



City of Fairfax, Virginia

City Council Work Session

Agenda Item # WS 1
City Council Meeting 12/19/2017

TO: Honorable Mayor and Members of City Council

FROM: Robert Sisson, City Manager *RS*

SUBJECT: Discussion of a request by Capstone Collegiate Communities, LLC. Regarding a potential application for the redevelopment of the site located at the northeast intersection of University Drive and Democracy Lane, Tax Map 57-2-20-006A.

ISSUE(S): Informational Work Session of City Council to discuss initial concepts for the proposed redevelopment of the site located at the northeast intersection of University Drive and Democracy Lane. Although a formal application has not yet been submitted, the applicant has prepared a design concept for discussion. The intent of this work session request is to receive initial feedback from City Council before proceeding with an official application.

SUMMARY: The applicant proposes to replace the existing low-rise office buildings with multifamily residential buildings that will be marketed primarily to graduate and undergraduate university students, but not limited to students. Further detail is provided within this staff report. The proposed development is dependent on a Comprehensive Plan Future Land Use Map Amendment, and potentially Rezoning, Special Use Permit, and Special Exceptions requests.

FISCAL IMPACT: A fiscal impact analysis has not been conducted at this time.

RECOMMENDATION: Discussion and guidance on the overall site layout and program

ALTERNATIVE COURSE OF ACTION: City Council may choose to postpone discussion to a future date.

RESPONSIBLE STAFF/ Jason Sutphin, Community Development Division Chief
Brooke Hardin, Director, Community Development & Planning

POC: Supriya Chewle, Planner II

COORDINATION: Community Development & Planning, City Attorney, Public Works, Code Administration

ATTACHMENTS: Submitted site plan concept.

Background

The subject property is 6.15 acres located within the block bounded by University Drive, Layton Hall Drive, Democracy Lane and Old Lee Highway. The subject property is zoned CR Commercial Retail and is within the Old Town Fairfax Future Transition Overlay District.

Table 1 provides a summary of surrounding land uses.

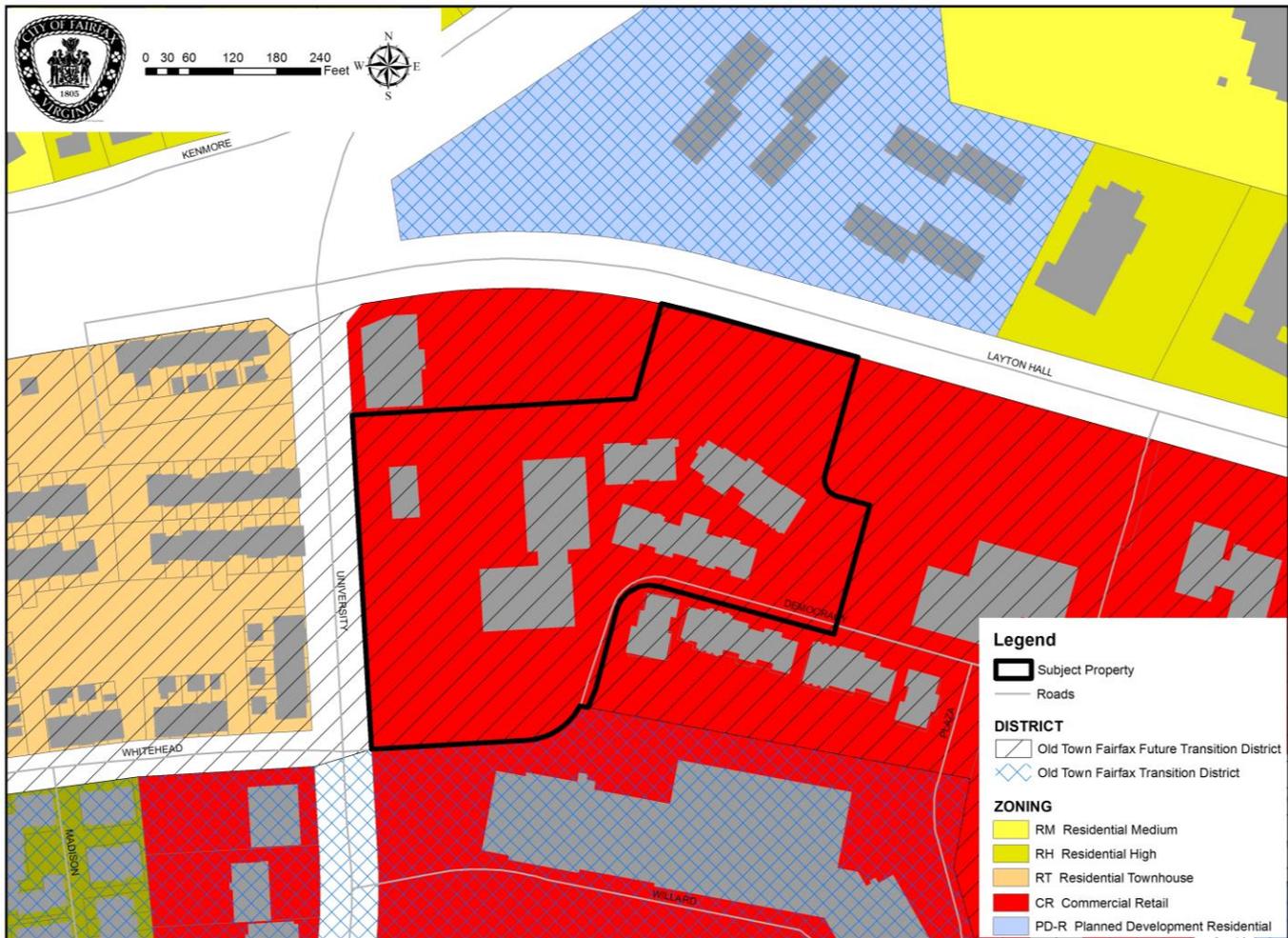


Figure 1: Existing Zoning

	Existing Zoning	Existing Land Use	Future Land Use
Site	CR Commercial Retail	Commercial - Office	Business - Commercial
North	CR Commercial Retail	Commercial - Office	Business - Commercial
South	CR Commercial Retail	Commercial - Retail	Business - Commercial
East	CR Commercial Retail	Commercial - Office	Business - Commercial
West	RT	Residential - Single Attached	Residential - Medium

Table 1: Surrounding Property Descriptions

Proposal Summary

The applicant, Capstone Collegiate Communities, L.L.C. proposes to replace the existing low-rise office buildings and all associated structures currently located on the 6.15-acre site with four and five-story multifamily buildings with approximately 230 to 270 units (37.4 to 43.9 dwelling units per acre). The units will include a mix of studio, one, two, and four bedroom units with approximately 750 to 800 bedrooms. A separate lease agreement with each individual resident with a minimum of twelve month term would be required. In accordance with Zoning Ordinance requirements, no more than four unrelated individuals will be permitted to occupy a single dwelling unit. The applicant proposes to market the dwelling units to college students for off-campus housing, and the site would remain privately owned and managed. From a Zoning Ordinance use standpoint the use would be defined as residential multifamily, and it is staff's understanding that the Fair Housing Act would exclude the applicant from accepting only students as renters, thus this would be a market rental complex. The development would provide approximately 11,000 sf of amenities and a parking deck with approximately 640 to 780 parking spaces and 50 surface parking spaces, the specifics of the proposal have not been completed to date. Access would be provided from University Drive and Layton Hall Drive, along with interparcel access.

Land Use

The subject property is designated as Business Commercial on the Comprehensive Plan Future Land Use Map as indicated in Figure 2.

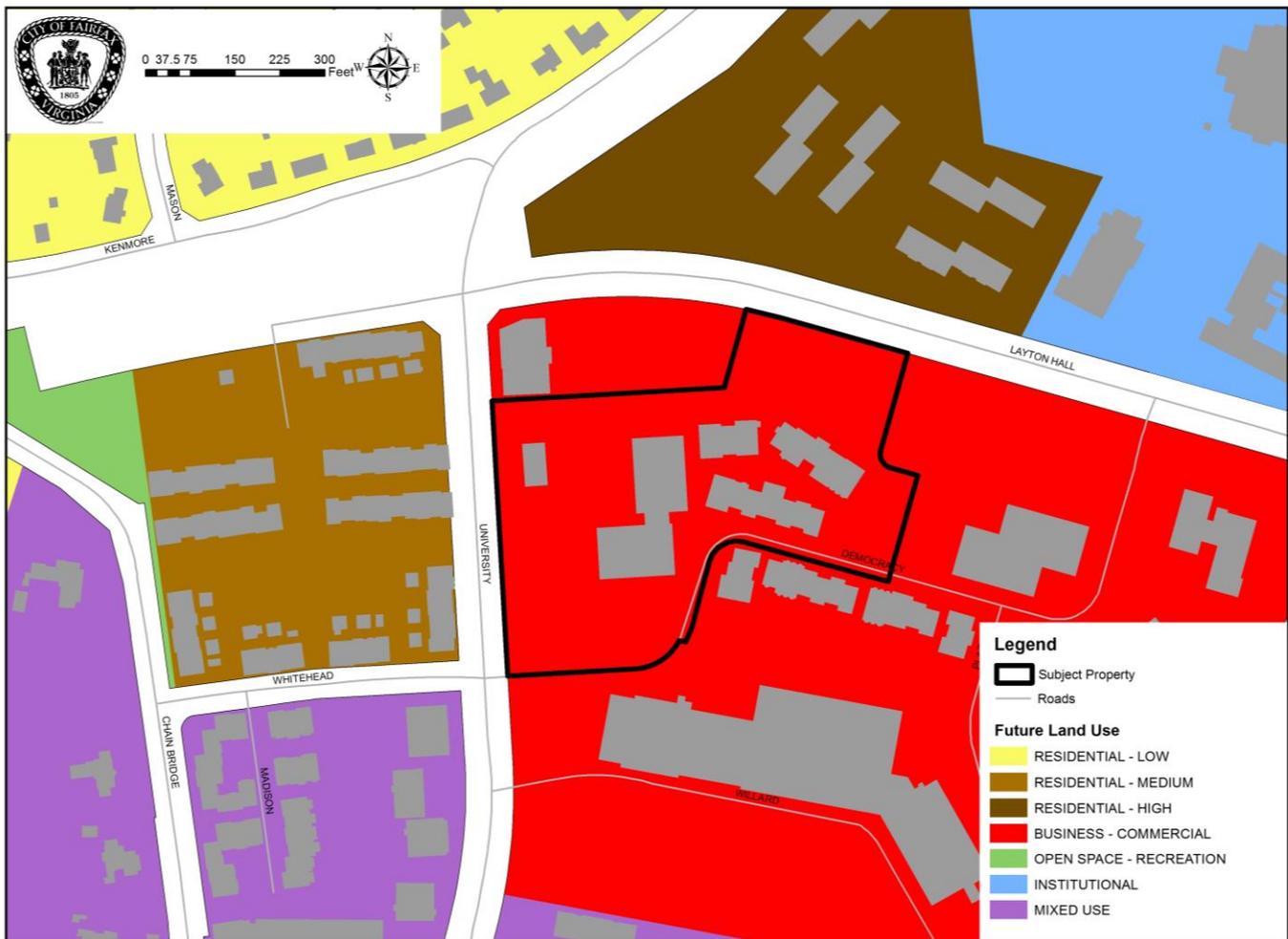


Figure 2: Future Land Use

The applicant proposes to file an application for amendment of the Comprehensive Plan Future Land Use Map from the existing Business-Commercial designation, which does not support housing, to Residential – High, which accommodates more than 12 dwelling units per acre. At this time, the applicant proposes a density range between 37.4 to 43.9 dwelling units per acre.

The applicant proposes a rezoning from the underlying zoning of CR Commercial Retail to PD-R Planned Development Residential. The Comprehensive Plan also envisions that the Old Town Fairfax Transition Overlay District (OTFTOD) would be extended to Layton Hall Drive, which is an area that includes this site. The applicant proposes to also extend the OTFTOD to this site through a rezoning action.

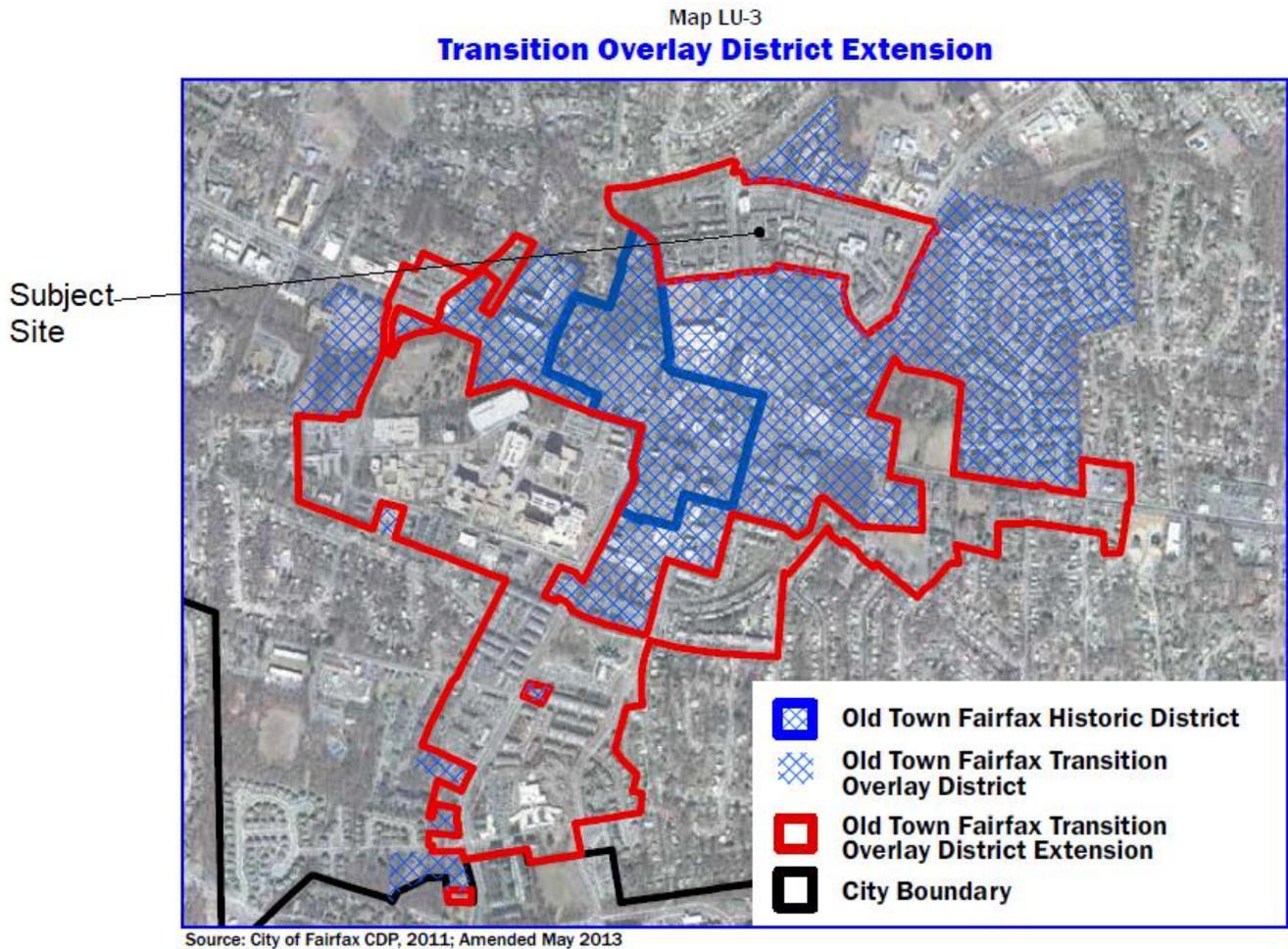


Figure 3: Map LU-3



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WALSH COLUCCI
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November 15, 2017

Via E-Mail and U.S. Mail

Brooke Hardin, Director
Department of Community Development & Planning
City Hall Annex Room 207
10455 Armstrong Street
Fairfax, Virginia 22030

Re: Request for Joint Work Session
Capstone Collegiate Communities, LLC

Dear Mr. Hardin:

As you are aware, I represent Capstone Collegiate Communities, LLC (“Capstone”). Capstone is the contract purchaser of property identified among the City of Fairfax tax assessment records as 57-2-20-006A (the “Subject Property”). Pursuant to our recent discussions, please accept this letter and the enclosed materials as a request for a joint work session with the Planning Commission and City Council on Tuesday, December 19, 2017, to discuss Capstone’s proposed development of the Subject Property with multifamily residential buildings that will be marketed primarily to graduate and undergraduate university students.

I. **Existing Conditions**

The Subject Property consists of approximately 6.15 acres located in the northeast quadrant of the intersection of University Drive and Democracy Lane, proximate to the City’s downtown. The Subject Property is currently zoned CR (Commercial Retail), and is developed with low-rise office buildings and associated surface parking. The Subject Property is sparsely vegetated, and consists of predominantly impervious surface. The aging office buildings, constructed in approximately 1978, are approximately 50% vacant and are approaching the end of their useful life. Under current market conditions, it has been challenging for the current property owner to secure tenants for the vacant office space. Given the age and condition of the existing development on the Subject Property, its continued use as commercial office is no longer viable.

II. **Overview**

Capstone’s proposal presents an opportunity to redevelop the Subject Property with a use that will activate and revitalize an underutilized parcel located in proximity to the City’s commercial downtown. The following provides an overview of Capstone, a summary of the

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proposed development, and a description of the land use applications necessary to accomplish the proposal.

a. *Capstone Collegiate Communities, LLC*

Capstone specializes in the development, construction, and management of high-quality off-campus student housing in proximity to major colleges and universities across the country. Formed in January 2012 as part of the restructuring of Capstone Development, which had over 23 years of student housing experience, Capstone is a market leader in the student housing industry. At that time, Capstone Development had a portfolio of 131 student housing communities including 83,000 beds in 33 states throughout the country. Capstone communities are professionally managed by an on-site staff that maintains a 24/7 presence, and provides employment opportunities for its student residents, who work as leasing associates. In addition, Capstone has partnered with local law enforcement by providing off-duty police officers a residence free of charge in exchange for their on-site presence. Through its years of experience in the student housing industry, Capstone has developed a business model and management practices that create quality, successful, and secure communities.

While its communities are privately owned and managed, Capstone works closely with the proximate university and the local jurisdiction. The proposed development in the City would be marketed primarily to graduate and undergraduate students of George Mason University (“GMU”), located approximately one mile south of the Subject Property. As GMU continues to grow, so does the need for additional off-campus student housing. Capstone has held preliminary meetings with GMU officials to discuss its proposal and has received positive feedback. Capstone is particularly aware of the need to provide adequate transportation options to its future residents to allow them to travel to and from GMU. Capstone is committed to working with the City and GMU to select the most appropriate approach to transportation, either through the provision of a privately operated shuttle service, or through a partnership with the City and GMU to supplement existing transit options.

b. *Proposed Development*

As shown on the submitted Concept Plan, the proposed development consists of a range of 230 to 270 units to be located in four (4) and five (5) story multifamily buildings on the Subject Property. The units will include a mix of studio, one, two, and four bedroom units, thereby providing a variety of living options. Each unit will be comprised of complete living facilities, including one bathroom per bedroom, kitchen facilities and a washer and dryer. Capstone anticipates either fully furnishing all units, or offering a furniture package option to its residents. Capstone will enter into a separate lease agreement with each individual resident, and the term of each lease will be a minimum of twelve (12) months. The 24/7 on-site management staff will have full access to each unit and all bedrooms within each unit. In accordance with Zoning Ordinance requirements, no more than four (4) unrelated individuals will be permitted to occupy a single unit. Depending on the final bedroom count, the student population will be approximately 750-800 persons.

The development will include a variety of high quality amenities for the residents. These may include game rooms, fitness facilities, common gathering spaces and group study rooms. An outdoor courtyard area is proposed, and has been located in the interior of the buildings to mitigate any noise impacts on the nearby residential communities. The buildings will include offices for leasing and on-site management functions, as well as rooms to accommodate mail and package deliveries.

On-site parking will be provided in an above grade parking garage and approximately 50 surface parking spaces. The parking garage will be wrapped by the proposed multifamily buildings, thereby shielding it from view along University Drive and Democracy Lane. Capstone anticipates that a large number of its student residents will utilize the private shuttle service and/or public transportation to travel to and from GMU on a daily basis. Most students, however, do own cars and Capstone is committed to providing ample on-site parking to minimize the likelihood of parking on nearby public streets.

The proposed development will include on-site underground stormwater management and best management practices (BMP) facilities, and will comply with all applicable stormwater regulations. The proposed development will result in a decrease of impervious surface, and will include landscaped open space around the periphery of the Subject Property and in interior courtyards.

c. Proposed Architecture

The proposed buildings are primarily oriented to University Drive and Democracy Lane, creating an activated streetscape along these frontages that is characterized by landscaping, seating, and a pedestrian friendly sidewalk. One building is located on the northern portion of the Subject Property adjacent to Layton Hall Drive. The Subject Property will be graded to lower the existing berm along the University Drive frontage, thereby reducing the height of the proposed buildings and creating a more appropriate height transition to the existing townhomes to the west.

As shown in the submitted conceptual elevations, the proposed buildings are characterized by traditional architecture that will be compatible with downtown Fairfax. The façade along University Drive is broken up through the use of articulation and a variety of building materials, thereby reducing the apparent size and scale of the multifamily buildings. The resulting façade resembles townhouses in appearance, which will be compatible with the proximate townhouse communities. The ground floor of the proposed building at the intersection of University Drive and Democracy is activated through the placement of amenity space and a leasing/management office at this location.

d. Proposed Rezoning and Comprehensive Plan Amendment

As discussed above, the Subject Property is currently zoned to the CR District, which is established to provide areas for office, general business, and retail establishments. In addition, the Subject Property is designated on the Future Land Use Map as Business – Commercial. Although not currently located within the boundaries of the Transition Overlay District (the “TO

District”), the Subject Property is in an area recommended by the Comprehensive Plan (the “Plan”) for future inclusion in the TO District, either upon application from the property owner in conjunction with a rezoning or as part of a larger City-initiated rezoning.

While the current use of the Subject Property is consistent with its existing zoning and the Future Land Use map classification, the proposed multifamily development will require a rezoning and Plan amendment. Capstone proposes to rezone the Subject Property from the CR District to the PD-R (Planned Development Residential) and TO Districts with a concurrent Plan amendment to re-classify the Subject Property as RM Multifamily.

The proposed PD-R zoning classification is appropriate given the nature and scale of the proposed multifamily development. Capstone’s proposed community will provide university students with an attractive and affordable housing option in proximity to GMU. The high quality development will fulfill a demonstrated need for student housing within the City and will serve to alleviate pressure on stable residential communities by providing a centrally located and professionally managed place for students to live. The proposed development will also serve to bolster the City’s downtown by generating a critical mass of activity in proximity to local businesses. As discussed below, a central objective set forth in the Land Use section of the Plan focuses on strengthening the City’s downtown. The proposed development will attract new residents to downtown Fairfax within walking distance of shops, restaurants and local businesses. As the proposed development fulfills multiple community needs, the PD-R District is an appropriate zoning classification.

Strategy LU2.1 in the Land Use section of the Plan provides that proposed development should be evaluated based on its consistency with the guidance provided in the Plan as a whole. Objective LU-4 of the Land Use section sets forth strategies intended to promote Old Town Fairfax as the City’s historic core and downtown cultural activity center. These strategies include: 1) emphasizing the pedestrian access and usability in old town; 2) encouraging a mix of uses, including residential, in Old Town Fairfax; and 3) attracting cultural activities and facilities to Old Town, particularly during the evening hours, by supporting and encouraging restaurants and retail establishments. Objective HOU-5 of the Housing section of the Plan provides strategies for managing the existing and anticipated housing needs generated by GMU. Strategy HOU-5.1 encourages collaboration on finding solutions to GMU’s housing problems including potential shortages, overcrowding, excessive parking demand, traffic and noise in residential neighborhoods.

The proposed development of the Subject Property fulfills the stated Plan objectives discussed above. The development will create a pedestrian friendly streetscape along University Drive and Democracy Lane that will provide convenient, walkable access to Old Town Fairfax. The proposed multifamily residential use will contribute to the diversity of uses in the City while attracting several hundred year-round residents to the downtown. These residents will shop, eat and work at many of the existing local downtown businesses, and their presence will incentivize future economic development and investment in downtown Fairfax. In addition to bolstering the economic health of the City’s downtown, the proposed student housing community will address each of the problems identified by HOU-5.1. The proposed development will provide housing for GMU students in a professionally managed setting, thereby alleviating impacts on residential

communities. As discussed above, Capstone is committed to working with the City and GMU to provide a reliable transportation option for the residents, and to ensure that the parking needs of the residents are met on-site. Because the proposed development advances the foregoing objectives as stated in the Plan, a Plan amendment is appropriate.

I would appreciate the scheduling of a joint work session with the Planning Commission and City Council on December 19, 2017. Should you have any questions regarding the submitted materials or should you require any additional information, please do not hesitate to contact me. As always, I appreciate your assistance.

Very truly yours,

WALSH, COLUCCI, LUBELEY & WALSH, P.C.



Lynne J. Strobel

cc: Jason Sutphin
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Amanda Wallis
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