
Final Report and Development Profile

Annandale Community Business Center Revitalization

HUNTER INTERESTS INC.

Draft

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Prepared for:

**Department of Housing and Community Development
Fairfax County, Virginia**

Prepared by:

**Hunter Interests Inc.
Annapolis, Maryland**

In Association with:

**The Atlantic Group
Cranbury, New Jersey**

**Mary Means & Associates
Alexandria, Virginia**

**Kellerco
Leesburg, Virginia**

**UDA Architects
Pittsburgh, Pennsylvania**

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Table of Contents

	Page
I. Background and Introduction	1
II. Executive Summary	2
III. Annandale Development Profile	3
A. Brief History of the Annandale Area	3
B. Current Regional and Local Economic Conditions	5
C. Public Policies and Plans Affecting Annandale	7
D. Annandale Community Preferences for Revitalization	10
E. Planning and Development Guidelines	14
F. Demographic/Market Information	18
G. Technical Elements	28
H. Feasible Development Alternatives for Revitalization	61
I. Identification of Available Public and Private Resources	67
J. Current County Administrative Policies and Procedures Affecting Community Business Center Revitalization	69
K. Implementation/Marketing of Development Alternatives	72
L. Previous Annandale Studies Index	85
IV. Appendix	
A. Summaries of Annandale Focus Group Meetings	
B. Annandale CBD Planning Committee Inc. 5/9/97 Memo	
C. Annandale CBC Office Inventory	
D. Focal Area Building Inventory and Assessment and Tax Data	
E. "Are BIDs Working?"	

Tables & Illustration

	Page
Table 1: Survey of Buying Power	6
Table 2: County Business Composition	7
Table 3: Annandale Population	18
Table 4: Annandale Housing Units	18
Table 5: 1996 Racial/Ethnic Composition	19
Table 6: 1995 Income	19
Table 7: Demographic Profile of Annandale CBC Trade Area	23
Table 8: Average Daily Traffic Volumes	29
Table 9: Projected Daily Traffic Volumes	31
Table 10: Present/Potential Rents of the Town Center	63
Illustration 1: "Uncle Richard's Suburban Myths"	17

I. Background and Introduction

Fairfax County's Department of Housing and Community Development, Revitalization Division, retained Hunter Interests Inc. (HII) to provide consulting services in connection with redevelopment planning for Annandale's proposed Revitalization Area (the Area), including the County Comprehensive Plan-defined Community Business Center (CBC).

HII conducted introductory, checkpoint, and final meetings with the District Supervisor-selected Focus Group, representative of various area civic, business, and religious constituencies. The Focus Group meetings were held during the evenings of February 27th, May 14th, and June 26th, 1997. HII presented its preliminary market findings, and Town Center plan and management concepts at the May 14th checkpoint meeting, soliciting Focus Group reaction. More detailed plans and recommendations were presented at the June 26th meeting, along with additional work requested by the Focus Group at the previous meeting; a discussion formatted by questions and answers followed.

Business and property owners in the Area, civic and institutional leaders, and government officials were interviewed during the period March through May 1997.

Overall, the purpose of the Focus Group meetings and the stakeholder interviews has been to inform HII of the interests and issues that should frame a Development Profile for Annandale.

The proposed Annandale Development Profile is also to incorporate both civic and economic sketches, a description and critique of public policies and plans affecting the Area, market scans, and the identification of likely, contributing public and private resources, all leading to feasible development alternatives and implementation strategies for the Area's economic and physical revitalization.

II. Executive Summary

As a suburban center of commerce, Annandale has slowly declined, motivating some of its vigilant citizens to garner County support for revitalization. In the mid-1980s a major study of Annandale's commercial core was undertaken, but apparently lacked an adequate plan for implementation.

In the dozen years that have passed since the previous attempt to initiate Annandale's commercial core revival, traffic has swollen on its roadway corridors that feed new growth in the western end of the County. Promoting this sense of being left behind is a general, further aging of the Community Business Center's non-strip-center real estate to the point of looking "used up." The national recession of the early 1990s exacerbated this trend. Stand-alone franchised retailers, each with its model of "suburban identity," have continued to horn in with their proliferation of loud, colored plastics—contributing to the look of a recycling bin of unrelated sizes, shapes, materials, colors, and dead space. Were it not for the efforts of the Annandale CBD Planning Committee and some expenditures by the County, Annandale's business center would be even less appealing for business.

In late 1996 Hunter Interests Inc. was hired to perform a major work scope relating to an economics and urban planning analysis of the so-called Revitalization Area, comprised of the Community Business Center (CBC) and some newer mid- to high-rise office buildings west of the Little River Center, flanking Little River Turnpike. The results of the multifaceted analysis were to inform implementation and marketing programs that involve attested public and private resources.

At the behest of Fairfax County's Department of Housing and Community Development, the accompanying report offers a deliberate and detailed analysis of the shortcomings and problems attributable to decline in the Revitalization area. Beyond Hunter Interests' recommendations for addressing shortcomings and attacking problems, the consultant team supports immediate recognition of a non-profit, professionally staffed organization to manage the CBC on a daily basis, similar to Tyson's Galleria. With modifications to the County's Comprehensive Plan and its Building Code that accommodate the vision of Annandale residents for a "sense of place," the private sector will respond to the call for a new town center that features food\beverage and entertainment venues.

Hunter Interests' market research has uncovered several strengths upon which revitalization efforts can build. The number of restaurants in the CBC relative to Annandale's physical size and population is high. The diversity of restaurant

offerings is also high. And, there has been considerable investment in the Revitalization Area by the County's fastest growing ethnic population. The Annandale community has what it takes to address the increasing search for the authentic: it is a mature "inner-ring" suburb built upon small, localized business. Annandale's small and local character can naturally breed a new town center and a vibrancy the likes of which are abundant at SpringFest and other community events.

What a revitalized Annandale will look like is what its citizens are calling for:

An appealing place to stop for pleasure
(rather than a 6-lane drive-through)

III. Area Development Profile

A. Brief History of the Annandale Area

An Englishman by the name of Colonel William H. Fitzhugh purchased over 24,000 acres of wooded land in 1685 for a tobacco plantation in northern Virginia. Later named "Ravensworth," the original tract of land covered more than twice that of present-day Annandale Planning District. By the 1830s, Annandale replaced the Ravensworth plantation name. The name Annandale is derived from the Scottish village located in the valley of the Annan River in southern Scotland.

Fitzhugh's land had been surveyed to include a road bed to the Accotink drainage basin, later named Backlick Road. This road bed provided access to a navigable waterway for tobacco crops which were packed in casks and rolled down the road.

Still standing as a marker of early inhabitation by the Fitzhugh family is "Oak Hill," built in 1779 by Major Henry Fitzhugh, son of Colonel Fitzhugh. Major Fitzhugh inherited the northern half of the original plantation which approximates present-day Annandale. Oak Hill, refurbished and expanded in 1936, stands on about four acres off Wakefield Chapel Road.

By 1760, dairy, grain, and vegetable farming had been introduced to Ravensworth. Historic "Green Spring Farm" is located off Little River Turnpike east of the CBC.

At the junction of Little River Turnpike, Backlick Road, and Columbia Turnpike, a blacksmith shop and livery stable was located by William Garges in mid-19th century Annandale. Garges was Annandale's first postmaster as of December 1837, when the post office first opened. In 1846, the Annandale Methodist Chapel was built. Union troops burned the church to the ground; however, the Methodists rebuilt the church after the Civil War on a site just north of the original site where it stands today along the south side of Columbia Pike opposite Gallows Road.

When the Little River Turnpike was completed through Annandale in 1806, it connected Alexandria to Fairfax. This toll road had a tollhouse located at the intersection of Ravensworth Road, hence the present-day "Toll House Park." Two years later, in 1808, Columbia Pike was constructed with its terminus at Little River Turnpike.

By the late 19th century, many farmers from the north had purchased land and brought with them the crop rotation technique which greatly increased land values in this fertile area of Northern Virginia. The structure located at 4305 Backlick Road was extant in the 1880s as a stagecoach stop along the Little River Turnpike.

The great roadways for travel by horse through Annandale became the domain of auto travel by the 1920s. This was followed by further settlement of the area as a suburb of Washington.

B. Current Regional and Local Economic Conditions

The overall economy of the Washington, DC, metropolitan area, and that of Northern Virginia are experiencing strong recovery from the recession of the early 1990s. For example, among the Top 100 Washington-area firms, as compiled by the *Washington Post*, 16,000 workers were added by these companies in 1996, representing a 32% gain from the previous year. "Technology redrew the map of the Washington area's Top 100 firms in 1996," according to the article. Among findings is that 3 out of every 10 companies are either technology or telecommunications firms.¹

In Fairfax County, 5,800 new jobs were added to the local economy by the more than 100 businesses that relocated, expanded, or started up in 1996. The Fairfax County Economic Development Authority (FCEDA) reported unemployment of 2.6% during 1996, and 2.3% in January 1997. Fairfax County has retained its share of high technology companies, and added prominent ones such as Nextel Communications which relocated from New Jersey to McLean last year. Drawing these businesses to Fairfax County are: proximity to the Federal government; convenience to two major East Coast airports, National and Washington Dulles; a highly educated workforce; and, the quality of life afforded by numerous cultural and recreational opportunities in the vicinity.

In 1994 the County's labor force was ranked 11th in comparison with the 20 largest U.S. cities, according the FCEDA. At the time, the County's unemployment rate was 2.9%.²

George Mason University economist Stephen S. Fuller notes that the reason the Washington area's economy lags that of the country as a whole is the "struggle to absorb the decline in government jobs." Over the past 12 months ended in April 1997, the loss of 9,100 government jobs was offset by 51,500 net new jobs gained

¹ "High Tech Takes Washington," Peter Behr, *The Washington Post*, April 28, 1997.

² Fairfax County Economic Development authority (FCEDA)

in the private sector. “This strong private sector performance demonstrates the underlying health of the metropolitan area economy,” say Fuller. “Construction employment was up 5.1% during the last year with manufacturing and trade employment gaining 3.1% and 3.2% respectively. Services, the economy’s largest sector, continued to expand adding 26,800 new jobs for a gain of 3.0%.” Finally, Fuller states: “Contributing to the area’s more constrained growth rate is its tight labor market—especially for workers with technical skills.”³

A longer view of the future economic growth in the metropolitan area and Fairfax County may be seen in *Sales and Marketing Management’s* “1996 Survey of Buying Power.”⁴ Included in the Survey are some informative projections for Fairfax County over the period 1995–2000. While County population and households are estimated to increase by 6.4% and 6.9%, respectively, between 1996 and 2001, “effective buying income” (EBI, i.e., disposable income) is projected to increase 26.1% overall from 1995 to 2000 while retail sales are projected to increase by 27.6% over the same period. Table 1 provides additional comparisons:

Market	Population (000s)	Pop. chg. 1995-2000	EBI change 1995-2000	Retail Sales chg. 1995-2000
Washington Metro	4,537.4	5.5%	21.4%	19.9%
Fairfax Co., VA	891.7	6.4%	26.1%	27.6%
Montgomery Co., MD	818.5	6.2%	19.3%	9.3%

Sources: Hunter Interests Inc.; *Sales & Marketing Management*

The tight labor market, especially for technology-related jobs, may constrain somewhat the Survey’s projections. On the other hand, as expansion in the very businesses experiencing a shortage of workers continues to occur in Fairfax County, it may be deduced that these businesses will need to attract their workforce needs beyond the metropolitan area which may have the result of pushing already-robust County new construction.

Addressing the County’s quality of life is a FCEDA survey of more than 400 business executives released in July 1995. Ninety-two percent of the respondents

³ “Growth Pattern ‘Lumpy’ as Economy Dips,” Stephen S. Fuller, the *Washington Post*, July 2, 1997.

⁴ “1996 Survey of Buying Power,” *Sales & Marketing Management*, Bill Communications, New York, August 1996.

rate the quality of life in [the County] as excellent or good.⁵ (As the actual survey could not be located by FCEDA's Public Affairs office, there is no detail on what questions were asked to obtain the reported result.)

In terms of business composition County-wide (the 10 largest industries) and in the Annandale-Bailey's Crossroads area, several comparisons are informative.

Business Composition	Services	Retail Trade	FIRE*
Fairfax County	50.2%	16.5%	9.8%
Annandale-Bailey's	50.2%	25.4%	10.8%

* FIRE denotes Finance, Insurance and Real Estate industries

Sources: Hunter Interests Inc.; FCEDA; Virginia Employment Commission

In a Fairfax County Economic Development Authority report germane to Annandale economic and real estate markets: "Ever increasing numbers of Asian-owned businesses continue to grow and flourish in [the County], according to U.S. Bureau of the Census figures.... Between 1987 and 1992, numbers for Asian-owned businesses exceeded other local jurisdictions in all categories including total firms, total sales/receipts, number of firms with paid employees, sales/receipts of firms with paid employees, total employees and annual payroll."⁶ The FCEDA maintains an on-line database to encourage minority-owned business growth by providing business networking among as many as 6,400 companies and information useful to potential small business consumers.

C. Public Policies and Plans Affecting Annandale

The challenges to land assemblage and redevelopment costs in older suburban "rings" of the Nation's major, older cities introduced "sprawl"⁷ to America several decades ago. When coupled with urban poverty and its attendant high crime levels, close-in counties such as Fairfax are dared to change—by urban decline on the one side and sprawl on the other.

⁵ FCEDA survey of July 17, 1995.

⁶ "Asian-owned Businesses in Fairfax County Experience Largest Growth Area," FCEDA new release, April 8, 1997.

⁷ In *The Geography of Nowhere*, author Howard Kunstler describes sprawl as "...the jive-plastic commuter tract-home waste-lands, the Potemkin village shopping plazas with their vast parking lagoons, the Lego-block hotel complexes, the 'gourmet mansardic' junk-food joints..." More generally, the term refers to auto-oriented low density development, unfolding from town and city edges, that is poorly planned.

The Fairfax County government first recognized in the early 1980s a decline in its older commercial areas in response to petitions from citizens groups in Annandale and Springfield. Since then, the County has been developing policies and programs that will help sustain its economy and budget today and in the future. Among them are those particular to revitalizing business centers and impacted, surrounding neighborhoods.

Notable among many worthy goals promulgated by the County's Revitalization Division are the following:

- reverse economic decline, obsolescence, loss of assessable base, increased demands on services, and other public losses;
- attract private investment and reinvestment in properties and businesses;
- maximize prior public investment in infrastructure and public services; and,
- improve the quality of development and/or uses in the County's suburban "downtowns."

In 1986, the Board of Supervisors approved professional staffing of a revitalization program.

Capital Improvement Program (CIP)

In 1988, Fairfax County voters put their bond money behind these goals by voting to authorize \$7.6 million in initial CIP expenditures for design plans, utility undergrounding, road improvements, tree plantings, and streetscaping. In 1987, the total capital program for public reinvestment was estimated to cost \$16.6 million with the Virginia Department of Transportation (VDOT) investing \$5.6 million of the total.

Since the fall of 1988 a number of projects have been undertaken and completed, including entryway signs, Little River Turnpike median tree planting, Toll House Park, and the Columbia Pike Streetscape Plan. Of the initially authorized amount, approximately \$6.7 million remains available for funding of CIP projects. Section H of this report describes redevelopment recommendations where the cost of some would be afforded by the remaining funds of the initial bond initiative.

A noteworthy amendment of the CIP approved by the County Board of Supervisors in May 1997 is an initiative to use County operating funds to maintain CIPs that are placed within the public right-of-way and are not the maintenance responsibility of VDOT.

Blight Abatement Program

In November 1996, authorization for the implementation of this program was approved. The program's purpose is to identify and remedy property condition that meets the Commonwealth's definition of blight—functionally obsolete due to deterioration or dilapidation. Property types include residential, commercial, institutional, educational, and nonprofit-organization-owned properties. Of critical importance to any measure of success in the program is a well-funded revolving loan program that would afford owners the opportunity of rehabilitating their depreciated properties.

The County has applied to the US Department of Housing and Urban Development (HUD) for grants and loans totaling \$1.5 million for revitalization programs.

While negotiations with HUD for revitalization program funding continues, the County has undertaken an effort to establish a limited revolving loan program. So far, part of the time of one County staff person is allocated to administering the program.

Field observations by Hunter Interests Inc. staff did not reveal any properties in the Area that are certain candidates for this program.

Tax Abatement Program

Approved by the County Board of Supervisors on June 23rd and effective as of September 1, 1997, this program will impact both residential and commercial properties of defined vintage or older. The intent is to spur property improvements or redevelopment by abating taxes on the value of the improvements for a period of 10 years with a 4-year phase-in thereafter.

A very different program than blight abatement, residential (five or fewer dwelling units in a single improvement), multi-family housing, and commercial properties are eligible when 25 years or older.

Especially useful about this program is that properties may be razed and replaced by structures up to twice as large as the original. The finality of external (i.e., economic) obsolescence, as well as functional obsolescence, can be remedied by this program's provisions. Noteworthy are the anti-sprawl implications of this program as greater lot coverage potential converts lower to higher density of use. Higher density could have the effect of lowering sale prices or rental rates.

Neighborhood Improvement Program

Bond referenda for \$70 million dollars were approved by County residents during the 1980s for the Neighborhood Improvement Program. Essentially a public infrastructure upgrade or replacement program, gutters and storm sewers, curbs and sidewalks are targeted with the objective that neighborhood deterioration and decline in property values be stemmed.

In summary, Fairfax County has initiated several effective programs intended to spur redevelopment or stability in Annandale. It is HII's opinion that additional programs or authorizations will be necessary to sufficiently impact the recommended redevelopment plans (described in subsequent sections of this report).

D. Annandale Community Preferences for Revitalization

Hunter Interests Inc. attended or led three Annandale Focus Group meetings (see Appendix A for meeting summaries). At the initial meeting, held on February 27, 1997, HII conducted a visioning exercise where Focus Group members volunteered their hopes for Annandale's future. Among a number of suggestions that benefited the Hunter team from an ensuing discussion are:

- Green space — a major public space
- Entertainment — restaurants, movie theaters, etc.
- Mixed use — looking for a longer period of activity during a day, include residential uses in a town center
- Town Center — create a strong center that reinforces Annandale's identity
- Architectural unity/aesthetics — no physical influence on "sense of place"
- Traffic/parking — parking seems to dominate the CBC landscape
- Absentee landlords — thwart consolidation efforts and better retailing mix

Several members stated that the visions expressed run contrary to the County's comprehensive plan for Annandale.

The Hunter team discussed Main Street-type programs, including full-time management, and noted the greatly increased effectiveness when organization and management moves beyond volunteerism. The Focus Group's reaction was positive. The Hunter team's assignment was described, noting that a checkpoint meeting would be held in order to explore the team's first run at redevelopment concepts.

On May 14, 1997, the Focus Group reassembled for a presentation by each member of the Hunter team. HII's traffic analyst described current traffic conditions in the Area, comparing 1975 with 1996 traffic volumes. He described various traffic problems occurring during peak roadway periods. Also, he highlighted a number of benefits to be derived from the "loop" roadway contemplated in the current Comprehensive Plan for Annandale.

Hunter Interests' Annandale project manager described the Area office market, while another HII staff member gave a presentation of her findings in the retail and service retail market. Highlighting the retail market findings is a regional customer base that is being brought into Annandale due to the focus of Korean-American business interests there. (For a complete report on the Annandale commercial markets, please refer to Section F.)

The Hunter team's organizational management expert described a survey he wished to take of the Focus Group. His questions targeted Area safety and cleanliness concerns, CBC's perceived reputation, and the addition of more diverse retailing.

The architect/planner for the Hunter team presented a slide show geared to current Annandale land uses. This slide show included shopping venues in other cities that met the parameters of the vision expressed by the Focus Group in February. Arising from citizen input, a new Town Center was located between Columbia Pike, Annandale Road, and the northerly edge of Poplar Street. The vision calls for Maple Place and Martin Avenue to be crossing main streets whose focal point could be a fountain or statuary centering a roadway roundabout at the intersection.

The Hunter team's traffic expert returned to describe potential changes to Annandale's roadways that would encourage mixed use rather than big-box land uses. He urged that boldness be adopted for Annandale's CBC and immediate surrounds. Two preliminary concepts were proposed:

- create a new road link to enhance the planned "loop" roadway; and,
- close the one-way section of Columbia Pike (between Little River Turnpike and Backlick Road), and relocate the Little River Turnpike terminus of the corridor between Annandale and Bailey' Crossroads to Backlick Road.

The Hunter team's organizational management expert returned to address the results of his impromptu survey. Rated highest in terms of need for the Area are:

- improved appearance;
- strategy and plan for improved (and more profitable) land use;
- improved identity;

- improved government regulations;
- improved parking arrangements;
- marketing and promotions involving more commercial participants;
- more diverse retailing of increased quality; and,
- reductions in crimes against commercial properties.

With regard to overall trends, seven respondents said the commercial area is “about the same,” six said it is getting better, four said it was worse, and one found the CBC “much better.” Other comments described the need for a merchants’ association, loss of retail businesses disguised by a better/cleaner CBC, and the need for a “positive attitude.” Concern was expressed that, without change, Annandale will become little more than a roadway link between other places.

Key discussion points were that HII planning should extend throughout the Area, particularly to encompass the row of businesses along the Little River Turnpike service drive between Backlick Road and John Marr Drive, and the properties along the east side of John Marr Drive between Little River Turnpike and Columbia Pike. Much discussion targeted problems, actual or perceived, with County regulations, including the Comprehensive Plan.

The final Focus Group meeting was held on June 26, 1997. Hunter’s Annandale project manager briefly reviewed the findings and concept plan presented at the May meeting. Given additional emphasis was the Hunter team’s opinion that the revitalization of Annandale’s commercial core could be centered on a food and beverage/entertainment niche that takes advantage of Annandale’s central location within the Beltway and the existing range of ethnic restaurants. (See Section F for a detailed report on the retailing market in Annandale.) The need for critical mass was bracketed.

The Hunter team architect/planner presented a number of urban design concepts approaching the issue of “place”—giving a distinctive center to Annandale—hence an “address” for marketing to investors as well as providing the community with a stronger image. Further descriptions of this presentation are in Sections G and I.

HII’s traffic analyst made a number of concrete recommendations that address concerns expressed by the Focus Group and attendees of other meetings described below. Further descriptions of this presentation are in Sections G and I.

The discussion that followed included:

Parking: A question was posed about the need for metered parking since parking in the CBC shopping area is free now. The Hunter team explained that in a town center, curbside parking is the most convenient for the shopper. As there can only be a limited supply of curb parking, it is important to cause the turnover of spaces, say at two-hour intervals, in order to extend the convenience to a greater number of customers. Longer term parking is planned behind the Town Center buildings.

Business retention: Although business retention was not addressed programatically by the Hunter team during its meetings with the Focus Group, the urban design concepts recommended would certainly have a positive effect on existing Area businesses by making their streetscapes more attractive. The Hunter organizational management expert stated that the stakeholders of a Business Improvement District (BID) typically identify business retention as among their goals and objectives, with programs designed to fit the particular BID area.

Columbia Pike realignment: The traffic circulation in and around the proposed Town Center area is complex and will require further analysis. However, the conceptual realignment of Columbia Pike is expected to improve local traffic flow by simplifying the road network and reducing the number of traffic lights.

The residents' vision: When asked about the residents' vision, the Hunter team suggested that the vision the Focus Group offered the team initially had been further developed and presented to the Focus Group at the May checkpoint meeting. (The Focus Group is made up of a select group of members and the carefully selected organizations a number of them represent.) In three other presentations made by Hunter's Annandale manager, the stronger identity addressed by the proposed Town Center appeared to generally satisfy the attendees of each meeting mentioned below.

The study's relationship to the sector plan update: The County agencies that would be impacted by HII recommendations for Annandale's revitalization have been receiving update information. Representatives of several agencies and Supervisor Gross's and Bulova's offices have attended at least one of the Annandale Focus Group meetings or been contacted by Hunter's Annandale manager. It is the Housing and Community Development Department's intention that nominations for the 1997 Area Plan Review will be extrapolated from the HII recommendations by the September deadline.

Hotel and community center prospects for the vision: A market study of lodgings use in the area around Annandale has not been conducted. However, such a use could well emerge as Annandale's revitalization progresses. As described in

Section H, the potential net additional square feet of commercial space in the CBC could very well create sufficient market, when coupled with the existing space, to justify a lodging facility. However, in a smaller CBC such as Annandale, a more suitable lodging product than a hotel could be an extended-stay inn, such as Marriott's Residence Inns product. The norm for annual room turnover for an extended stay facility is 12–14 times compared to some 170 times for a hotel. A community center or other public facility was not designed for the Town Center as a supplement to those already extant in Annandale. However, should the need arise, there is ample flexibility in the HII recommendations to accommodate such a need.

Transit in Annandale as a significant commercial center: A jitney service was proposed by one of the meeting attendees as a means of circulating shoppers and others around the Area. The idea of some kind of circulator service should be addressed as the redevelopment planning progresses. Initially, the pressing challenge is to try to significantly reduce the impact of vehicles on the Town Center's pedestrian environment.

Organizational needs: The operations of BIDs and community development corporations were generally described by the Hunter team. The group seemed to express concern that without a professionally staffed organization, the HII recommendations for a revitalized Annandale would be too ambitious. There was fair agreement of the sensibility that the cost of establishing such an organization could be borne by the stakeholders standing to benefit, such as a BID would provide.

Hunter's Annandale manager presented the findings and concept plan that had been developed by mid-May to three other groups: the Mason District Council Board, the Annandale Chamber of Commerce, and the Annandale Central Business District Planning Committee.

E. Planning and Development Guidelines

Presently, planning and development guidelines are governed by the County's Comprehensive Plan for Annandale and the Building Code (the Code), including zoning regulations and other ordinances that particularly may affect Annandale such as the CIP, and the Blight Abatement, Tax Abatement, and Neighborhood Improvement programs.

Designed to guide land use, transportation, and public facility decision making throughout the County, the Comprehensive Plan (the Plan) marks Annandale

among 10 community business centers. Each of the CBCs are governed by 0.20–0.50 FAR (floor area ratio) for commercial development and 5–25 dwelling units per acre.

The Plan states that the Annandale CBC designation “reinforces efforts to revitalize commercial services while maintaining a traditional ‘Town Center’ role... Emphasis is placed on encouraging pedestrian-oriented uses, supporting community services and a community ‘focal point’ function, which simultaneously discouraging uses which clearly are not community-scale. In addition, planned land uses for the Annandale Community Business Center discourage uses at the edges of the Center which may adversely affect Suburban Neighborhoods.”⁸

According to the Plan, the Annandale Planning District (the District), including the CBC, has major objectives such as encouraging “appropriate revitalization and selected redevelopment” in the CBC that creates “a community focal point” and emphasizes “pedestrian circulation” while functioning as a more attractive and efficient community-serving commercial area. (See Illustration 1 on p. 17.)

Within the District’s current transportation recommendations are some that should be reconsidered in light of the HII transportation recommendations contained in Section G. Several of the Plan’s public facilities recommendations for the District, such as that for the Annandale Fire Department and adjacent land, should be reviewed upon consideration of certain HII transportation recommendations for those properties.

The Plan’s land use recommendations for Annandale’s CBC are organized by “land units” with accompanying text that describes elements of the land unit that contribute to the desired character and other elements that would improve the desired character. Several comments will be made here although the HII team will consider other particulars of the Plan, along with the Code, in Section K of this report.

“Land Unit A” encompasses uses including the Little River Shopping Center, a neighborhood shopping center, and Markham East Center, an unanchored neighborhood shopping center. The maximum FAR allowed in the land unit is 0.35. Zoning for Little River Shopping Center is C–8 Highway Commercial District, which provides for a maximum FAR of 0.50 with a possible increase to 0.70 under certain conditions. The intensity of land use accommodated by the C–8 District is appropriate given Little River Center’s frontage on Little River

⁸ “The Comprehensive Plan for Fairfax County, Virginia-Area I,” 1991 edition (as amended through June 26, 1995).

Turnpike. The Plan's restrictive FAR limits redevelopment potential. More building bulk and height should be possible along this major County thoroughfare.

Similarly, the zoning for Markham East Center is C-6 Community Retail Commercial District, and allows a maximum FAR of 0.40 with a possible increase to 0.50. With the greatest FAR allowed under C-6 zoning, the two-story 21,000-square-foot Markham East Center could be a four-story 30,000-square-foot mixed use building. In addition to limiting redevelopment potential, the apparent downzoning of this land unit by the Plan also is a de facto contributor to urban sprawl.

Sub-Unit B-5 (of Land Unit B) is a key component of HII redevelopment recommendations. In the block bounded by Maple Place to the south and Poplar Street to the north, the Plan allows for a maximum 0.50 FAR for mixed use properties. However, the mixes are limited to only two uses, such as office/retail or residential/retail. Why not call for three uses when a three-story building can be accommodated? There is much validity to the Plan's statement here that: "Development projects must include substantial consolidation of parcels in this area."

In Sub-Unit B-6, another key component of HII redevelopment recommendations, the land south of Maple Place and north of Little River Turnpike may be redeveloped only to a maximum FAR of 0.35 in order to "retain a retail orientation." Zoning districts C-8 and C-6 apply to properties that front Columbia Pike and Annandale Road, respectively. Once again, a downzoning appears to have taken place in order to favor "attractive, pedestrian-oriented retail..." However, lesser intense land use proximate to major roadways is an oxymoron. A hotel use is mentioned which is appropriate in concept. The FAR limitation would appear to shutter the prospects for a hotel as a significant amount of land would be required to support a viable number of hotel units. In other words, a highway-oriented suburban hotel would typically be four or five stories high. The Hunter team has described the potential for an extended-stay inn, such as Main Stay Suites (Choice Hotels), for the proposed Town Center area. This lodging facility is more residential in orientation, typically two stories, and would not be located along a major thoroughfare such as Little River Turnpike.

Uncle Richard's Suburban Myths.

by Richard Thompson



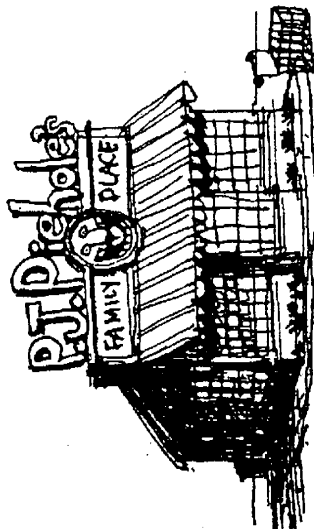
Once there was a strip mall, a few small stores anchored by a grocery store.

Then one day, weakened by aggressive competition, a changing clientele & rumors of tainted bulk food, the grocery store went out of business...

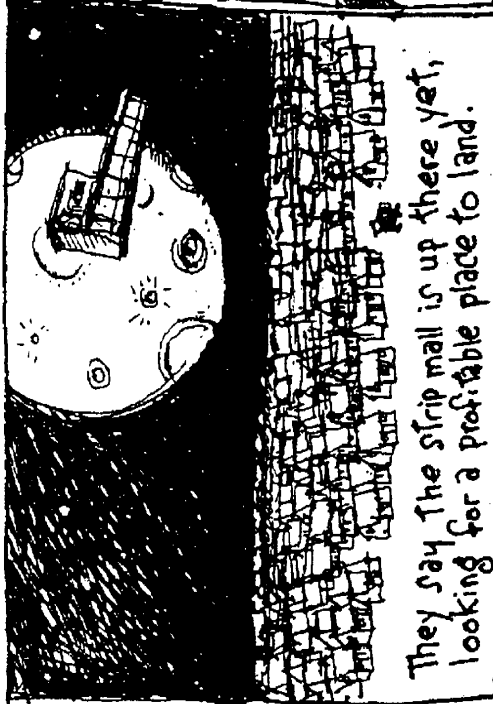
GOOD BYE



Left adrift, the whole works broke loose and floated slowly away.



Within a week a family restaurant that provides crayons with every meal sprang weed-like from the asphalt.



They say the strip mall is up there yet, looking for a profitable place to land.



So if you wake up & find a strip mall in your backyard don't be too damned SURPRISED! That was DUMB.

Yeah, tell one about a poodle And a nail gun.

F. Demographic and Market Information

Annandale's location in the near-in southwest quadrant of the Washington metropolitan area assures proximity to a diversified employment base, and evolution in its residential and commercial market uses reflecting its suburban maturity.

The following tables summarize population and housing data for the Annandale Planning District (the District) and the six Sub-Census Tracts that include and surround the Revitalization Area (the Area):

Year	1990	1996	2000	2005	2020
the District	66,329	68,202	68,702	70,015	74,048
the Area	14,786	14,913	15,097	15,234	15,503
Area as a % of District	22.3%	21.9%	22.0%	21.8%	20.9%

Sources: Hunter Interests Inc.; FCEDA; Fairfax Co. Office of Management & Budget

1996 Housing Type	the District	the Area
TOTALS units	25,190	5,877
Single-family	63.0%	33.3%
Townhouse	13.4%	21.3%
Garden apt.	19.7%	33.2%
Mid-rise	2.0%	4.2%
High-rise	1.9%	8.0%

Sources: Hunter Interests Inc.; FCEDA

In 1996 the racial/ethnic composition of the Annandale Planning District was as follows:

White (non-Hispanic)	70.9%
Black (non-Hispanic)	3.5%
Asian/Pacific Islander	14.0%
Hispanic	9.6%
Other	2.0%

Sources: Hunter Interests Inc.; FCEDA

Other characteristics of the population include:

Labor Force Participation Rate — Females, Age 16 and Older:	69.2%
Labor Force Participation Rate — Males, Age 16 and Older:	79.9%
Average Commute Time to Work:	28.3 mins.
College Graduates — Age 25 and Older:	54.5%
Residents Commuting to Fairfax County Work Location:	47.9%
Children Age 12 and Younger in Day Care:	32.5%
Residents Who Moved into Fairfax County Since 1991, Age 5 and Older:	23.8%

1995 Income	Household	Family
Median Income	\$69,000	\$76,000
Under \$25,000	9.2%	5.6%
\$25,000 to \$49,999	21.4%	17.0%
\$50,000 to \$74,999	25.6%	25.2%
\$75,000 to \$99,999	16.4%	18.4%
\$100,000 or more	27.3%	33.7%

Sources: Hunter Interests Inc.; FCEDA

The bulwark of the Area is the stable housing market that surrounds it. Older, smaller single-family housing around the Area includes a transitioned aspect from empty-nester to young families who are renovating and, perhaps, building

additions. Newer detached housing, sometimes in cul-de-sacs, tends to be larger in square footage and much more expensive, pulling the mean value of detached housing upward. In the Sub-Census tracts that surround and include the Revitalization Area, the mean 1996 single-family home price was \$218,584.⁹

It has been reported that the level of public services, including the school system, is a positive factor in Annandale's residential stability.

There are currently no hotels or motels located in the Annandale CBC.

Lodgings facilities in the larger region surrounding the Area are clustered along Interstate-395, Bailey's Crossroads, and the Seven Corners/Falls Church area. These facilities draw from both the business and leisure markets. The business market includes corporate and military work sites, such as nearby office buildings and the Pentagon. The leisure market includes both individual travelers and tourists whose primary destinations are the attractions in Washington, DC.

The lack of hotel/motel development in Annandale to date is viewed as a result of its distance from Interstate-395 and major institutions such as the Pentagon, combined with a relatively small office base. It is further constrained because of the lack of a suitable vacant site for hotel/motel development. (Site requirements typically start at about two acres for suburban lodging development.)

As the office inventory increases in the Annandale CBC (as described below) and sites become available through revitalization, HII recommends that lodgings chains be approached to determine interest in entering the Annandale market.

Office Sub-Market

HII's survey indicates a total of approximately 1.68 million square feet of office space in the Area with a $\pm 7\%$ vacancy rate. Annandale's is both a secondary and tertiary market for office space in Northern Virginia where the overall vacancy rate is about 5%. Principal factors contributing to Annandale's office market are Beltway accessibility and less expensive rents.

Available space in the Area has been absorbing rapidly over the past 12 months due to even less space in the more primary sub-markets like Tyson's Corner and Merrifield. Rent in existing Area office buildings remains insufficient to support new construction.

⁹ Hunter Interests Inc.; Fairfax County Office of Management and Budget.

Annandale's office market is comprised principally of low-rise buildings. Of an estimated 93 total buildings, 75 are low-rise (four or fewer stories). A little over one-third of the Area-located total office space is in mid- or high-rise buildings.

Finally, rising Area office occupancy bodes well for the retail core. For example, the first quarter 1997 Pitney Bowes lease of 21,247 square feet in the 7630 Little River Turnpike building could add some 90 new employees to the Area. Rising assessed values are, of course, contributory to a fuller County budget.

Contemplated for the proposed Town Center is second- and third-story office space that would add from 100,000 to 150,000 net new square feet to the Area sub-market. Of the approximate 1.68 million square feet of office space inventoried, the proposed Town Center space would represent an increase of 6-10%.

As the "floorplate" of this new office space would be smaller than that sought by bigger business, the marketing of this new office space should be targeted to the local business community and through associations representing small businesses, such as the area Chambers of Commerce, and commerce. It is believed that such a "niche" offering, coupled with the dynamic created by retailing in the proposed Town Center, would reinforce the perception of Annandale as a solid, locally oriented business community.

Retail Sub-Market

Two geographic areas were profiled for the purpose of the retail market analysis: a three-mile ring around the Annandale CBC and a five-mile ring (inclusive of the three-mile ring). These rings were selected based on interviews with store owners regarding their trade areas (the geographic area from which a store draws its customers) and the locations of competitive facilities, discussed below. The center of the rings is the intersection of Columbia Pike and Little River Turnpike.

As shown in Table 7 and discussed below, the population is well employed with relatively high income and more ethnic diversity than the County as a whole. Future growth in the geographic areas will take place at a much lower rate than the County overall.

- The three-mile ring has an estimated 1996 population of 110,897 in 42,156 households. Population is expected to increase by 2.9% over the next five years to 114,128.

- The 1995 estimated median household income is \$67,871, only slightly below the median income for the County of \$70,000. This relatively high median income reflects the fact that almost one-half of the employed residents in the three-mile ring are in executive or professional positions.
- The five-mile ring has an estimated 1996 population of 356,461 in 143,838 households. Population is expected to increase by 3.4% over the next five years. By 2001, the population is projected to reach 405,200.
- The 1995 estimated median household income is slightly below the median income for the three-mile area; however, the occupational profile is similar with almost one-half of the employed residents in the five-mile ring working in executive or professional positions.
- Both the three-mile and five-mile rings have a more diverse population in terms of ethnicity than the County as a whole. In 1990, only 9% of the County's population was non-White or non-Black, while 15% of both rings were non-White or non-Black.
- It should be noted that while local data is not available for more recent years, the County now estimates that at the County level, 24% of the County's population is non-White or non-Black.

Table 7 Demographic Profile of Annandale Community Business District Trade Area			
	3-Mile Ring	5-Mile Ring	Fairfax Co.
Population			
1990	107,490	356,461	847,764
1996	110,897	362,913	899,650
2001	114,128	375,179	965,740
1996-2001			
Number	3,231	12,266	66,090
Percent	2.90%	3.40%	7.30%
Households			
1990	40,661	141,281	292,345
1996 ¹	42,156	143,838	323,329
2001 ²	43,384	148,700	348,840
1996-2001			
Number	1,228	4,861	25,511
Percent	2.90%	3.40%	7.90%
1995 Median			
Household Income ³	\$67,871	\$68,420	\$70,000
1990 Occupation			
% Executive or Professional	47.30%	48.30%	47.10%
1990 Ethnicity			
% non-White/non-Black	14.90%	15.30%	8.90%
% Korean	3.00%	2.70%	2.00%

¹ Estimate based on 1996 estimates by census tracts in "Demographic Reports"

² Estimate based on 2000, 2005 projections by census tracts in "Demographic Reports"

³ Estimates for 3- and 5-mile rings are based on relationship of 1990 data for rings to 1990 County data.

Sources: Hunter Interests Inc.; 1990 US Census; Fairfax Co. Dept. of Technology; No. VA Planning District Commission; Demographic Reports, Office of Management and Budget, Fairfax Co.

The results of HII field surveys show that there are 800,000 square feet of retail space in the Annandale Community Business Center. This estimate includes retail businesses on the first floor of office buildings; it does not include other space in buildings specifically constructed for office use, gas stations, banks, public storage space or the bowling alley (which is 41,000 square feet). To place

the amount of retail space in the context of other shopping environments, we reviewed the size of shopping centers and malls in Fairfax County. The Annandale CBC is about the same size as Fair Lakes Shopping Center, which is 770,00 square feet, and about one-half the size of Fair Oaks Mall, which is 1.67 million square feet.

Just over one-half of the retail space is occupied by three types of businesses: 21% of the total square footage is occupied by supermarkets or other food stores; 16% is occupied by restaurants, including both fast food and sit-down restaurants; and 15% is occupied by specialty stores including gift stores, music stores, jewelers, book stores, et cetera.

- The relative amount of space occupied by supermarkets and other food stores reflects the 125,000 square feet in the CBC that is occupied by four chain supermarkets—Safeway, Giant, Shoppers Food Warehouse, and Magruders. Further, Safeway is planning to add another 25,000 square feet. While the total square feet of supermarket and food stores is within a range expected in a shopping district, the relative share that these stores together represent is somewhat high. A community shopping area with a full range of shopping opportunities is likely to have 12% to 15% of space occupied by such stores versus 21% in the CBC.
- The relative amount of space occupied by restaurants reflects the 48 restaurants in a total of 126,315 square feet. Both the relative and total number restaurants is unusually high for one shopping area. Typically, a shopping area with a full range of shopping opportunities is likely to have 10% to 12% of space occupied by eating places.
- The diversity of the eating and drinking places may be the foundation of future growth in the CBC. Of the 48 restaurants, 11 are pizza/pasta places, 10 offer Korean food, 6 offer American fare, 6 are Chinese restaurants, 2 are BBQ places (one American, one Korean), 2 offer Japanese/Korean food, 1 each offers Greek and French food. There are also 5 fast food outlets, 2 snack food outlets (yogurt and donuts), and 2 take-out/deli places.
- The relative amount of space occupied by specialty shops is somewhat lower than the norm. Typically, a shopping area is likely to have closer to 20% of the space occupied by such stores. Existing specialty shops in the CBC include a video store, gift stores, jewelers, music stores, garden/nursery stores, beauty supply, guns and tackle, pet stores, florists, cosmetics, and book stores.

Almost 20% of the space is occupied by two other types of stores: 11% is occupied by general merchandise stores, primarily K-Mart and McCrory, and 9% is occupied by commercial services (personal and business services). General merchandise stores typically occupy closer to 20% of space in community shopping areas. The K-Mart is in a 25-year old shopping center and at about 72,000 square feet is smaller, in fact, than most newer K-Mart stores which often approach 120,000 square feet. Commercial services typically occupy between 15% and 20% of retail space.

The balance of the space (20%) is occupied by a mix of the following types of stores: home furnishings, auto parts and supply, drug stores, electronics/appliances, building materials, apparel, school supplies, and liquor stores.

About 80% of the CBC retail space is in shopping centers while 20% is in freestanding structures.

The overall vacancy rate was estimated in May 1997 to be just over 8%. A vacancy rate of below 5% is indicative of a strong retail market while a vacancy rate closer to 10% indicates a good market.

Of the vacant space, almost 70% is in space that is between 6,000 and 14,500 square feet. Most of the balance of the vacant square footage is in space between 500 and 2,700 square feet. This suggests that the larger spaces are in less demand and the market for smaller space may be tight.

Recent changes include expansions, closings, and openings:

- Safeway in Little River Center is expanding from 30,000 square feet to 55,000 square feet, as mentioned above.
- Closings include Rite Aid in the Annandale Shopping Center on Columbia Pike, and Mattress Discounters on Little River Turnpike. The closing of Rite Aid allows for the consolidation of the two Rite Aid stores in Annandale. The Rite Aid which will remain open is located one mile west on Little River Turnpike. (The two drugstores within a mile of each other resulted from Rite Aid's acquisition of two other drugstore companies.)
- Mattress Discounters has closed due to performance levels that did not compare favorably to company standards. The two closest stores are about 3½ miles to the east at Landmark Plaza and about four miles to the north in Merrifield.

- Openings in the near future include a Korean restaurant and a Korean bakery, both undergoing construction in the former Kuppenheimer building on Backlick Road.

Since the mid-1960s, numerous community shopping centers have been built within one to three miles of the Annandale Business District. Examples of these shopping centers, which essentially form a circle around the heart of Annandale, include:

- Heritage Mall — less than one mile to the southwest, anchored by Safeway
- Bradlick Shopping Center — less than two miles to the south, anchored by McGruders
- Pinecrest Shopping Center — less than three miles to the east, anchored by Fresh Fields
- Ravensworth Shopping Center — less than three miles to the southwest, anchored by Safeway
- Barcroft Shopping Center — three miles to the northeast, anchored by Global Market
- Fair City Mall at Pickett and Little River Turnpike — just over three miles to the west, anchored by Shoppers Food Warehouse and Giant
- Brighton Mall — just over three miles to the east, anchored by Shoppers Food Warehouse.

Each time one of these centers was completed, a more convenient place for residents to shop than the CBC was created. Each time consumers can go elsewhere other than the Annandale Community Business District to shop for basic needs (groceries, drug stores, miscellaneous errands), the number of trips to the Annandale CBC decreases. These shopping patterns for convenience goods are reinforced by the fact that some of the shopping centers listed above include non-basic shopping opportunities—or shopper goods—such as Fair City Mall at Pickett and Little River Turnpike which has Ross Dress-for-Less, Marshalls, and Hit or Miss. These shopping patterns are further reinforced by the fact that even larger concentrations of retail activity exist just a bit further than this ring of community centers, such as Springfield Mall, Landmark Plaza, Landmark Shopping Center, Crossroads Center and Fair Oaks Mall.

The location and nature of surrounding shopping centers indicate that whereas Annandale once served a market that extended three to five miles in all directions, the depth of this trade area (the geographic area from which a shopping area draws its customers) has been gradually reduced. While interviews with a sampling of store owners and managers indicate customers are drawn from up to four or five miles, the overall capture of consumer dollars from this trade area appears lower than it once was.

The Annandale Community Business Center has strengths that suggest any apparent weaknesses would not be obstacles to future revitalization.

A geographically broader customer base is coming into Annandale due to the Korean community focusing its business interests in Annandale. Interviews were completed with a sampling of owners/managers of retail businesses. In response to a question regarding where customers come from, all respondents indicated that the majority of customers come from Annandale. However, the non-Korean-owned businesses draw the balance of their customers from communities in close proximity to Annandale—Alexandria, Arlington, Fairfax County, Springfield and Falls Church. Korean businesses were more likely to mention that the balance of their customers also come from a variety of places beyond these communities.

Anytime a customer base for a commercial area expands, opportunities increase for retail and commercial services. The local population benefits by the provision of a broader range of goods and services than the local market can support. A sampling of businesses owned by Korean-Americans include jewelry, optical and computer stores, and a bakery.

This expanded customer base is also advantageous due to the practical proof it provides to retailers looking to locate in the general area that, given the motivation, consumers will come to the Annandale Community Business Center from the larger region.

Further, this expanded customer base has provided a unique concentration of ethnic restaurants. Over 25% of the eating places in the CBC offer Korean food. This concentration can be the basis for building an even larger customer base for all restaurants in the CBC, which currently include a range of other types of ethnic and American food, and over time would include other kinds of retail.

A promotional campaign that showcases the unique concentration of Korean restaurants as a way to distinguish Annandale should also highlight the other restaurant opportunities. Annandale can be presented as an area that provides interesting choices. Such a promotional approach, targeted to areas beyond Annandale, will benefit all restaurants and induce new restaurants to locate there. HII recommends that a promotional campaign be undertaken simultaneously with a program of facade treatments, parking lot improvements, and themed signage.

Where restaurant concentrations thrive, other types of shops are often attracted to the area and/or existing stores upgraded—the area becomes an interesting destination for shopping.

It would be advantageous to consolidate many of the restaurants and shops in closer proximity to each other.

G. Technical Elements

Transportation and Other Infrastructure

Location

The Annandale study area is located in eastern Fairfax County just inside the Capital Beltway, equidistant between Alexandria and the Capital Beltway along Route 236. Important cross-county roads, Route 236 and Route 244, and intra-county roads, Route 650 and 617, intersect within the study area. See Exhibit 1.

Existing Conditions

Road Network

The Annandale CBC has grown outward from the intersection of Columbia Pike (Route 244), Little River Turnpike (Route 236), Annandale Road (Route 650), and Ravensworth Road (Route 649). Initially the Business Center grew eastward along Columbia Pike. Columbia Pike is a four-lane divided roadway as it enters the Business Center from the east and then progressively decreases to a four-lane undivided road as far as John Marr Drive and then to a wide two-lane road. This corridor forms the “heart” of the Community Business Center.

Little River Turnpike, a four-lane median-divided roadway, decreases in size as it runs through Annandale, as it comes in from the east and forms the southern edge of old Annandale. Backlick Road (Route 617), a four-lane undivided road, and Ravensworth Road, also a four-lane undivided road, enter the CBC from the south and intersect Little River Turnpike. Annandale Road, a four-lane undivided road, comes in from the north to intersect Ravensworth Road at Little River Turnpike. Two roads, John Marr Drive and Markham Street, form portions of a loop road in the southwest and northeast corners, respectively, of the Annandale Business Center. (See Exhibit 2.)

This convergence of important highway corridors within Annandale creates significant morning and evening peak hour traffic volumes which impact the quality of life and limit the redevelopment of this area as a meaningful community

activity area. For example, on the north side of Little River Turnpike, there are two closely spaced signalized intersections created by Annandale Road and Columbia Pike. In addition, westbound Columbia Pike traffic passes between retail development only to intersect Little River Turnpike close to its intersection with Annandale Road.

John Marr Drive will provide a less direct alternative to Columbia Pike should modifications be made along portions of Columbia Pike. During peak traffic periods, traffic moves between Annandale Road and Columbia Pike impacting the potential redevelopment area because there are no other alternatives. With the completion of the Annandale loop roadway system (as planned), reliable alternatives would become available to the CBC.

Average Daily Traffic Volumes

Table 8 illustrates the average daily traffic volumes on the major corridors within the Annandale study area. The following table reflects the percentage change between 1997 and 1995.

Table 8			
Average Daily Traffic Volumes			
(VDOT)			
	1975	1995	Percent Change
Columbia Pike	22,025	33,000	+50%
Little River Tpke. (East)	27,115	42,000	+55%
Little River Tpke. (West)	29,380	39,000	+33%

Source: Hunter Interests Inc.

Transit Routes and Stops

Bus routes located along Little River Turnpike and Columbia Pike provide important, regional bus service to the study area.

Pedestrian and Bicycle Facilities

Currently, there are sidewalks along portions of Columbia Pike, Little River Turnpike, Gallows Road, Ravensworth Road, and Backlick Road, but they are generally in disrepair and unattractive. There are no separate, designated bicycle routes in the study area.

Planned Improvements

The following improvements, as outlined in the Fairfax County Comprehensive Plan, are projected in the Annandale study area.

1. Route 236 is to be upgraded to six lanes through Annandale, provided that a corridor study shows the need for this additional capacity. The Fairfax County Comprehensive Plan states that it would be preferable to maintain the existing four lanes and use other measures to increase the capacity.
2. An Annandale loop roadway system is planned to be completed by connecting John Marr Drive, McWhorter Place, and Markham Street.
3. Shared bicycle facilities are planned along Routes 236 and 244, and along John Marr Drive, Backlick Road, and Annandale Road.

Additionally, the “Columbia Pike: Annandale Streetscape Pilot Project,” funded through the Commercial Revitalization Program in the Fairfax County Department of Public Works, proposes to enhance a portion of the study area located at the heart of Annandale, which is considered prime for redevelopment. Installation of extensive landscaping, a brick paver sidewalk and pedestrian crosswalk system, new lighting, and street furniture are advocated for the block of Columbia Pike from Little River Turnpike to Backlick Road. The streetscape plans are attractive, yet the question needs to be asked whether the results will bring economic revival to Annandale, and whether this project will be compatible with a more area-wide access plan for the future.

Traffic Projections

The Metropolitan Washington Council of Governments (COG) projected last year that the average daily traffic volumes shown in Exhibit 4 would occur by the year 2000. The following table reflects the change between 1995 and 2020.

Table 9			
Projected Daily Traffic Volumes			
	1995	2020	Percentage Change
Columbia Pike	33,000	33,000	0%
Little River Tpke. (East)	42,000	76,000	81%
Little River Tpke. (West)	39,000	81,500	109%

Source: Hunter Interests Inc.

While these 2020 volumes imply a six-lane Route 236 corridor, it is interesting to note that Columbia Pike volumes are not expected to increase.

Assessments of Access Elements for Land Use Scenarios

The access element for each land use scenario was developed in conjunction with the HII architect/planner. This section reflects the HII transportation planner's assessment of each alternative activity area redevelopment scenario.

The primary objective for improved Annandale CBC circulation is to create a more continuous, interconnected road network within the CBC, and to also incorporate safer and improved pedestrian and bicycle access. In addition, cross-county and intra-county corridor access to and from the proposed Town Center should not be constrained. In assessing the Annandale sub-area land use scenarios, the following were identified as components needed to address these objectives:

- Complete a loop roadway system
- Extend or realign certain roads to improve internal circulation
- Improve traffic circulation within the new activity area
- Improve pedestrian circulation system and safety
- Consider street closures/traffic calming techniques
- Provide for cross- and intra-county corridor access in combination with a new activity center

Exhibits 5 and 6 illustrate key access elements of two alternative redevelopment scenarios. Exhibit 5 represents a modest change and Exhibit 6 is a bolder long range plan which would require disciplined implementation over time.

Exhibit 5, or Alternative A, recommends the following improvements:

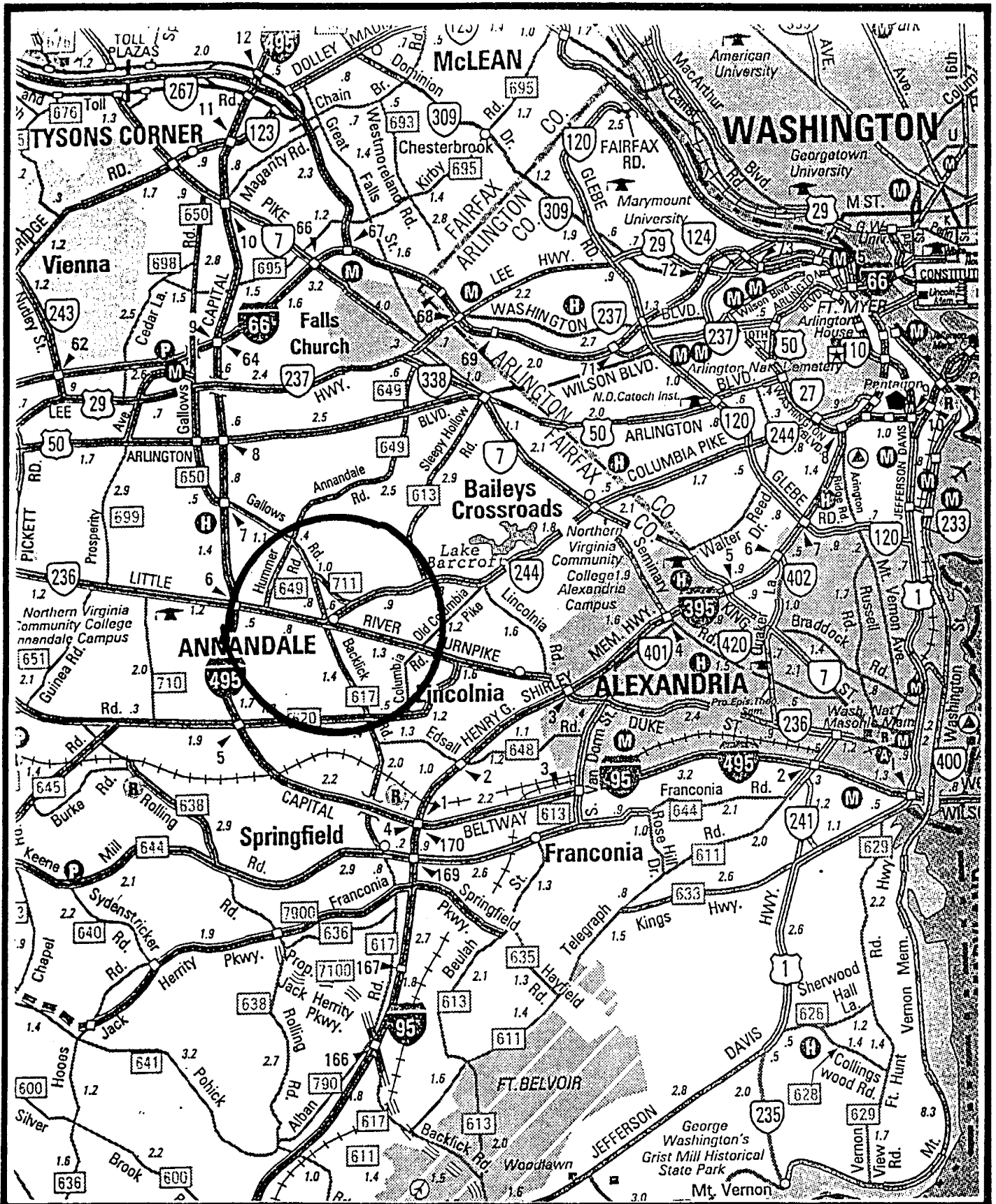
- Extension of Poplar Street to the east to complete the loop road from Markham Street. The majority of the existing residential structures in the proposed Town Center have been converted to business use. Additionally, two small scale office buildings have recently been constructed and a third is currently under construction.
- Construction of a free flow right hand turn from Little River Turnpike westbound onto Annandale Road. This improvement would provide additional capacity at an intersection which needs relief from congestion, and enhance cross-county movement created by the new activity area.
- Realign and straighten Annandale Road on the north side of Route 236. This would enhance peak period traffic movement and improve the sight distance.
- Extend Ravensworth Road (one way). This would provide direct access into the proposed Town Center from the south and west.
- Construct roundabout on Maple Place. Roundabouts are one of a number of traffic calming measures used to slow down and divert traffic.

Exhibit 6, or Alternative B, advocates the following improvements, in addition to those shown on Exhibit 5:

- Extend John Marr Drive across Columbia Pike to Chatelain Road and then to Daniels Avenue. This improvement extends the loop road around Annandale. It would provide an alternate route for those vehicles traveling north.
- Extend Poplar Street or another corridor to the east creating access from the northern portion of the CBC to Columbia Pike.
- Realign Columbia Pike at the current intersection with Backlick Road and Maple Place to create a continuous movement. Maple Place would be reconstructed to form a “T” intersection.
- Close the western portion of Columbia Pike from the intersection with Backlick Road to the intersection with Route 236. This would create a large land area for the Town Center project. An awkward intersection would be eliminated at Route 236 and Columbia Pike. Traffic capacity would be increased on Route 236 by eliminating this intersection.

- Realign Markham Street in the southwest corner of the CBC to complete the loop road. The loop road system would direct local traffic from the major arterial roads providing more traffic capacity for important cross-county movement.
- Realign the Maple Place intersection with Annandale Road to create a right angle intersection. Then extend Maple Place west through the bowling alley property to Markham Street. This creates improved internal access and circulation and would provide access from the west for the Town Center activity area as an alternative to Route 236.
- Realign offset intersection at Markham Street and Poplar Street. This would increase traffic capacity of this intersection and contribute to the loop road system around the study area.

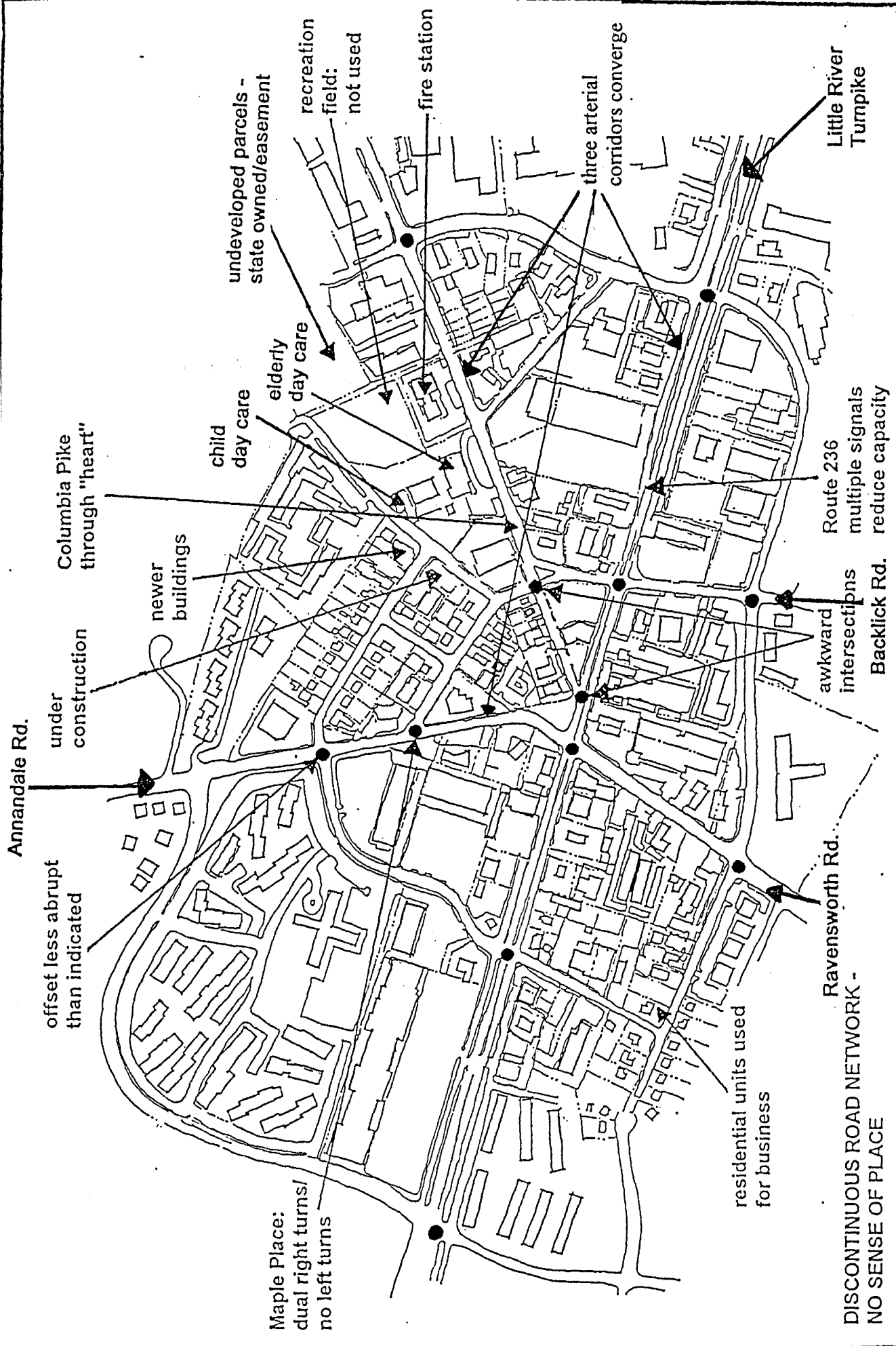
Alternative B offers the boldest, most costly long range plan for the Annandale CBC. Accepting this option for the future of Annandale can provide the greatest benefit by planning for the highest and best use of the proposed Town Center, especially when implemented over time. This option advocates the creation of the largest redevelopment land area for the new Town Center. A new loop road and new internal road links would greatly facilitate future access and mobility in the greater Annandale area, and continue to provide important access for existing businesses. In view of Alternative B, it appears that the nature and extent of the Annandale Streetscape Plan should be re-evaluated and tied closely to the redevelopment plans and scope of the Town Center.



KELLERCO

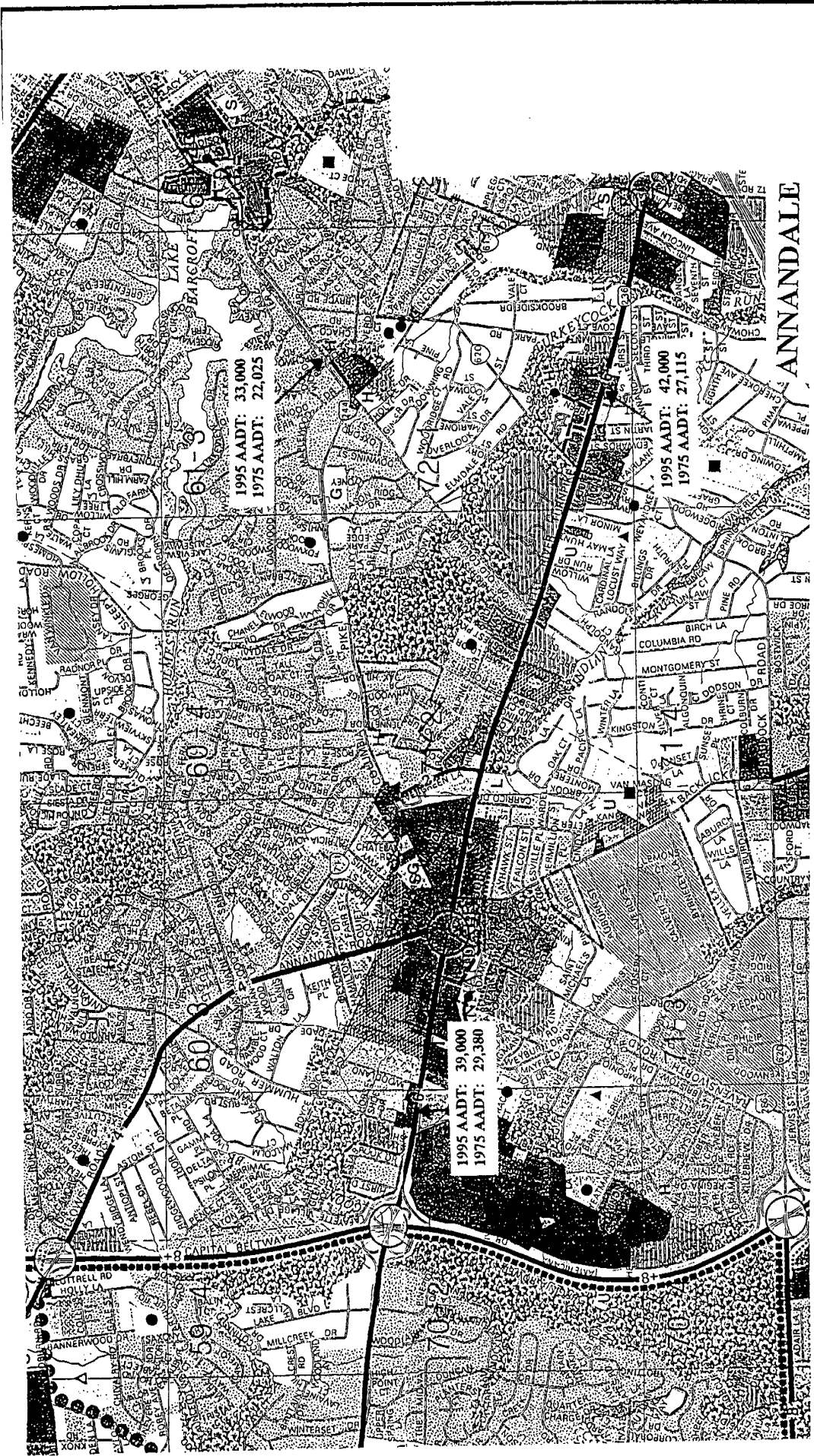
ANNANDALE:
GEOGRAPHIC LOCATION

Exhibit
1



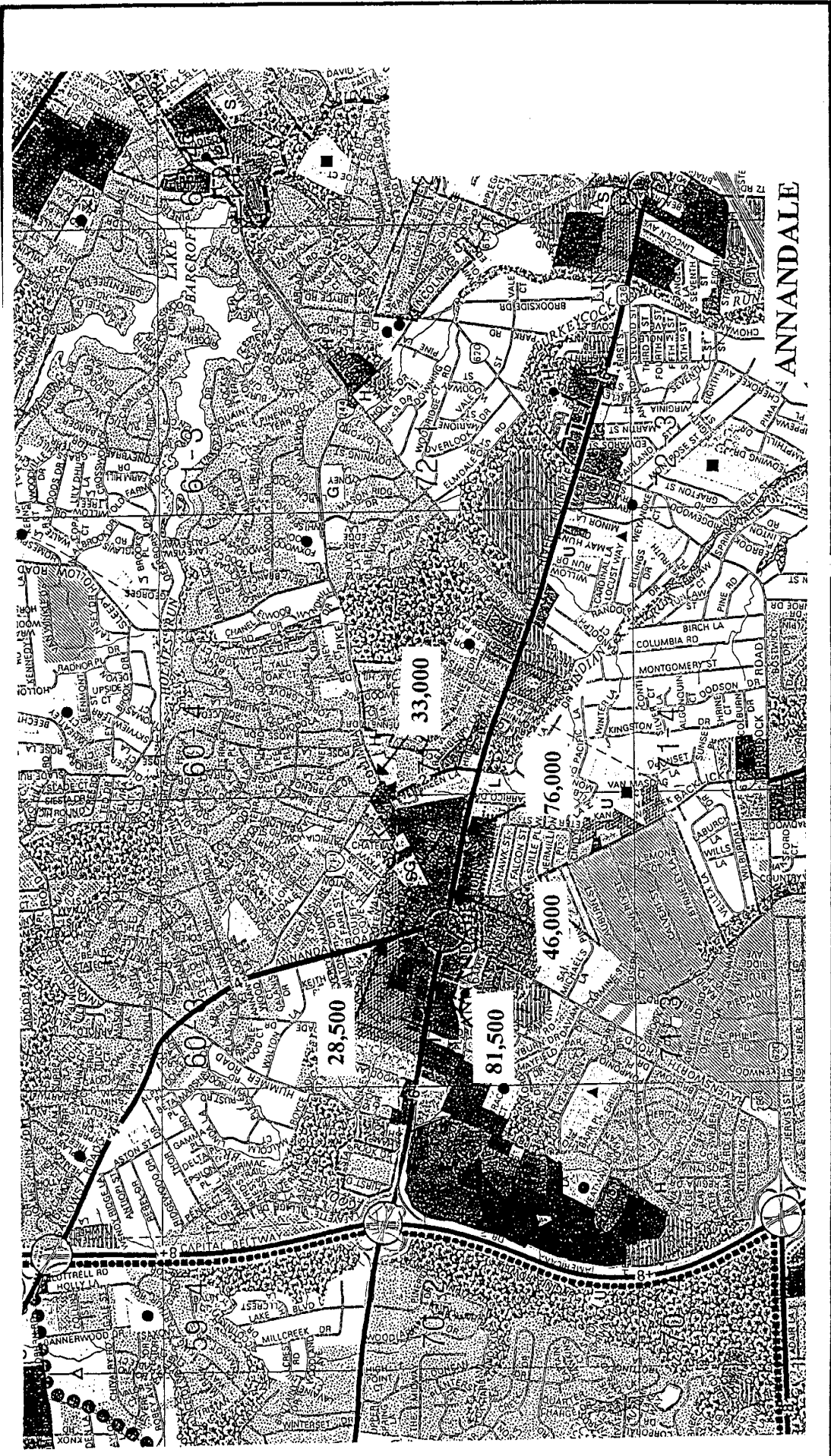
ANNANDALE: EXISTING CONDITIONS

KELLERCO



ANNANDALE:
DAILY TRAFFIC VOLUMES

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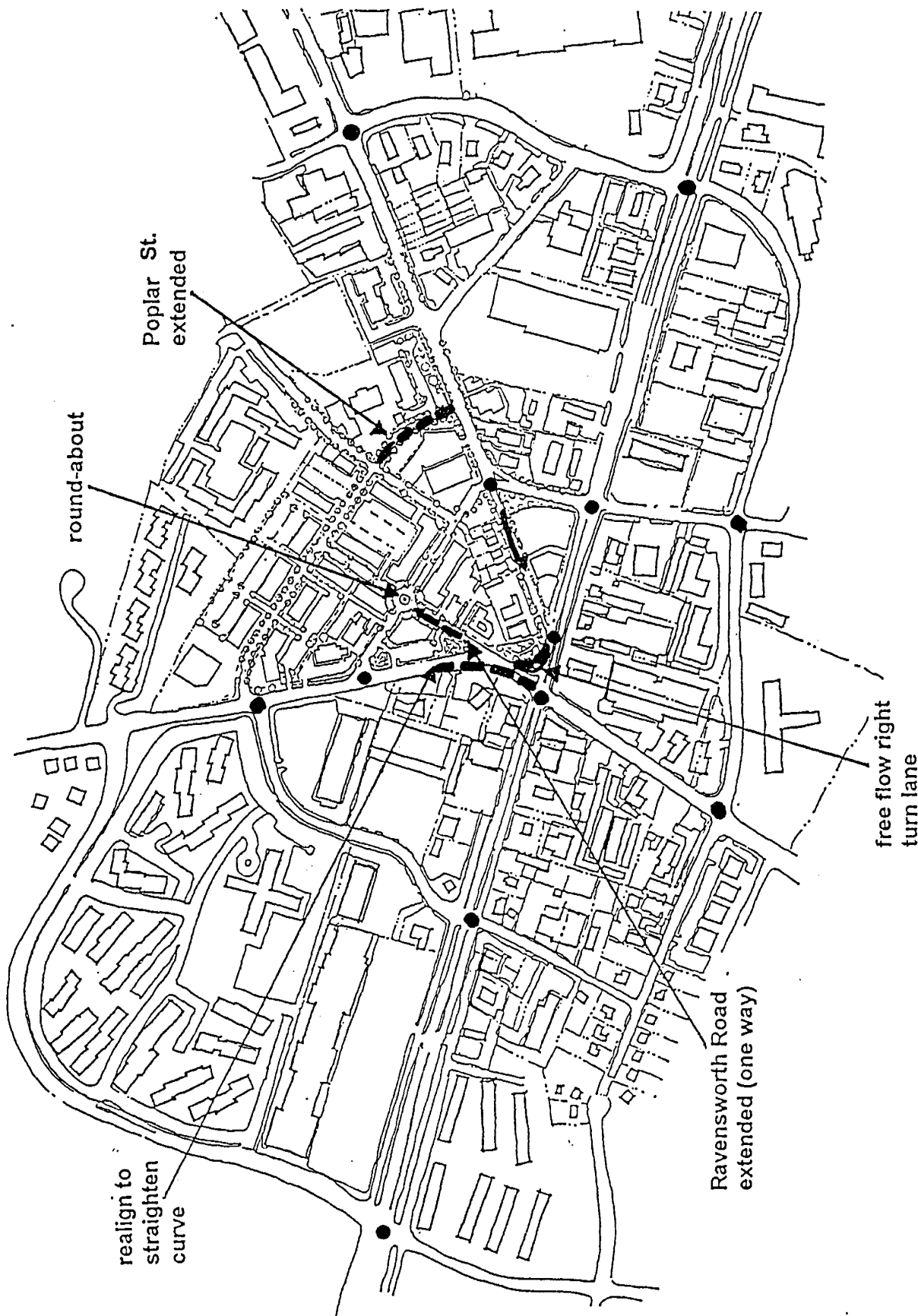


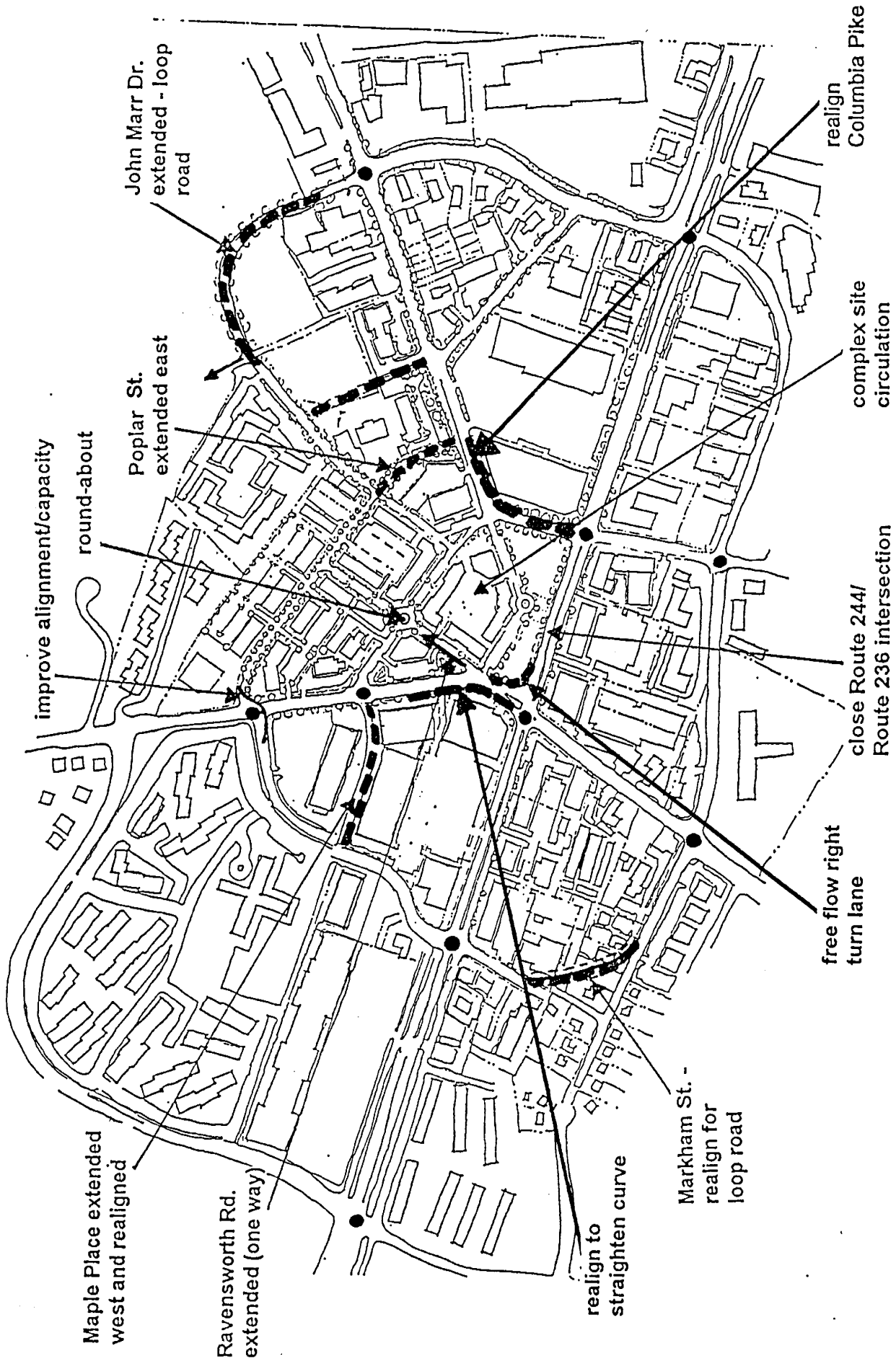
ANNANDALE:
PROJECTED DAILY TRAFFIC VOLUMES
FOR THE YEAR 2020 (COG - 1996)

KELLERCO

ANNANDALE: ALTERNATIVE A

KELLERCO





ANNANDALE: ALTERNATIVE B

KELLERCO

**ANNANDALE:
ACCESS PLAN
COMPARISON**

	PROS	CONS
Alternative A	<p>improves roadway capacity by Constructing right turn lanes from Route 236 to Annandale Rd. and realigning Annandale Rd.</p> <p>improves access for town center land area by extending Ravensworth Rd.</p> <p>improves local traffic circulation</p> <ul style="list-style-type: none"> - extension of Poplar St. (East) - construct round-about on Maple Pl. 	<p>limited improvements</p> <p>retains western portions of Columbia Pike – cuts into town center land area</p> <p>loop road not expanded</p> <p>internal circulation not adequately addressed</p> <p>regional traffic circulation not improved</p>
Alternative B	<p>reroutes Western portion of Columbia Pike opening land area for town center development</p> <p>completes loop road for use by local traffic</p> <p>improves local traffic circulation</p> <ul style="list-style-type: none"> - extension of Poplar St. (East) - extension of Maple Pl. (West) - realignment of Poplar St./ Annandale Rd. intersection - construct round-about on Maple Pl. - improves regional traffic circulation <p>improves roadway capacity by eliminating traffic signal at Route 236 and Columbia Pike intersection, coupled with improved right turn movement</p>	<p>more expensive alternative</p>

Historic Resources

The County's Comprehensive Plan identifies "heritage resources" in the District, such as the Annandale Methodist Church, Wakefield Chapel, and Oak Hill (mentioned in Section A). The materials, and to a lesser extent, the forms of these historic structures should inform the construction "palette" for the proposed Town Center. Previously identified prehistoric archaeological sites fall outside the Area boundaries

Urban Design/Streetscape

The Focus Group's vision calls for a "Sense of Place," a focal point—even an "address." The Hunter team, in separate visits to the Annandale Revitalization Area, each selected the triangular area formed by Columbia Pike, Annandale Road, and the north side of Poplar Street for a new town center. The single family homes, which represent the greatest share of land use in the Town Center, show plenty of transition signs, including plenty of transition signs, including ground floor retail and second floor office space. This triangular area is adjacent to the "100% corner" in Annandale's Business Center in HII's opinion.

During the May 14th Focus Group meeting, the Hunter team was asked to plan for the remainder of the Commercial business Center. In doing so, a continuous program of streetscaping upgrades have been proposed.

In the maps, photographs, and drawings that follow, the physical and land use aspects of Annandale are identified, analyzed, and transformed. A brief narrative accompanies each photo, map, or drawing.



Annandale Illustrated Memorandum

Prepared for
Hunter Interests, Inc.
by
UDA Architects
Pittsburgh · Pennsylvania

July 1997

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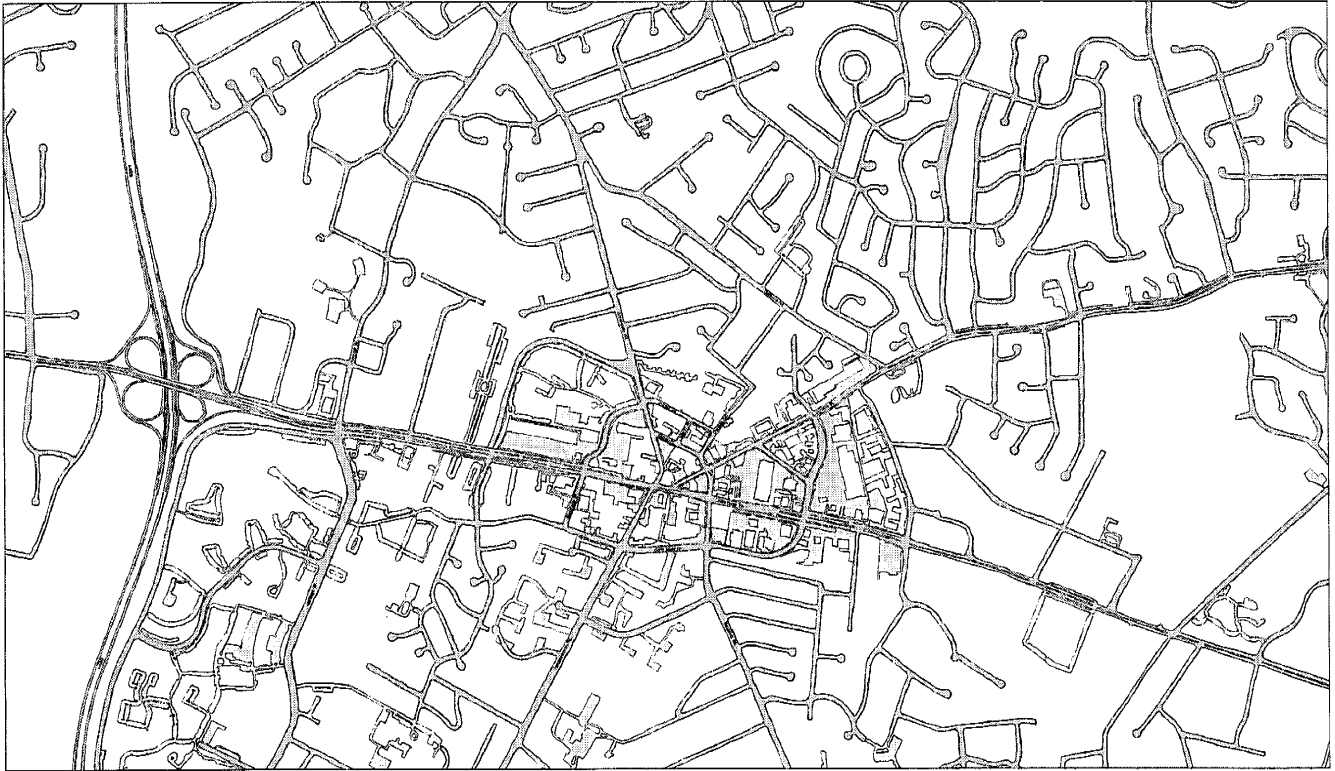


I ANALYSIS

Figure Ground

Annandale town center is surrounded by a consistent pattern of residential neighborhoods. The center is a confused pattern of buildings of varying sizes with no apparent organization.

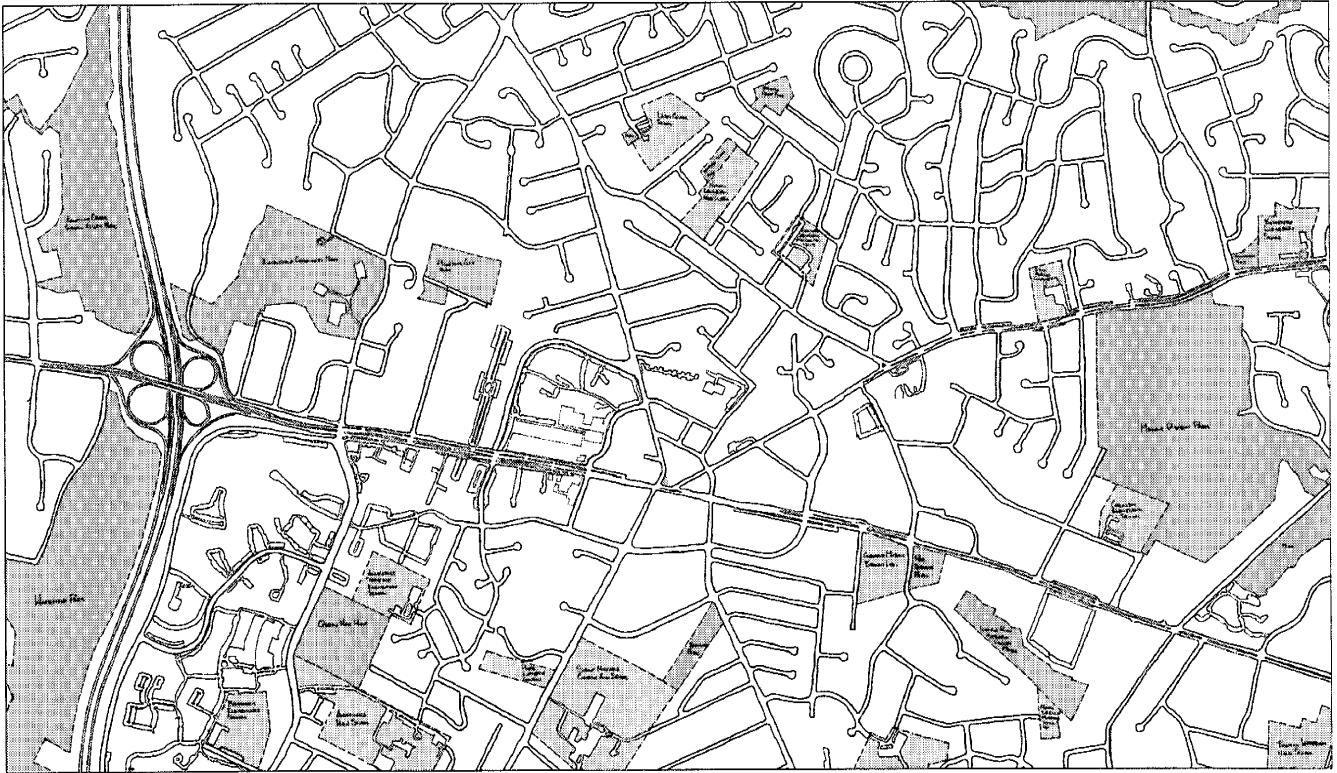




Streets & Parking

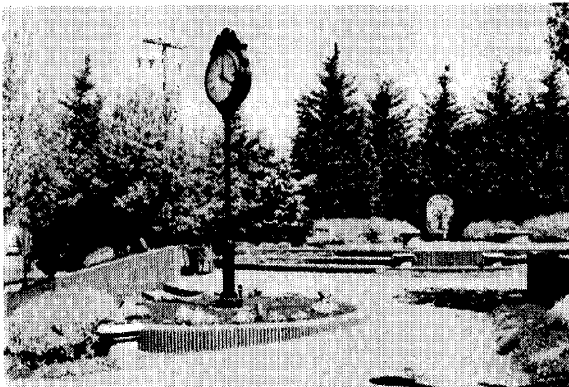
The street pattern surrounding the town center is a consistent mid 20th century suburban pattern. The major arterials such as Little River Turnpike, Columbia Pike, Annandale Road, Ravensworth Road and Backlick Road are radial and converge at the town center. The retail centers in Annandale benefit from this convergence of regional traffic. A large amount of land in the town center is consumed with surface parking.





Institutions & Open Space

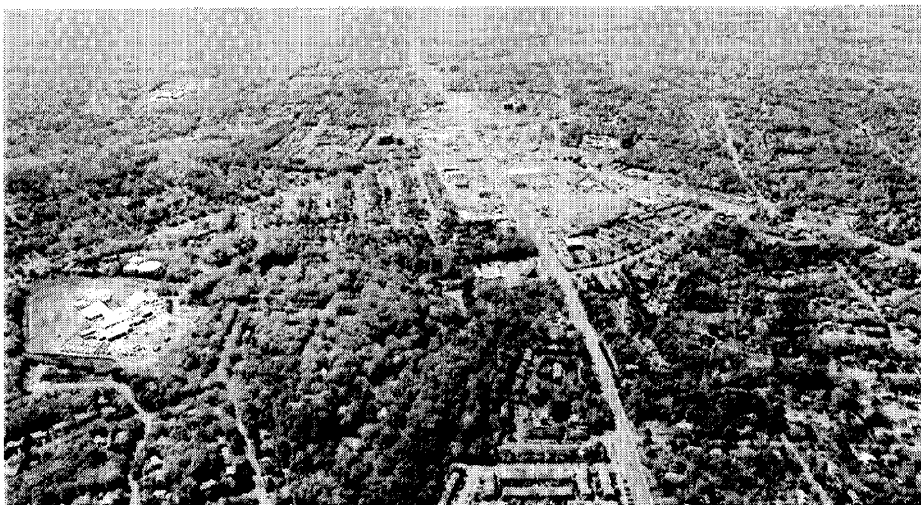
A variety of institutions and parks are located in the residential areas surrounding the town center. While there are some significant institutions in the town center there is no public park space other than Toll House Park and the triangular park at the intersection of Columbia Pike and Backlick Road.

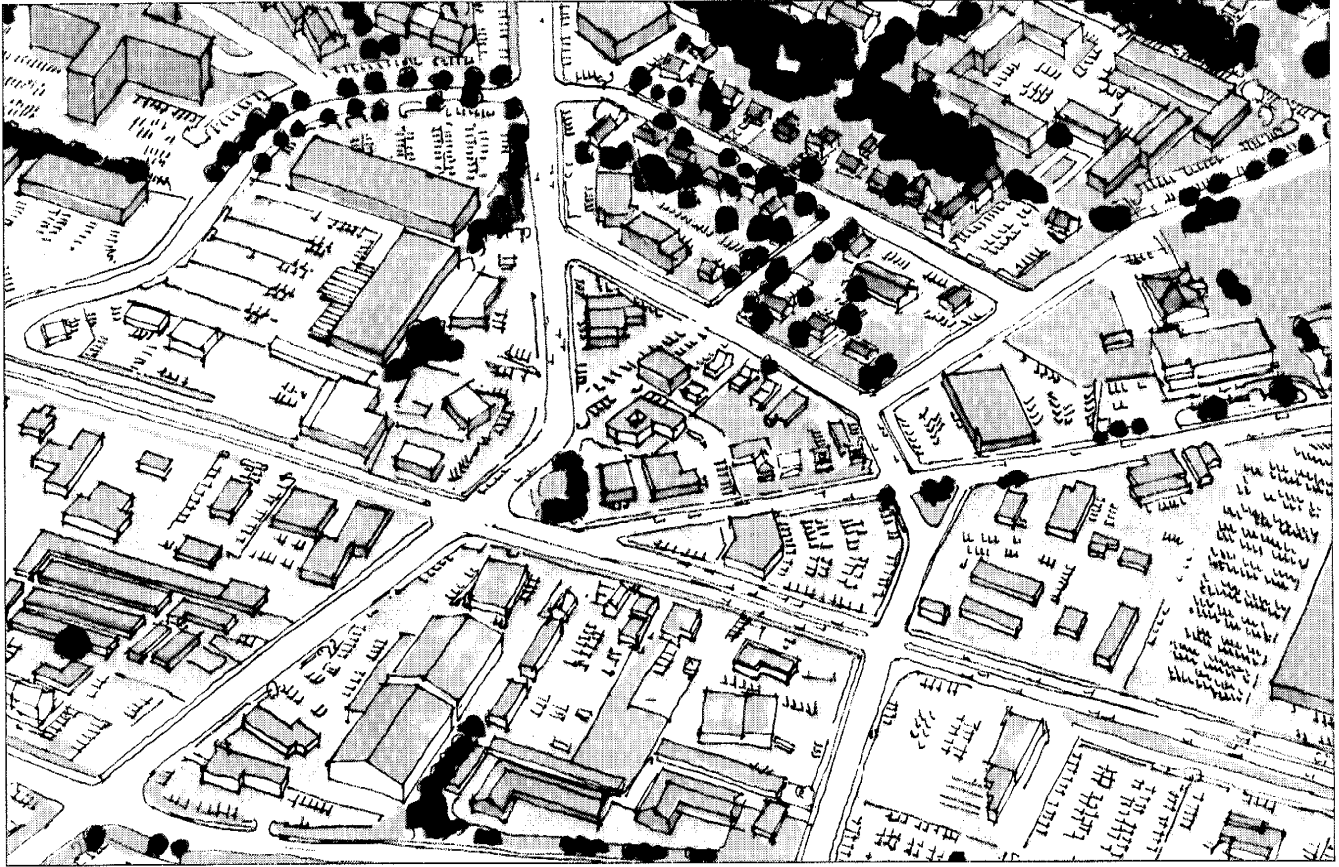




Portrait

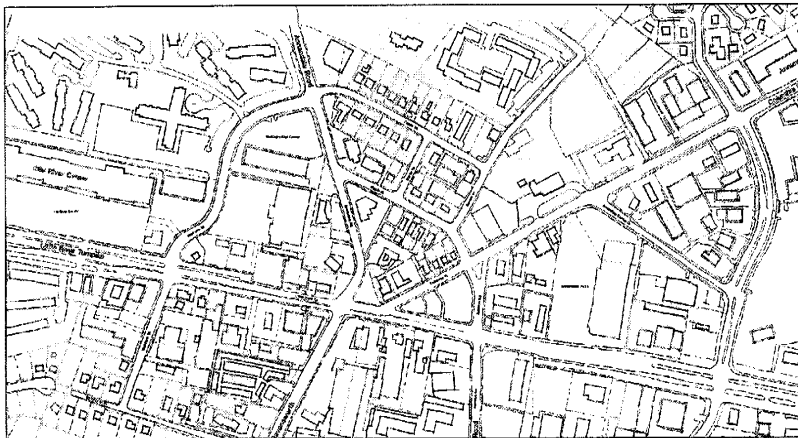
Annandale is a community of strong residential neighborhoods and a busy commercial core of highway oriented strip shopping centers. There is no traditional town center and no significant public space where one would be logically located, at the convergence of the major arterial roads. The existing town center is not walkable because it lacks a continuous pedestrian network of sidewalks and comfortable street spaces. The aerial photo shows a lack of tree coverage, symptomatic of a harsh automobile oriented environment.





Existing Town Center

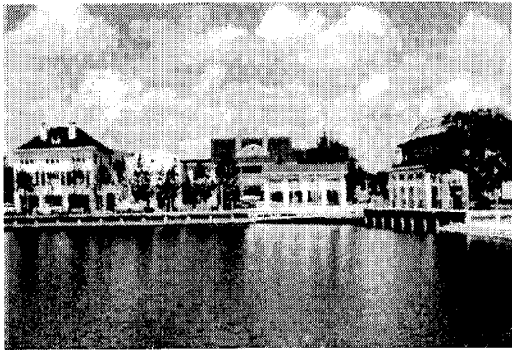
A small but significant fragment of a street network is located at the convergence of Annandale Road, Columbia Pike and Little River Turnpike. These streets are lined with former houses now used as shops and offices, and some parcels are being assembled and redeveloped. This strategically located little grid of streets creates a series of blocks highly suitable for developing a traditional pedestrian oriented town center.





II REDEVELOPED TOWN CENTERS

Country Club Plaza in Kansas City was this nation's first shopping mall developed in the 20s to take advantage of the automobile. Great streets, plazas, public art and parks create the framework for one of Kansas City's most popular shopping environments. The parking is out of sight in mid block lots and garages and on street parking is permitted. The flexible structure of the street oriented development has allowed the plaza to evolve overtime to meet changing market conditions.



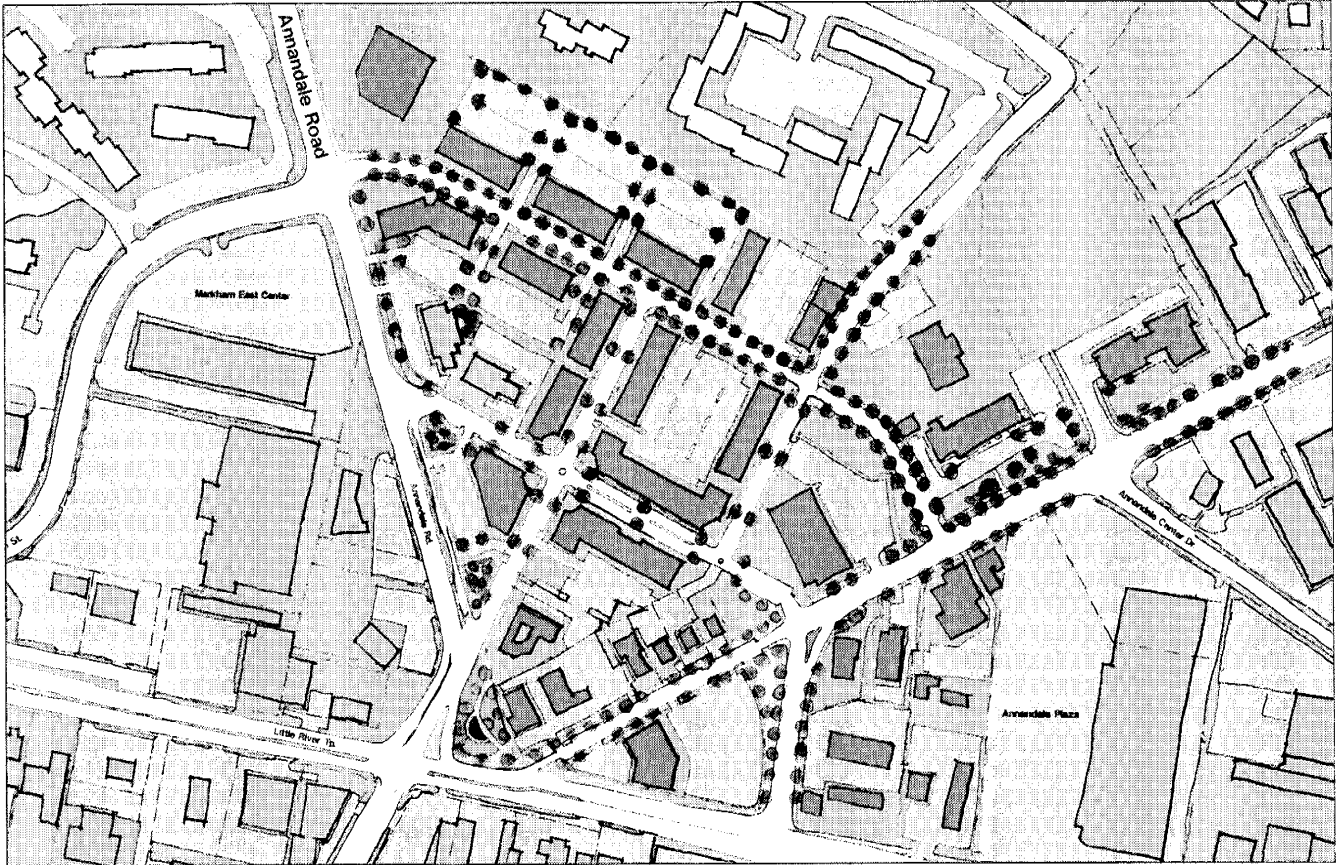
Celebration in Orlando, Florida features a new lake front town center with a waterfront promenade, a cinema complex and comfortable shopping streets lined with two and three story buildings of a unique Floridian quality. The colorful Georgian and Colonial buildings have ground floor shops and restaurants with upper floor offices and apartments. Parking, like Country Club Plaza is mid block with on street parking available. The town center is the focus of a major residential development patterned after traditional southern towns.



Mizner Park in Boca Raton, Florida was redeveloped from a failed traditional mall into a new mixed use retail, office and residential complex focused on a great street space. As in Country Club Plaza and Celebration, the street is lined with simple but visually delightful two and three story mixed-use buildings. The street features great fountains, gardens and pavilions. This redevelopment has become the town center for Boca Raton.



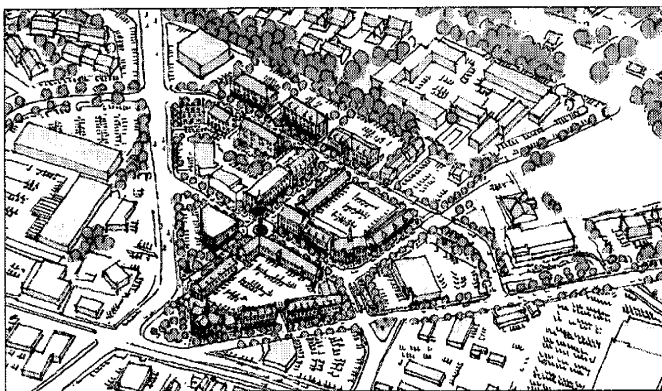
Fifth Avenue South in Naples, Florida was a dying commercial street until the local business people joined forces with the town to change the zoning regulations and redesign the public space. The new zoning district established a creative parking strategy that encourages a mixed use multi story redevelopment of the street. The zoning sets building and site design standards to guide developers towards the common goal of creating a great main street. With careful attention to landscaping of the public space and active redevelopment, the street has become a regional destination.

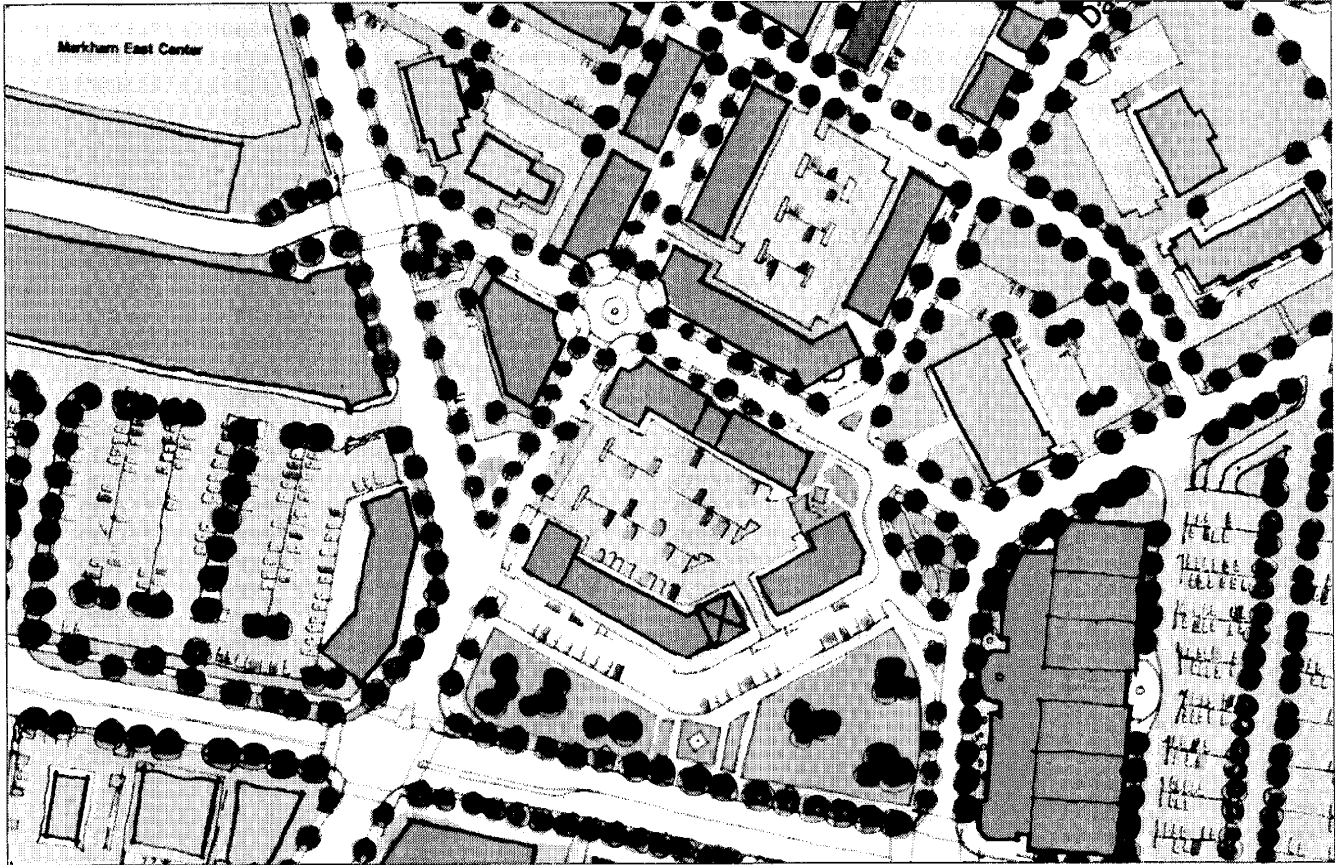


III REDEVELOPMENT STRATEGIES

First Phase Redevelopment

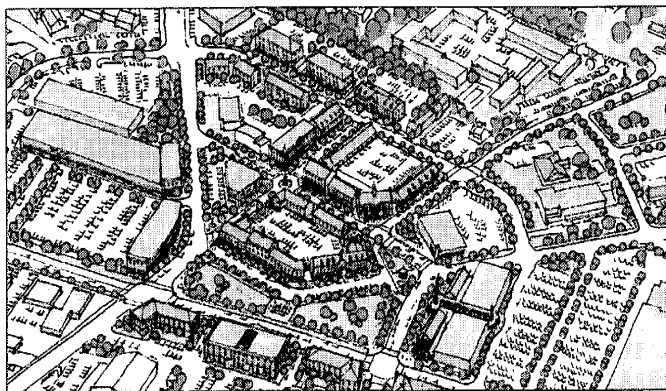
By redeveloping parcels over time with a consistent approach to site planning, a traditional town center can be created with a street oriented focus. This will require changes to current zoning regulations and redesign of the public space. Buildings should be sited close to the street with parking lots located behind in the interior of the blocks. Over time the streets should be improved with sidewalks, street trees and lighting, benches and public art and should be lined with shops and restaurants in new multistory buildings. Upper floors can be developed for office space or apartments.

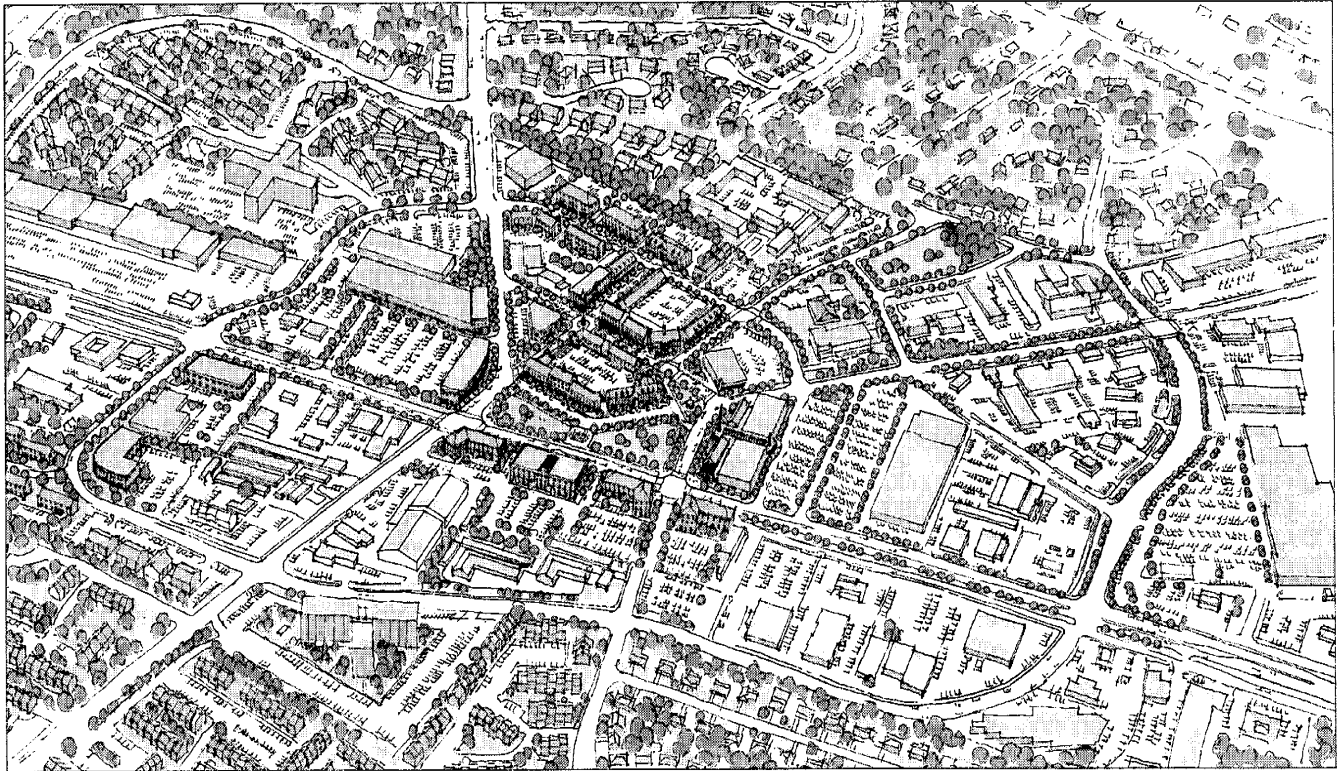




New Town Center

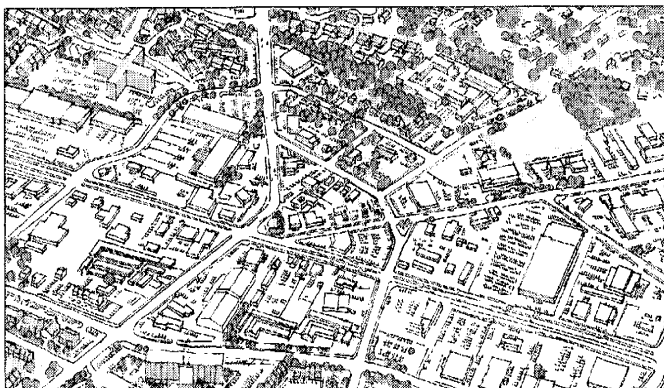
By extending Martin Avenue south to Annandale Road and extending Poplar Street over to Columbia Pike an improved street framework will be created for redevelopment of the town center. More planning flexibility is achieved by assembling parcels within each block. By controlling most of a block, mid-block structured parking can be integrated into the redevelopment to increase the intensity of use. More opportunity for redevelopment at a higher density is achieved by allowing on street parking to be counted as part of a development's required parking.



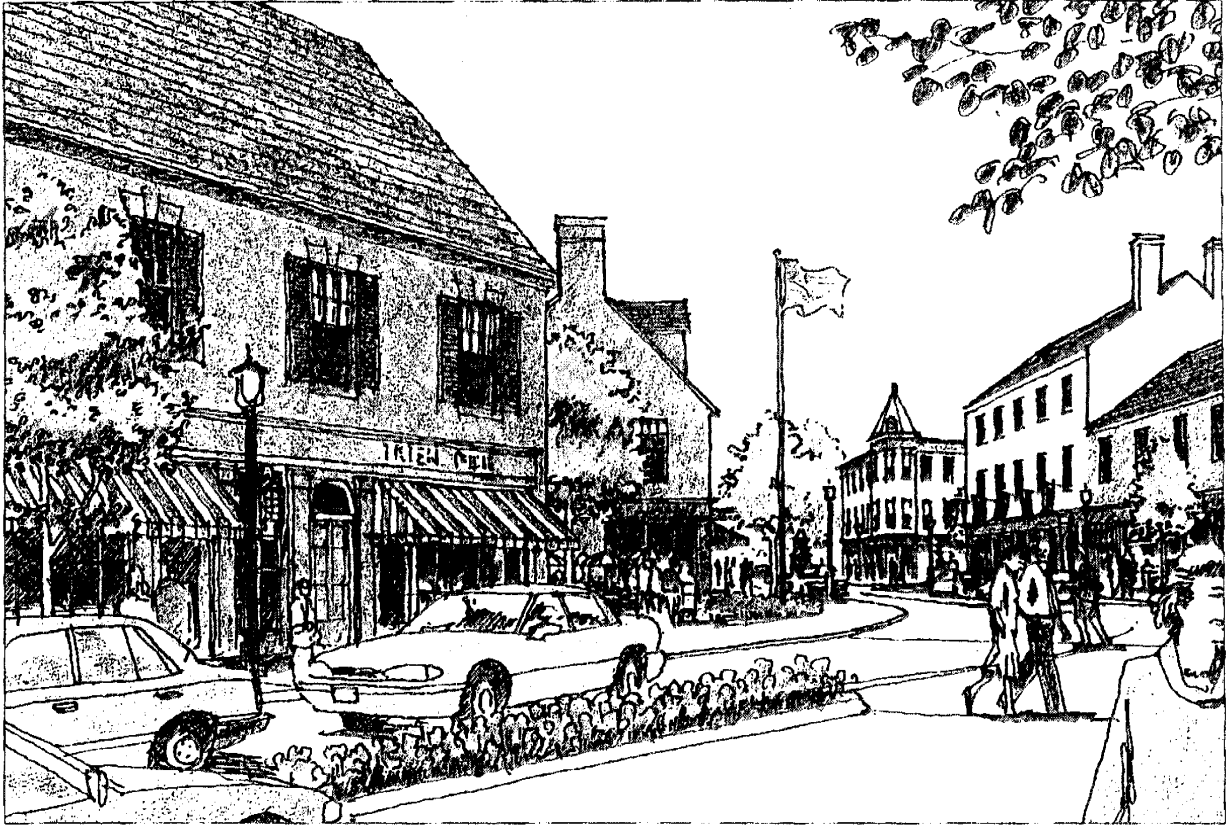


The existing Annandale Town Center is a series of strip shopping centers with a small fragment of a residential neighborhood in transition to small office and retail uses. The public space is oriented to the motorist with few facilities or amenities for the pedestrian.

A new pedestrian oriented town center can evolve over time with appropriate controls and incentives, and would feature shops, restaurants and park spaces organized by a framework of streets with low speed traffic, generous sidewalks, street trees and shop fronts .



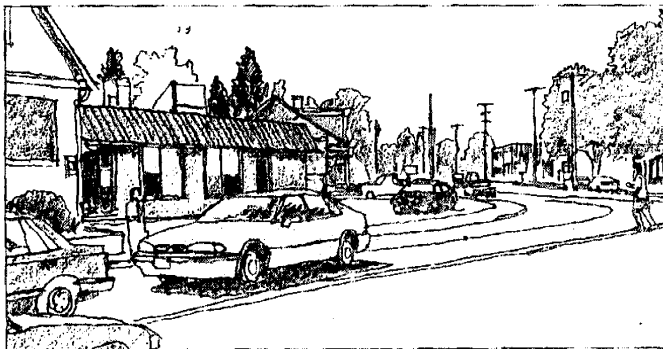
Annandale Illustrated Memorandum
REDEVELOPMENT STRATEGIES

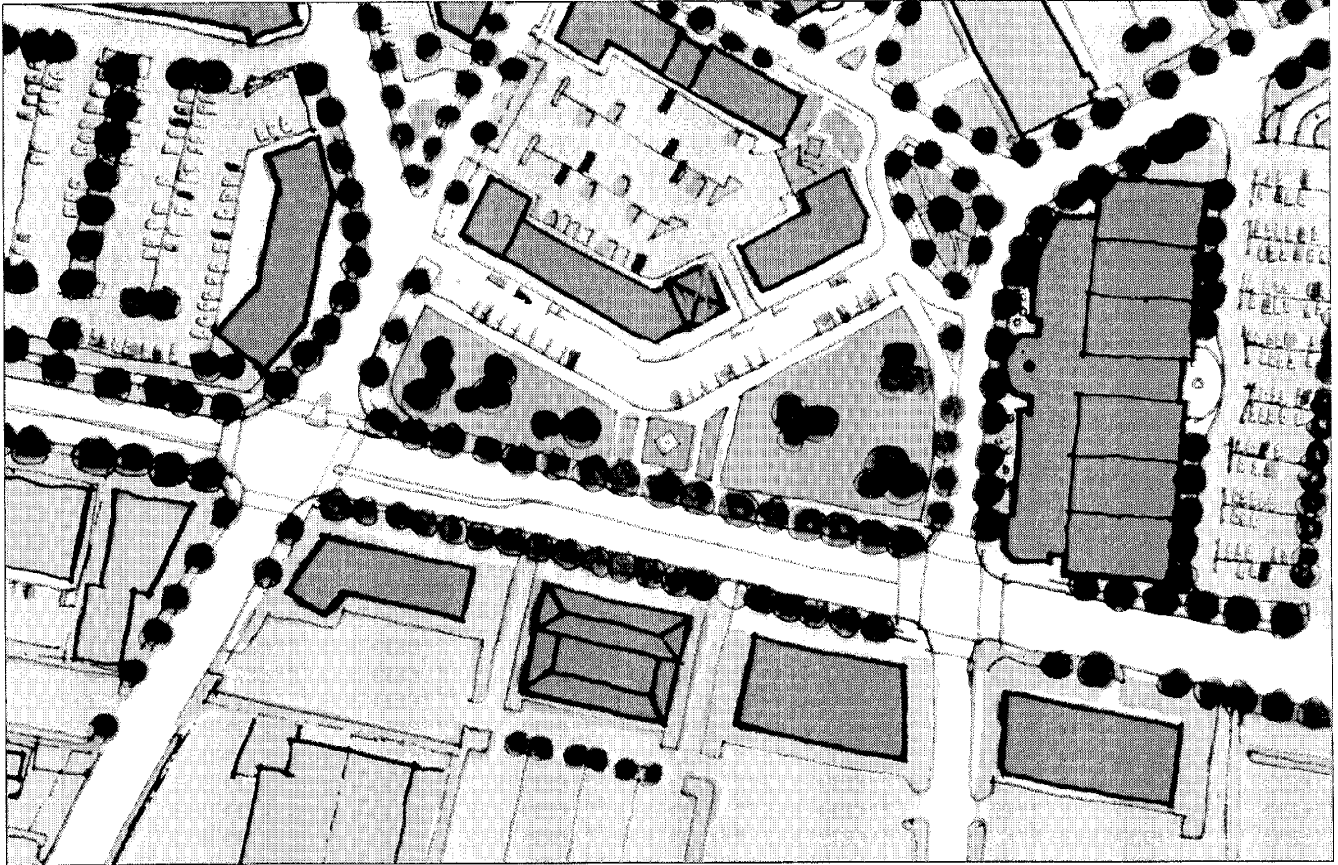


New Maple Place

On Maple Place today, single family houses are being reused as commercial structures and front yards are becoming parking lots. The result is an evolution from residential neighborhood to a commercial district with substandard buildings and lousy public space.

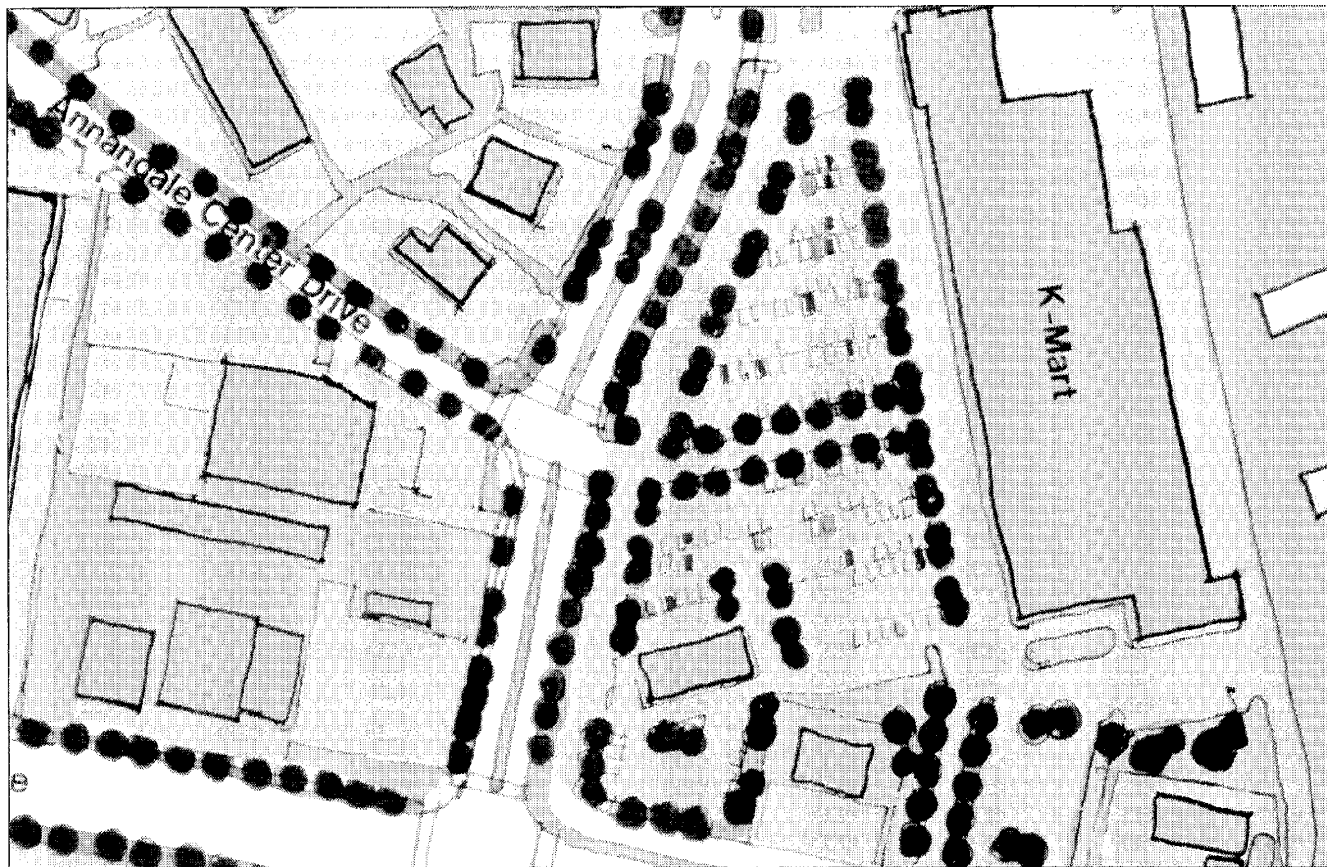
A new Maple Place features a traditional commercial architecture influenced by nearby Alexandria, developed with a pattern book of guidelines to assist developers. A pattern book illustrates what building massing, styles, and architectural details the community wants builders and developers to use. It is also useful as a promotional tool because it illustrates what the town center will look like. With appropriate architectural and site controls, and careful attention to site design, great shopping streets can be created.



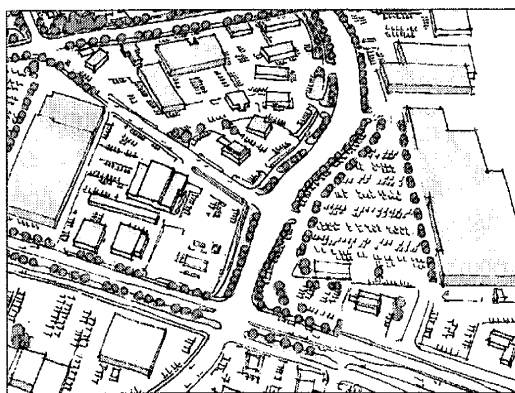


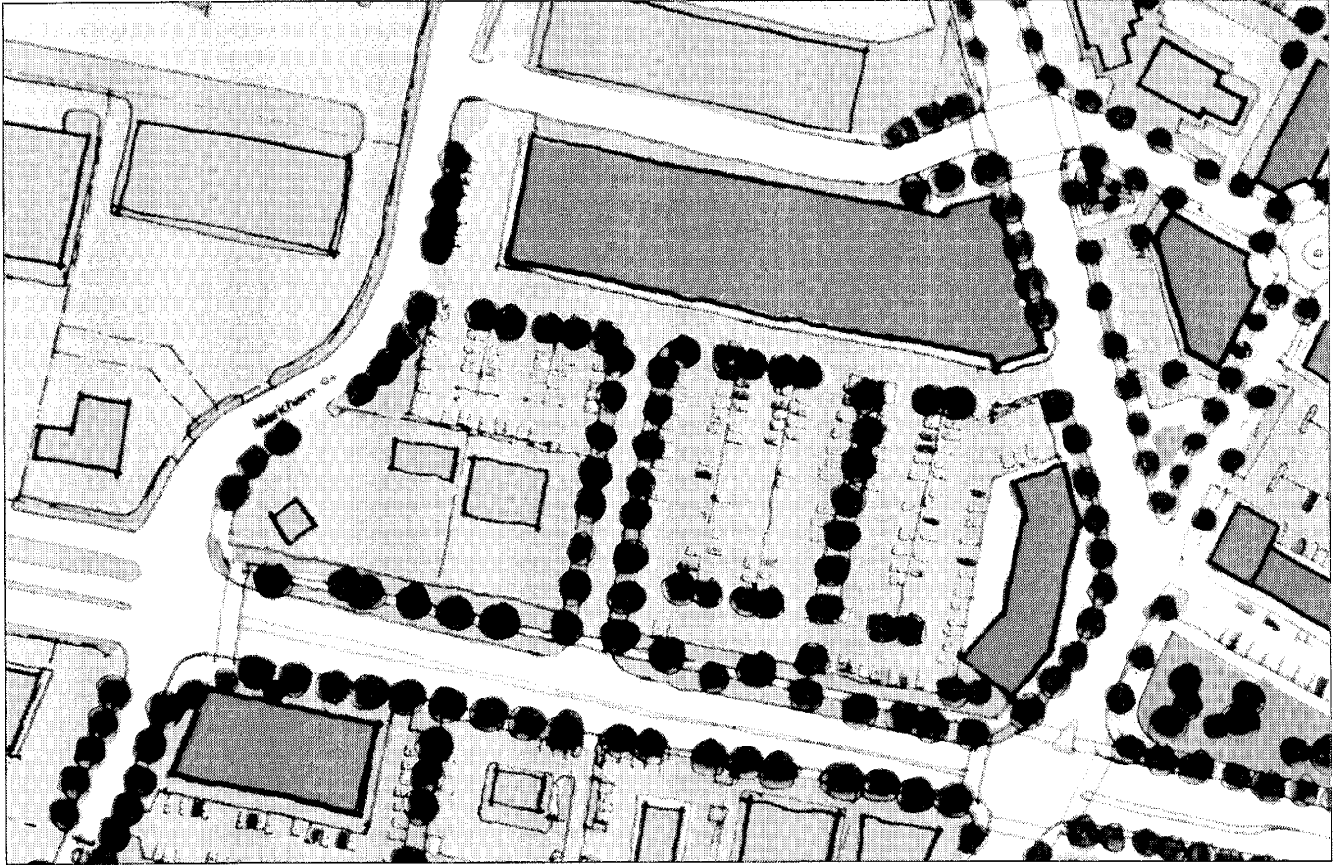
IV EXTENDING THE PEDESTRIAN NETWORK

By closing Columbia Pike between Backlick and Little River Turnpike, parcels can be assembled to create a public square for Annandale Town Center. This new park will expand the existing Toll House Park and create a visual focus of appropriate size and character for Annandale. By diverting the Columbia Pike traffic onto Backlick Road regional traffic movements will be improved. By creating a new town square on Little River Turnpike, the parcels south of the turnpike can be integrated into the center of Annandale. Significant improvements to the landscaping, sidewalks, and street crossings on Little River Turnpike will allow it to become less of an edge to the town center and become more of a focus.



Trees and other planting should be integrated into the surface parking lots of the major retail centers. Tree coverage provides much needed shade for the comfort of shoppers and improves the visual quality of the environment. Trees carefully sited will not reduce the visibility of retail signage but rather have the net effect of improving the 'address' of the shopping centers. John Marr Drive and Annandale Center Drive should be lined with sidewalks and street planting to further extend the pedestrian network and encourage shared parking.

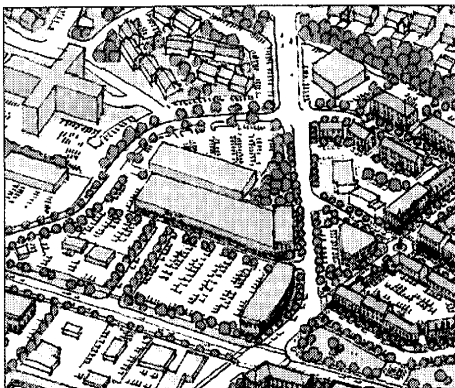


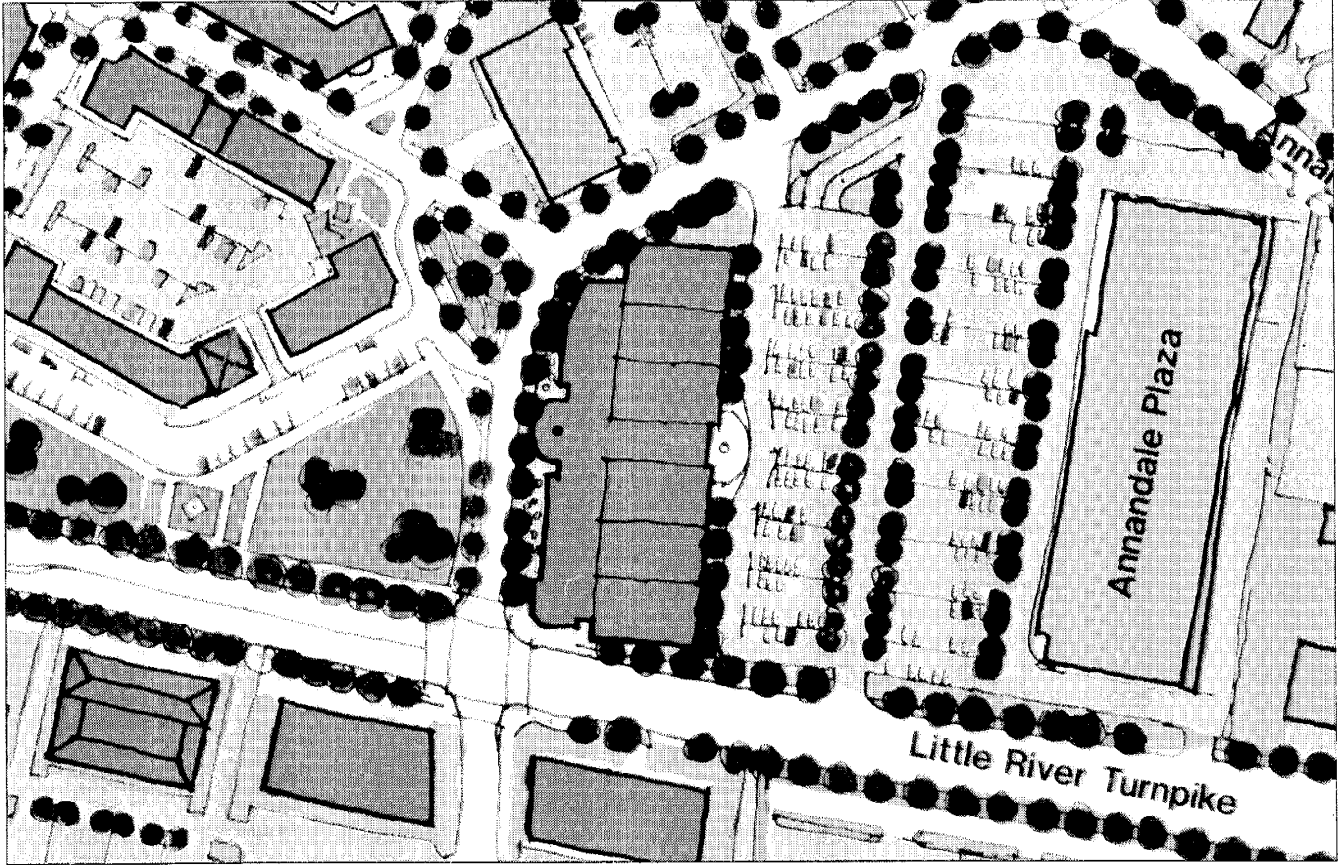


V BIG BOX MEETS TOWN CENTER

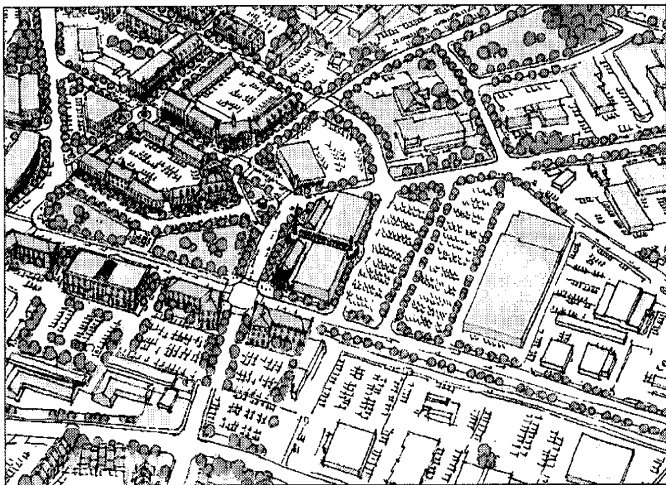
Two opportunities for future big box commercial structures can further intensify the entertainment and shopping activity of the town center if they are properly sited to extend the public space and connect pedestrians to existing retail centers.

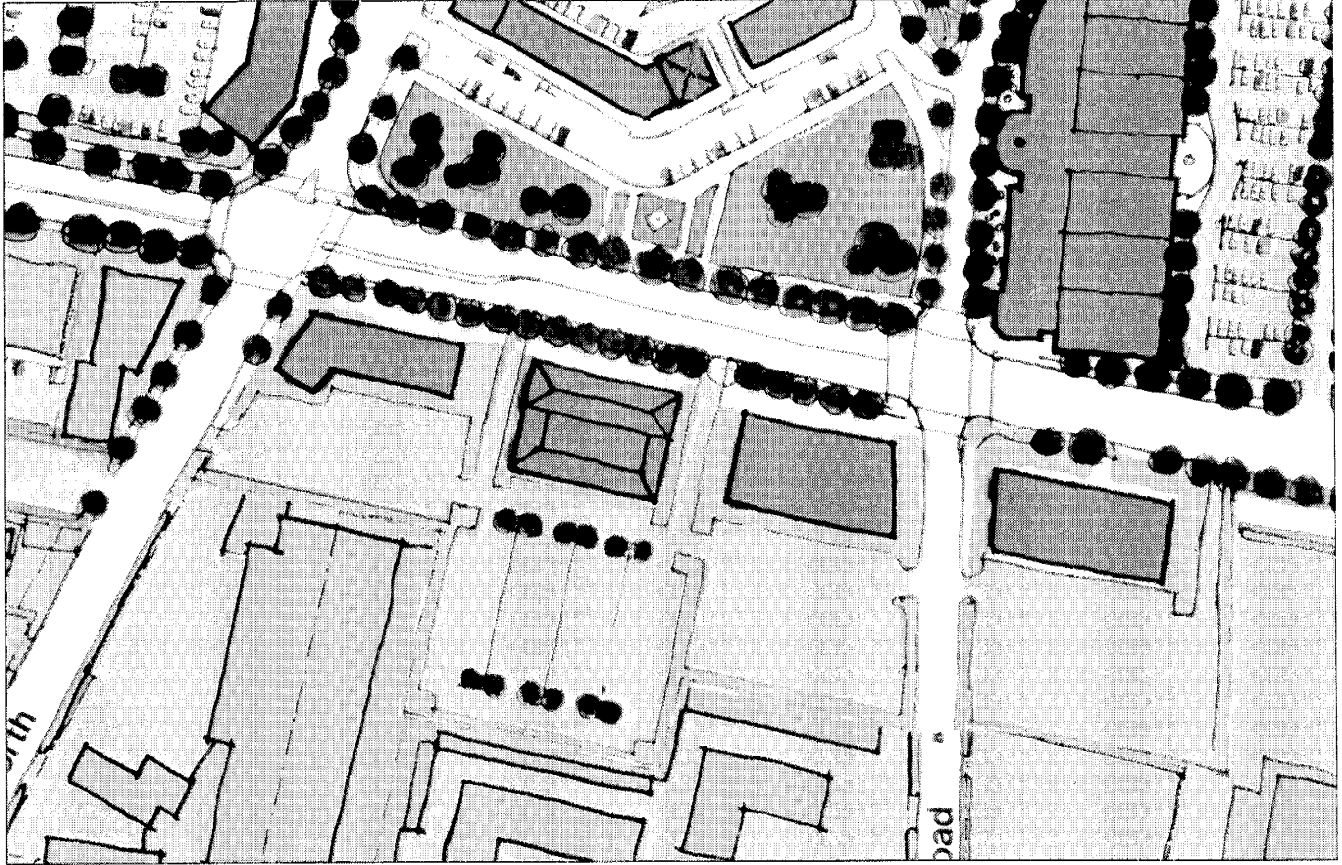
The existing bowling alley site and some adjacent parcels between Markham street and Annandale Road can be assembled to develop a new 70,000 SF footprint for retail. The new center will have parking in a pattern similar to Little River Center. The front of the new center can extend the arcade of the Little River Center east to connect into the new town center. The new center should be designed with shop fronts facing Annandale Road to plug this development into the street environment of the town center.





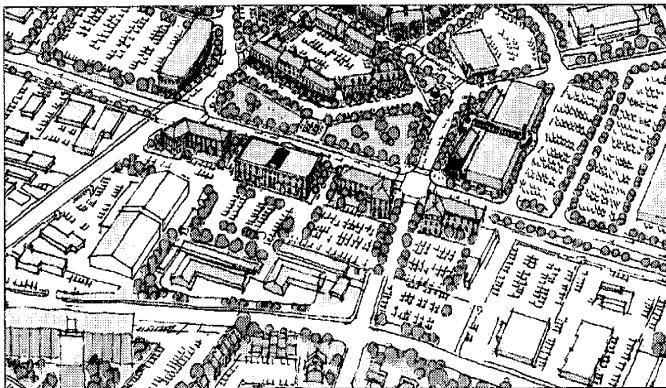
Parcels between Annandale Plaza and Backlick Road can be assembled to create a big box footprint of 55,000 SF. This center should be designed with an attractive facade facing the new public square. A cinema complex of 6 theaters is suggested for this location. Restaurants can be integrated into the cinema complex to enliven the street frontage on the park. Parking is in a new lot adjacent to the parking for Annandale Center.



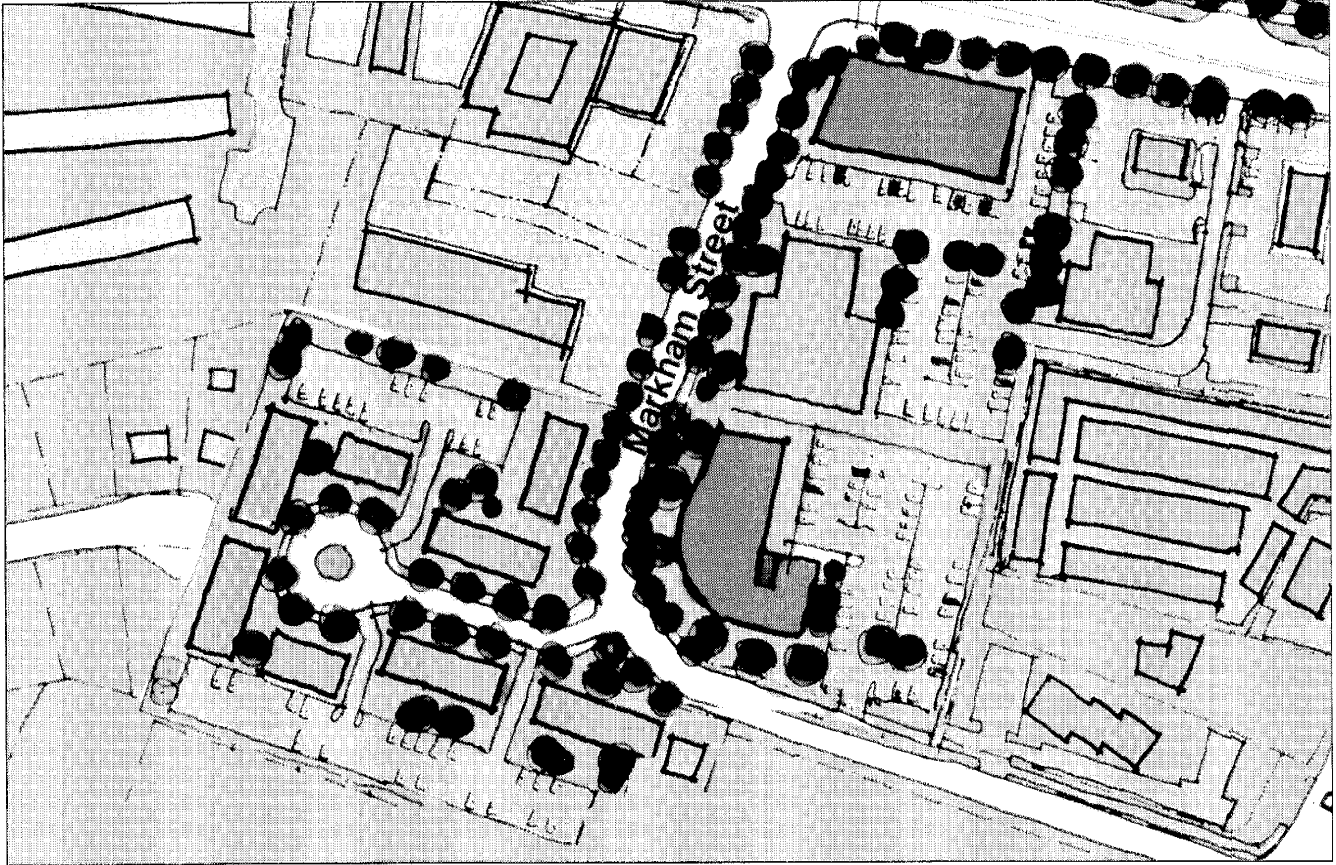


VI RELATED REDEVELOPMENT OPPORTUNITIES

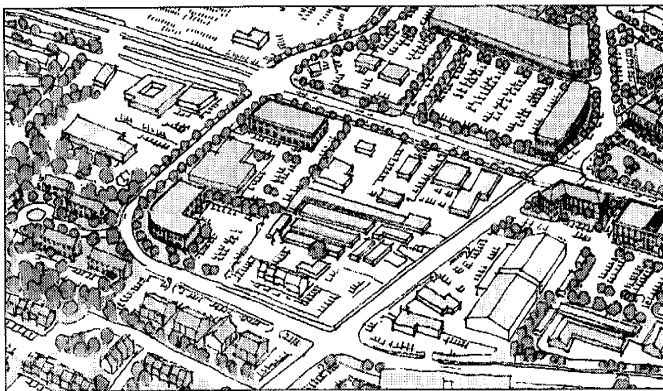
Over time parcels along Little River Turnpike can be redeveloped into multi use buildings, perhaps with ground floor commercial and upper floor offices with larger floor plates than might be available in the town center. These new buildings should be sited, like the redevelopment in the town center, with buildings lining Little River Turnpike and parking in lots behind. The buildings should be designed with handsome traditional facades facing the public square.



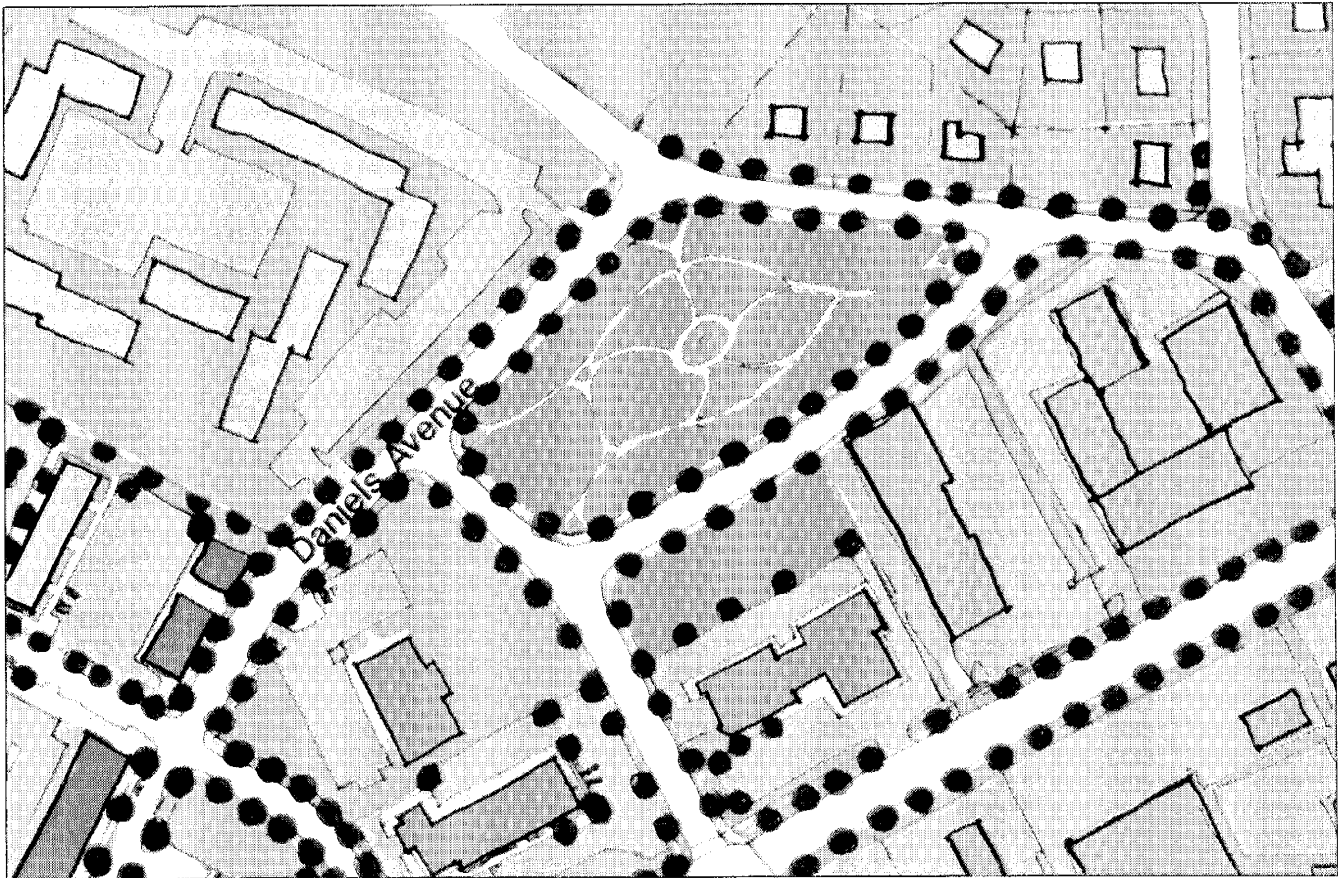
Annandale Illustrated Memorandum
RELATED REDEVELOPMENT OPPORTUNITIES



By improving Markham south of the Pike and bending it into McWorter Place, a link will be built in a continuous ring road encircling the town center which will improve vehicular access and create new addresses for redevelopment. Two new office developments of 32,000 SF each are shown as well as a new multifamily residential development west Markham which is an appropriate land use between the existing single family neighborhoods to the west and the town center.

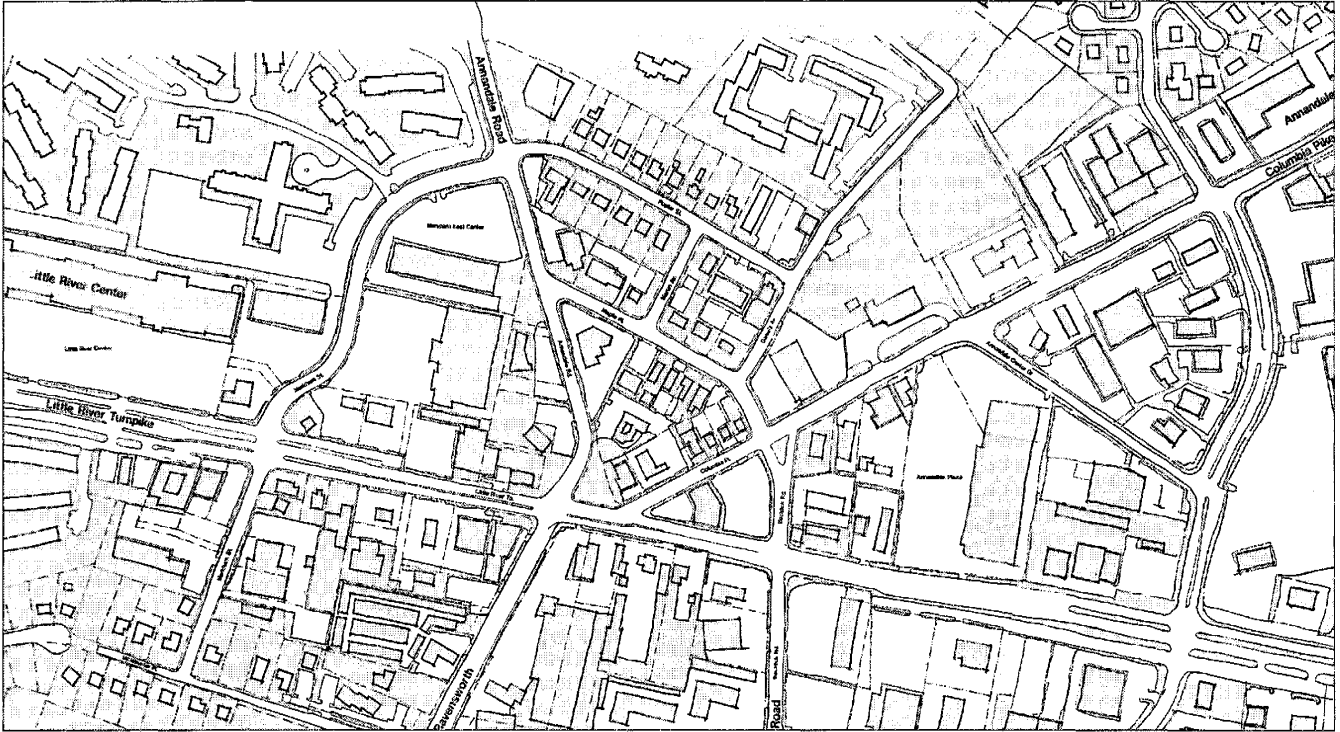


Annandale Illustrated Memorandum
RELATED REDEVELOPMENT OPPORTUNITIES

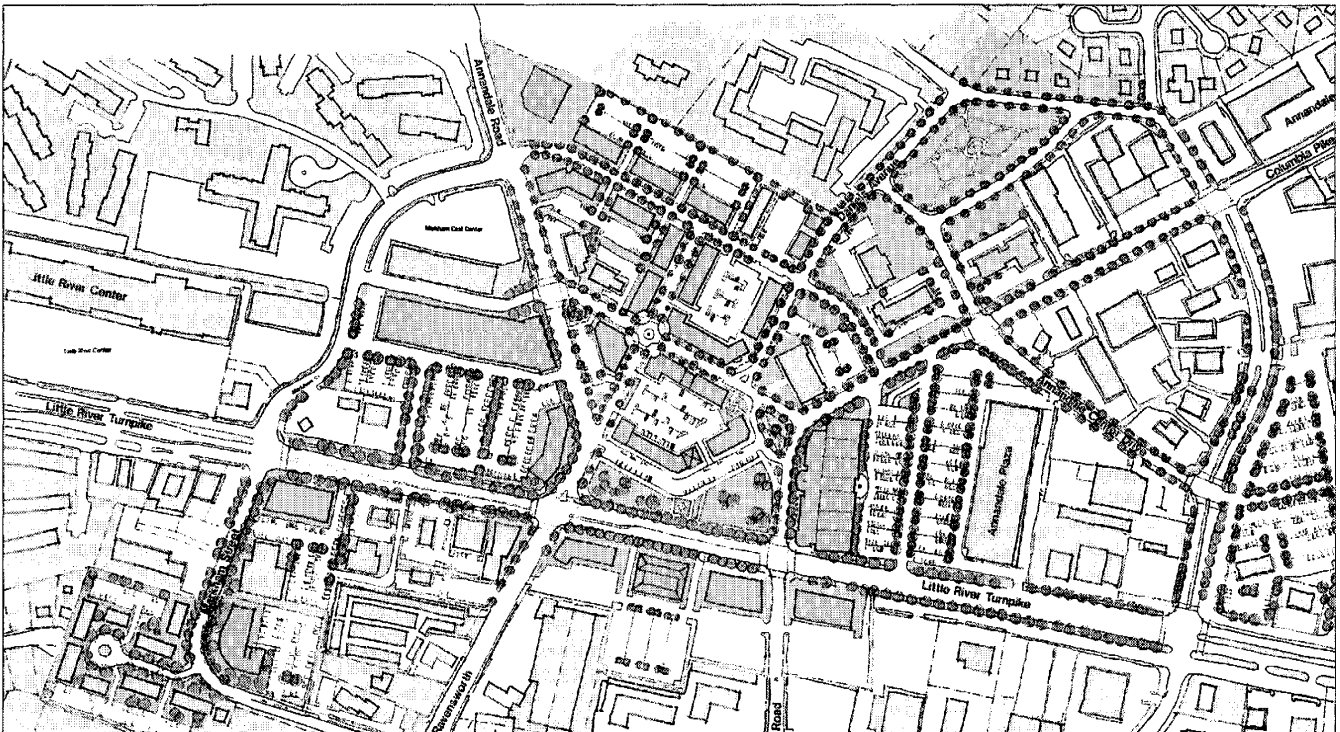


Access from Chatelain to Gallows Road should be cut off to eliminate regional traffic from taking a short cut through a residential neighborhood. A new extension of Daniels Avenue should be built to connect with Chatelain at the Baptist church parking lot. This will improve vehicular circulation and access to the town center and a sports field located behind the fire station. By surrounding the field with roads a significant open space can be recast as a new public park for Annandale surrounded by a church, community and seniors center, fire station and housing. By improving access a significant new address and public amenity will be integrated into the town center.

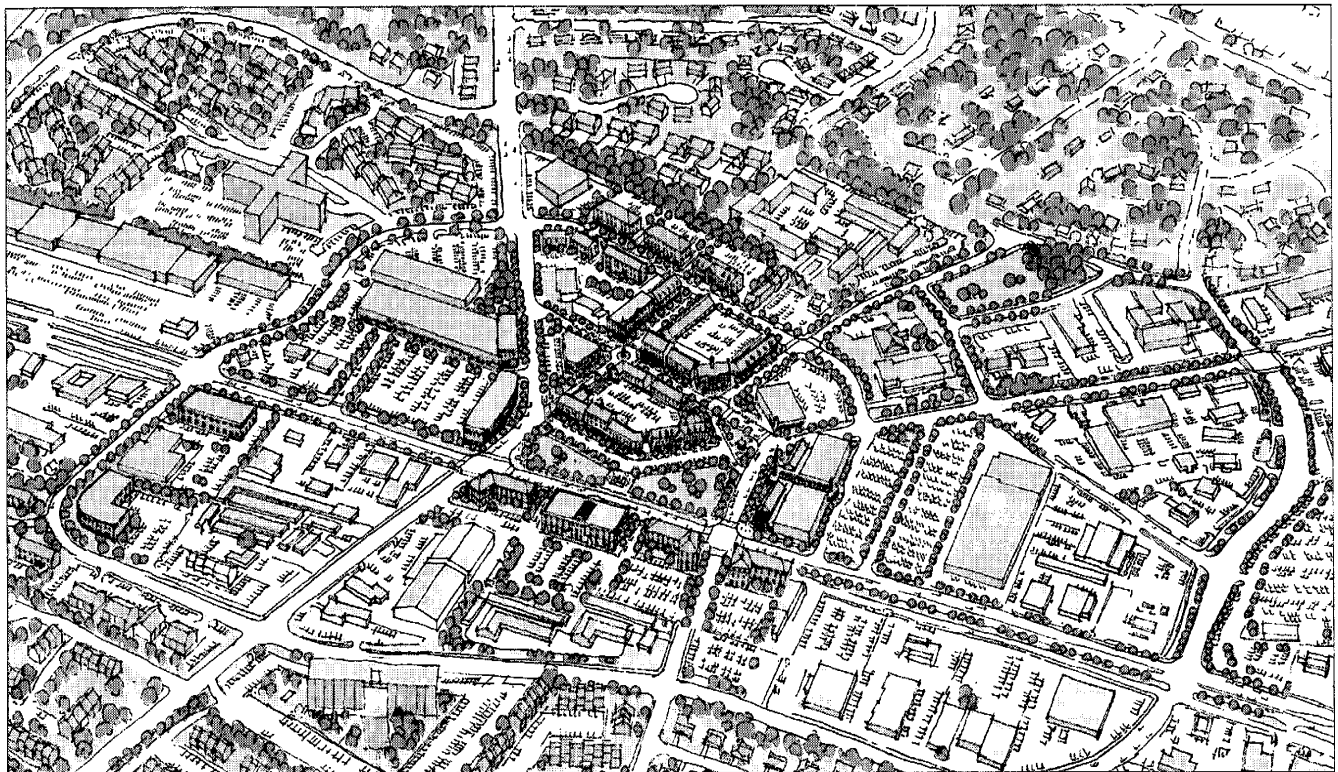
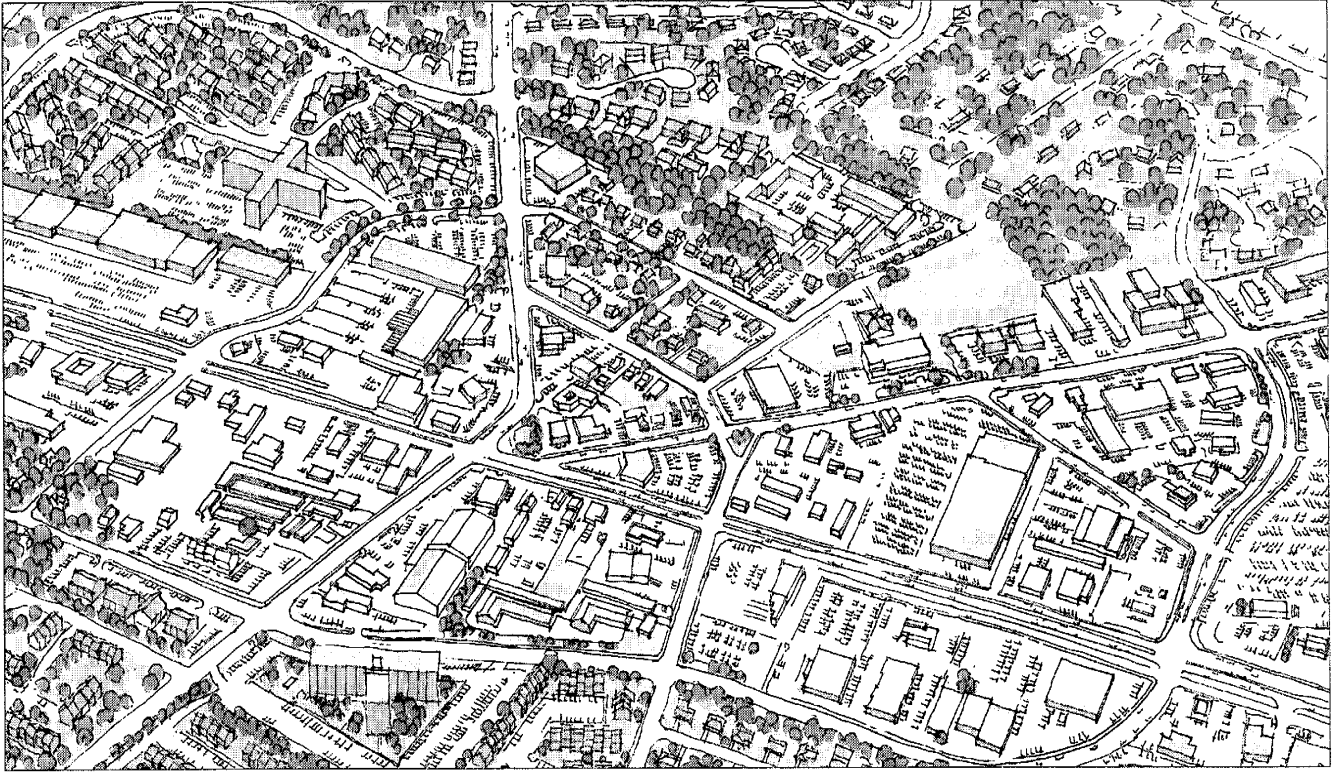
Annandale Illustrated Memorandum
RELATED REDEVELOPMENT OPPORTUNITIES



Several initiatives have been outlined which all work towards the common goal of creating a pedestrian oriented mixed use town center. By encouraging redevelopment with changes to existing zoning, strategic investment in public infrastructure that improve both the vehicular and pedestrian networks, and community consensus and action, the citizens of Annandale can begin to reshape their environment and create a dynamic new town center.



Annandale Illustrated Memorandum
RELATED REDEVELOPMENT OPPORTUNITIES



H. Feasible Development Alternatives for Revitalization

The visioning exercise at the initial Focus Group meeting should be reviewed as it alone informed the framework of all of the Hunter team's subsequent work. The more than 25 participants said that the following issues are of strong interest or concern and should be addressed:

- Green space – a major public space
- Entertainment – restaurants, movie theater and other
- Mixed use – looking for a longer period of activity during a day, include residential uses in a town center
- Town Center – create a strong center that reinforces Annandale's identity
- Architectural unity/aesthetics – no physical influence on "sense of place"
- Traffic/parking – parking seems to dominate the CBC landscape
- Absentee landlords – thwart consolidation efforts and better retailing mix

Several members stated that the visions expressed run contrary to the County's Comprehensive Plan for Annandale.

The revitalization of Annandale's commercial core can be centered on a food and beverage/entertainment niche—large enough to create "critical mass"—that takes advantage of Annandale's central location and easy access within the Beltway, and the existing range of ethnic restaurants (as described in Section F above).

Spurring this niche development would be a "greening" of the CBC, a grid of concrete-paved pedestrian crossings along the major streets throughout, and a new mixed use town center.

To carry forward the planning and implementation of the new Annandale, it is vital that a nonprofit organization (possibly modeled along the lines of the Southeast Fairfax Development Corporation) or a special services district be formed as soon as practicable. As described in Section K, this newly formed management organization would: guide and finance professional marketing and promotion (building on events such as SpringFest); manage the Area and CBC in a strategic manner as to its residential, retail, and office components; and enhance communication between owners, tenants, government, and other stakeholders.

Redevelopment Recommendations: Minimum Plan

The Pilot Project of the Columbia Streetscape Plan is programmed for construction sometime early in 1998. The designated area for improvement along Columbia Pike runs from the terminus at Little River Turnpike east to Backlick

Road, including Cannon Park. A very preliminary cost estimate for this work is \$1–\$1.5 million, or something under 25% of the estimated \$6.7 million remaining in the initial Capital Improvement Program appropriation for Annandale (see previous discussion in Section C). Included in the Streetscape Plan are new sidewalks and crosswalks, acorn street lights, bus shelters, benches, trash receptacles, signs, and landscaped verges. In all, the Streetscape Plan calls for the improvements running to Gallows Road.

John Marr Drive, from Columbia Pike to Little River Turnpike, has also been designated for streetscape improvements similar to those in the Columbia Pike Plan.

Along with the Columbia Pike Plan Pilot Project, the Minimum Plan calls for all of the Annandale CBC primary road intersections, inclusive of the Little River Turnpike service drives, to be physically enunciated both pedestrian friendly and handicap accessible by constructing bands of colored, herringbone pattern concrete pavers in the crosswalks, and adding wheelchair curbcuts at the corners. Mast-arm traffic light/street sign poles (as shown in the Columbia Pike Plan) would replace the existing traffic signal fixtures at the intersections along Little River Turnpike. Lastly, a “greening” of public right-of-way areas throughout the CBC should be implemented according to budget allocations for all streetscape improvements to the CBC.

The initial “feasibility” of this Minimum Plan is provided by the remaining bond fund monies that can be made available after more detailed planning occurs, and construction costs based on bid-set drawings are received. Also, as the current Comprehensive Plan encompasses the recommended Minimum Plan, there should be relatively little administrative delay in terms of process and approvals.

Redevelopment Recommendations: Modest Plan

Incorporated into the Modest Plan are the Minimum Plan elements.

It is also recommended that Poplar Street be extended from its intersection with Daniels Avenue to Columbia Pike in the land between the community center to the east and the NationsBank property to the west (see Section G for graphics depicting this improvement).

We also recommend the extension of Ravensworth Road, one way, from Little River Turnpike through Annandale Road loop to a roundabout added at the intersection of Maple Place and Martin Avenue.

Lastly, the Modest Plan calls for flattening Annandale Road from Little River Turnpike from a jointed curve to a rounded curve to facilitate the flow of traffic.

These improvements to internal traffic circulation contemplate a higher and better land use in the triangular area bounded by Columbia Pike, Annandale Road, and Poplar Street (the Town Center).

As described in Section G, the two- to three- or four-story Town Center proposed would generate substantially more value and tax revenues in the five existing blocks than is presently there.

At the Town Center’s Maple Place roundabout and the proposed Ravensworth Road extension into Martin Avenue, present and potential market rents are generally as follows:

<u>Tenancy</u>	<u>Est. Rental Ranges</u>	
	<u>Existing</u>	<u>Potential</u>
Ground floor retail ¹	\$10–\$15	\$15–\$25
2nd floor office ² /service retail	\$ 8–\$10	\$15–\$22
3rd floor office/apartments ²	(n/a)	\$15–\$22

¹ Estimated triple net rent

² Estimated modified gross

Source: Hunter Interests Inc.

Redevelopment Recommendations: The Bold Plan

Roadways

Incorporated into The Bold Plan are the elements of the Modest Plan, except that Columbia Pike would be closed at Little River Turnpike. Rather than intersecting Little River Turnpike, the Bold Plan shows Columbia Pike being curved (on a parallel with Maple Place) to a junction with Annandale Road and the Ravensworth Road extension (refer to Section G for maps and further description).

At Little River Turnpike and the Ravensworth Road extension (presently Annandale Road), a free-flow right turn lane from Little River Turnpike onto Ravensworth Road extension is recommended.

A service road extension of Maple Place, westward of its present intersection with Annandale Road, to a junction with Markham Street is recommended, along with a curved realignment of Markham Street from John Marr Drive north, to facilitate a loop road system around the heart of the CBC.

At Markham Road's intersection with Annandale Road, the alignment into Poplar Street would be improved by removing the slight "jog" to the north, thereby increasing traffic flow capacity at this area of the loop road system.

Along Daniels Avenue running north from the Poplar Road extension, a new road is recommended that would run south along the west perimeter of the existing baseball field and the firehouse property . Completing the loop road system is the further extension of Daniels Avenue that would join Chatelain Road at the northeast corner of the First Baptist Church property.

Lastly, the Bold Plan calls for a rounding of the Backlick Road merge with Columbia Pike headed eastward, and a movement of Cannon Park into the Columbia Road right-of-way forming a focal terminus to Columbia Pike and traffic calming ellipse. This relocated Cannon Park allows circular access to a localized extension of Columbia Pike westward into the junction of Ravensworth Road extension and Annandale Road. (See Section G Exhibit 6 and Exhibit 2 maps for comparisons.)

Land Use

The dramatic realignment of existing streets and roads and the addition of others would serve and support the new heart of the redeveloped Annandale CBC.

In response to the expressed desires of the Focus Group, a town center is envisioned and planned for the triangular area of Columbia Pike, Annandale Road, and Poplar Street. The roundabout, at Maple Place and the junction of Ravensworth Road extension and Martin Avenue, creates both a traffic and pedestrian focal point.

Spoked off the roundabout are two block-long Town Center streets of two- or three-, or four-story mixed use buildings containing sidewalk-oriented, ground-level retailing (predicated upon revised setback requirements), and in the upper floors service retail, office, and apartment uses. Each block would be improved with new buildings with surface parking lots "hidden" mid-block but served by multiple access points (see Section G).

In the five blocks where major redevelopment is planned, a total of about 250,000 square feet of new buildings is contemplated utilizing a Floor Area Ratio (FAR) range between 0.48 and 0.79.

At the ground level, about 135,000 square feet of retail and in the second floor about 40,000 square feet of service retail will be added to the market during a short (three–five years from the acquisition of blocks) and medium term (five–eight years). This addition to the retail supply represents about 22% of existing total retail, and will be supported by additional office space both in the Town Center and nearby (described later in this section).

The marketing strategy of this new ground floor space in the Town Center would advance an ethnically diverse food and beverage/entertainment niche. Featured in addition to tablecloth restaurants would be other eateries such as brew pubs and cyber cafes, and adult and family entertainment venues such as billiards and other games.

In the second floor of these new Town Center buildings an estimated 75,000 square feet will be absorbed by smaller office users, and will likely be leasable rather than for-sale space. The third floor would contain office space or apartments of similar square footage as in the second floor.

Both the Comprehensive Plan and applicable zoning should address the possible need for a fourth floor in the redevelopment of some parcels in order to sufficiently address higher acquisition cost or other risk. The impact of such a larger development on its required parking would be taken into consideration by the investor.

Another bold stroke that redefines the heart of Annandale is the opening and extension of Toll House Park into the property presently occupied by Fuddrucker's. (Of course this change is contemplated sometime between the medium and long term as the Fuddrucker's ground lease is relatively new.) Now formed by the Ravensworth Road extension to the west, Little River Turnpike to the south, Backlick Road with a "floating" Cannon Park at Columbia Pike, Columbia Pike is narrowed for the primary use of shorter term curb parking and pedestrian park access from the Town Center.

Fronting Annandale Road, just south of the new service drive aligned with Maple Place and across from the Town Center, a building with a footprint of 70,000 square feet is planned for retail, entertainment, or office.

A park or open recreational area is planned for the property lying south of the Daniels Avenue extension to Chatelain Road.

Contemplated for redevelopment sometime between the short and long term are the smaller properties between the east side of Backlick Road and Annandale Plaza shopping center, and from the north side of Little River Turnpike to Columbia Pike. In place of the existing businesses, the Bold Plan calls for a six-screen cineplex that would enhance and bolster the entertainment derived from the variety of restaurants, brew pubs, cyber cafes, and other entertainment-oriented venues featured in the Town Center.

Lastly, Hunter Interests Inc. proposes a small number of new office buildings totaling about 225,000 square feet. Three new 30,000-square-foot office buildings are located along the east side of Markham Street, between Little River Turnpike and McWhorter Place. In the block fronting Little River Turnpike between Ravensworth Road and Backlick Road, three buildings totaling an estimated 100,000 square feet are planned. Across Backlick Road a 30,000-square-foot building would be added at the corner of Little River Turnpike.

Acquisition/Displacement Issues Arising from the Moderate and Bold Plans

A vital transition to the proposed Annandale revitalization should be provided through the powers of the Fairfax County Redevelopment and Housing Authority (FCRHA). In order to initiate either the Moderate or Bold Plan, acquisition of the key block bounded by Annandale Road, Maple Place, and Columbia Pike is necessary. Some of the properties could be retained along Columbia Pike, those that contribute to the character of its streetscape. (Further discussion of the FCRHA's potential role in initiating Annandale's revitalization follows in the next section.)

The Virginia Department of Transportation, along with the County's transportation office, will be the other key government agency for the implementation of either Plan. (Further discussion of the VDOT's potential role in fostering Annandale's revitalization follows in the next section.)

It is believed that the relocation of businesses and residents will, in large part, be accomplished through market forces. The FCRHA should purchase the properties in the key block and subsequent Town Center blocks through fair-market-value acquisitions. Most owners in the Town Center area have leases with terms that do not extend beyond five years. However, some lease buyouts by the owners

(where the leases would have full legal standing in court) may be necessary. Of course one or two “refuser owners” will surface during the acquisition phase, and eminent domain powers may be necessary to complete some full-block acquisitions. (The HII consulting team understands that notably favorable citizen support for the Modest or Bold Plans would help empower the County to activate its eminent domain rights for the public good.)

In situations where legitimate nonprofits of particular public benefit, such as the Boys and Girls Club of Annandale, are affected by either Plan, relocation assistance may be necessary to sustain the viability of the organization. The Revitalization Division’s proposed Tenant/Owner Displacement Assistance (Relocation) program could address a potential example such as this, and also apply to private businesses where the need can be justified.

I. Identification of Available Public and Private Resources

Public Resources: Fairfax County

One County program relevant to revitalization, not requiring capital outlays, is that of commercial and residential real estate tax abatements for properties that are at least 25 years old. As described in Section C of the report, an important provision of this code amendment is that commercial properties may be doubled in size while multi-family properties may be increased by 30%, provided other conditions as described are met.

The Capital Improvement Program (CIP), described in detail in Section C, is the underlying source of funding for the Modest Plan. (See the preceding section.)

Included in the mission statement of the Fairfax County Redevelopment and Housing Authority (FCRHA) is: “III. To assist in the redevelopment and revitalization of non-residential areas.” Among its identified goals is “to become an active partner in several community-based revitalization efforts” by July 1998.

Generally, FCRHA tools available for use in revitalization areas include:

- purchasing, leasing, or otherwise acquiring, including by eminent domain, real or personal property;
- providing public infrastructure/facilities;
- constructing or renovating public buildings; and,
- making loans for assistance in planning, development, acquisition, construction, repair, rehabilitation, equipping or maintaining commercial, residential or other buildings.

In a recent meeting, an official of the Department of Housing and Community Development indicated that the FCHRA's financing line of credit is currently \$10 million. The key Town Center block has an estimated value of approximately \$4.2 million, according to the Fairfax County Tax Administration (see Appendix D).

As important, FCHRA can issue industrial revenue bonds (IRBs) backed by project-specific revenues generated. The income-generating properties in the key block would service the IRB debt placed on the block to hold it until a developer/investor (or REIT) acquired it for demolition and redevelopment. Alternatively, the FCHRA could elect to hold the debt for a medium term of five to seven years with a lease payment sufficient to cover the debt service.

If the FCHRA decided to sell the block to a developer entity, some write-down of the key block costs would take the pressure off the lead new owner who otherwise may seek the more economic scale of improvements of no less than four stories on the key block or in subsequent redevelopment phases.

While by no means a substitute for a parking authority, a structured parking facility could be IRB-financed by the FCHRA, if desired. Just the same, legislation to create a parking authority for the County should be authorized at the State government level.

Tax increment financing (TIF) could have a significant impact on Annandale's revitalization. Were a Business Improvement District to be formed utilizing the Community Business Center's boundaries, the financing derived from incremental increases in property values and the resultant higher tax assessments in the Town Center could be used for identified public improvements throughout the BID that may not qualify for other programs. It should be noted that TIFs are generally used for new construction where the base assessed value is raw land value, and a dramatic increase in value is reasonably assured.

Public Resources — Commonwealth and Federal

VDOT's Transportation Enhancement Program is the state-level mechanism to distributing funding distributions under the federal Intermodal Surface Transportation Efficiency Act (ISTEA) and its successor program, the proposed National Economic Crossroads Transportation Efficiency Act (NEXTEA). Under ISTEA, 10% of total funding under its Surface Transportation Program is set aside for enhancement projects. The federal funds are offered on a 80:20 matching program with states where the maximum federal contribution to a state-approved project does not exceed 80% of the project's cost—in Virginia not to exceed \$1 million.

There are eight project categories that have been approved for enhancement funding: bicycle and pedestrian facilities, scenic easement and scenic or historic site acquisition (such as a railway station or bridge); scenic or historic highways (protection and interpretation); landscaping/other scenic beautification; historic preservation (related to intermodal transportation system); rehabilitation and operation of historic transportation buildings, structures or facilities—including historic railroad facilities and canals (such as the C&O Canal in DC and Maryland); preservation and conversion of abandoned railway corridors for pedestrian and bicycle use; control and removal of outdoor advertising; archaeological planning and research; and highway pollution run-off mitigation.

Subject to further research and analysis, Little River Turnpike may qualify for landscaping under the VDOT Enhancement Program as may the shared bicycle roadways listed in Section G.

Other public resources for funding public or private projects within the Revitalization Area may develop during the 10- to 20-year Town Center redevelopment time frame. In concert with the Revitalization Division, the management structure organized to further plan and implement Annandale's revitalization would work to find new resources.

J. Current County Administrative Policies and Procedures Affecting Community Business Center Revitalization

In approaching the subject of potential improvements to the County's Comprehensive Plan and Zoning Ordinance vis-à-vis Annandale's revitalization, HII reviewed the Annandale Community Business Center Plan, and extant zoning districts in the proposed Town Center area.

The Comprehensive Plan addresses a number of issues the Hunter team has identified and taken into account in its recommended redevelopment plans.

In terms of transportation for the Annandale Planning District, there is a call for corridor studies aimed at the major commuter routes of Little River Turnpike and Braddock Road. In Section G of this report recommendations by HII's transportation planner point out and solve for local traffic impediments, and also propose safer and improved pedestrian and bicycle access to CBC roadways. The body of the Exhibit 6 recommendations should be addressed in the Plan through the current Area Plan Review.

In the Plan's "Major Objectives" for the CBC, three planning objectives are specified. Among the three is one that would "encourage appropriate revitalization and selected redevelopment of portions of the Annandale CBC....representing a community focal point and emphasizing pedestrian circulation." The HII Bold Plan for redevelopment describes just such a community focal point for the CBC.

In HII's study of the CBC, where virtually no in-fill sites exist, the overall strategy has been to concentrate the resources and energies of the community, the CBC investors and business owners, the political leadership, and responsible agencies of the County government in an area as close to "the 100% corner" as possible.

Some have felt that bold planning for change should occur throughout the CBC, whereas the HII approach is to design the CBC to "read" visually as a commercial unit, yet allowing market forces in the blocks surrounding the proposed Town Center to react. Architect Peter Calthorpe might refer to this as a "hybrid Town Center," where he says: "such a center should combine the intimacy of Main Street with the accessibility of strip centers. From the neighborhood side, the commercial center must be pedestrian friendly; from the arterial it must be auto convenient."¹⁰

Having said that, a chief concern regarding the success of the proposed Town Center resides in a prospect that investors may redevelop "underneath" the zoning envelopes called for in each block of the Town Center. While some have expressed dismay over a zoning overlay district, such a tool may be necessary to dissuade those "just trying to get into the action area."

The "Urban Design Guidelines" section of the Plan for the CBC includes the suggestion that "building facades should establish a pedestrian-scale relationship to the street." Much more is needed in the Comprehensive Plan or a revitalization overlay district that would give extensive definition to what the components of a town center and a "place" are.

One of the principal requisites for a successful town center is the spatial relationship of building height to street width. Memorable places in older American towns such as Greenwich, Connecticut; Palm Beach, Florida; Grosse Pointe, Michigan; and La Jolla, California all have one attribute in common: the height of buildings and the width of streets is within a ratio of one-to-three. In other words, the wider the street the higher the buildings. Miami architect Andres

¹⁰ *The Next American Metropolis, Ecology, Community and the American Dream*, Peter Calthorpe, Princeton Architectural Press, 1993.

Duany says these spatial relationships define the street as an outdoor room—a sense of place.

As the floor area ratio defines the height of buildings, its measurement to a building's eaves rather than the roof peak would afford some variation in the Town Center's street facade. Additional height definition should be the maximum number of stories. For example, the County's C-6 Community Retail Commercial District has maximum bulk building height regulations set to 40 feet, subject to increase as may be permitted by the Board. Were the regulations to read 40 feet to the building eaves or four stories, chances increase that a developer who finds a market for ground floor retail with office and apartments above would vary the floor heights to accommodate the particular use on each floor. If that developer's ground level tenant desires a more commanding storefront achieved by 12- or 14-foot floor height, the height defined by number of stories would permit such a storefront. Another developer seeing the same market may choose a less costly building with nine-foot ceilings on each floor. The result of this change in zoning is a varied streetscape, differing floor levels, and differing roof treatments.

Building setbacks would require revisions in order to create ambiance in the Town Center. Minimal setbacks bring buildings close to street and pedestrian—window shopping through “transparent facades”—and streetside activities such as outdoor cafes and street vendors—encourage the auto-bound to forget their cars in favor of some walking. (Curbside, metered parking will still be available for those who cannot or have no interest in walking.) Two-story buildings may be set back about 15 feet while four-story structures may be set back about 20 feet, in the latter instance allowing for a cafe with outdoor seating.

Residential use in the upper stories of the Town Center should be encouraged for rental apartments, and, perhaps, a bed-and-breakfast or an extended-stay lodging. Tax abatement for the residential portion of Town Center buildings should be weighed in order to make for a more active center with “eyes” on the street.

Shared parking is another vital component to a vibrant mixed use Town Center as it creates efficiencies by virtue of different land uses.

In a major study of shared parking by consultant Barton-Aschman Associates¹¹, under the auspices of the Urban Land Institute, peak parking demand factors for single land uses were measured. The technical findings are as follows:

¹¹ “Shared Parking,” Barton-Aschman Associates, *ULI—the Urban Land Institute*, 1983.

Offices: 3.0 spaces per 1,000 square feet (GLA-occupied), weekday; 0.5 spaces per 1,000 square feet (GLA-occupied), Saturday;
Retail: 5.0 spaces per 1,000 square feet (GLA-occupied), Saturday; 3.8 spaces per 1,000 square feet (GLA-occupied), weekday;
Restaurants: 20.0 spaces per 1,000 square feet (GLA-occupied), weekday or Saturday
Cinemas: 0.30 space per seat, Saturday; 0.25 space per seat, weekday
Residential: 1.0 space per dwelling unit (per rate of auto ownership)
Hotel rooms: 1.25 spaces per occupied room

The study produced hourly accumulations of parked vehicles as follows:

Offices: midday peak, evening periods at less than 10% of peak
Retail: midday peak, evening periods less than 70% of peak
Restaurants: evening peak, midday at 50% of peak
Cinemas: evening peak, midday at 70% of peak
Residential: evening peak, midday at 60% to 85% of peak
Hotel guests: evening peak, midday at 30% of peak

Seasonal variations were observed in the Barton-Aschman study: "In general, occupancy of retail and office facilities peaks in fall or winter, while restaurants, hotels, and cinemas experience peak occupancy in the summer."

The Washington, DC-based Institute of Transportation Engineers claims that if a parking space is available to different users during different times of the day, its efficiency is increased from 1.0 to 1.4. Therefore, a 100-space surface parking lot in a mixed use area is the equivalent of 140 spaces, and the zoning requirements for mixed use development should be amended accordingly.

Lastly, by Plan amendment or overlay, newspaper or advertising circular vending machines shall be prohibited along Town Center sidewalks or alleys.

K. Implementation/Marketing of Development Alternatives

To review and summarize experience in Fairfax County and across the country, it is apparent that without a committed organization dedicated to plan implementation, the prospects for actually achieving the agreed upon objectives are small. Moreover, the more time taken to organize such a body the less likely the organization will ever be created and the plan implemented. Finally, such an

organization requires financial commitment by the business and property owners who will benefit from the economic improvements as well as participation by residents and government.

Annandale needs to consider two possible forms of organization to carry forward planning and implementation for the commercial center. One of these consists of a non-profit corporation. The other is a special services (or business improvement) district.

Non-Profit Corporation

A non-profit corporation for planning and implementation has these characteristics:

- Board comprised of business, residents, government
- Agree on governance, area, priorities
- Agree on implementation procedures
- Volunteers seek funding for projects
- Does not assure financing for staff or implementation
- Does not reflect commitment by property interests which will benefit from plan implementation

Non-Profit Corporation Designated as a Special Services (Improvement) District

A special services district has these characteristics:

- Board comprised of business, residents, government
- Agree on governance, area, priorities, budget and cost sharing via property assessment
- Employ management, technical help as needed
- Finance projects for which there are no other funds
- Reflects commitment, through cost-sharing, of property interests which will benefit from implementation

Benefits to Annandale

What might a district do for Annandale? Among the possibilities are these:

- Develop implementation schedule and monitor progress every step of the way; help work out bottlenecks and delays.
- Improve economic competitiveness through professional marketing, thereby strengthening the business mix.
- Help the community develop consensus positions and speak with a unified voice on relevant public issues.
- Work with local, state government on financing.
- Finance priority needs, such as:
 - Professional staff to enable the organization to stay on course and to schedule and manage projects;
 - Gap financing and cost-sharing, drawing on State and Federal funds for landscaping, lighting, wayfinding improvements; and,
 - Design improvements, e.g., design guidelines, design review, professional design assistance.

Experience has shown that, even when government funds for highway beautification are available, the absence of an effective constituency for implementation may result in inaction for many years. The first important benefit of organizing for implementation is the creation of an implementation schedule to which business, government, and residents subscribe, followed by monitoring and advocacy to assure that the schedule is followed.

A description of how BIDs work is included in the “Betting on BIDs” ULI article which reflects experience in 1,000 communities across the United States, including Hampton, VA., appearing at the end of this section.

Both organizational options—a nonprofit corporation alone or a nonprofit corporation formed as a district with property-based assessment revenues—can make important differences in implementation. The district, however, can move far more effectively because it can afford management staff and technical support using its own financial resources and can use its funds to leverage other resources, thereby assuring faster and more successful implementation.

Independent financing through a district is preferable to soliciting funds from either government or business sources. Such donations typically dry up after two or three years and much time is wasted in fundraising rather than pursuing implementation objectives.

Local Decision Process

The following schedule should enable Annandale business, resident, and government leaders to determine how they want to achieve the plan objectives. The necessary work can be accomplished with local leaders in about four months.

The first two months should be devoted to determining what priorities for the commercial center they want to pursue, how they want to accomplish this as a nonprofit corporation and how the governance of this corporation would be structured. If it is decided that the non-profit corporation will wholly meet Annandale's needs, the decision process is complete with incorporation, adoption of by-laws, and leadership selection.

If it is decided to explore the option of a special services or business improvement district (the terms are interchangeable), it should take about two additional months to determine boundaries, set priorities for funding and adopt a cost-sharing plan that can be taken to the County for approval. Local people determine their own revenue plans; typically, district costs equal \$0.05–\$0.15/sq. ft., depending on what services are needed. The necessary nonprofit corporation will already be in place.

Existing County Non-Profit Corporation Model

While many jurisdictions take a year or more to make these decisions, the existence of a revitalization plan and agreement to adhere to a tight schedule should enable Annandale to be at work within a few months.

The Southeast Fairfax Development Corporation (SFDC) serves as a possible model for implementation of the recommended CBC redevelopment plan. It utilizes the County's Neighborhood Assistance Program, a Virginia state tax credit program that benefits private donors to SFDC.

Approved in 1982 by the County, the SFDC was formed as a private, nonprofit 501(c)(3) public-purpose organization through a Memorandum of Understanding that specified corporate structure and responsibilities. Budget oversight, along with planning and design support, is provided by the Revitalization Division of the Department of Housing and Community Development.

The County has funded the SFDC's personnel and office budget since inception with recent levels approaching \$150,000 annually; moneys are also raised from private sources. The SFDC has actively promoted development and job creation in the Route 1 corridor. It claims to have assisted in the investment of over \$390 million by private firms since the mid-1980s. While retaining 495 jobs over the period, SFDC spokespersons say it has been involved in creating over 3,000 new jobs.

Presently the SFDC has two full-time staff—an executive director and a projects coordinator. The corporation is served by an 18-member board of directors of which 11 are appointees and 7 are elected to at-large positions. Board members come from the business, civic, institutional, and government sectors.

HII recommends the creation of a Business Improvement District for Annandale that shares the same boundaries as the Community Business District (as defined in the County Comprehensive Plan).

As described above, a four-month time frame is anticipated for completion of a Business Plan that can then be presented to the Fairfax County Council. It is likely that the lead in the BID formation would be taken by the Annandale CBD Planning Committee with invited participation by representatives of Supervisors Gross and Bulova's offices. To guide the BID formation process, HII should be retained on a six-month contract based upon a proposed budget submitted by request from the County Department of Housing and Community Development.

Concurrently, HII will meet with and present its findings and recommendations to The Board of Supervisors' Revitalization Policy Committee and any other government agency as required by the Special Provisions of RFP70006121. Upon satisfaction of sufficient community and government support of HII's recommendations, the HII recommendations for the Annandale Revitalization Area would be reshaped into nominations for inclusion in the 1997-1998 Area Plan Review. HII would be available under new contract to render assistance as needed in preparing the nominations.

The estimated cost and preliminary finance plan for development and maintenance of the preferred alternatives (including proposed responsibilities of private sector, community and county, Federal, State, and other resources) are those involving necessary infrastructure upgrades or additions by County agencies such as the Department of Public Works, and the HII Modest Plan recommendations entailing the streetscape upgrade throughout Annandale's CBC.

As previously described, there is approximately \$6.7 million in approved bond funds for the Annandale CBC yet to be appropriated and spent. HII estimates that the level of streetscape upgrade would be costed to equal the approved bond monies, inclusive of soft costs. Should the approved streetscape upgrade cost in excess of \$6.7 million, County officials would then have to decide from where the additional monies would come. HII recommends that the installation of concrete crosswalk pavers and curbcuts throughout the CBC, as shown in the Columbia Pike Streetscape Plan, take precedence over any other streetscape upgrades. Of

course the County Board's recent decision to assume responsibility for improvements funded by the CIP, other than that which would fall under VDOT's jurisdiction, is the source of maintenance funding.

For the groundwork needed to establish a BID (or a nonprofit corporation modeled after the Southeast Fairfax Development Corp.), it is anticipated that the County would appropriate funds necessary to hire HII and other service providers. Upon County approval of the BID, the self-financed nonprofit would be in a position to hire professional staff to implement its goals and objectives.

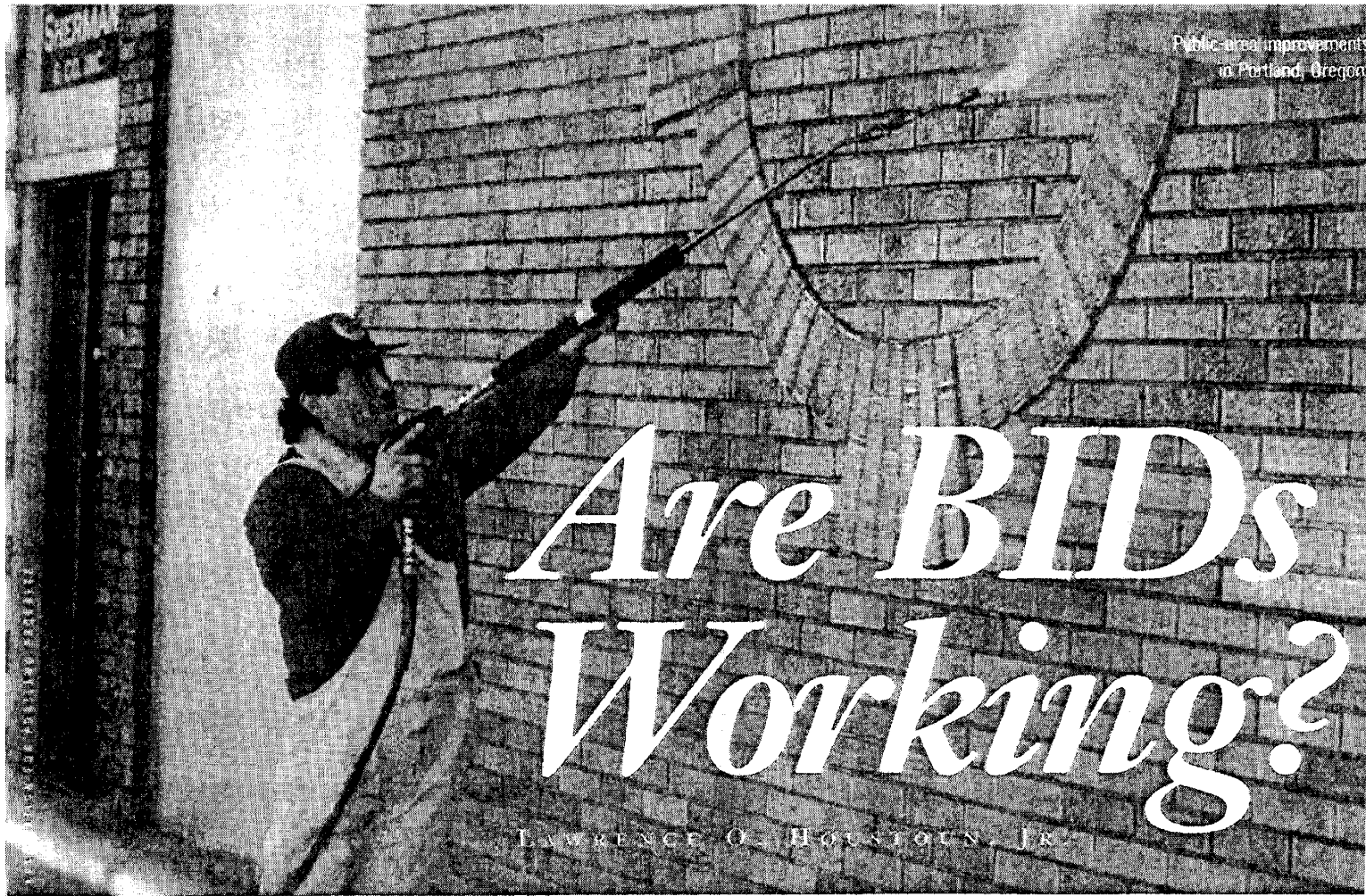
HII's evaluation of cost and finance assumptions for infrastructure which is proposed vis-à-vis the Town Center shows that any capacity issues to public utilities would be solved by the particular agency or company. Private utilities companies would likewise be responsible for undergrounding their utilities in the redeveloped Town Center.

Public/private partnership opportunities take the form of possible major land acquisitions in the Town Center by the County's Redevelopment and Housing Authority. With upgrades in zoning districts in the Town Center, it would be less likely that any write-down of land acquisition costs would be necessary.

Finally, HII expects that with its recommended Plan amendments and zoning modifications in place, the private sector would respond to the opportunities the Town Center proposes.

The marketing of a "revitalizing" Annandale would be the joint responsibility of the BID and the County's Revitalization Division. A poster depicting the changes proposed by HII's bold plan has been proposed. It would be widely distributed in Annandale and elsewhere in the County.

Developer/investor recruitment efforts include the Revitalization Division's production of a marketing piece for mailing, the basis of which is this report's Development Profile. HII and the Revitalization Division have preliminarily discussed contracting with HII to produce these pieces for solicitations and distribution. Of course the County has a number of mailing lists that include prospective developer/investors who have previously expressed interest in real estate opportunities or who have completed projects in the County. These lists could be reviewed for suitability by the Revitalization Division and the BID organization.



Are BIDs Working?

LAWRENCE O. HOUSTON, JR.

The change in conditions, conveniences, and comfort wrought in once-scuffy Times Square is part of a movement to reestablish middle-class standards of cleanliness and security in commercial areas across the United States and Canada through the creation of business improvement districts (BIDs). After five, ten, and in some cases 20 years of experience, it is fair to ask whether BIDs are working. Are downtown prospects better because of them, and, if so, in what ways?

Three years ago, the Atlantic Group conducted a survey of 24 BIDs in New York City (there are now more than 30) and a comparative survey of six others from across the country. (See "Betting on BIDs," June 1994 *Urban Land*.) Earlier, the firm had surveyed BIDs throughout New Jersey. On the basis of survey data and extensive anecdotal information, BIDs can be grouped in two major categories:

- BIDs with annual budgets of approximately \$50,000 to \$250,000 (small BIDs). These tend to focus on retail, offering services such as promotions, special events, joint advertising, seasonal lighting, and business attraction and retention programs, including marketing and sometimes incentive financing. Board membership includes a large number of retailers.

Are downtowns demonstrably better because of business improvement districts? It depends on how you define success.

- BIDs with large operating budgets, often of \$1 million or more, and in some cases with capital budgets of as much as \$30 million (large BIDs). These tend to concentrate resources on improving and maintaining the public environment, with major outlays for

labor-intensive sidewalk cleaning and supplementary security. Board members tend to be managers of hotels, owners of office buildings, real estate brokers, and those who control significant amounts of commercial property.

The survey revealed that smaller BIDs saw security and public-area improvements as their area's greatest needs. Correcting these problems requires services and capital projects that few small BIDs can afford. BIDs with large budgets, on the other hand, expressed satisfaction in those areas, where they already were spending a large share of their resources. Instead, they saw their area's biggest need as filling commercial vacancies. Few large BIDs had undertaken systematic business attraction programs at that time.

Brighter Philadelphia

In the past decade, a crop of professional BID managers has emerged in programs operating in the

larger districts in the United States and Canada. These new professionals are directing multimillion-dollar enterprises in sometimes highly politicized communities and in economies that are perennially precarious.

Center City District (CCD) in Philadelphia has an annual budget in excess of \$7 million, devoted primarily to round-the-clock sidewalk cleaning; providing uniformed, radio-equipped supplementary security personnel (community service representatives); and paying off a 20-year, \$21 million bond issue for capital improvements to the pedestrian environment. Sidewalk cleaning for the 80-block district is provided by a private contractor whose employees wear CCD's attractive uniforms and operate mechanical sweepers that sport CCD's colors and logo.

Determined to get the basics right, CCD spent the first four years launching and perfecting the cleaning and security systems. The security system produced a significant change in city police procedures, unifying precincts to coincide with district boundaries and creating a joint operations headquarters to facilitate cooperation between CCD's uniformed personnel and the police department. By the fifth year, CCD was ready to begin one of the most ambitious BID-funded streetscape programs in North America. The center city district had relatively few of the vacant lots, parking lots, and buildings with vast expanses of blank walls found in many of America's downtowns; still, public sidewalks were badly littered and shabby, creating a stark contrast to the new buildings constructed in the mid-1980s, the unique historic area, and the centrally located Pennsylvania Convention Center.

The subsequent streetscape project was designed to take maximum advantage of the convention trade, while enhancing the environment for tourists, office workers, and shoppers. With CCD's assessment-financed \$21 million bond issue and \$5 million in matching funds from the city, construction started in late 1996. Earlier, the block in front of the CCD—police department joint headquarters had become a test site for new trees and curbs, directional maps for pedestrians, and lights. In contrast to the towering "cobra" style streetlights, the new, closer-to-the-pedestrian light fixtures provide lighting for sidewalks that is two to three times brighter.

CCD also is creating state-of-the-art tree pits and special irrigation facilities, assuring greater longevity for street trees, and the district will soon take on maintenance of all center city trees, new and old, employing former welfare recipients.

In what promises to be a first among North American cities, CCD is installing colorful, understandable directional maps and signs at frequent intervals that will show pedestrians at a glance how to reach their destination and approximately how long it will take to walk there. This last touch, borrowed from



Switzerland, gives visitors the confidence to start out on a pedestrian journey, for example, from the Bellevue Hotel to the Convention Center, knowing that there is time to enjoy the journey on foot. With more than 400 shops and services catering to the walk-in trade within ten minutes of the convention center, the rewards to the tourist (and to the local economy) will be significant.

Financing this urban face-lift could have cost the district some of its remarkable popularity. With steadily declining property values (15 percent over five years), CCD's assessment revenues have dropped correspondingly. Assessment charges have risen about 4 to 5 percent per year—a change endorsed by property owners—to support an annual budget that rose from \$6.3 million in 1991 to \$7 million in 1996. Pennsylvania law requires a remonstrance vote before initiation of a BID or any changes in its financing or boundaries;

Center City District in Philadelphia, with an annual budget over \$7 million, provides round-the-clock sidewalk cleaning for the 80-block district.

ASSOCIATION FOR PORTLAND PROGRESS



Security officers of New York's 34th Street Partnership are connected via walkie-talkies with the New York City Police Department. The Portland Guides (inset) who patrol the downtown streets are security personnel who act as "eyes and ears" for local law enforcement agencies.



THE BRUCE COHEN GROUP, LTD.

if owners of more than a third of the assessed properties or a third of the total assessed valuation object, the process stops. Of more than 2,000 properties eligible to vote each time, fewer than 12 percent objected in the first remonstrance; fewer than 2 percent objected when the streetscape bond issue was proposed; and only one owner objected when the boundaries were expanded recently to include 59 properties on East Market Street, site of about half of the downtown retail space previously cleaned by a voluntary association.

Like many cities, Philadelphia's central business district includes some people who sleep and beg on the sidewalks. CCD consulted experts to suggest what, if anything, the city, the district, or others could do about this pervasive social problem. On the basis of the study, Paul Levy, the executive director, convinced city officials that a disproportionate amount of public money was being spent on temporary shelters and that insufficient money was available for treatment, training, and job placement. The city has agreed to do everything it can to switch its orientation to rehabilitation. Specially trained CCD community service representatives, the Homeless Action Team, try to motivate street people to accept substance abuse treatment, mental health services, and shelters, with some success.

CCD also serves as a resource for the Private Industry Council and the state department of welfare, providing paid work experience for formerly homeless job-training graduates who remove graffiti and maintain sidewalks and landscaping. The resulting improvements to the public realm accrue without

charge to the assessed properties. Many of the larger BIDs exhibit a similar entrepreneurial spirit.

Is the BID working in central Philadelphia? Professionally managed with strong business support and without political interference, CCD would star in any city. Crime is down and hotel occupancy is up, as is retail overall. Retail occupancy in the blocks catering to higher-income consumers suggests that CCD's heavy promotion of Wednesday night shopping is paying off, although occupancy in the discount-dominated blocks is off. As it is in most of the rest of America's urban markets, office occupancy is down in older buildings.

Portland: Coping with Street People

The Association for Portland (Oregon) Progress (APP), headed by Ruth Scott, organized the Clean and Safe District almost ten years ago. Her agency has become a leader, particularly on the troublesome issue of people who sleep or beg on commercial sidewalks.

In 1986, APP took over management of the sidewalk-cleaning program. Funded by the city and APP, the program hires formerly homeless, recovering substance abusers to sweep downtown sidewalks. The program's budget was expanded to \$300,000, and it now employs about 20 individuals in minimum-wage jobs that represent a first step toward self-sufficiency. Employees who stay clean and sober have an opportunity to advance to the heavy-duty cleaning crew or other positions managed by APP. Jobs are the "carrot." The "stick" is an ordinance making it a misdemeanor to "aggressively panhandle." Panhandlers cannot block the sidewalk or harass pedestrians.

In 1988, APP also developed the “Real Change NOT Spare Change” education campaign. APP’s social service providers’ experience was that many of their clients spent the money they acquired begging to purchase alcohol and drugs. The message was simple: giving to panhandlers supports the habits that put many of them on the streets—if you want to help, give to the organizations that provide services.

The Portland Guides—unarmed, radio-equipped, uniformed security personnel who patrol downtown streets—have a dual mission: to act as goodwill ambassadors for visitors and as “eyes and ears” for local law enforcement agencies. After a noticeable increase in panhandling, APP developed a “panhandling team” to discourage begging by trying to deprive panhandlers of their market. Guides actively discourage giving to panhandlers, verbally encourage panhandlers to move from high-profile corners, and stand on both sides of a panhandler and encourage people not to give. If guides witness an aggressive panhandler, they act as complaining witnesses.

The Portland police support the APP’s efforts. Officers will issue citations for aggressive panhandling. The Multnomah County district attorney has assigned a deputy to work on downtown issues; part of the budget for the position is supported by APP. The incidence of panhandling in downtown Portland was down 60 percent in the last year. Aggressive panhandling is almost nonexistent.

Scott has been with APP since 1985 and headed the organization at the time the BID was approved. APP, a 501(C)(3) business association, operates the BID with an overlapping board whose members include two elected city representatives. APP’s total annual budget is approximately \$5.5 million; \$2.4 million of that is derived from assessments within the BID called the Clean and Safe District.

Common Problems; Diverse Attacks

Although BIDs learn a fair amount from each other, there is considerable diversity in their approaches to problems. Here are some approaches to security—some involving services and some involving advocacy:

- The Allentown, Pennsylvania, BID contributes \$77,000 annually to pay off-duty police officers to patrol downtown.
- The West Palm Beach, Florida, BID has developed a partnership with local police, producing a 50 percent drop in narcotics-related crime. K-9 units reduced loitering and panhandling.
- The Trenton, New Jersey, BID at first paid for off-duty police to patrol the shopping area. After two years, however, it negotiated a change in the level of service agreement with the city that resulted in more regular police foot patrols in the district with some unarmed security personnel.
- Riverside, California, has adopted additional laws to improve the public environment, including mak-

ing it unlawful to obstruct the public right of way; to sit or lie down on public sidewalks; and to urinate or defecate in public.

- The Vancouver, British Columbia, BID hires youth as uniformed summer “Downtown Ambassadors” to aid tourists and businesses by providing information, guidance, and a wide range of assistance.
- Times Square, New York City, BID officers made 82 citizen arrests in the first nine months on duty; crime in the area is down 21 percent since the BID was formed.
- The Grand Central Partnership, New York City, security program contributed to a 27 percent crime drop; in the sector nearest the station, crime dropped 83 percent.
- Philadelphia’s Center City District surveyed downtown workers, shoppers, employers, and visitors, finding that 48 percent consider

In addition to providing supplemental law enforcement, security personnel also act as goodwill ambassadors for visitors—like these Portland Guides giving directions to shoppers or Philadelphia’s community service representative helping shoppers cross the street (Inset).



CENTER CITY DISTRICT



THE BRUCE COHEN GROUP, LTD.

Philadelphia's Center City District was involved in one of the most ambitious BID-funded streetscape programs in North America including new trees, curbs, and light fixtures that are closer-to-the-pedestrian. New York's 34th Street Partnership has provided newly planted trees and flowerbeds (inset).

CENTER CITY DISTRICT

downtown safer since uniformed security personnel went on duty. Police say that crime fell by 14 percent.

Here are some approaches to keeping downtowns clean in order to compete with shopping malls and office parks:

- The Mesa, California, BID and many others move fast to remove graffiti.
- The Riverside, California, BID performs graffiti removal under a contract for services with the municipality.
- The Times Square BID is responsible for a dramatic improvement in cleanliness at the "Crossroads

of the World." The mayor's report card shows Times Square now to be 93 percent clean, compared with 54 percent before BID cleaning services. The BID last year scraped and painted 320 light poles, 48 switch boxes, 71 fire hydrant caps and bases, and 68 sets of guard poles and arranged with store operators to reduce the amount of trash awaiting pickup on the sidewalks.

- Philadelphia's Center City District sidewalks are pressure-washed several times a year. A CCD survey shows that 78 percent of 2,000 respondents—shoppers, store owners, visitors, and downtown employees—say the district is cleaner since around-the-clock cleaning began.
- The Atlantic City BID collects 14 million gallons of trash from its boardwalk and streets annually.

BIDs, either through their own initiatives or through advocacy, engage in a wide variety of locally important downtown projects, including improvement of parking conditions.

- The Association for Portland Progress (APP) argued successfully to restrict a proposed rate increase for metered parking and convinced the city council to adopt a policy for evaluating future rate increases. APP also developed a marketing campaign built around the fictional character "Les Park" to let customers know that the area has abundant parking.
- Calgary, Massachusetts, organized a discount parking system (\$1 for four hours) on Saturdays.
- West Palm Beach organized the "free and easy" parking program (no charge evenings, Saturdays, and Sundays) and a trolley-style bus to bring customers from remote sites.
- Buffalo, New York, has granted BID security employees power to write parking tickets.
- The Trenton, New Jersey, BID operates a parking lot close to stores and runs a validation program to serve retailers.

Similarly, BIDs initiate diverse programs for marketing and economic development.

- The Times Square BID is one of many throughout the United States and Canada that hold "A Taste of . . ." festivals to promote restaurants.
- The Red Bank, New Jersey, BID organized a campaign to encourage more stores to open on Sunday. With special advertising and promotions, plus free parking, the number of stores that open rose from 22 to 82 in a few months. Many retailers now say that Sunday is their second-best day in total sales volume.
- Philadelphia's Center City District won an international award with its "Make It a Night" program to draw shoppers on Wednesdays after normal closing hours. Special promotions are created, parking is discounted, and there is music and other entertainment on sidewalks. Stores report increased foot traffic, number of sales, and amount per transaction.

continued on page 57

ARE BIDS WORKING? *continued from page 36*

- The Millburn, New Jersey, BID produced the lowest retail vacancy rate in five years. The BID created an award-winning marketing kit to be used by real estate agencies, which lacked demographic and other important information needed by prospective tenants. The kit includes a quarterly report describing vacant properties, rents, size, and so forth. Millburn also has an aggressive program to help businesses get all the permits necessary to open new stores and created a below-market-rate business loan program to help new and expanding businesses meet fit-up, facade, and sign costs. Nine commercial banks and the county economic development corporation participate. Millburn also conducts an annual consumer survey to test preferences, satisfaction with downtown progress, views about competitive downtowns, and the direction downtown should take with regard to redevelopment and parking improvements.

- Denver, Colorado, retailers reported sales of \$400 per square foot as a result of the BID's marketing, security, cleaning, and promotions. Property owners see substantial benefit from district services in terms of property value. Seventy percent reported significant or moderate increases.

- New York City's Grand Central Partnership published data by the independent *Gordon Office Market Report* that illustrate the effect of BID services—cleaning, security, and marketing—on properties in the area. Of eight commercial districts studied in Manhattan, only the Grand Central Partnership area recorded gains in average asking rents.

- The Red Bank, New Jersey, BID surveyed 200 merchants after the holiday season. As the result of promotions (including a Santa parade that included giant balloons from the Macy collection) merchants reported an increase in the number of sales of three to one; an increase in transaction amount of five to one; and an increase in customer foot traffic during the holiday season of 1.7 to one.

- The Phoenix, Arizona, BID reported that the area is producing significantly more sales taxes for the city—up 26 percent over a three-year period—reflecting increased profitability. Restaurant and bar revenues led the way (40 percent), with retail at 21 percent and hotels at 3 percent. Data from the city finance department were released by business leaders, who noted that these gains benefited residential taxpayers.

- Buffalo Place, in Buffalo, New York, regularly conducts a professional telephone survey of people in the region. Results include the following: 65 percent agree Buffalo Place is “a fun place to be”; 66 percent agree it is a

“safe place to be”; 83 percent agree it is a “clean place to be”; 65 percent agree it is a “good place for dining”; and 53 percent agree it is a “good place to go shopping.” Using these data, the BID is placing greater emphasis on retail attraction.

- The Cranford, New Jersey, BID has an assessment that typically costs businesses approximately \$1.50 per day. During the recession, commercial properties held their values while residential property values declined.

Issues and Concerns

One common concern about BIDs has to do with the suspicion that hard-pressed city governments will shift the cost of some services from general taxpayers (a more formidable voting block than business owners) to assesses. This issue raises the question of the degree to which government and BID activities are the same, as well as how to protect BIDs against potential cost shifts.

The issue is raised most often in the earliest phase of considering whether to organize a BID—the “what if” time, when every possible negative outcome is questioned. At this stage, there has not yet been an opportunity to determine whether the BID would provide services comparable to those provided by the local government. In fact, relatively few BID services actually supplement city services. The largest cost among the larger BIDs, for example, is sidewalk cleaning. Few cities provide this service; it is typically a requirement by law that owners keep sidewalks free of trash, snow, and ice.

The second-largest cost among large BIDs is supplemental security. Here the issue is less clear. Typically, uniformed, radio-equipped, unarmed BID personnel serve in part as walking eyes and ears for police and emergency service units. Their uniformed presence is widely viewed as a deterrent to crime and reassurance for pedestrians. Often, however, their primary function is to provide hospitality services.

Another common BID service is marketing, something the public sector rarely does well, if at all. And much attention is devoted to advocacy, such as whether the city should adopt new zoning, sign, and facade standards or new street cleaning techniques (few BIDs clean streets).

Assuming that BID activities, such as security, do supplement city services, some will worry that the municipal burden will be shifted in whole or part to assessment-financed programs. Where state law or property owner interest requires that the BID proceed on the basis of a services agreement with the city, this becomes a ready device for clarifying the municipality's expectations of the BID and the BID's expectations of the municipality. Nonprofit Buffalo Place, Inc.,

has service agreements with the city and county. The Baltimore BID (an authority or “body corporate and politic”) has an agreement with the city covering

- police protection;
- street and alley cleaning;
- trash collection and landscaping;
- maintenance of public areas; and
- marketing and promotion.

In small BIDs, the situation may be much simpler. The Elizabeth, New Jersey, BID struck an agreement with the city (one page in length) ensuring that the police department would continue to maintain an officer at a key corner for both traffic and security reasons.

Some BIDs, including those of New Orleans and Brooklyn, New York, have 15 years or more of experience behind them, and one might expect some pattern of problems to have emerged over that time. However, there is no perceptible pattern, although some isolated situations may indicate issues that might be troublesome in the future.

In at least one case in a large city, control of the board of directors is in the hands of the mayor and observers feel that the emphasis is more on politics than business improvement. Another BID was pressured by the city council to include within its service area blocks that it would have preferred to leave out; the BID accepted the modifications as a cost of council approval. In a different city, the city council president threatened to block the BID's budget if his preferred candidate was not employed as BID manager (the candidate was not employed and the budget went through without dissent). BID managers have been fired because they or their board leadership were seen as having backed the losing side in a mayoral contest. One BID director, who was responsible for programs that attracted highly favorable national attention, found himself embroiled in a controversy related to the subcontracting agency that handled programs for the homeless. Among the costs of the flap were the cancellation of new federal funding for that program and the loss of previously impeccable treatment by the press.

According to the International Downtown Association, the only known examples of disbanding of BIDs occurred in a half-dozen small communities where the problem appeared to be inadequate funding. Nevertheless, change occurs. The Fulton Mall Improvement Association (Brooklyn, New York) had a dispute within its constituency, with some wanting to refocus the image on discount retailing. Through the annual election process, the dissidents became the

continued on following page

BIDs *continued from preceding page*

establishment, with major changes in the nonprofit board's membership. There are no known cases of scandals involving misuse of BID funds in the United States.

The future of BIDs seems fairly secure. Their numbers continue to grow, and the responsibilities of their sponsors continue to increase. The charge to individual owners and operators is a minor cost of business (typically \$0.10 to \$0.20 per square foot or 4 to 10 percent of property taxes), and there is no other known way to achieve such continuous results at any cost. Business and commercial property interests control policy and, as in the case of Philadelphia, express continued support.

Prospects and Limits

Still, there are limits to what BIDs can be expected to do in overcoming the enormous problems besieging central business districts. Four major concerns help illustrate this point. With noteworthy exceptions, relatively little progress has been made in improving the appearance of downtowns enough to attract large numbers of middle-income shoppers, tourists, clients, and commercial tenants. BIDs can claim that that threshold has been reached when hotel guests are enthusiastic about taking walks after dark or when office workers stop insisting on parking at their workplace. Robert McNulty, head of Washington, D.C.—based Partners for Livable Places, argues that all the other efforts being made downtown will be lost "if the place still looks like hell." While there are dramatic exceptions, ranging from Manhattan's Grand Central Partnership to suburban Cranford's Special Improvement District, in general few BIDs and municipalities have agreed to pony up the costs of what is predictably a major public works project.

Second, downtowns must continually adapt to changing physical conditions and opportunities. Redevelopment is not something that only downtown Chicago or Boston requires; even small towns like suburban South Orange, New Jersey, need to convert old lumber yards or parking lots into town-house sites. Of all the types of redevelopment needed, residential redevelopment is most important. It creates the customer who is most likely to shop, dine, and go to the movies downtown, and it remedies some of the image problems that no concentration of street trees can adequately hide. A few BIDs recognize this need; fewer have acted.

Third, where BIDs are unlikely to gain the authority to act, they must nevertheless advocate aggressively. Downtowns need strong advocates who do not require annual or quinquennial approval from elected officials.

BIDs advocate most effectively when coaching public agencies on technical subjects, such as how to make downtowns more secure or cleaner. When the subject is controversial, such as locating a new stadium where it can benefit the downtown economy, it is often wise to have independent business interests lead the crusade. Denver and Houston, where strong business organizations preceded the BID, retain separate but related organizations for such purposes.

Fourth, BIDs need to become more entrepreneurial in order to expand business services while capping fees. A natural source of financing, often through an affiliated nonprofit entity, is parking management. The Manayunk (Pennsylvania) Development Corporation and Summit (New Jersey) Downtown, Inc., support extensive marketing programs financed by parking fees.

BIDs represent a latterday counterweight to the American tendency to ignore, devalue, and often denigrate our city and town centers, despite their irreplaceable cultural attractions and entertainment offerings and their continued significance as centers of commerce. It is noteworthy that BIDs are primarily the creatures of businesses and property owners who share the belief that they can achieve greater profitability through cooperation than any one of them can accomplish alone. The means to profitability include many investments in intangibles—pleasant street vistas, a sense of security in walking after dark, the pleasures of convenient shopping, and diverse options for dining. All are important, and corporate assesses find all to be good for the bottom line.

Even where statutes make the BID a public entity rather than a nonprofit corporation, the sense of pursuing private sector goals is strong. Although politics may produce short circuits in the energy source, BIDs that take the government form do not seem to be seriously impeded in their work.

Measuring Success

Are downtowns demonstrably better because of BIDs? It depends on how you define success. No one suggests that commercial areas are worse off because of BIDs. Even when services are so-so, the costs to assesses are trivial. In some cases, BIDs may only have slowed decline resulting from economic forces far beyond local control. In other cases, there is evidence of BID-induced economic revival. Under still other circumstances, especially in the suburbs, BID sponsors seem to be achieving their desire to make already stable areas increasingly profitable. Where economic conditions have improved, local observers tend to credit the BIDs. Often, there are few other initiatives to share credit.

The evidence overwhelmingly supports the contention that BIDs are working, usually quite well. However, causes of changes in economic conditions are often so complex that serious researchers avoid the subject. When indicators reveal improvements, such as in hotel occupancy rates, additional important influences, which may include national trends and improved convention business, may help explain the favorable trend. In Times Square, for example, others are also working on redevelopment, including New Forty Second Street, which oversees theaters, and the 42nd Street Project, which leads redevelopment planning. On the other hand, if downtown conditions do not meet national norms of safety, cleanliness, and attractiveness, they certainly cut into convention bookings, induce business travelers to choose hotels farther away, and persuade tourists to shorten their visits.

Probably the most stringent test of success is reflected in the fact that more than 1,000 business-dominated boards vote regularly to continue (and frequently to expand) local programs whose costs they share. So common are BID-financed services and improvements that a firm contemplating siting a new branch might be skeptical of a commercial area that lacks one. Beyond question is the momentum now achieved by private sector leaders in their common efforts to reinstate the middle-class values of civility and cleanliness in America's established centers of commerce. ♦

Lawrence O. Houstoun, Jr., is a principal in the Atlantic Group Urban Development Consultants, Cranbury, New Jersey, and Philadelphia, Pennsylvania, and was formerly assistant to the United States Secretary of Commerce.

L. Previous Annandale Studies Index

A limited number of studies were provided to HII for reference, most of which were completed in the mid-1980s. RPR Economic Consultants prepared three as follows:

- “Commercial Area Revitalization Study: Phase 1—Evaluation of Candidate Revitalization Areas,” October 1, 1984
- “Commercial Revitalization Program for Central Annandale,” October 1985
- “Financial Support for Commercial Revitalization with Application to Central Annandale,” Technical Working Paper, 1985

These reports were found to be generally out of date. However, some market factors have changed relatively little since the mid-1980s, reflecting the US Tax Reform Act of 1986, the subsequent slump in real estate values across the country and the early 1990s national recession.

In addition to the Fairfax County Comprehensive Plan (referred to in several sections of the report) and the relevant County Zoning Ordinance district regulations, numerous reports and technical data were provided to HII to assist in becoming knowledgeable about Annandale, the Revitalization program, specific plans such as the Columbia Pike Streetscape Plan, and County policies and procedures.

Appendix A

Summaries of Annandale Focus Group Meetings

MEMORANDUM

To: Kathy Mitchell

From: Mary Means

Date: March 1, 1997

Subject: Annandale Revitalization Workshop

This is a brief summary of the kickoff workshop held Thursday evening, February 27 at the Lincolnia Senior Center.

About 25 people participated in this lively session. Most were citizens and small business owners from the area.

After explaining the scope of our assignment, we did a visioning exercise where participants were asked to write a Post-It note describing the ideal outcome of our work five or so years hence, assuming it all went well. These visions are summarized and attached. We then discussed key recurring themes, which included:

Green Space. In the future, people envisioned a green place to assemble or a major public space.

Entertainment. There would be movie theaters, restaurants and other entertainment -- as well as recreation facilities.

Mixed Use -- including residential uses in the town center, round the clock activity. Yet, people want to see the residential areas continue to be protected from commercial encroachment.

Town Center. There will be a strong center of Annandale, which will reinforce its identity.

Youth Programs. It was felt this was an area in need of greater coordination, and more supervised activity. People also pointed out that five years from now there will be different youth, due in part to demographic changes underway.

Architectural Unity/Aesthetics. Annandale has no focal point and lacks a physically strong sense of place. Shirlington and Reston Town Center were cited as good examples.

Traffic, Parking. Through traffic on major arteries cuts Annandale in half. Parking seems to dominate the commercial landscape. People seemed to envision a future that took much of the congestion out of Annandale and reduced the dominant physical presence of parking lots. There was lots of discussion of bike and walking paths, as well as overpasses (this was felt to refer to putting the traffic below grade, with pedestrian crossings at grade).

There was also discussion of an earlier plan to do a belt route around Annandale, which would take some of the through traffic off.

Diverse. Annandale is getting more and more Asian and Hispanic residents. There is not as much interaction among various cultural groups as people thought was needed. There was a lot of discussion about the growing Korean small business sector, since there were two representatives of the Korean community in the group.

Growth of Business Competition. There are more than 20 Korean restaurants within a tight radius, yet there would seem not to be the market to support them all, leading to a strong risk of failure.

Absentee Landlords. Many of the small commercial areas/strip centers are owned by absentee landlords, who it is felt, are unwilling to invest in upgrading or in seeking out complementary businesses and tenants rather than settling for what they can get. It was felt that absentee landlords thwart consolidation efforts and that a better mix of retail opportunities is needed: books, gifts, records, clothing and convenience items, especially to fill niches in the market.

People noted the presence of large professional services sector in Annandale and mentioned associations as a potential niche for office tenants. Others wondered why the two large former bank office buildings are still largely vacant.

Annandale was described as hodge podge in terms of development and image, and in need of major redevelopment, possibly through land assembly to create a town center with a focal point.

There was much discussion of the location, location, location of Annandale as an asset, yet there is a lack of destination shopping. Some participants advanced ideas of a hotel and conference center, but there seemed an equal level of skepticism about the viability of it.

Pedestrian-friendly. Even with the width of Route 236 and the congestion of commuter traffic, it was felt that making Annandale more pedestrian friendly was a high priority. There is considerable concern that VDOT's plans for Route 236 'will cut the heart out of Annandale,' and that there is a need to separate 'through-put' from local traffic somehow.

It was felt that the county comprehensive plan works against the visions of Annandale expressed in the meeting.

There was acknowledgment of a strong vacuum when it comes to coordination and management of the mixed needs in Annandale. The team discussed Main Street-type programs, with a full-time manager and noted the great increase in effectiveness when one was able to move beyond volunteer activities in terms of revitalization and management. Response was positive.

Don Hunter explained the team's assignment and how our work would focus on the assets and markets for Annandale, that we would return to them with ideas to explore, and that we are all

Memo to Kathy Mitchell, Fairfax County
Re: Annandale Revitalization Study Kickoff Workshop
Page 3 3/10/97

committed to doing a study that does not rest on a shelf but is able to make a real difference in Fairfax County.

The meeting ended on time and people seemed to feel that it was very constructive. Attached to this memo is a transcription of participant's Post-It vision statements, and a reduced copy of the group memory notes.

cc: Don Hunter, Hunter Interests
Dick Keller, Kellerco

The following is a transcription of Post It Note Vision Statements written by workshop participants on February 27, 1997.

- Five to six years later, Korean Business population will be at least double than what we have now. We have about 100,000 Korean population around Washington area. Annandale's already being called Korean Town by Korean people in Washington Area. Annandale might have some problem because of big growth of business and commercials.
- Reduce traffic congestion. Create a sense (appearance) of architectural harmony. Add more trees to business area. Move coordination of youth activities (teens). Programs to reduce ethnic divisiveness.
- Gradc down intersection at Columbia Pike and Chatalain Road.
- No Utility Wires. Pedestrian friendly. More green space and trees. Commercial Building harmony.
- I would be able to go to the central business area for a relaxing evening of entertainment, dining, some shopping. I would drive to the area but would be able to walk to most places once I'm there.
- A more centralized business area, more pedestrian friendly with parking underground or in back of business buildings. A shopping and entertainment area more pleasing to the eye.
- I have been able to reminisce about the traffic congestion of five years ago. Now it is feasible to reach various destinations and in a reasonable period of time.
- Well organized traffic control, buildings and apartments -- colors/shapes. Diverse society -- signs; shopping malls. Residential area -- to be protected and yet convenience to go -- not only buildings are modernized and look good, but quality of business to be in Annandale. (Prevent from being a violent town).
- Good library, parks, schools, shopping - access to professional services, dining facilities, less traffic congestion, cultural options, CBD - pedestrian friendly, integration of Korean business man, responsiveness by absentee landlords, businesses updating facilities and services. Active Chamber of Commercc, use of not for profit sector including religious activities. Educational opportunities.
- That a balance of residential and commercial districts are preserved, transportation issues are addressed for future growth and a balance of green space is maintained.
- By 2003 - Improved "street walls". Pedestrian access. Fewer parking lots or at least, put parking in the rear, so that buildings and pedestrian access are "up front". Current parking lots ought to have green space, even if older.
- We would have more indoor recreational activities for families i.e. - indoor putt, putt golf with food and party room/area (done in Rockville, MD). A roller rink/ice skating rink - indoor (as in Reston Town Center). Close in the volley ball court built at Main St. Cafe. Parents, grandparents, kids, teens need a place to meet and greet - we have plenty of places to shop and get gas.

- A better mix of business types. A tunnel under Annandale to solve the 236 traffic problem in the planning stages. The utilities going underground especially the phone lines. A cross county mass transit link, Great Falls to Belvoir, in the planning stages with a stop in Annandale.
- To develop a thriving business and entertainment district including movie theaters, up to date restaurants possible hotel etc. Examples of areas that draw from surrounding areas: Reston Town, Shirlington, etc. I feel Annandale has been forgotten as a destination area for entertainment, food, business, etc.
- Central Community area (teens, etc.). No illegal signs, more appropriate landscaping, local bus which travels throughout Annandale and would cut down on traffic.
- Stronger Annandale economy, more people shopping in Annandale than malls, more independent businesses. Better traffic flow along Columbia Pike and Little River Turnpike, less county government.
- Future Planning Ideas: Traffic Patterns. Road set backs for future expansion. Design/style of future development (Image of Design). Limit growth of future commercial development over what exist today. More planning on commercial use permits (stop over developing multiple spaces with same use).
- Land Bays (Comp Plan/Current) reconfigured to accommodate - uses such as a hotel meeting area. Entertainment, pedestrian friendly, mix of shops, parking hidden from streets and road circling to let people use center.
- The underpasses carrying Columbia Pike, Little River Turnpike and Backlick Road traffic through and around town are well underway - people are now confident that the Marriott Project (hotel, coronation center) and town center plaza is going to be great assets to the community. The outer perimeter parking garage have already shown to be more useful and weather proof. The trolley for the perimeter drive is also a hit.
- Annandale will be the most sought after community in Fairfax and surrounding jurisdictions. With community events and centers which will bring the community together. Annandale will have ethnic restaurants which will open the arms to the rest of the community. The events will give people from all backgrounds a chance to meet each other and learn from each other. Our churches would all be full every Sunday! Thank you!
- Need: Left turn lane/through lane emerging onto westbound Columbia Pike and across Columbia Pike at Evergreen. Ugly power poles and video/phone cables and power lines buried.
- Five years from now at least: No overhead power lines. Not so much asphalt but where there is a series of connecting parking lots - let them connect vehicularly. Lots of green space - trees, shrubs, perennials. The area needs to be known for something - i.e. A large once or twice yearly antique show (see towns of Brimfield, MA or Hillsville, VA); a motorcycle gathering (see Sturgis, SD); and so on. Architecture should be consistent - pitched roofs. Traffic is better - not so many lights.

The following is a transcription of key recurring themes discussed by workshop participants.

- Architectural Unity
- Pedestrian
- Traffic/Parking to visible
- Recreation
- Aesthetics
- Diverse - Lo Korean restaurants!
- Ethnic Neighbors
- Growth of Businesses and Competition - Don't over develop uses, balance mix, landlords put anything in a vacant building
- Green space
- Entertainment
- Town Center
- Youth Programs - Better coordination, different needs/age, supervisory vacuum, future plan /want to stay
- Cultural Entertainment
- Commercial Entertainment
- Mixed Use (including residential in Town Center) - round the clock activity
- Continue to protect - residential areas from commercial encroachment
- Neighborhoods isolated - bike paths/trails, pedestrian accesses, overpasses, pedestrian and auto traffic separated
- Traffic - through traffic versus local traffic, a partial belt around perimeter planned? Where is it?
- Absentee landlords - thwart consolidation efforts
- Better mix of retail - Opportunities/add: books, gifts, record, clothing
- Incentive business - owners to get what we want and make money for them
- Lack of "destination" - shopping environment, great location. Why don't they come?
- Hotel market? Hotel/conference center on plaza
- Annandale as local retail niche
- Financial Center identity?
- Organization or Mechanism - Business improve Dist.? Other entities to organize environment
- Annandale's Hodge Podge Development - Needs major redevelopment, Town Center? A landmark/focal point, needs design. Where's Annandale?
- Asset Assessment - What's here, why do they come, professional services - doctors, library and public facilities, associations
- Public Facilities - scattered, can we cluster
- Vacancies - Supply and Demand today
- Need/Want a "Downtown" but need other attractions to support economy
- Lease rates too high?
- Range of Ages as market - demographic changes: plan for future markets
- Range of Ethnic Groups - demographic changes: plan for future markets

Annandale Community Meeting

Thursday, February 27, 1997

Page 4

- Ethnic issues - Korean: signs not in English, part of community or isolated, over saturation of restaurants/hurts market? Korean business center, but not high Korean residential population. "Clannishness" of Korean population prevents communication/integration. Korean small business owners too busy to participate, need for ethnic festivals/events to bring together, need for organization to increase communication etc., creativity to overcome problem
- Annandale High has all cultures - focus on diversity, supportive activities, hub of activities for all community (ethnic and rest)
- Close off John Marr once a month for pedestrian market
- Need "Town Manager" - Organize, market, promote, serve community. Volunteers can only go so far. Government can't do this "Bureaucrat-itis"
- County Comp Plan works against these "visions"
- VDOT Plans for 236 will "cut the heart out" of Annandale - need to separate, "thru-put" from local traffic

HUNTER INTERESTS INC.

To: Kathy Mitchell, DHCD Revitalization Division
From: Richard G. Williams, CPM®, Annandale Manager
Subject: May 14, 1997 Focus Group Meeting Summary
Date: May 28, 1997

Barbara Carpenter called the meeting to order around 7:10 p.m. She described the County's Revitalization program in general terms, highlighting the Blight Abatement and the Tax Abatement programs.

Carpenter introduced Dick Williams, Annandale Manager for Hunter Interests. Williams introduced the project team, noted Mary Means absence due to a prior commitment, and introduced Don Hunter.

Traffic analyst Dick Keller, of Kellerco, described current traffic conditions throughout the Annandale Revitalization area ("the area"). He compared VDOT average annual daily traffic volumes on key roadways in the area in 1975 to 1995. He described various corridor and intersection traffic problems which occur during peak traffic periods. Keller highlighted the benefits of the future "loop" roadway in central Annandale that is part of the current Comp Plan.

Williams described the Annandale office market in terms of overall size, vacancy levels and stability. Some of his Revitalization area findings are as follows:

- 1.68 million square feet of low- and mid-rise buildings in the area;
- No new construction since the late 1980s--with a few exceptions;
- Area vacancy rate estimated at $\pm 7\%$ with recovery largely fueled by "hot" Northern Virginia office market;
- Proximity to I-495 and lesser expensive rents are advantages;
- Low- and mid-rise office buildings larger than 35,000 square feet in the area are about 67% of total;
- Rents rising steadily, but still short of that needed to support new construction;
- Main tenant types: banking/finance, regional offices for national companies and services;

- Low-rise office buildings under 35,000 square feet total $\pm 500,000$ square feet of which office condominiums are about 50%; and,
- Office condominium sales are at a crawl while their rental is reasonably firm with an estimated $\pm 8\%$ vacancy.

In summary, Williams noted that new construction of office buildings is still a fair ways off though there will be exceptions. Higher occupancy bodes well for local retail, and will also be supportive of the housing market which appears to be stable. There is some prospect, Williams stated, that new office space may replace retail due to consolidations and competitive pressures from nearby markets.

Anita Kramer, of Hunter Interests, talked about the retail market, saying that Annandale had previously served a larger market (trade area) until seven competing shopping centers were opened within three miles of the CBC. Other of her Revitalization area findings include:

- Retail and service retail market totals an estimated $\pm 800,000$ square feet (exclusive of banks, gas stations and miscellaneous special-use properties);
- About 80% of the estimated total square footage is contained in shopping centers as opposed to free-standing structures;
- $\pm 32\%$ of the estimated total square footage occupied by personal and business services whereas in community shopping centers, by comparison, $\pm 20\%$ is the norm—underserved in the market is apparel, electronics and CDs/tapes stores;
- Vacancy rate of $\pm 8\%$ is towards the high side;
- Reported, imminent closings include Rite Aid (consolidation), Mattress Discounters (not achieving necessary financial returns), and Shoppers Food Warehouse (possibly due to pending, major Safeway store-size expansion);
- Generally older-looking appearance and configuration of much of the area retail store inventory—in the 7 surrounding centers looks more up-to-date; and,
- K-Mart could be “vulnerable” due to its smaller size—a competitor, such as Target, opening within five miles would pose a major threat.

Kramer noted that “something else is happening in Annandale that is expanding its customer base in a very advantageous way, and in some unique ways: a regional customer base is being brought into Annandale due to the Korean-American community focusing its business interests in Annandale.” According to Kramer, anytime a base is expanded it provides the opportunity for services and retail stores

to prosper that otherwise may not. The range of goods and services is broadened. Korean-American-owned stores include jewelry, optical and computer. This phenomenon demonstrates the area's drawing power and accessibility to future retailers. A major outgrowth is the unique concentration of ethnic restaurants:

- Total area restaurants just under 50;
- Equal number of pizza and pasta places as Korean-American restaurants; and,
- Other ethnic fares are French, Chinese, Mediterranean, Japanese-Korean, and American.

The promotional hook, Kramer said, is the unique concentration of Korean-American restaurants that offers a wider customer draw than is typical for a suburban community. All eateries benefit and the area could become known "as a place with interesting choices." When restaurants thrive, other stores are maintained, upgraded or attracted and lead to an "interesting place to shop." Finally:

- Promotion must occur beyond the resident Annandale population;
- Commitment to wider promotion can be sustained by property improvements and improved, themed signage; and,
- A cineplex may be drawn to such a mixed restaurant area when a sufficient land parcel becomes available.

The Atlantic Group's Larry Houstoun described a survey he wished to take of the Focus Group. His questions asked for a rating of the needs of the commercial area, including: reduction in crimes against commercial properties; improved reputation; more diverse dining; and, strategy and plan for improved land use, profitability.

After several questions from the Focus Group, Paul Ostergaard, UDA Architects, described current land use patterns, highlighted by "x-ray" drawings. These drawings show the amount of land consumed by: parking; roadways; open/green space; commercial areas; and intensity of land use. Interspersed amongst the drawings were photographs of Toll House Park, streetscapes, roadways and an aerial of the area.

Ostergaard then showed slides of shopping venues such as the 1920s-built Country Club Plaza in Kansas City, 5th Avenue South in Naples, Florida, and Meisner Park in Boca Raton, Florida. The recently completed "Celebration" in Orlando, Florida was shown as a contemporary "place."

From the Columbia Pike streetscape plan, Ostergaard showed in plan and perspective a possible vision for Annandale's CBC—a town center located between Columbia Pike, Annandale Road and the northerly edge of Poplar Street. The vision calls for Maple Place and Martin Avenue as crossing main streets whose focal point could be a fountain or statuary centering a roadway roundabout at the intersection. In a trio of slides, a Maple Place photograph featuring a converted single-family residence with a strip of stores behind and auto traffic was translated into a drawing of the same view and—then transformed into a two-story building with brick facade, peaked roof and ground floor retail, with a landscaped median in the foreground and a townscape in the background!

Dick Keller returned to show traffic component results of “bottom up” citizen planning workshops in other revitalization studies his firm has guided. He discussed his work with Annapolis's West Street corridor. Key changes in circulation include:

- Re-orientation of highway corridors;
- Traffic-calming elements such as roundabouts, and the resultant opportunities for mixed-use development rather than big-boxes; and
- Replanning of deteriorating tracts so as to include new road links to enhance circulation.

Keller concluded with the suggestion that to create future community activity areas one needs to be bold so as to ensure that the changes will really be made. Two preliminary area concepts were presented:

- New road link proposed to enhance the planned "loop" roadway concept (compatible with the UDA proposals); and,
- Close existing section of Columbia Pike that's one-way and relocate the Little River Turnpike terminus of the corridor between Annandale and Baileys Crossroads to Backlick Road (not contemplated by the UDA concept, but seen by the Hunter team as enhancing the available geography for the new town center).

Lastly, Larry Houstoun addressed the Focus Group on the results of his survey. The highest rated commercial area needs were:

- Improved appearance;
- Strategy and plan for improved land use, profitably;
- Reduction in crimes against commercial properties;

- Improved parking arrangements;
- Improved identity;
- Marketing and promotions involving more commercial participants;
- More diverse shopping of better quality; and,
- Improvements in government regulations.

In terms of overall trends, seven group members said the commercial area is “about the same,” six said it is getting better, four said it was worse, and one said it was “much better.” Two business representatives and one resident saw cooperation prospects between them as “not good.” General comments offered by the Focus Group members include: a need for a merchants association; Annandale is losing retail business even though it looks better/cleaner; Annandale needs a heart and positive attitude; better overall planning is needed; and, if the area appearance, its marketing and business structure are not improved soon, Annandale will “only be a place to pass through.”

Williams asked for comments, questions and suggestions from the Group. Some of the key discussion points were:

- Planning throughout the area by the Hunter Interests team, particularly the sites on the east side of John Marr Dr. from Columbia Pike to Little River Tpk., and the restaurants and other businesses on south side of Little River Turnpike; and,
- County regulations, such as the Comprehensive Plan, that affect changing land use.

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MEMORANDUM

To: Don Hunter
From: Mary Means
Date: July 22, 1997
Re: Annandale Focus Group meeting – 6/26/97

On June 26, members of the Hunter Interests Inc. consulting group met with an invited group of citizens to review work to date and present preliminary recommendations about the revitalization approach for Annandale. About two thirds of the group present that evening had been involved in earlier meetings. Newcomers included representatives of Shoppers Food Warehouse.

Team Presentation

The team presented an overview of the market for investment in several sectors: office, commercial, retail and entertainment. Though there is some market for office and retail, the team placed emphasis on the niche that exists for entertainment, specifically cinema and eating/drinking that might 'feed' off the increased activity associated with a multi-screen cinema.

Paul Ostergaard of UDA Architects presented a number of urban design concepts intended to address the issue of place – giving a distinctive center to Annandale, and hence an 'address' for marketing to investors as well as providing the community with a stronger image. The urban design approach is grounded in the visions for Annandale's center articulated by this group in earlier meetings: a pedestrian quality, with shops, services and public/cultural attractions. Parking and circulation, particularly because of the complexity of the two arterial state highways (Columbia Pike and Little River Turnpike) and the need to address both 'through-put' and local automobile traffic, are significant issues.

The team's approach to creating a town center calls for a new road pattern and new civic open space, with surrounding development patterns similar to the older parts of Alexandria, where 2-4 story buildings are flush with the sidewalk, creating a sense of containment and people scale. Several sites were identified as appropriate for a large 'box' type development and a cinema complex. Streetscaping and urban design guidelines were also recommended.

The transportation recommendations call for closing off the awkward intersection of Columbia Pike and Little River Turnpike. Rather, Columbia Pike would intersect LRT east of a new civic park/green space around which commercial development would be located. This change would give Annandale a much stronger image and center. Traffic movements would be smoother and the entire area would be more pedestrian friendly.

Achieving such an approach will take significant collaboration between public and private interests: the county and VDOT especially, on the public side; and property owners and civic

interests on the private side. Presently, there is not the organizational platform for fostering such collaboration. Larry Houstoun of The Atlantic Group presented an overview of potential organizational structures, with a strong recommendation for the Business Improvement District as the most workable, sustainable and fair format.

Discussion was lively following the presentations.

Parking – is it going to be convenient and affordable? The work to date is not at a level of detail to be able to provide concrete answers. The assumptions going in have been that parking is vital and must be a key component of the redevelopment plan, but that giving over the town's center to the car is not desirable. Parking must somehow be both convenient and 'hidden', perhaps through streetscaping and/or better site planning. As to affordable, it is presently free, for the most part. Structured parking, should it be needed as the town center matures, is costly and revenue sources will need to be identified.

How about retention of existing businesses that want to stay? Though not a focus of the presentation, the team's assumption is that any redevelopment effort would include provisions for strengthening the competitiveness of businesses that want to remain and that would benefit from a revitalized Annandale. A management organization would be the appropriate place to house such activities.

What will the re-alignment of Columbia Pike do for traffic? The future traffic circulation in and around the proposed town center area is complex and will require further detailed analysis. The conceptual realignment of Columbia Pike is expected to improve local traffic flow. Reducing the number of traffic lights and simplifying the road network can facilitate traffic flow. Further, it should be noted that this realignment is suggested as a component of revised transportation plan for the entire Annandale area which purpose is to improve circulation and access for both local and regional traffic.

What is the vision of residents? So far, the vision is that of a relatively small (though intended to be representative) group. This group has been intended as a 'surrogate community' or sounding board. In the months ahead, the County will be going out to the wider public input via workshops and presentations. These are ideas for now, not inked plans for adoption.

How does this study relate to the sector plan update process? That process is well underway, with recommendations due by early fall, 1997. The recommendations of this revitalization study are intended to inform the plan, especially if the study includes recommendations for changes in zoning or land use policies. The County has a Redevelopment Policy Committee that is reviewing all four of the revitalization studies in terms of the implications for shifts in county policies.

How about the hotel and the community center that were mentioned in earlier discussions of vision – where are they? While a market study of hotel use in area was not performed by Hunter Interests Inc., such a use is not out of the question as more of a town center and amenities emerge. The sketches envision several sites that could accommodate a hotel, perhaps one of the new breed of small hotels that market to travelers in need of longer stays, such as a Residence Inn. This would probably fit into the neighborhood better than a standard hotel, which would generate more traffic. Similarly, there is room in the sketch plan for public institutions as well. Specific sites are not noted. This is more of a framework plan at this stage of thinking.

If Annandale grows into a significant commercial center, should we not also address transit, such as jitneys? Yes, and this is something to explore in greater detail as the redevelopment planning continues. For now, the pressing transportation challenge has been to try and mitigate the impact of the arterials through what should be a pedestrian environment.

There was some discussion of the ways in which Business Improvement Districts and Community Development Corporations work. There seemed to be general consensus that a sustainable, professionally staffed organization was essential. It also seemed fair that the cost of such a service be borne by those with the strongest stake in it, via a Business Improvement District.

The meeting concluded with a discussion of the upcoming meeting of the County's Revitalization Policy Committee and the need to have representation from the Annandale Central Business District Plan Committee present at that meeting. This was the last meeting of the group with the consultants under the present scope of work.

Appendix B

Annandale CBD Planning Committee Inc.

May 9, 1997 Memo

May 9, 1997

Below are a number of thoughts for your use as you approach study work in Annandale. We have high expectations for the products coming from this study.

1. An appendix for Annandale that can be inserted in the Comprehensive Plan; one that lays out in detail how to achieve the Fairfax County Commercial Revitalization objectives for Annandale that have been developed.
2. An appendix that can be inserted in county zoning ordinance/regulations that in detail would help Fairfax County achieve the commercial revitalization objectives for Annandale.
3. An analysis of "market realities" that can be put to work in the near term, without doing a disservice to a long term commercial vision for Annandale.
4. Specific recommendations for incentives that would help the County achieve Commercial Revitalization goals for Annandale. Ideas like a "Retail Incentive District", or other form of "overlay". We need something that is in "automatic" so that revitalization projects do not become an exception process where community businesses are put in a position of fighting county staff and county regulations. It should be the reverse, where the county system works to achieve the goals of commercial revitalization. Rules should work as positive contributors to commercial revitalization, not inhibitors. It is recognized by most that Fairfax County has, regretfully, built over the years a development and land use process that has resulted in a "one size fits all" system. Today, what is needed is a menu of processes that meet the needs of changing circumstances and the unique characteristic that may exist in different parts of the county. This is certainly true of the four revitalization areas. Specifically, these four areas need a separate process and a county tool box full of ways to get things done to achieve the purpose of commercial revitalization.
5. A list of county impediments is called for in the work scope of the contract. Corporations who approach problems in this manner have difficulty with the finger pointing and fiefdom challenges that inventorying impediments represents. Nevertheless, it is called for in the contract. In these circumstances, this list could become something positive; an action plan to achieve the objectives discussed above. If it comes out as a "gripe list", it will become dysfunctional as county organizations defend how and why they do the things they do. The consultant should use the product of this contract line items to build very positive recommendations. It is well known that the county government has grown to the point where organizations allegedly do not talk well with one another, have conflicting charters, separate and not interlocking processes, etc.; all resulting in a bureaucracy perceived to be difficult and confusing to deal with. County government should be an integrated whole where possible; a service organization keyed to getting on with programs like commercial revitalization that have process impact across county organizational lines. The consultant should consider recommendations on changing the way of doing business, "one stop shopping" for project review/approvals, ombudspersons, bench-marking processes and the time it takes to do business.

May 9, 1997

on every function from initial review through permitting and inspection. Maybe the place to test these ideas are in the commercial revitalization areas.

It is hoped that the above thoughts will be of value as Hunter Interests performs its work.



Dan McKinnon
Chair, Annandale CBD Planning Committee

cc: Penny Gross
Sharon Bulova

Appendix C

Annandale CBC Office Inventory

ANNANDALE CBC OFFICE INVENTORY

Address (census tract)	Office Type & Name	Yr. Built	No. of Bldgs.	No. of Units	Floor Size	No. of Flrs	Rent	date:	TOTAL SQ. FT.	0-3,500 sf	3,501-10,000 sf	10,001-35,000 sf	Over 35,000 sf	Professional	Banking	Service Retail
	<i>General Low-Rise Office</i>															
4115 Annandale Rd. (508.03)	Annandale Office Bldg.	1986	1		12,000	3	\$11-\$13	Full Sv.	47,852	3,476		47,852			3,476	
4235 Annandale Rd. (508.03)	Central Fidelity Bank	1995	1						15,916		15,916					
5622 Columbia Pike (515.03)	Executive Office Bldg.	1964	1						13,890		13,890					
5802 Columbia Pike (516.04)	Hamilton Bank Bldg.	1965	1						3,520	3,520					13,890	
5865 Columbia Pike (527.01)	Sterling Dental Center	1959	1						6,100		6,100			3,520		
5908 Columbia Pike (516.04)	Myers Bldg.	1965	1						1,596	1,596						
7109 Columbia Pike (520.01)	Converted Dwelling	1958	1						8,202		8,202					
4200 Daniels Ave. (508.03)	Daniels Office Bldg.	1978	1		6,000	0	\$12.00	+utils.	17,700		17,700					
4300 Evergreen (520.01)	Evergreen Office	1980	1						7,636		7,636					
4215 Evergreen (520.01)	Beery Rio Bldg.	1972	1		7,700	4	\$13.50	Full Sv.	33,612		33,612					
6601 LRTmpk. (521.05)	Pinecrest Bldg.	1977	1		21,000	3	?	?	81,374		81,374					
6717 LRTmpk. (521.04)	Annandale Office Ctr.	1987	1		8,700	4	?	?	68,180		68,180					
7010 LRTmpk. (520.01)	Annandale Financial	1988	1						2,193	2,193					2,193	
7030 LRTmpk. (520.01)	Dominion Federal	1963	1						2,950	2,950					2,950	
7400 LRTmpk. (507.02)	Sovran Bank	1962	1		21,000	3	\$15.25	Full Svc	58,074		58,074					
7535 LRTmpk. (523.01)	ofc. bldg.	????	1						12,824		12,824					
7712 LRTmpk. (507.01)	UER Office Bldg.	1987	1						2,134	2,134						
7259 Maple Pl. (508.03)	Shapiro Bldg.	1943	1						6,768		6,768					
7263 Maple (508.03)	Castners Bldg.	1967	1						42,000		42,000					
4231 Markham St. (507.02)	Markham East	1978	1		21,000	2	\$13.00	+clean'g	2,440	2,440				2,440		
4230 John Marr Dr. (520.01)	Prime Care Medical Ctr.	1979	1						30,000		30,000					
7361 McWhorter Pl. (522.01)	?? Square	1985	1		10,000	3	\$13.00	+elec.	3,452	3,452						
?(508.03)	Kassabian Property	1949	1						41,944		41,944					
?(521.03)	Little River Professional Bldg.	1973	1						6,732		6,732					
4116 Woodland Rd. (507.02)	SSL Warehouse	1977	1						520,565	21,761	35,438	93,942	369,424	5,960	22,509	0
	Sub-Totals		25													
	<i>Condo Office-Low Rise</i>															
4216 Evergreen La. (520.01)	Merrion Ctr.	1988	1	18					20,089		20,089					
4208 Evergreen La. (520.01)	Merrion Ctr.	1988	1	30					33,402		33,402					
4200 Evergreen La. (520.01)	Merrion Ctr.	1989	1	15					17,085		17,085					
4302 Evergreen La. (520.01)	Bristolow Ctr. Condo	1982	1	24					39,690		39,690					
4308-30 Evergreen La. (520.01)	Annandale Sq.	1986-87	1	41					48,885		48,885					
4220 Evergreen La. (520.01)	Evergreen Prof. Ctr.	1982	1	17					29,580		29,580					
6922 LRTmpk. (520.01)	Evergreen Sq. Office Condo	1980	1	26					34,247		34,247					
7002 LRTmpk. (520.01)	Evergreen Office Condo	1988-89	1	54					64,584		64,584					
7221 LRTmpk. (521.02)	Tab Condo	1986	1	5					13,128		13,128					
7310 McWhorter Pl. (522.01)	Ravens Corner Condo	1989	1	9					8,055		8,055					
7345 McWhorter Pl. (522.01)	Merrion Square	1984	1	28					32,412		32,412					
4530 John Marr Dr. (521.03)	John Marr Dr. Professional Ctr	1980	1	16	15,000	2	\$14.00	+elec.	21,658		21,658			21,658		
7202 Poplar St. (508.03)	Poplar St. Office Condos	1981	1	6					10,656		10,656					
7540 Woodland Rd. (507.02)	Annandale Professional Ctr.	1983	1	16					13,290		13,290					
	Sub-Totals		14	305					386,761	8,055	225,547	153,159	?	21,658	0	0
	<i>Cluster Office - Low Rise</i>															
4510-22 Columbia Pk. (520.01)	Kings Court Townhouse	1983	7						13,962		13,962			0	0	0
	Sub-Totals		7						13,962		13,962			0	0	0
	<i>Converted Residential Office</i>															
4216 Annandale Rd. (507.02)	Holly Realty	1941	1						2,697	2,697				2,697		
??? Columbia Pike (520.01)	D. Thompson Inc.	1944	1						3,500	3,500						
7025 Columbia Pike (520.01)	Teddy Auto Sales	1950	1						2,647	2,647						
7230 Columbia Pike (508.03)	Eugene Hairdressers	1937	1						2,533	2,533					2,533	
7228 Columbia Pike (508.03)	Galo of London Hairstyling	1936	1						1,705	1,705					1,705	
7224 Columbia Pike (508.03)	Annandale Florist	1936	1						3,433	3,433						
4206 Daniels Ave. (508.03)	Horizon Mortgage	1949	1						2,912	2,912				2,912		
	Sub-Totals		7	0					19,427	19,427				5,609	0	4,238
	Sub-Totals		46	305					921,288	21,761	333,451	522,583		27,618	22,509	0

ANNANDALE CBC OFFICE INVENTORY (p.2)

Address (census tract)	Office Type & Name	Yr. Built	No. of Bldgs.	No. of Condo units	Floor Size	No. of Flrs	Rent PSF	Add Ons	date	TOTAL SQ. Ft.	3,500 sf	0	10,000 sf	10,001 - 35,000 sf	35,000 sf	Over 35,000 sf	Professional	Banking	Service Retail
4211 Evergreen La. (520.01)	Converted Residential Office	1941	1							857									
4217 Evergreen La. (520.01)	D. Thompson Inc. doctors office	1941	1							1,820							1,820		
7215 LRTmpk. (521.02)	Real Estate Office	1901	1							3,124							3,124		
7306 Maple Pl. (508.03)	Doooho Bldg.	1958	1							7,575									
7300 Maple Pl. (508.03)	D. Thorn Med. Office	1946	1							1,668							1,668		
7254 Maple Pl. (508.03)	Taylor & Clark Insur.	1946	1							4,363							4,363		
7250 Maple Pl. (508.03)	converted dwelling	1946	1							2,730									
7257 Maple Pl. (508.03)	Goode Bldg.	1945	1							3,255									
4309 Markham St. (522.01)	Hair Designers Inc.	1898	1							2,349									
4200 Martin Ave. (508.03)	converted dwelling	1947	1							1,196									
4201 Martin Ave. (508.03)	Strang Office	1948	1							4,087									
7360 McWhorter St. (522.01)	Real Estate Office	1935	1							4,258							4,258		
7373 McWhorter St. (522.01)	Vernon Furnace	1947	1							1,011									1,011
7404 McWhorter St. (522.01)	Barrett Enterprises	1950	1							924							924		
7401 McWhorter St. (522.01)	D.F. Hanna	1946	1							1,011							1,011		
7377 McWhorter St. (522.01)	converted house	1946	1							998									
7203 Poplar St. (508.03)	American Heart Assoc'n	1947	1							6,600							6,600		
7206 Poplar St. (508.03)	Poplar Investments	1947	1							872							872		
7217 Poplar St. (508.03)	Connor Pest Control	1949	1							1,190									1,190
7212 Poplar St. (508.03)	Mooney & Assoc.	1947	1							1,320									
7215 Poplar St. (508.03)	law office	1949	1							1,636							1,636		
7213 Poplar St. (508.03)	plumbing co.	1946	1							872									872
????? (520.01)	Alpine	1901	1							3,120									
Sub-Totals			30							76,263	47,712	26,883	0	0	0	0	31,885	0	7,311
7023 LRTmpk. (521.03)	General, Medium or High Rise Professional Bldg.	1975	1		7,000	4				38,150					38,150				
7605 LRTmpk. (522.01)	Office Bldg.	1982	1							93,600					93,600				
7611 LRTmpk. (522.01)	Heritage Office II	1990	1							109,200					109,200				
7617 LRTmpk. (523.01)	Heritage Bldg. & Exxon	1970	1		8,490	10	\$12.50			110,592					110,592				
7620 LRTmpk. (507.01)	First Union	?????	1		7,800	6	\$13.50	Full Svc.		48,300					48,300				
7630 LRTmpk. (507.01)	First Union	?????	1		11,888	9	\$13.50	Full Svc.		102,000					102,000				
7700 LRTmpk. (507.01)	7700 Office Bldg.	1979	1		19,000	6	\$13.00	Full Svc.		70,372					70,372				
Sub-Totals			7							572,214	0	0	0	0	572,214	0	0	0	0
5827 Columbia Pike (527.01)	Govt. Leased- Med. or Hi Rise Columbia Lee Bldg	1964	1							38,000					38,000				
Sub-Totals			1							38,000					38,000		0	0	0
7501 LRTmpk. (522.01)	Condo Ofc-Med. Med-Hi Rise Annandale Medical	1963	1							17,604			17,604	17,604	0		17,604		
Sub-Totals			1							17,604			17,604	17,604	0		17,604		
7331 LRTmpk. (522.01)	FIRE									10,338				10,338					
4260 John Marr Dr. (520.01)	First American Bank	1954	1							2,508								2,508	
4250 John Marr Dr. (520.01)	First Fed'l S&L	1975	1							2,376									2,376
7205 LRTmpk. (521.03)	First Virginia Bank	1960	1			2				19,560									19,560
7258 Maple Pl. (508.03)	real estate office	1946	1							2,730									2,730
7220 Columbia Pike (508.03)	No. Va. Bank & Alpine Lewis Bldg.	1952	1							15,480									15,480
7251 Maple Pl. (508.03)	Lewis Bldg.	1959	1							2,924									2,924
4205 Evergreen La. (520.01)	real estate office	1955	1							1,232									1,232
Sub Totals			8							57,148	11,770		45,378	0	0		6,886	39,924	0
TOTALS			83	305					1,682,517	81,243	26,883	396,433	1,132,797	62,433	7,311		83,993	62,433	7,311
PERCENT OF TOTALS									100.0%	4.8%	1.6%	23.6%	67.3%	3.7%	0.4%		5.0%	3.7%	0.4%

ANNANDALE FOCAL AREA OFFICE INVENTORY

Address (census tract)	Office Type & Name	Yr. Built	No. of Bldgs.	No. of Condo units	Floor Size	No. of Flrs.	07/28/97		10,001-35,000 sf	Over 35,000 sf
							TOTAL SQ. FT.	3,500 sf-10,000 sf		
4115 Annandale Rd. (508.03)	Annandale Office Bldg.	X 1986	1		12,000	3	47,856			47,856
4201 Annandale Rd. (508.03)	Kassabian Property	X 1949	1				3,452			
4216 Annandale Rd. (507.02)	Holly Realty	X 1941	1				2,697			
4235 Annandale Rd. (508.03)	Central Fidelity Bank	X 1995	1				3,476			
7230 Columbia Pike (508.03)	Eugene Hairdressers	X 1937	1				2,533			
7228 Columbia Pike (508.03)	Galo of London Hairstyhg.	X 1936	1				1,705			
7224 Columbia Pike (508.03)	Annandale Florist	X 1936	1				3,433			
7220 Columbia Pike (508.03)	No. Va. Bank & Alpine	X 1952	1				15,480		15,480	
4200 Daniels Ave. (508.03)	Daniels Office Bldg.	X 1978	1				8,202		8,202	
4206 Daniels Ave. (508.03)	Horizon Mortgage	X 1949	1				2,912		2,912	
7250 Maple Pl. (508.03)	converted dwelling	X 1946	1				2,730		2,730	
7251 Maple Pl. (508.03)	Lewis Bldg.	X 1959	1				2,924		2,924	
7254 Maple Pl. (508.03)	Taylor & Clark Insur.	X 1946	1				4,363		4,363	
7257 Maple Pl. (508.03)	Goode Bldg.	X 1945	1				3,255		3,255	
7258 Maple Pl. (508.03)	real estate office	X 1946	1				2,730		2,730	
7259 Maple Pl. (508.03)	Shapiro Bldg.	X 1943	1				2,134		2,134	
7263 Maple Pl. (508.03)	Castners Bldg.	X 1967	1				6,768		6,768	
7300 Maple Pl. (508.03)	D. Thorn Med. Office	X 1946	1				1,668		1,668	
7306 Maple Pl. (508.03)	Dooho Bldg.	X 1958	1				7,575		7,575	
4200 Martin Ave. (508.03)	converted dwelling	X 1947	1				1,196		1,196	
4201 Martin Ave. (508.03)	Strang Office	X 1948	1				4,087		4,087	
7202 Poplar St. (508.03)	Poplar St. Office Condos		1	6			10,656		10,656	
7203 Poplar St. (508.03)	American Heart Assoc'n	X 1947	1				6,600		6,600	
7206 Poplar St. (508.03)	Poplar Investments	1947	1				872		872	
7217 Poplar St. (508.03)	Connor Pest Control	1949	1				1,190		1,190	
7212 Poplar St. (508.03)	Mooney & Assoc.	1947	1				1,320		1,320	
7215 Poplar St. (508.03)	law office	1949	1				1,636		1,636	
7213 Poplar St. (508.03)	plumbing co.	1946	1				872		872	
TOTALS			28	6			154,322	41,067	37,595	47,856
Percents of Total							100.0%	26.6%	24.4%	31.0%

Appendix D

Focal Area Office Inventory and Assessment and Tax Data

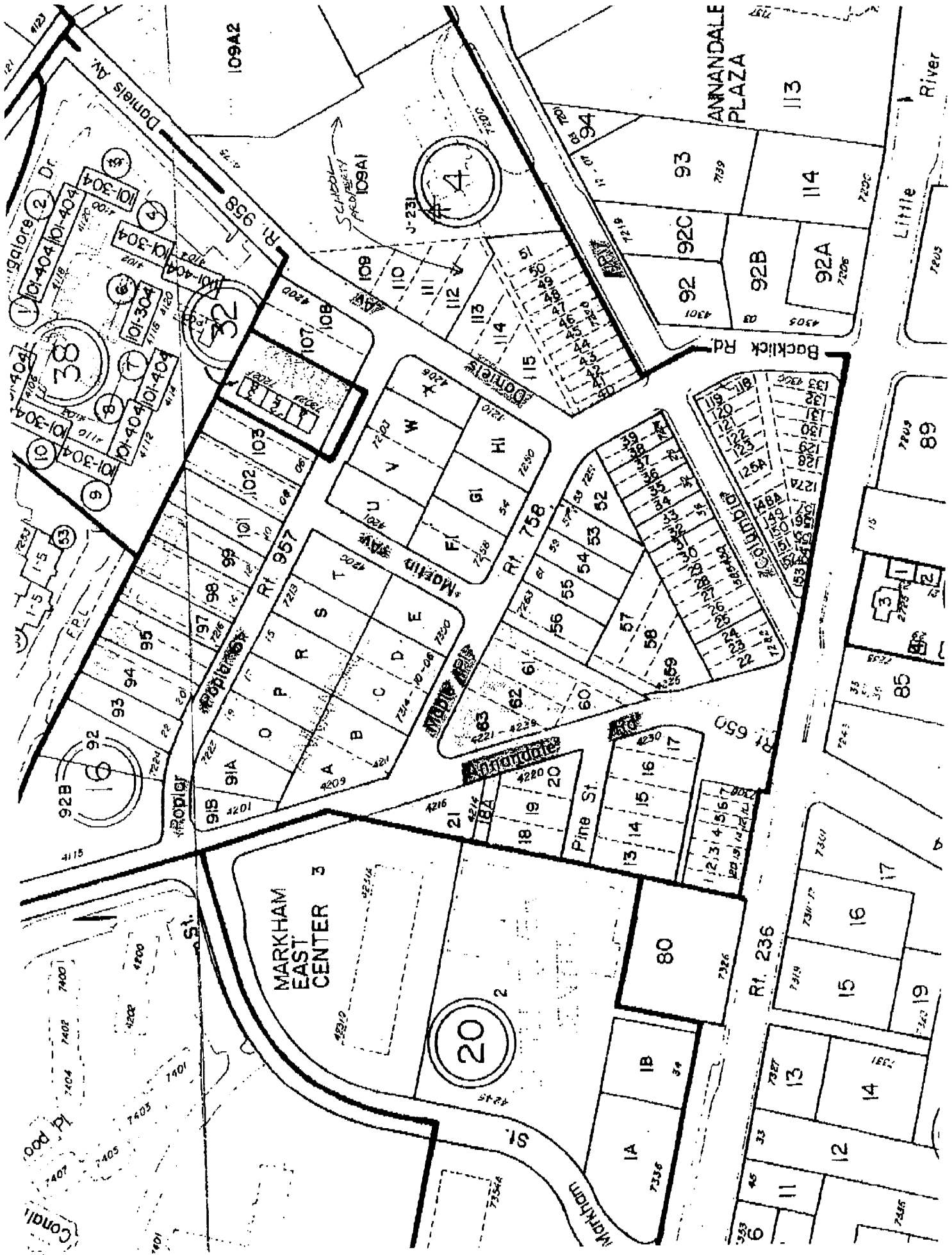
Selected Assessment and Tax Data - prepared for Hunter Interests, Inc.

Map Number	Owner	Address	Building Use	Year Built	Floor Area	Land Area (sq. ft.)	1997 Land Value	1997 Improvement Value	1997 Total Value	1997 Total Tax
071-1-01-0092	Nova Enterprises	4301 Backlick Rd. (Corner of Backlick & Columbia Pike)	AS	1981	4,352	18,987	\$303,950	\$468,115	\$772,065	\$9,486.40
071-1-01-0092-C	Kaybar Assoc., LP	7219 Columbia Pike	ST	1969	4,312	14,575	\$204,050	\$241,720	\$445,770	\$5,482.97
071-1-01-0093	Dawson, Stephen/Joyce	7207 through 7217 Columbia Pike (per map)	SC	1946	7,219	36,373	\$472,850	\$165,235	\$638,075	\$7,848.32
071-1-04-A	Thompson, John P/E M Monk, TRS	4209 Annandale Road	ST	1959	4,220	22,363	\$288,355	\$233,545	\$521,900	\$6,173.37
071-1-04-C	Kim, Docho and Myung S.	7306 Maple Pl, Lots C D	OF	1958	7,575	22,500	\$290,825	\$411,155	\$641,780	\$7,893.89
071-1-04-E	Kim D H Enterprises, Inc.	7300 Maple Place	OF	1946	1,668	12,000	\$117,000	\$59,345	\$176,345	\$2,169.94
071-1-04-F1	Lee, Jung Choon and Soonku	7258 Maple Place	OF	1946	2,730	14,464	\$155,490	\$98,895	\$254,385	\$3,128.94
071-1-04-G1	Connor, Edward C.	7254 Maple Place	OF	1946	4,353	13,215	\$135,455	\$191,790	\$327,245	\$4,025.11
071-1-04-H1	Amer. Legion Bicentennial Post 1976	7250 Maple Place	OF	1946	2,730	14,101	\$155,110	\$138,650	\$293,760	\$3,613.25
071-1-04-J	Hondros, Sem/Hedec, Sylvia & Nawal	7219 Poplar Street	OF	1949	1,198	11,840	\$130,240	\$30,600	\$160,840	\$1,970.95
071-1-04-P	Litocodi, Angelina B	7217 Poplar Street	OF	1949	1,190	11,840	\$121,360	\$41,470	\$162,830	\$2,002.81
071-1-04-R	Hussar, Ted W. and Susan V.	7235 Poplar Street	OF	1949	1,596	11,840	\$121,360	\$96,470	\$177,830	\$2,167.31
071-1-04-S	American Boller Inc.	7213 Poplar Street	OF	1946	872	11,840	\$121,360	\$18,410	\$139,770	\$1,718.17
071-1-04-T	Yai, Hyunsoo/Yai, Ulsun	4200 Martin Avenue	OF	1947	1,196	12,800	\$131,200	\$41,390	\$172,590	\$2,122.86
071-1-04-U	PEME Industries, Inc.	4201 Martin Avenue	OF	1948	4,087	12,800	\$131,200	\$94,040	\$225,240	\$2,770.45
071-1-04-W	Amer. Heart Assoc. VA Affiliate Inc.	7203 Poplar Street	OF	1987	6,800	21,700	\$220,445	\$373,695	\$594,130	Tax Exempt
071-1-04-X	Amer. Legion Bicentennial Post 1976 Inc.	4206 Daniels Avenue	OF	1949	2,909	10,809	\$129,710	\$75,560	\$205,270	\$2,524.82
071-1-04-0013	Piekedli, Anastasio G. et al	4220 Annandale Road, Lots 13, 14, 15, 16, Pl. 17	RT	1982	3,180	38,698	\$657,665	\$155,465	\$813,330	\$10,003.96
071-1-04-0018	Thorne, Conway C., TR	4220 Annandale Road, Pl. Lots 18, 19, 20	RT	1961	5,700	20,847	\$271,010	\$155,765	\$426,765	\$5,248.21
071-1-04-0018-A	Bejjani, Leo H. and Reuben	4214 Annandale Road (per map)	**	**	0	2,244	\$26,365	\$26,365	\$26,365	\$324.29
071-1-04-0021	Bejjani, Leo H. and Reuben	4216 Annandale Road	OF	1941	2,697	11,332	\$133,150	\$215,400	\$348,550	\$4,287.17
071-1-04-0022	Talla IV LP	7262 Columbia Pike, Lots 22, 23 and 24	RT	1959	3,008	10,341	\$144,775	\$120,860	\$265,635	\$3,267.31
071-1-04-0025	Levy, Gertrude W.	7250 Columbia Pike, Pl. Lots 25 thru 31	RT	1940	4,650	21,365	\$288,430	\$217,800	\$506,330	\$5,101.67
071-1-04-0032	From, O. Leonard Jr. and Betty W.	7238 Columbia Pike	OF	1937	4,425	6,250	\$75,000	\$106,140	\$181,140	\$2,228.02
071-1-04-0034	Barlow, Eugene G. and S. Christine	7232 Columbia Pike, Pl. Lots 34, 35	OT	1937	2,533	6,250	\$75,000	\$80,150	\$155,150	\$1,908.35
071-1-04-0036	Hie, Larry G. / Fallon, Lynne H.	7228 Columbia Pike, Lots 36, 37	OT	1936	1,705	6,250	\$75,000	\$73,290	\$148,290	\$1,823.97
071-1-04-0038	Sherley, Gilbert G. and Mabel E.	7224 Columbia Pike, Pl. Lots 38, 39	OT	1936	3,453	6,250	\$75,000	\$97,265	\$172,265	\$2,157.30
071-1-04-0052	Heeg, Louise T., TR	7220 Columbia Pike, Lots 113, 114, 115 and Pl. 40 thru 51	ST	1952	15,490	62,500	\$843,750	\$1,195,215	\$1,982,965	\$24,390.47
071-1-04-0053	Lee, John Y. and Giljs	7251 Maple Place	OF	1959	2,924	7,392	\$75,770	\$122,390	\$198,150	\$2,437.25
071-1-04-0054	Shapiro, Patricia C.	7259 Maple Place	OT	1945	3,255	7,947	\$81,455	\$124,035	\$205,490	\$2,527.53
071-1-04-0055	Hough, Vance M., Jr. and Joyce A.	7261 Maple Place	OF	1943	2,134	7,900	\$80,875	\$104,920	\$185,895	\$2,286.51
071-1-04-0056	Cashner, Neilson L., TR	7261 Maple Place	SD	1943	3,058	8,500	\$93,500	\$68,090	\$161,590	\$1,987.56
071-1-04-0057	Plain East LP	7261 Maple Place	OF	1987	6,768	12,500	\$121,875	\$238,785	\$358,670	\$4,411.64
071-1-04-0060	Mooney, Louise E. and David H., TR	4235 Annandale Road, Lots 57, 58, 59	BK	1995	3,476	26,331	\$382,470	\$685,820	\$1,068,290	\$13,152.27
071-1-04-0091-A	Kassabian, Albert J and Charles J. Cardil	4221-4229 Annandale Road, Lots 60, 61, 62, 63	ST	1946	6,999	41,257	\$461,570	\$119,695	\$581,265	\$7,148.56
071-1-04-0091-B	Kassabian, Albert J and Charles J. Cardil	7223 Poplar Street	OF	1949	3,452	11,568	\$130,140	\$118,345	\$248,485	\$3,056.37
071-1-01-0094	Dawson, Stephen M. and Joyce B.	4201 Annandale Road	**	**	0	5,038	\$56,690	\$56,690	\$56,690	\$697.29
071-1-04-0107	M and J Investment Co., Inc.	7201 Columbia Pike	SC	1959	5,780	7,013	\$91,170	\$140,300	\$231,470	\$2,847.08
071-1-04-0118	Kramer, Ronal E., TR	4200 Daniels Avenue, Lots 107, 108	OF	1978	6,202	19,807	\$193,700	\$296,505	\$490,205	\$6,029.62
		4300 Backlick Road (Corner of Backlick & Columbia Pike)	RT	1967	6,992	57,064	\$913,025	\$877,545	\$1,790,370	\$22,021.65

AS = Auto Service; SC=Shopping/Retail; SD=Single Family Dwelling
 OF=Office; ST=Store/Retail; RT=Restaurant; BK=Bank; OT=Other

Building Use Code Definitions:

Tax Rate for 1997 = \$1.23 per \$100 of assessed value.
 1. Includes 7310 Maple Place.
 2. Includes 7253 Maple Place.



Appendix E

“Are Bids Working”

Betting on BIDs

LAWRENCE O. HOUSTON, JR.

Applying business judgment via business improvement districts (BIDs) to make downtowns work better.

Reprinted from *Urban Land*, published by ULI—the Urban Land Institute, 625 Indiana Avenue, N.W., Washington, DC 20004.

FIGURE 1: ALLOCATION OF BID BUDGETS

	Percent of Total Budget	
	8 N.Y.C. BIDs ¹	5 U.S. BIDs ²
Cleanup, Sanitation,		
Litter Patrols	27.0%	31.0%
Security	23.0	19.0
Capital Projects	16.0	8.0
Social Services	12.0	N/A
Administration and Operations	11.0	13.0
Public Relations/Marketing	4.0	5.0
Special Events	3.0	1.0
Other	3.0	8.0
Retail Promotions	2.0	5.0
Facade and Sign Improvements	0.3	1.0
Seasonal Lighting	0.3	0.6
Business Attraction	0.2	2.0
Business Retention	0.2	0.5
Streetscape Improvements	0.0	4.0
Parking	0.0	0.0

¹ Eight BIDs in New York City with annual budgets of more than \$750,000: Union Square, Fulton Mall, Bryant Park, Metro Tech, Fashion Center, Times Square, Thirty-Fourth Street, and Grand Central Partnership. Surveyed in 1993.

² Downtown BIDs in five cities: Houston, Philadelphia, New Orleans, Seattle, and Denver. Surveyed in 1994.

Source: The Atlantic Group.

Manhattan's Times Square just received its first "A" on the Mayor's Sanitation Scorecard. In that once glittering entertainment district where more recent visitors complained of filth and criminals, sidewalks are again clean, crime has dropped off, and tourists are reassured.

In Philadelphia, 2,000 surveyed property owners, employers, workers, residents, and visitors said conditions in the Center City area had improved markedly for the second consecutive year. The area received high marks for safety, cleanliness, and general atmosphere. After dark, sidewalks are crowded with shoppers, diners, and entertainment seekers. Free concerts by famous mummer bands, jazz ensembles, and classical groups are popular.

After decades of bad press, this kind of downtown success story is becoming widespread. At its heart is a quiet revolution concerning who takes responsibility for the "operations" of downtown commercial areas. Rather than blaming City Hall or working for a blockbuster federal subsidy, hotel operators, theater owners, storekeepers, restaurateurs, service providers, office employers, developers, property owners, and property managers are planning and managing urban services in their neighborhoods. Believing that these services are essential to a commercial precinct's economic vitality, these stakeholders are paying for them as a cost of business. The payments are like the common area maintenance charges paid by

FIGURE 2: BACKGROUNDS OF BID BOARD MEMBERS

	Average Number of Board Members	
	8 N.Y.C. BIDs ¹	5 U.S. BIDs ²
Landlords, Property Owners, Real Estate Developers	12.3	7.0
Retailers	3.7	4.6
Elected City Officials	3.3	1.2
Other Businesspersons	3.0	5.0
Nonprofit Staff Members	2.1	1.8
Residents	1.2	0.4
Community Boards	1.1	0.4
Other	1.1	2.0
Bankers, Lenders	1.0	3.8
Other City Officials	1.0	1.2
Legal Professionals	0.1	2.8

¹ Eight BIDs in New York City with annual budgets of more than \$750,000: Union Square, Fulton Mall, Bryant Park, Metro Tech, Fashion Center, Times Square, Thirty-Fourth Street, and Grand Central Partnership. Surveyed in 1993. Average size of board = 30.

² Downtown BIDs in five cities: Houston, Philadelphia, New Orleans, Seattle, and Denver. Surveyed in 1994. Average size of board = 35.

Source: The Atlantic Group.

shopping center tenants. In New York City, self-imposed charges for urban services for 24 improvement districts amount to more than \$30 million annually. Furthermore, business leaders are devoting considerable time as well to these improvement efforts.

This article examines business improvement district (BID) trends in large downtowns, drawing on surveys of 13 illustrative assessment-financed districts. These are called special assessment districts, special services districts, business improvement areas (BIAs), or business improvement districts—depending on the state laws that authorize them. Whatever their names, BIDs have several key elements in common:

- The initiative comes from business leaders who seek common services beyond those that the city can provide.
- The city determines boundaries, approves the annual budget and the financing strategy, and determines what services may be provided.
- Business leaders shape the annual budget, hire staff, let contracts, and generally oversee operations.

New York City BIDs

A 1993 study by the New York City Partnership and The Atlantic Group of the city's 24 BIDs (about 30 more are in the process of being formed) found annual budgets that range from \$82,000 to more than \$9 million for the Grand Central Partnership. At 17 years old, Brooklyn's Fulton Mall is among the nation's oldest BIDs. One of these BIDs deals exclusively with the maintenance and improvement of Bryant Park, and rents in nearby buildings have soared since the park was redesigned and secured.

Eight of the New York City BIDs have budgets of more than \$750,000, with the average being \$3.6 million. As shown in Figure 1 on the preceding page,

they spend most of their funds on cleanup, sanitation, and litter patrols, followed by supplemental security and capital projects. About 11 percent of their budgets are allocated for administration. These large BIDs see their greatest need for action as filling commercial vacancies, followed by improvements in buildings, public areas, and the overall image of the district.

Five Large Downtown Improvement Districts

A 1994 survey of BIDs in Denver, Houston, New Orleans, Philadelphia, and Seattle provides further insight on the politics, progress, problems, and typical approaches of large BIDs. Like those of New York, these BIDs also spend at least half their budgets on cleanup and security. (Small BIDs, on the other hand, tend to give greater emphasis to marketing, special events, parking, and business attraction.)

Denver. The Downtown Denver Business Improvement District began life in 1982 as the 16th Street Mall Management District. The core of the 120-block district is the 16th Street transit and pedestrian corridor. Each day, its free shuttle buses move 45,000 downtown employees, 42 percent of the workforce. Its formation was supported by virtually everyone, from city government officials to building owners and managers, from retail and hotel associations even to residents of downtown.

BID president Bill Mosher and a 12-member board, composed of property owners, bankers, a realtor, and other area business people, work with a \$1.9 million budget. This buys sidewalk litter pickup and snow removal; landscaping and maintenance of trees and flowers; lighting, electrical, and plumbing services in public places; granite paver maintenance; snow removal; banners; regulation of commercial and other use of public space, including sidewalk vending; business retention and attraction efforts; marketing, communications, and promotions; and supplementary security services. A four-member staff handles publicity, special events, business recruitment, and the like and contracts out for security, snow removal, landscaping, and other services.

Costs are shared by 323 property owners under an unusual assessment formula by which fees decrease with distance from the transit-pedestrian mall. Data on crime rates, cleanliness, and retail sales, as well as business owner surveys, have shown strong improvements over the past several years and a high degree of satisfaction. The least satisfied people are property owners farthest from the mall. Participants believe that what most needs improvement is the appearance of buildings and commercial areas.

Seattle. Founded in 1986, the Downtown Seattle Association (DSA), with a \$577,500 budget, provides a variety of services including public relations, marketing, security, sanitation, and retail promotions.

Assessments are collected by the city. As in Denver, the assessment formula has different rates

reflecting different levels of benefits. (Many states have laws that allow BIDs only one or very few choices in assessment rates.) DSA applies a different rate to five classes of properties in its retail core—developed ground-floor business space; retail space in basements or in second or third floors; major multi-level retail stores with more than 100,000 square feet under single ownership; parking garages and lots; and other properties, including hotels and theaters. Parking facilities, for example, are assessed \$4 per space for marketing purposes and \$2 per space for maintenance. In addition, DSA's marketing program and common area maintenance programs have their own separate assessments reflecting different degrees of benefits for different types of properties. The Seattle district is headed by John Gilmore, a seasoned downtown executive.

New Orleans. The oldest of the big city BIDs—established in 1975—the New Orleans Downtown Development District is key to what makes the Crescent City attractive to millions of visitors. With an annual budget of \$3.6 million, Donald A. Shea and a small staff provide a wide range of services for 3,000 businesses in 200 blocks. In addition, a capital improvement program supports new street trees, lighting, trash containers, and banners. Shea reports that the most difficult part of forming the BID was reaching an agreement on the district boundaries. The New Orleans Chamber of Commerce, the city government, and the retail organization combined to produce the agreed-upon program.

Philadelphia. One of the newest BIDs is Philadelphia's Center City District. Formation of the district was an important part of the plan for the city's commercial core that was adopted in 1991. Developer Ron Rubin chaired the group that set service priorities (sidewalk cleaning and supplementary security), delineated the service area (80 blocks), and recommended the budget (now \$6.5 million). Reflecting the value of the area's newest skyscrapers, 15 properties pay approximately one-third of the total assessment. The amount paid by most of the district's 9,000 businesses is very small.

Center City is a popular place in which to live as well as work, and distinctions between residential and commercial areas are blurred. When the proposals for forming an improvement district were broached, many residents objected to paying for the supplementary cleaning and security. Their opposition might have jeopardized adoption of the assessment district by the city council. Because state law would not allow noncommercial property owners within the district to be exempted, a rebate system was created to satisfy the opposing residents.

Rubin now chairs the 23-member board that oversees a staff of 54 uniformed security-hospitality employees and 115 sidewalk cleaning employees under contract. Under the direction of executive director Paul Levy, CDD recently completed a street-



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scape plan for 80 blocks of Center City geared to pedestrian visitors, downtown employees, and shoppers. Convention Center attendees, for example, will find signs directing them to their hotels, to theaters, to shopping areas, and to historic sites, with information on how many minutes the walks will take. Funding for its implementation is expected to come from an assessment-based capital improvement program.

Houston. Robert Eury, president of the Houston Downtown Management Corporation, works with a 42-member board of which 12 are nonvoting local officials. Houston's BID has a \$2.6 million annual budget, 88 percent of which is derived from an assessment of \$0.06 per \$100 of assessed valuation of land and improvements. Major support for organizing the district, which comprises 212 blocks and 360 property owners, came from the chamber of commerce, the local Building Owners and Managers Association, and the city government. Established in 1991, the district emphasizes removal of crime and grime, streetscape and commercial theater improvements, and special events. The district

Street crime in New York City's Times Square neighborhood has been reduced by 19 percent in the past year, thanks largely to the efforts of 40 BID public safety officers, pictured here at a recent awards ceremony.



DOWNTOWN DENVER PARTNERSHIP INC.

Costs for running the Downtown Denver Business Improvement District are covered by an unusual assessment formula by which fees decrease with distance from the city's popular 16th Street transit-pedestrian mall.

measures success by comparing conditions with its adopted multiyear plan, by opinion surveys, and by regular reporting on litter conditions using comparative photos.

Who Participates? Who Pays? How Much?

Time and money are two fairly reliable measures of business support for any community enterprise. Figure 2 on page 14 shows the range of board of directors membership for the surveyed BIDs. Landlords, property owners, and real estate interests constitute the largest single group of board participants. (In smaller BIDs, retailers tend to dominate the govern-

The New Orleans Downtown Development District distributes a free guide, updated twice a year, that lists all downtown shops and eateries, gives parking and transportation information, and provides discount coupons.



DOWN YOUNG PHOTOGRAPHY

ing boards.) The boards of large BIDs include varied business interests, as well as a small number of elected and other local officials, sometimes without voting privileges. The average size of New York City large BID boards is 30 members and of other city boards is 35 members. Many other men and women sit on BID working committees. New York City BIDs have working committees on security that average ten members, marketing (nine members), retail promotions (11 members), and business recruitment (nine members).

In most cases, state law requires some form of vote by those affected, either before or after the city council passes an enabling ordinance. It may take months or occasionally years before consensus is reached in debates about whether to create a district; what its boundaries, goals, accountability, and representation in decision making should be; and how costs should be shared. However, as a business world intramural discussion, these debates are not a contest between the public and private sectors. City councils are inclined to accept the business-defined plan, if only because resident taxpayers are rarely called on to share the charges.

BID charges typically are included in the pass-through provisions of commercial leases. Philadelphia's Center City District collects about \$0.13 per square foot per year, a fairly typical charge, although the assessment formula commonly is expressed in terms of a property's assessed value. Large property owners bear a major share of the costs. But they tend to support BIDs because such organizations offer the only conceivable way to assure the maintenance of the neighborhood beyond their own properties.

To afford latitude to businesses and minimize the fear or reality of political interference, the management entity generally is a quasi-governmental body or a designated nonprofit corporation. In most cases, improvement districts are formed by existing downtown organizations. The downtown organization may take the concept only to the planning/negotiation stage or it may actually combine its own and the improvement district's board of directors and operate both under a single executive.

The growth of BIDs—there are about 1,000 in the United States and Canada—has swelled the ranks of professional downtown executives. The best are sometimes the objects of bidding wars between downtown districts. The meetings of the International Downtown Association, a Washington, D.C.-based professional group, serve as a marketplace for ideas and jobs.

Fighting Fear

Although CBDs generally are among the safest areas of large cities, these BIDs invest heavily in security and related programs in order to deal with the public's fear of crime in cities. They have used several approaches.

More Police. Some large city BID budgets pay for additional uniformed, armed policemen. Most such programs emphasize walking patrols.

New Techniques. Many BIDs measure and report on the city's performance in providing security. Some have sought improved police functioning by purchasing equipment, like drug surveillance cameras or bikes, that the city cannot afford. Philadelphia's Center City District, policed by two separate precincts, neither of which had the resources to concentrate on the special needs of a major commercial area, provided a facility that police share with CCD's unarmed, uniformed community service representatives (CSRs). Police welcomed the up-scale quarters and have come to see the CSRs as allies, not as "rent-a-cops," as they have often been portrayed elsewhere.

Unarmed, Uniformed Personnel. Efforts to provide a reassuring security presence do not always justify the costs. In Philadelphia, however, incident reports show that a force of identifiable personnel with radio access to police or other emergency services can be enormously helpful and create good will. The help that these personnel provide people who become lost or sick or who run out of gas, for example, earns the CSRs (and the downtown) much gratitude, special commendations, and good public relations.

Indirect Measures. People base their fears of downtown more on appearances than on actual experience. Litter, ugly security gates across storefronts, graffiti, neglected commercial facades, and vacant stores and buildings imply that the area is out of control. Anticrime initiatives by BIDs include investing in measures to correct such conditions. Streetscapes are redesigned and relighted. Promotions and entertainment are scheduled after work hours to induce word-of-mouth advertising about downtown's after-dark security.

Street People. Commercial areas attract panhandlers. Some BIDs use their security personnel to discourage aggressive panhandling. Others encourage contributions to shelter and alcohol and drug treatment programs while they discourage people from handing out money or food on the sidewalks. New York's Grand Central Partnership provides and improves shelter for homeless persons.

State Rules

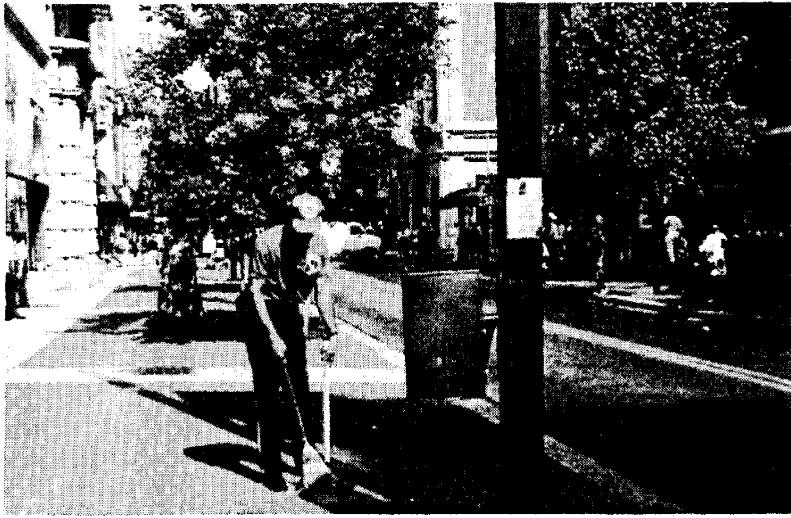
Behind every BID is a state law. A few states, including Ohio, still lack authorizing legislation. Various states enforce various restrictive conditions. New Jersey authorizes services, but not capital programs. New Hampshire closely restricts assessment formulas. Few states allow nonprofit corporations to administer districts. Indiana requires unreasonable tests to prove the support of property owners. Connecticut restricts the size of eligible municipalities. Pennsylvania does not allow localities the option of confining the assessment to commercial properties.

Despite its limitation on borrowing, the New Jersey law contains many strong features that ease the process of setting up BIDs and that minimize the potential for political interference in the operations of BIDs. In New Jersey, business leaders can organize a district without much trouble. They sometimes poll property owners, but a vote is not a requirement. The business community can dominate the board of directors, freely determine the size and composition of the board, and use a nonprofit corporation to run the BID. Any system of assessment that reasonably relates to the benefits received is allowable. Nonbenefiting properties, such as residential or industrial properties, may be excluded from the assessment, and tax-exempt properties may be included. Although the city council must approve the annual budget, BIDs need not be staffed by government employees, apply local bidding rules, nor subject their board members to state disclosure rules or restrictions on working with gov-

Every holiday season, the Downtown Seattle Association organizes a carousel offering free rides to children in the heart of downtown.



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CENTER CITY DISTRICT

Philadelphia's Center City District contracts with a private street cleaning service to supplement city street cleaning. A spinoff benefit: the presence of the sidewalk and street cleaning personnel from 8:00 a.m. to 4:40 p.m. and 10:30 p.m. to 7:00 a.m. has helped deter crime.

ernment agencies. Finally, the New Jersey law authorizes BIDs to offer a wide array of services and improvements.

State laws make a difference. Pennsylvania, with its restrictions, has fewer than a half dozen districts. Less populous New Jersey has more than 20. Few New Jersey BIDs took more than nine months to meet the legal tests and to convince business people and elected officials to support them. The five large-city BIDs surveyed averaged 16 months preparing for and securing approval of their ordinances. The New York City BIDs averaged 32 months.

The Houston Downtown Management Corporation and the city operate a cooperative trash removal program for downtown businesses that has improved general downtown cleanliness, while reducing trash removal costs for small business owners and enhancing security on the streets.



HOUSTON DOWNTOWN MANAGEMENT CORPORATION

Do They Work?

A number of problems or potential problems deserve mention. For example, the control of city councils over annual budgets makes political interference a constant possibility, though little has yet been reported. As more BID budgets top \$1 million or \$5 million, it would not be surprising if politicians sought to use BIDs to cut deals, fill jobs, or influence contracts outside the spotlight of public scrutiny.

Oversight of operations could be a problem for some BIDs. Most boards pick their members from a relatively small pool of volunteers. But even where city councils approve board members, meaningful accountability, checks and balances, and public scrutiny usually are absent. New Jersey requires that one board member also be an elected member of the city council, which improves communication and may have averted some mistakes. It is wise to include a five-year sunset provision in the legislation creating individual BIDs, which would offer cities and districts the opportunity to reconsider initial assumptions in light of actual performance.

BIDs often adopt programs that have worked for other BIDs. They would do better to invest more time in understanding conditions and in identifying the preferences of the rank-and-file business operators in their own districts.

Some observers fear that if downtown businesses no longer need to lobby for special services through the citywide budget process, there will not be enough taxpayer pressure on cities to spend for police or other essential services. Others observe that spending for downtowners does not benefit residents in general, and the poor in particular.

These complaints miss the point that the cleaning needs for downtowns are many times greater than for residential areas, because of high volumes of foot traffic and the downtown's need to compete with office parks and shopping centers where standards are high. Furthermore, a successful downtown produces economic benefits throughout the city. For example, Philadelphia's Center City area, occupying only 2 percent of the city's land, produces about one-third of the jobs and local revenues.

Do BIDs work? Large and small businesses vote with their checkbooks annually to continue and sometimes expand assessment-financed special services. The International Downtown Association knows of no city of any size in which a district has been discontinued. Business leaders have used them to make downtowns, if not perfect, at least demonstrably better. That, perhaps, is the key to their success. Business judgment is being applied to make business districts more profitable. ♦

Lawrence O. Houstoun, Jr., is principal of *The Atlantic Group*, an urban development consulting firm, located in Philadelphia and Cranbury, New Jersey.

121 MAIN STREET • ANNAPOLIS, MARYLAND 21401 • (410) 269-0033