	3,791,710	824,309
Projected Annual Growth (2007-2017)	79,830	19,820
<b>Population</b>		
Total (2007)	5,373,120	1,052,520
Projected Annual Growth (2007-2017)	85,310	16,560
<b>Households</b>		
Total (2007)	2,022,160	383,420
Projected Annual Growth (2007-2017)	34,650	6,430

Source: Department of Commerce, Bureau of Economic Analysis and THK Associates



# Retail Market

---

- Household Characteristics in Market Area (2007)

Number of Households:	145,639
Median Income:	\$75,485
Retail Expenditure per Household:	\$22,100

- Additional Retail Demand in the Next Decade

Market Area:	558,608 SF
Annandale:	279,304 SF

- Growth likely in neighborhood service and ethnic retail



# Office Market

---

- Additional annual office demand over next decade

Washington, DC MSA	7,500,000 SF
--------------------	--------------

Fairfax County	2,000,000 SF
----------------	--------------

Market Area	285,000 SF
-------------	------------

Annandale	68,240 SF
-----------	-----------

- Based on existing market conditions, office condominiums are highly likely in Annandale



# Hotel Market

---

- Current Supply in Fairfax County

Total Rooms:	14,000 in 80 Properties
Occupancy:	74%
Jobs/Hotel Rooms:	60:1

- Current and Future Demand in Annandale:

Current Demand:	100-110 Rooms
Demand by 2017:	150 Rooms



# Residential Market

---

- Local business owners, young professionals, and couples are most likely purchasers and tenants
- Larger households in Annandale may offer demand for a specialty housing product
- Projected annual residential demand in Annandale:
  - 58 condominiums (1,300 SF average)
  - 85 rental units (950 SF average)



# Industrial Market

---

- Industrial development in Annandale is hampered by transportation challenges and high land prices
- Projected annual industrial demand in next decade:

Washington, DC MSA	5,500,000 SF
Fairfax County	1,400,000 SF
Market Area	214,880 SF
Annandale	109,322 SF



# Projected Demand for Next Decade

---

Retail	279,304 SF	
Office	682,396 SF	
Hotel	71,554 SF	150 Rooms
Residential		
For Sale	754,000 SF	580 Units
Rental	765,000 SF	850 Units
Flex/R&D	109,322 SF	
Total	2,661,575 SF	



# Planning and Design

---

Annandale Advisory Services Panel  
Fairfax County, VA REVISED 06.28.07



The Urban  
Land Institute

# Reported Community Goals

---

- Make Annandale a place to drive to, not through
- Create a walkable environment
- Establish pedestrian connections to neighborhoods



# Existing Conditions

- Automobile-oriented development
- Increasing traffic congestion
- Limited pedestrian amenities
- Insufficient mass transit
- Identity as traffic hub, not commerce center



# Mixed Use Development

- Establishes a friendlier pedestrian environment
- Creates a sense of place



Downtown  
Plano, Texas

# Pedestrian Environment

---

- Current Challenges
  - Inconsistent and insufficient sidewalks
  - Unsafe crossings at major roads
  - Large parking lots
- Opportunities
  - Create internal circulation system with connections to adjacent neighborhoods
  - Install pedestrian amenities
  - Create safer road crossings



# Transit

---

- Goal
  - Attract “choice riders,” those who have the choice between traveling by transit or car
- Opportunities
  - Reduce all peak headways to 10 minutes
  - Concentrate highest density near transit
  - Consolidate transit service at a new mixed use transit center with parking and retail
  - Pursue streetcar extension from Bailey’s Crossroads



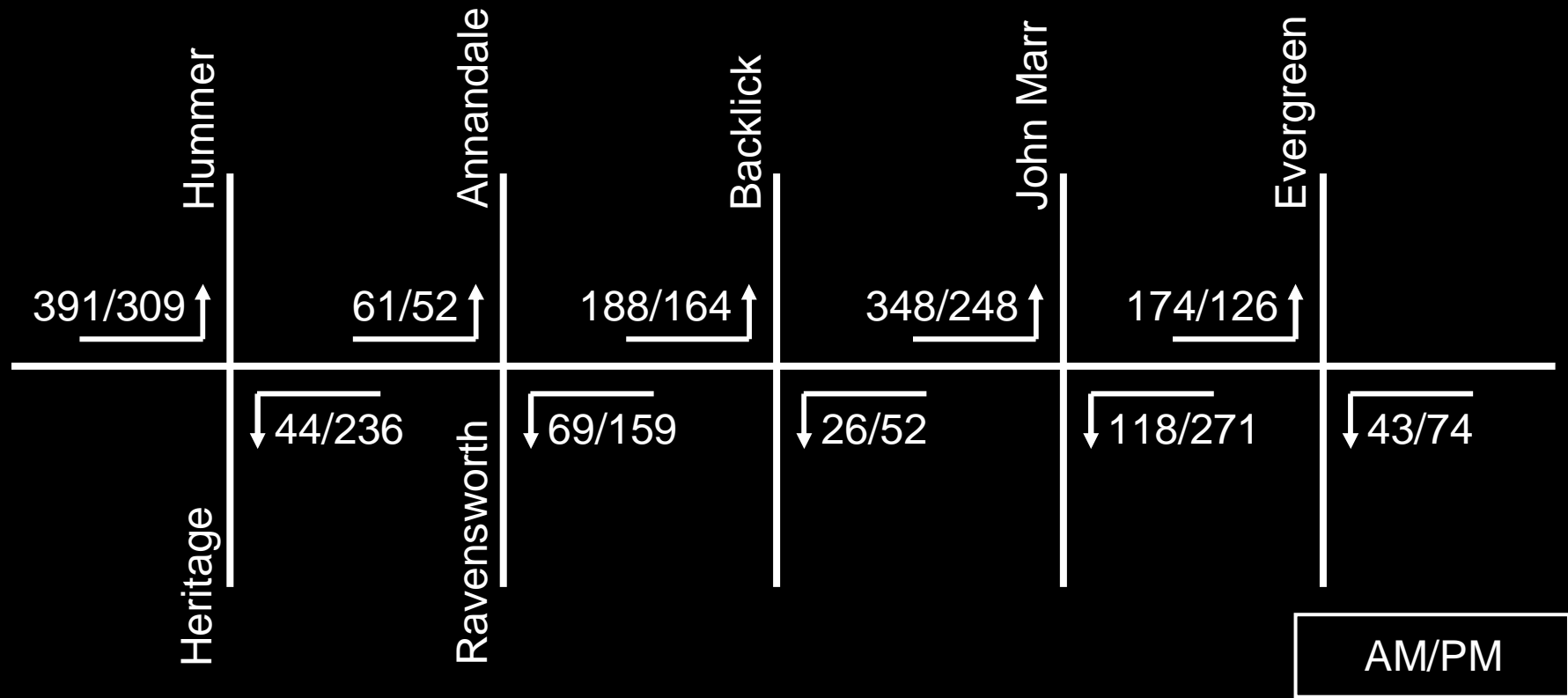
# Traffic Conditions

---

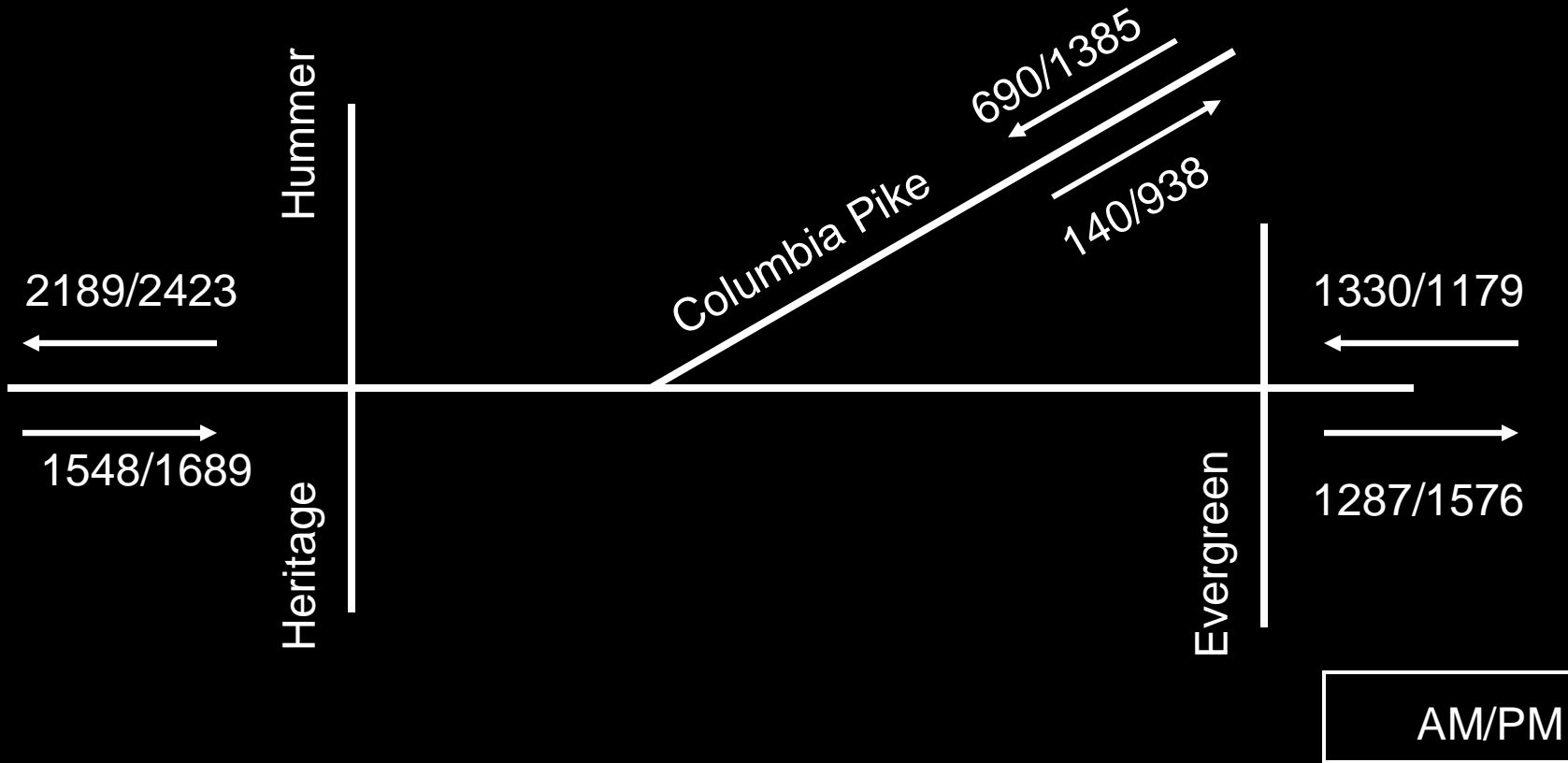
- High frequency of left turns, signalized intersections, and heavy traffic flow create a bottleneck on Little River Turnpike at the core of the business area
- Discontinuous and inconsistent frontage roads confuse drivers and create dangerous intersections
- Traffic flow is equivalent in both directions during both rush hours



# Peak Hour Turn Movements 2004

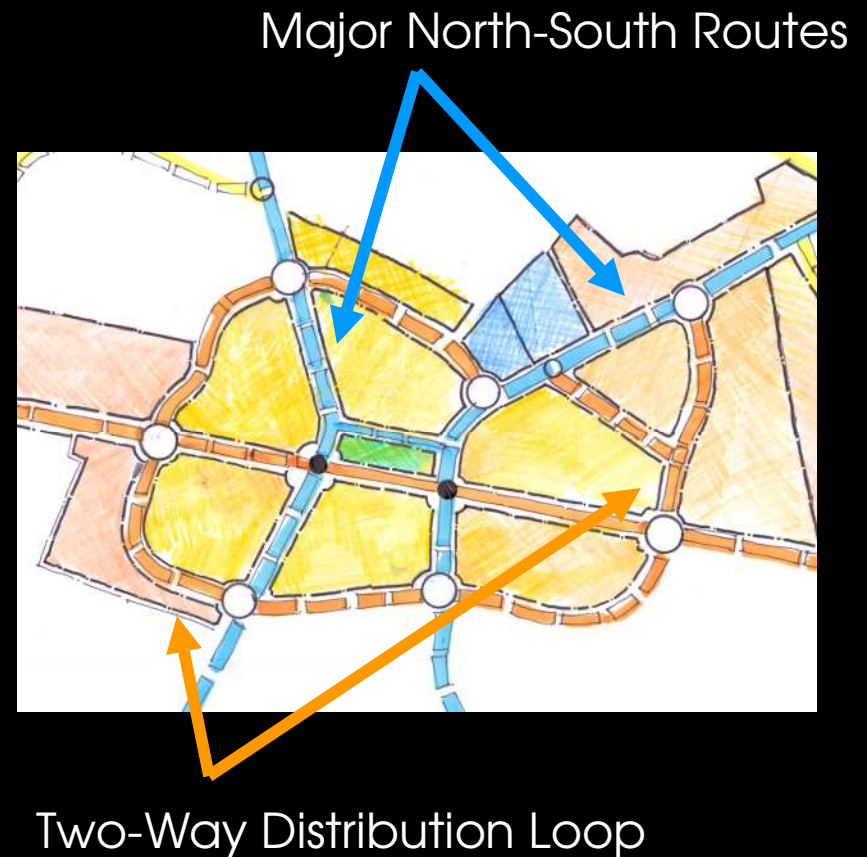


# Peak Hour Through Traffic 2004



# Two Way Loop

- Create a two-way loop system around the core to distribute traffic
- Reduces left turns on Little River Turnpike
- Distributes local traffic throughout the CBC
- Opens up new land bays for development



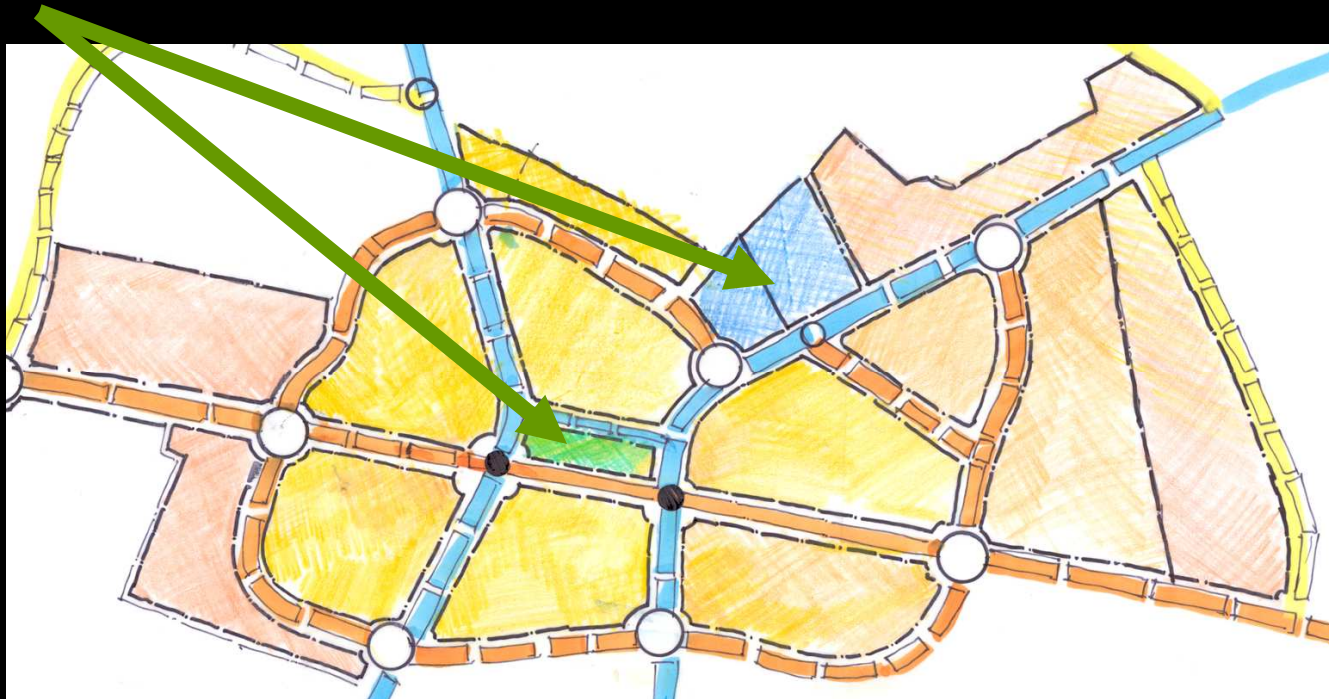
# Edge Conditions and Buffers

- Landscaping and dense land uses can buffer neighborhoods from traffic on the two-way loop



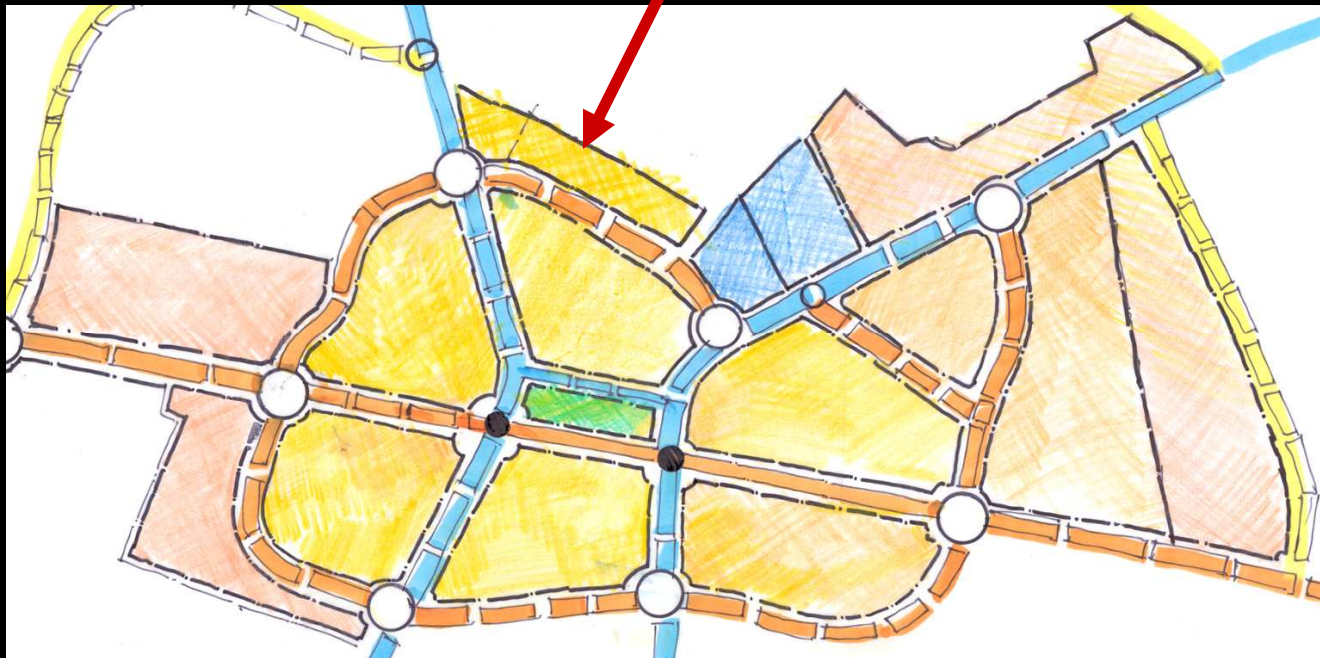
# Long-Term Potential Land Use

Civic/Community Use



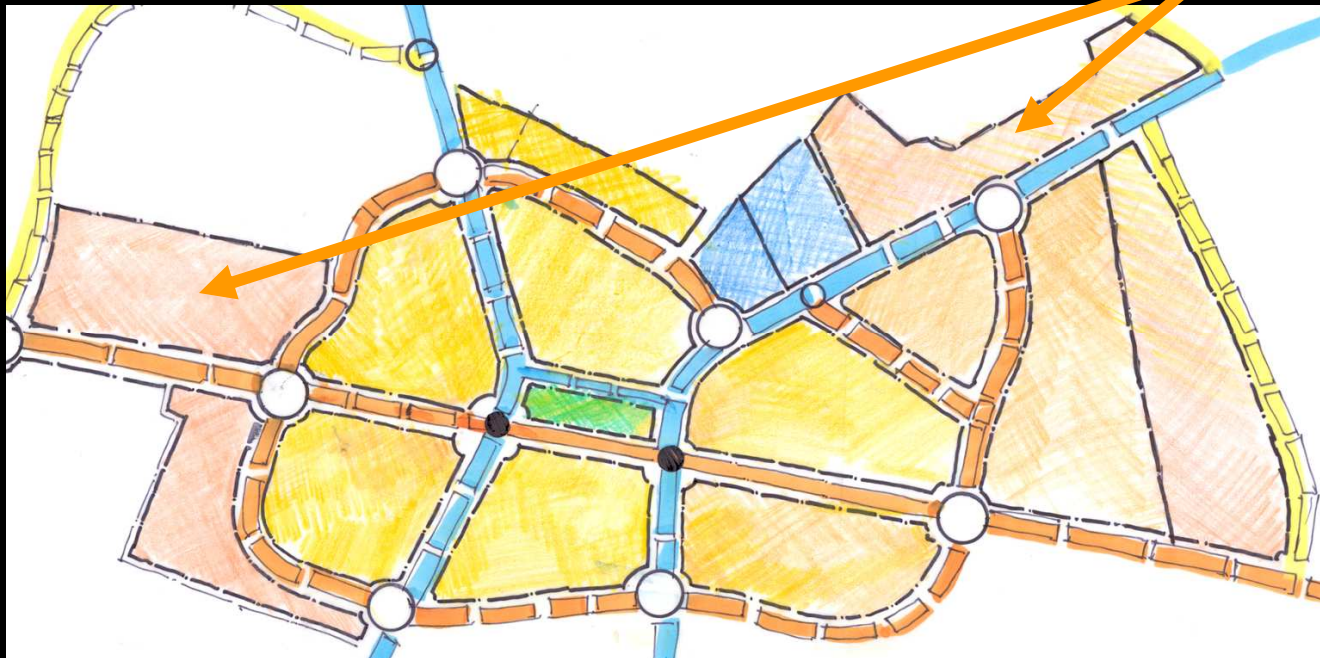
# Long-Term Potential Land Use

Residential

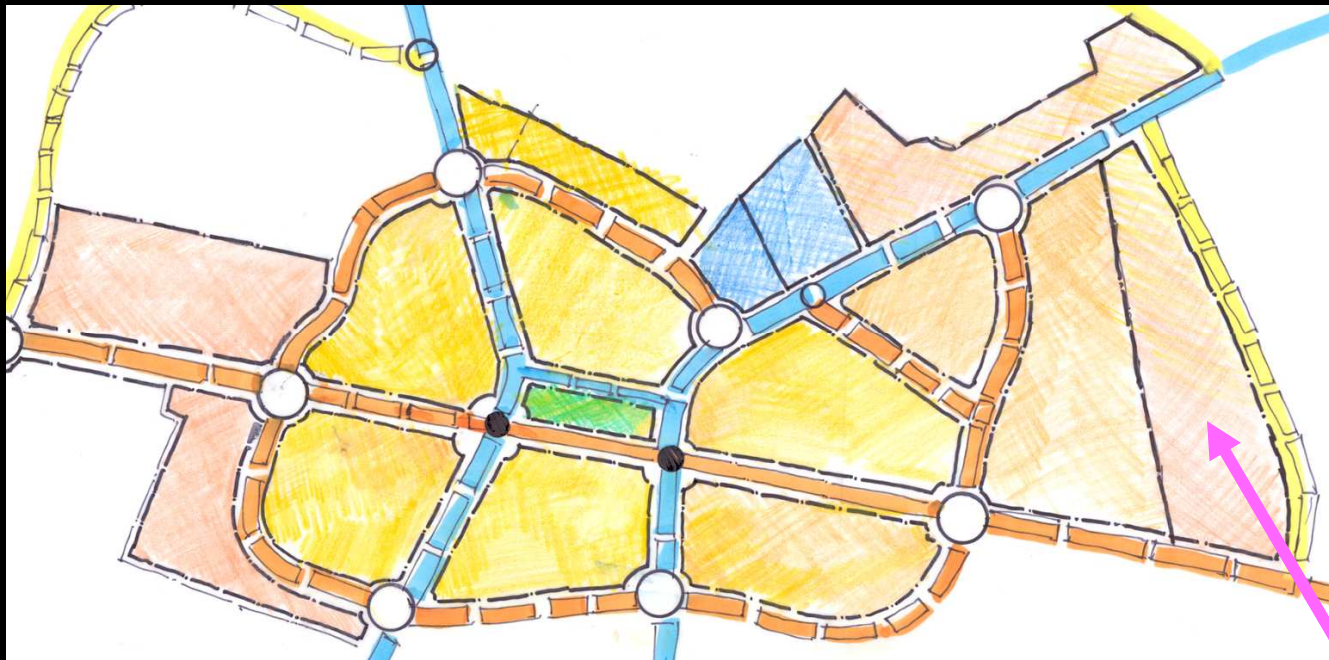


# Long-Term Potential Land Use

Strip Retail to Remain



# Long-Term Potential Land Use



Office

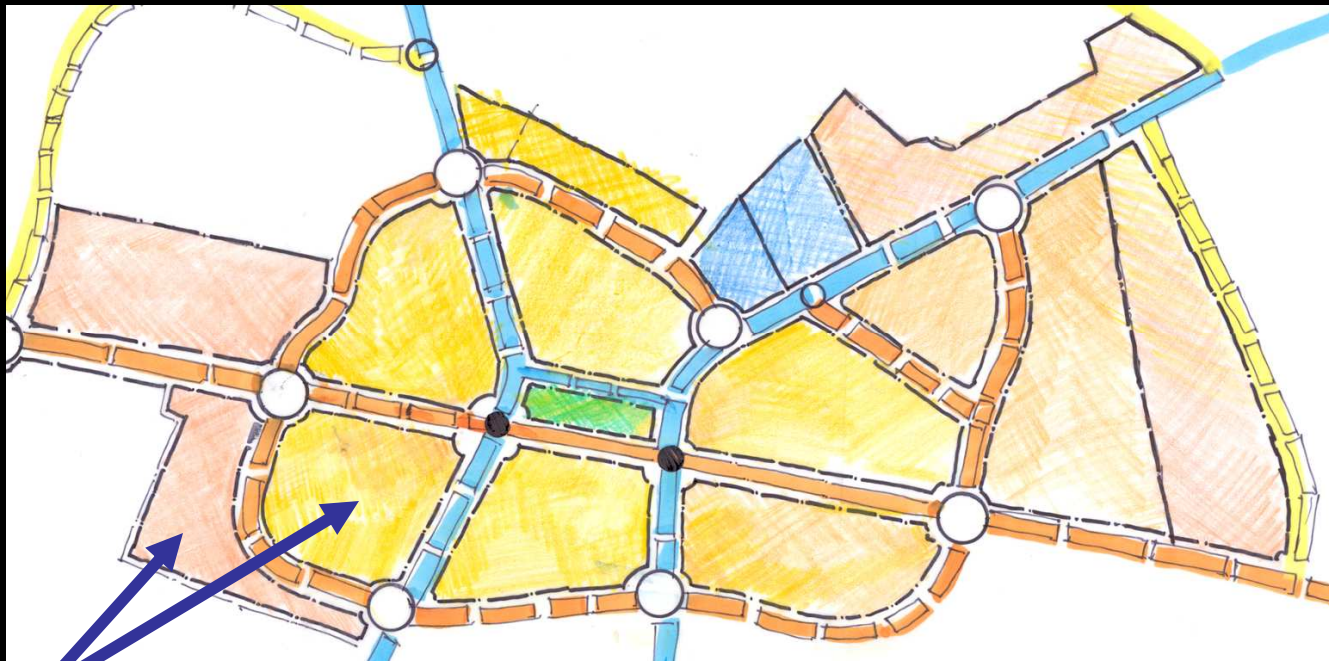


# Long-Term Potential Land Use



Mixed Use Retail/  
Residential

# Long-Term Potential Land Use



Mixed Use  
Office/Residential

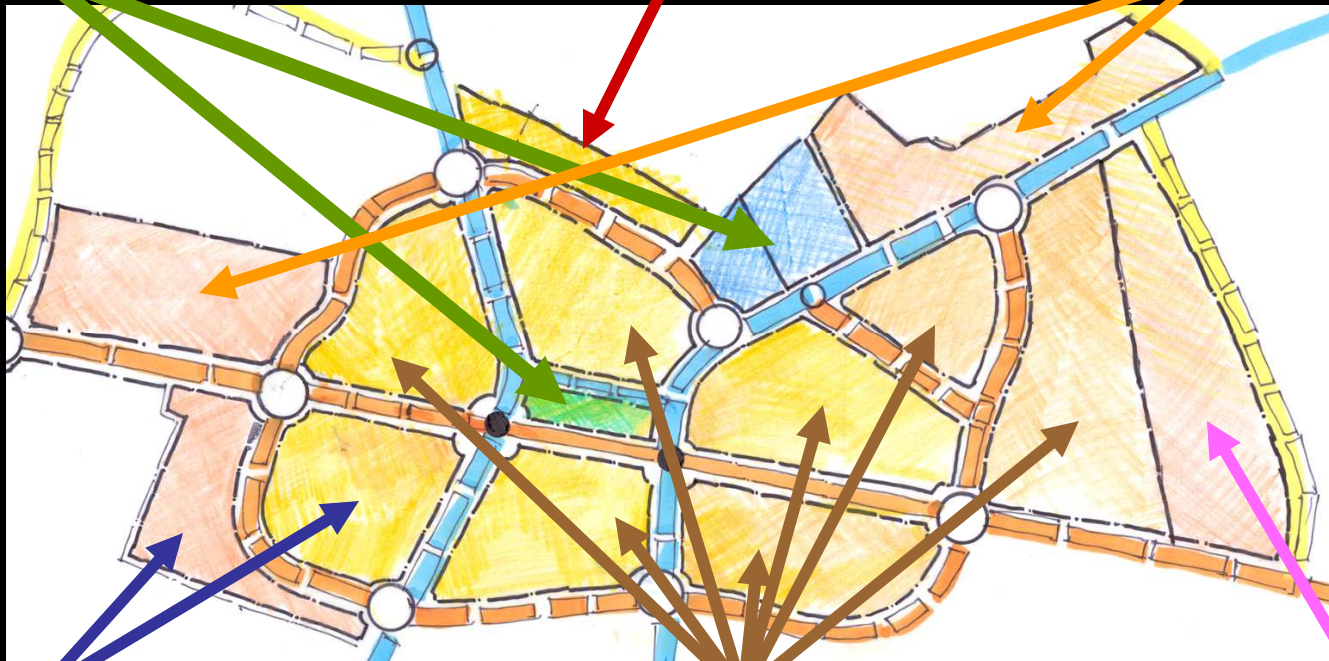


# Long-Term Potential Land Use

Civic/Community Use

Residential

Strip Retail to Remain



Mixed Use  
Office/Residential

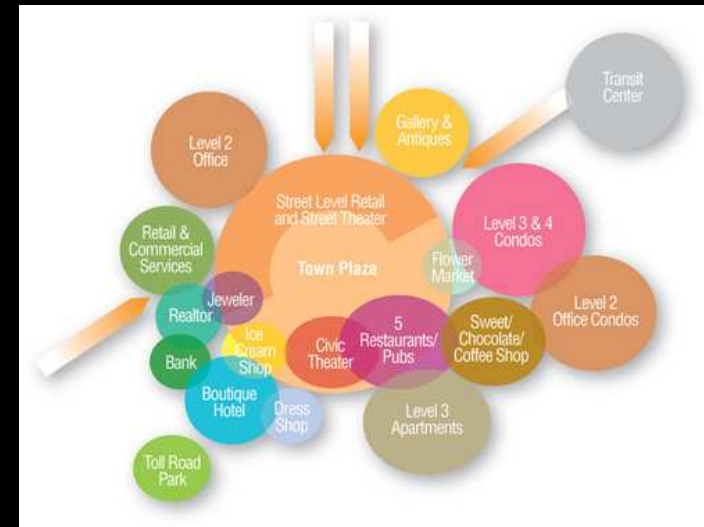
Mixed Use Retail/  
Residential

Office



# Town Center

- Mixed use retail, office, and residential
- Lively interplay among retail, commerce, and work;
- Between theater and leisure
- A learning place—a home place



# Development Strategies

---

Annandale Advisory Services Panel  
Fairfax County, VA REVISED 06.28.07



The Urban  
Land Institute

# Existing Conditions

---

- Increased entitlements have not spurred desired development
- Ethnic businesses are Annandale's core strength and a regional draw
- High land prices and rents make Annandale less competitive for new development
- Ethnic businesses in Annandale are focused on ongoing cash flow rather than on land investment



# Existing Conditions (Continued)

---

- Current retail mix, with a strong ethnic component, is viable and in demand
- Future development will need to focus on serving local residents and current ethnic market
- Existing diversity and vibrancy of retail market is a good base for creating a town center
- Fairfax County comprehensive plan supports development of a town center



# Obstacles

---

- Current entitlements outstrip market demand
- Ethnic businesses and property owners have not been engaged in the redevelopment strategy
- Land and retail rental prices are higher than surrounding competitive areas
- Blanket floor area ratio increases have likely encouraged land speculation



# Proposed Development Program

---

- Development strategy must be flexible to respond to fluctuating market conditions
- Pursue all viable projects that contribute to the community's vision
- Begin with catalytic projects:
  - Transit Center
  - Community Center
  - Open Space
  - Two-Way Loop



# Residential Development

---

- For Sale Condo 400
- For Sale Townhouse 180
- Market Rate Rental 750
- Affordable Rental 100
- Specialty Housing Type TBD



# Office, Retail, and Hotel

---

- Rental Office 350,000 SF
- For Sale Office 300,000 SF
- Retail 279,304 SF
- Hotel 150 Rooms



# Civic/Community Uses

---

- Mixed Use Community Center
  - 20,000 SF of community services
  - 15,000 SF of community recreation space
  - 10,000 SF of ground floor retail
- Mixed Use Transit Center
  - 10,000 SF of waiting, ticketing, servicing, etc.
  - 20,000 SF of bus parking
  - 20,000 SF of retail
  - 425 structured parking stalls
- Public Space 1.0-1.5 acres



# Master Plan Principles

---

- Minimize auto circulation, favor pedestrians and bikes
- Allow incremental & cumulative development
- Create early public-private partnerships
- Minimize infrastructure costs
- Pursue regulatory solutions
- Create open space
- Establish development standards



# Urban Design

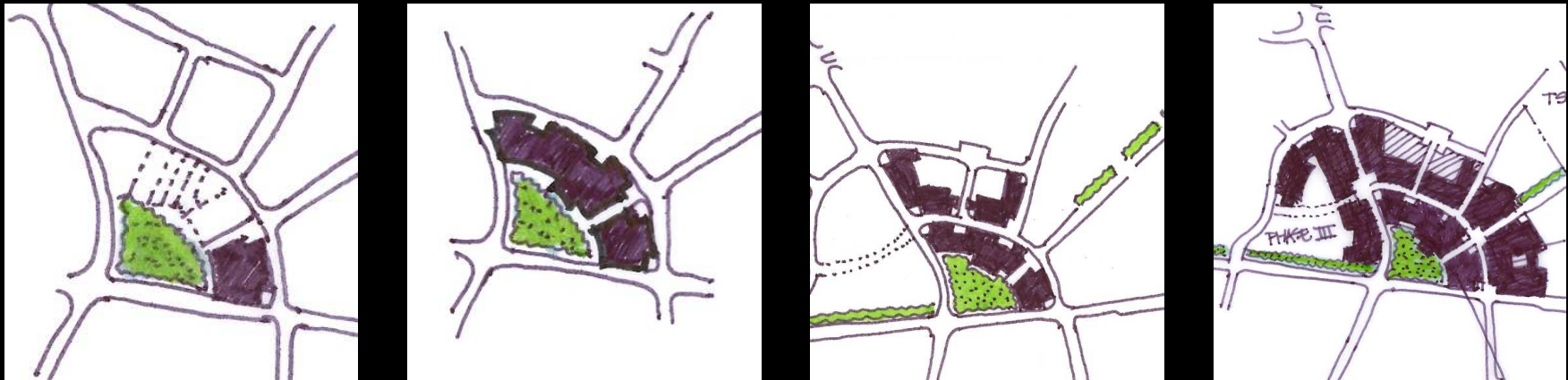
---

- Concentrate and integrate people and activities
- Create a strong identity through design
- Integrate civic, retail, office, and residential
- Capitalize on existing demand (ethnic retail) and create new demand (neighborhood services)



# Phase Development Over Time

- Build on catalytic public projects
- Preserve existing commercial viability
- Capitalize on existing business energy
- Generate demand



Foster incremental, cumulative growth over time

# Time Is of the Essence



# Implementation

---

Annandale Advisory Services Panel  
Fairfax County, VA REVISED 06.28.07



The Urban  
Land Institute

# Challenges to Success

---

- Quality of life issues in residential neighborhoods challenge development in the commercial area
- Entitlement process is cumbersome and confusing
- Land ownership is fractured
- All ethnic groups represented in Annandale are not engaged in the revitalization process
- Traffic congestion dominates discussion



# Unrealized Opportunities

---

- Ethnic groups seem willing to participate
- Private capital is readily available for the right development projects
- Multi-ethnic character is a unique regional draw



# Establish a Vision

---

- The community lacks a cohesive vision
- Look at Annandale as a collage
- Engage all stakeholders in creating a vision
- Hire an implementation czar to coordinate efforts
- Streamline the entitlement process



# Address Quality of Life Issues

---

- Addressing quality of life issues in adjacent neighborhoods will encourage development
- Establish ordinances to control off-street parking
- Create an active police presence
- Collaborate with social service agencies



# Be Thorough and Consistent

---

- Process is as important as the plan
- Maintain a consistent public engagement process
- Hire a professional facilitator to design and implement the process
- Include all stakeholder groups in the process
- Process of implementation will take years of consistent action



# Engage the Entire Community

---

- Print and distribute the panel report in all of Annandale's languages (Korean, Spanish, English, etc.)
- Hold public meetings, planning meetings, and other sessions in all of Annandale's languages



# Improve Infrastructure

---

- Redevelopment will require substantial public improvements
- Public funding must be part of the equation



# Public Financial Contributions

---

- In order to be successful, the public sector must provide incentives:
  - Density incentives (where appropriate)
  - Public financing incentives, such as tax increment financing district and community facility districts (as appropriate)
  - Land banking or acquiring and developing public amenities



# Private Financial Contributions

---

- Institutional debt and equity is available for well-conceived, well-underwritten, and properly sponsored projects
- Development partnerships between current landowners and private developers through which current business owners give their land for development in exchange for an ownership stake in new projects and guaranteed retail space



# Conclusion

---

- Annandale is not like “somewhere else”
- Market demand exists for new development
- Infrastructure, land pricing and assembly, and engagement challenges must be addressed
- Political leaders and the community must create a unified vision and push for implementation over time

