



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of April 20, 2024

DATE: April 12, 2024

SUBJECT: Request to advertise public hearings on an ordinance to amend, reenact, and recodify Article 7, Section 7.15. of the Arlington County Zoning Ordinance (ACZO) relating to provisions for approving additional density above a floor area ratio (FAR) of 10.0 for existing buildings and approved, unbuilt site plan developments in the C-O Rosslyn zoning district.

C. M. RECOMMENDATION:

Adopt the attached resolution (Attachment 1) authorizing advertisement of public hearings by the Planning Commission no earlier than July 8, 2024, and by the County Board no earlier than July 20, 2024, to consider amendments to Article 7, Section 7.15. of the ACZO relating to provisions for approving additional density above a FAR of 10.0 for existing buildings and approved, unbuilt site plan developments in the C-O Rosslyn zoning district.

ISSUES: This is a request to authorize advertisement of public hearings to consider amendments to the C-O Rosslyn zoning district's provisions to allow additional density beyond 10.0 FAR for existing buildings and approved, unbuilt site plan developments that were previously approved in accordance with the maximum density requirement of 10.0 FAR. No issues have been identified as of the date of this report.

SUMMARY: Staff has begun work on a zoning ordinance amendment for the C-O Rosslyn zoning district that would enable the County Board to approve additional building density beyond the district's maximum threshold of 10.0 FAR. The County Board's authority would be eligible for existing buildings and approved, unbuilt site plan developments, many of which were approved at or near the 10.0 FAR maximum. In limited instances, additional density beyond a 10.0 FAR may be appropriate when gross floor area (GFA) that had been previously excluded from the site plan's density calculations is reconfigured to habitable space.

The maximum density requirement of 10.0 FAR was first established with the creation of the C-O Rosslyn zoning district in 1996. In most other zoning districts, the County Board may approve additional density above a district's identified maximum density limits in accordance with §15.5.9 of the ACZO, which sets forth the standards for making such allowances in consideration of provisions for affordable housing, community facilities, sustainable design, and other public priorities. The C-O Rosslyn district's provisions for additional density are separate and apart from those outlined in §15.5.9, requiring strict adherence to the maximum density requirement of 10.0 FAR except in limited circumstances when the developer has provided

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contributions towards significant transportation infrastructure identified in the Rosslyn Sector Plan.

In February 2024, Arlington County announced CoStar Group will move its global headquarters to Rosslyn, after purchasing 1201 Wilson Boulevard, a 560,000-square-foot office building known as Central Place Tower. In exchange for a nearly \$14 million payment to support timely reconstruction of Rosslyn's Gateway Park, CoStar Group will be gaining exclusive use of the public observation deck previously realized as part of the site plan approval. A potential zoning text amendment related to this RTA would provide a means through which the observation deck's floor area, previously excluded from density calculations, could be converted to private use and accounted for in a manner where the project's FAR would exceed 10.0. While work on the potential ACZO text amendment is being initiated in response to CoStar Group's move to Arlington, staff expects such an amendment would apply in other instances bolstering Arlington's future commercial resiliency.

**BACKGROUND:** The proposed zoning ordinance amendment is part of CMRI 2.0, which is a continuation of the [Commercial Market Resiliency Initiative \(CMRI\)](#) initiated by the County Manager and authorized by the County Board in 2022. The CMRI is evaluating Arlington's development regulations and processes to ensure a more nimble response to quickly evolving trends in commercial real estate. These trends include, but are not limited to, rapidly paced innovations in target industries as well as shifts in consumer behaviors, expectations, and preferences. Related to these trends, Arlington's office vacancy rate has followed nationwide trends of reaching historically high levels, resulting in approximately 9 million square feet of currently vacant office space. This level of office vacancy reinforces the importance of Arlington's CMRI efforts, in ensuring any unnecessary barriers are removed to allow for market solutions that remain generally consistent with Arlington's overall plans, policies, and future vision.

While CMRI 1.0 focused exclusively on updates to the ACZO, CMRI 2.0 includes multiple workstreams centered on the following strategic goals<sup>1</sup>:

- Improving efficiency and cost of redevelopment processes;
- Streamlining processes for building repositioning;
- Creating new processes for adaptive reuse and other types of building conversions;
- Addressing regulatory relief tools for capturing tenant demand; and,
- Enhancing placemaking efforts.

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<sup>1</sup> These strategic goals were presented to the County Board at their [October 23, 2023 work session](#). Some of the terminology used in the strategic goals were defined as part of this presentation:

- Redevelopment – Tear downs and reconstruction of an entirely new building; in some instances, parking is retained
- Conversion – Converting an existing building to an adaptive reuse; in some instances, conversions can be paired with the addition of new floors to the building
- Repositioning – Making significant investments in existing office buildings to upgrade their market competitiveness

*Creation of C-O Rosslyn Zoning District:* In 1996, the Arlington County Zoning Ordinance (ACZO) was amended to add a new mixed-use zoning district to implement the vision established in the 1992 [Rosslyn Station Area Plan Addendum](#). The new C-O Rosslyn district permitted increased building height and density compared to mixed-use districts which had facilitated the initial generation of office redevelopment beginning in the 1960s. The district implemented the Area Plan Addendum’s goal of creating new development opportunities for offices, hotels, and multifamily residential buildings that would compete with other desirable office settings.

The initial C-O Rosslyn district permitted a FAR of up to 3.8 for buildings with office, retail and service commercial uses, and up to 4.8 for multifamily residential and hotel buildings, within an area identified on the [General Land Use Plan \(GLUP\)](#) as the Rosslyn Coordinated Redevelopment District. These FAR maximums could be modified by the County Board, per the district’s special exception provisions, to achieve an absolute FAR of up to 10.0 for development applications that would provide important community benefits identified in the Area Plan in tandem with a rezoning to the new C-O Rosslyn district.

This upper threshold of density was specified as an incentive for redevelopment to achieve desired community benefits for the urban neighborhood Rosslyn was envisioned to become as identified during the planning process. In addition, 10.0 FAR was a comparable maximum threshold in comparison with similar urbanized areas within the region, including downtown Washington, D.C. where similar development approvals at the time could achieve between 6.5-12.0 FAR. The 10.0 FAR maximum was bounded by limiting provisions that prevented modification of the maximum by the County Board as part of the site plan approval process.

*Amendments to the C-O Rosslyn Zoning District:* The district’s standards have been amended on two separate occasions since 1996. The first amendment occurred in 2007 and permitted increased building height of up to 490 feet above sea level for properties bounded by 19<sup>th</sup> Street North, North Lynn Street, Wilson Boulevard, and Fort Myer Drive. This area corresponds to the “central place” identified in the Area Plan Addendum that was envisioned to act as a focal point for pedestrian, retail, and social activity within Rosslyn which would be integrated into the surrounding Metrorail and bus transit infrastructure. The building height amendments were consistent with objectives for enhancing Rosslyn’s skyline as envisioned by the Rosslyn Working Group that studied these topics during their work from 2004-2005.

To implement the [2015 Rosslyn Sector Plan](#), the C-O Rosslyn district was once again updated in 2016. Several updates were made to the district’s purpose and intent, landscaped open space requirements, permitted retail uses, and streetscape provisions along with additional editorial changes. In addition, the district’s maximum density provisions were modified to allow the County Board to approve density beyond the 10.0 FAR maximum in instances where the additional density would accommodate “transformational infrastructure”, such as a new segment of 18<sup>th</sup> Street North or transit infrastructure that would substantially increase the Rosslyn Metrorail station’s capacity. Some public feedback during the amendment process advocated for further expansions to the provisions for exceeding the 10.0 FAR maximum, citing broader needs for Rosslyn beyond those pertaining to the establishment of 18<sup>th</sup> Street North or increased

Metrorail capacity. The County Board ultimately did not adopt amended zoning text that would have implemented these broader density modification provisions in part based on staff recommendations to avoid unintended consequences that would undermine the objectives of the Sector Plan's design guidelines.

*CoStar Group Announcement:* On February 13, 2024, an Arlington County press release announced that CoStar Group would relocate its global headquarters to the Rosslyn office building known as Central Place Tower located at 1201 Wilson Boulevard. The announcement outlined CoStar Group's plan to pay \$13,951,900 to obtain sole use of the Central Place Tower's Observation Deck, which the County Manager will propose for allocation towards the reconstruction of Rosslyn's Gateway Park as part of the upcoming [FY25-FY34 Capital Improvement Plan](#).

To facilitate these next steps, the County Board will need to take several actions. The Observation Deck is a publicly accessible amenity which was excluded from the Central Place Tower's approved maximum density as permitted in the ACZO for public amenities that are community benefits. The reintegration of the Observation Deck's GFA into the approved maximum density would result in an amount of approved density that would exceed the district's 10.0 FAR maximum. An amendment to the C-O Rosslyn district's maximum density provisions would be required to allow for an additional exception for exceeding 10.0 FAR beyond the existing exceptions related to transformational transportation infrastructure.

**DISCUSSION:** Staff has commenced a zoning study to evaluate options for enabling increased density beyond 10.0 FAR in the C-O Rosslyn district. The study will be focused solely on limited circumstances such as those seen with the Central Place Tower where a development project has been constructed subject to site plan approval in accordance with the Rosslyn Sector Plan and the C-O Rosslyn district, but the developer has identified an opportunity for changes to the building's floor area configuration that would result in approved density exceeding 10.0 FAR. Such opportunities could be considered in instances where GFA that was previously excluded for below-grade ancillary spaces, storage areas, surplus parking spaces, and similar functions are repurposed into habitable space.

Currently, staff is evaluating the appropriateness for the proposed density modification provisions to apply only to as-built projects that have been developed, projects under construction, and approved-but-unbuilt projects. Staff intends to exclude new construction and redevelopment proposed as part of a new site plan and a rezoning application to the C-O Rosslyn district from increased density beyond 10.0 FAR in this manner, as well as major site plan amendments proposing redevelopment. The reason for this exclusion is to allow C-O Rosslyn approved projects to address current trends in commercial real estate as previously discussed that would not have been clear and present at the time of the original site plan review. For new construction and redevelopment moving forward, the commercial real estate trends contributing to the high levels of office vacancy can be factored into the project's overall proposal and development review.

However, staff does not intend to propose limitations that would confine the proposed density modification provisions to only being utilized for projects that were approved in prior years. Future site plan development in the C-O Rosslyn zoning district may benefit from opportunities to earn additional density from floor area that was previously excluded based on continued changes to the office real estate market, on evolution in Rosslyn's transportation needs that may reduce the need for structured parking, and similar outcomes that would recalibrate the use of previously excluded space within an as-built project. Staff will continue to investigate these potential outcomes and share these findings in future staff reports addressing specifically proposed text amendments.

The 2015 Rosslyn Sector Plan, including its six vision principles and its recommendations for urban design, building height and form, remain as the established, adopted policy for the future of Rosslyn. No changes to the Rosslyn Sector Plan are anticipated to occur with this study, nor would there be amendments to other sections of the C-O Rosslyn zoning district building height or site development standards. Any development approval above 3.8 FAR for office, retail, and service commercial uses and above 4.8 FAR for multifamily residential uses must continue to align with the Sector Plan's vision while providing certain features, design elements, services or amenities identified in the Rosslyn Sector Plan

Staff anticipates briefing the Planning Commission's Zoning Committee (ZOCO) on May 14, 2024, in advance of finalizing staff's recommendations for County Board action at its July 2024 meeting.

## **PUBLIC ENGAGEMENT:**

*Level of Engagement:*                      **Communicate**

This zoning study's recommendations would be limited to sections of the C-O Rosslyn zoning district's provisions for additional density. Staff estimates that there are less than 10 site plan approved projects in Rosslyn that would be candidates for seeking additional density under the preliminary concept that has been envisioned to date. As with other site plan development that earns density beyond the maximum thresholds prescribed by the ACZO, additional density can only be granted when extraordinary community benefits are proposed that would address mitigation needs for anticipated impacts and strictly adhere to the goals and objectives of the Rosslyn Sector Plan.

Given these aspects of this zoning study, staff intends to utilize measures from the *Communicate* level of engagement as referenced in the [Six-Step Public Engagement Guide](#).

*Outreach Methods:*

- Public notice would be provided in accordance with the Code of Virginia §15.2-2204. Notices of the Planning Commission and County Board public hearings for this zoning ordinance amendment would be placed in the June 24 and July 1 issues of the Washington Times for the July 8, 2024, Planning Commission meeting and the

July 20, 2024, County Board meeting, respectively, or subsequent public notices associated with future Planning Commission and County Board hearings if warranted.

- Staff anticipates briefing the Planning Commission's Zoning Committee (ZOCO) at its May 14, 2024, meeting.

Staff will engage with key stakeholders in the Rosslyn residential and business communities, as well as with Arlington's development community. These key stakeholders will be kept informed on project updates and upcoming public meetings via email, eNewsletter, the CMRI webpage, and flyers.

**CONCLUSION:** Staff recommends adoption of the resolution enclosed in Attachment 1, authorizing advertisement of public hearings on a zoning ordinance amendment for the C-O Rosslyn district's maximum density provisions for the County Board's July 2024 meeting.

**RESOLUTION TO AUTHORIZE ADVERTISEMENT OF PUBLIC HEARINGS BY THE PLANNING COMMISSION NO EARLIER THAN JULY 8, 2024, AND THE COUNTY BOARD NO EARLIER THAN JULY 20, 2024, TO CONSIDER AMENDING, REENACTING, AND RECODIFYING ARTICLE 7, SECTION 7.15. OF THE ARLINGTON COUNTY ZONING ORDINANCE (ACZO) RELATING TO PROVISIONS FOR APPROVING ADDITIONAL DENSITY ABOVE A FLOOR AREA RATIO (FAR) OF 10.0 FOR EXISTING BUILDINGS AND APPROVED, UNBUILT SITE PLAN DEVELOPMENTS IN THE C-O ROSSLYN ZONING DISTRICT AND FOR OTHER REASONS REQUIRED BY PUBLIC NECESSITY, CONVENIENCE, GENERAL WELFARE, AND GOOD ZONING PRACTICE.**

*The County Board hereby authorizes the advertisement of public hearings by the Planning Commission no earlier than July 8, 2024, and the County Board no earlier than July 20, 2024, to consider amending, reenacting, and recodifying Article 7, Section 7.15. of the Arlington County Zoning Ordinance (ACZO) relating to provisions for approving additional density above a floor area ratio (FAR) of 10.0 for existing buildings and approved, unbuilt site plan developments in the C-O Rosslyn zoning district and for other reasons required by public necessity, convenience, general welfare, and good zoning practice.*