



Falls Church Chamber of Commerce Board of Directors

STATEMENT OF ENDORSEMENT

Recommending Approval of the 706 West Broad Street Commercial Real Estate Development Project

The Chamber Legislative Committee met on to examine and assess the commercial development proposed by Jefferson One LLL at 706 North Broad Street. Mr. Robert Young made a presentation of the project to Paul Barkley and Gary LaPorta, Co-Chairs of the Chamber's Legislative Committee, members Mike Curtin, Michael Ankuma, Steve Rogers, Ed Novak, Dave Lasso, represented the Chamber. Sally Cole, Executive Director of the Chamber, was also present.

The project site is the 1.14-acre site which was previously used as parking. The proposed project is comprised of two elements: an 80,000 +/- square foot, six story (65') 110 room hotel fronting on Broad Street and a separate, 6,600 square foot, three story office building fronting on Park Avenue. Both structures will be served by a two level parking structure accessed on West Broad, Oak and Park. This parking will be shared parking within the site and with the future office building on 800 West Broad Street. The Hilton Garden Inn project will include: 2,000-3,000 square feet of meeting space, an indoor pool and a fitness and business center.

The Falls Church Chamber of Commerce reviewed this project based on its Mixed-Use Development Criteria.

- 1. The project adds significant value to the City 's commercial real estate assessments, thus spreading the cost of public services over a larger group of property owners.**

The project presenters estimate an annual real estate tax benefit of approximately \$304,414.00 for the completed project. The City of Falls Church estimate is approximately \$202,965.00. Either figure is considerably over the existing RE tax revenue of approximately \$30,000.00. The developer also estimates that BPOL, Personal Property, and Transient taxes would be about \$472,238.00 per year. City estimates are \$201,385.00. Again, even using the City's projections, the project will add significant value to the City's commercial real estate assessments.

- 2. The project will generate additional employees and residents who will add substantially to the customer base for existing, new, and future businesses.**

The proposed development will bring a number of hotel workers and office users to the city on a site that is underutilized and generating very modest revenue for the city. Additionally the hotel guests can be expected to generate a secondary revenue stream as they patronize and support local businesses such as restaurants, shops and entertainment venues.

- 3. The project will serve as an anchor or attraction for drawing people to the City of Falls Church, thus increasing spin off economic benefits for the business community.**

By its very nature, a hotel and commercial office building will spin off economic benefits for the surrounding business community. Restaurants, shops and other providers of goods and services can expect to profit from increased business activity from occupants in the office building and the influx of visitors that will have attractive lodging in the new hotel that is within the city boundaries.

- 4. The project will provide for significant amenities and aesthetic considerations that enhance the look and experience of visiting the City's business districts thus serving as an inducement to promote increased business activities.**

The overall design, as proposed, provides for an attractive overall project that will blend well with the existing structures in the immediate area. The project presenters have met and worked with many groups in the City including the Architectural Advisory Board resulting in modifications to the project's design ensuring that the visual component meets and exceeds the high standards set by the City. The developer has committed that the Hotel will be LEED certified and have a green roof. The developer is contributing to the future undergrounding of utilities along his frontage, providing shuttle bus service for hotel guests, and providing streetscape improvements for the frontage on West Broad Street. The proposed Hilton Garden Inn will provide 2,000-3,000 square feet of meeting space and an indoor pool.

- 5. The project will provide for significant parking facilities, well integrated into project design which may serve the broader business communities parking needs as well as its own.**

The proposed project provides a self-contained two level parking structure accessed on West Broad, Oak and Park, which will provide shared parking within the site and with the 800 West Broad Street project

- 6. The design and orientation of the project will provide for attractive pedestrian access and circulation while mitigating any congestion or safety concerns generated by the increased motor vehicular traffic serving that**

project.

Because of the improved streetscape and the multiple accesses to the parking structure, pedestrian circulation and safety have been considered and adequately improved. Also the fact that the main entrance to the Hotel is not directly on West Broad Street will reduce the possibility of traffic congestion.

- 7. The project provides for mixed uses such that the project benefits meet those discussed in the Chamber 's commissioned white paper (Perspectives on Development in Falls Church) prepared by John McClain, AICP, Senior Fellow for the Center for Regional Analysis at George Mason University.**

This paper was published in August 2002. Due to the significant slowing of the office market at that time, the paper suggested that it might be months or years until the office market picked up to a point that new office buildings would be considered by developers. It did not address hotels.

Recent reports by the City have indicated that there is a need for Class A office space and for this hotel. The Economic Development Authority forum in February of this year focused on a new hotel in the City Center area. In conducting their research and developing their recommendations, Economics Research Associations, considered this hotel as “a done deal” in making its recommendation for a high-end residential hotel in City Center.

- 8. The project does not place an undue burden on municipal services including the public school system and utilities, such that it would have an adverse impact on existing businesses and future growth.**

The proposed project does not create an undue burden on the municipal services within the City. Since this project is 100 percent commercial, there is no direct impact on the school system. The Public Utilities Division of the City review states that adequate utilities are available for this project.

- 9. The project 's design, massing of building elements, scale, use of materials, colors, and textures, height, and density, and overall architectural character will contribute to the image of a maturing and substantially prosperous commercial business center within the metropolitan Washington, DC area - one that will appeal to a growing number of office and retail enterprises, customers, clients, and visitors.**

The various elements of the proposed project are designed in a way to meet this criterion, and are similar to mixed-use projects already underway or completed in the city. The developer has worked with the Architectural Review Board of the City and has satisfied their requirements.

CONCLUSION:

On May 13, 2008, the Falls Church Chamber of Commerce Board of Directors, finding that the proposed **706 West Broad Street** commercial real estate development project meets or exceeds each of the criteria necessary to obtain the Chamber's endorsement, adopted this **Statement of Endorsement** recommending approval of this project. Accordingly, the Chamber shall take such action as necessary to make its position known through distribution of this written statement to City officials and the public and through testimony at public hearings considering the approval of the project.