

# LAKE ANNE VILLAGE CENTER COMMERCIAL REINVESTMENT PLAN

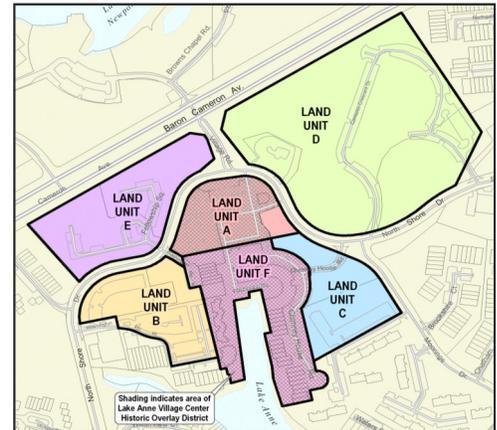


## EXECUTIVE SUMMARY

April 2011

**OVERVIEW** Fairfax County has long recognized the Lake Anne Village Center (LAVC) as an important community asset, both as a local gathering place and as an economically viable mixed-use residential and commercial center. The County has invested significant resources to ensure that the village center can maximize its potential, including the designation of the LAVC as a Commercial Revitalization Area (CRA) in 1998, the purchase of the Crescent Apartment Complex, and the adoption of a Comprehensive Plan Amendment in 2009 that encourages and guides future redevelopment of the property adjacent to Washington Plaza. In addition to County efforts, LAVC property owners, merchants and residents have initiated their own efforts to enhance the economic vitality of the village center and to protect those qualities that make it such a unique place.

Building upon the momentum generated by the amendment to the Comprehensive Plan for the Lake Anne Village, the Fairfax County Office of Community Revitalization and Reinvestment (OCCR) retained Alvarez & Marsal and The Eisen Group, to develop a Commercial Reinvestment Plan (CRP) for the non-residential uses within the LAVC. The CRP contains an assessment of current conditions affecting the non-residential uses, and provides short and long term strategies to stabilize and sustain current establishments and to attract viable and complementary new non-residential establishments to the LAVC. Implementation of the CRP is intended to sustain and increase the shorter-term viability of the LAVC as a mixed-use commercial center, and to facilitate the process of achieving the longer-term community goal of redeveloping the property adjacent to Washington Plaza with compatible mixed-use development. This brochure provides a summary of the report. The complete report can be found at <http://fcrevit.org/lakeanne/CRP.htm>



**BACKGROUND** The non-residential uses located within the LAVC Commercial Revitalization Area (CRA) constitute the primary study area of the report. The Fairfax County Comprehensive Plan divides the LAVC CRA into six land units comprising a total land area of approximately 40 acres. The primary focal point of the LAVC, as well as the CRP study, is the historic Washington Plaza contained in Land Unit F. The plaza is surrounded by a mix of uses, that include: high-rise residential condominiums; mixed-use condominium buildings with residential over retail and professional office; low-rise commercial office; a daycare center; a Reston Community Center facility; and the Washington Plaza Baptist Church. The majority of the property in Land Unit F, in addition to two-thirds of the parking lot in Land Unit A, is owned by the Lake Anne of Reston, a Condominium Association (LARCA).

**CURRENT CONDITIONS ASSESSMENT** The Current Conditions Assessment provides baseline data with respect to the organizational and assessment structure of the LARCA; property owner, business owner/operator and tenant issues and practices; the structure and functions of the existing Lake Anne Merchants' Committee; community preferences regarding the types of businesses sought after; and, market conditions related to operating businesses in the LAVC and how they compare to competing locations. The analysis integrates information and data acquired through non-residential surveys, interviews, site visits, and public workshops.

The assessment identifies both challenges and opportunities affecting the LAVC’s non-residential uses. The LAVC is considered a special place by many local residents and is regarded worldwide by planners, architects and others as one of the earliest examples of a master planned pedestrian-oriented mixed-use development that embodies the “live, work, play” environment that is so popular today. Its unique setting and architecture create a special ambiance, but they also present challenges for the non-residential entities in terms of current and future operations. The LAVC is less visible than nearby commercial centers in Reston, and does not have a sufficient concentration of commercial uses, putting it at a competitive disadvantage. Additionally, its buildings do not meet modern retailing standards for store sizes, unit depths, and storefronts, and will require reinvestment in terms of improved energy efficiency and maintenance. The current conditions assessment noted that the LAVC is sustained by a strong governance, management and stewardship; that potential sources of LARCA funds exist to establish a Commercial Management Program (CMP); and, that the LAVC has the unique opportunity to receive Historic Designation and related financial incentives.

Dispersed ownership and the lack of a central management organization appear to be the core issues for the LAVC’s advancing and progressing into the future. The current situation does not lend itself readily to creating a retail merchandising strategy that is needed for the LAVC to be successful. Additionally, the leasing approaches for filling non-residential units are not uniform. Other issues explored relative to the LAVC non-residential uses were a waning consumer market orientation, and issues important to business success such as operating expenses, proximity to the customer base, availability of parking, uniform hours of operation, and promotional activities. The primary recommendation is that an overall retail management and organizational structure should be developed for all non-residential uses in the LAVC. To accomplish this, a Memorandum of Understanding (MOU) that would provide for the centralization of the commercial management of non-residential operations, including outreach to attract complementary uses to locate on the LAVC, would need to be agreed to by the non-residential property owners and merchants. The implementation of this critical management structure will depend on the ability of the non-residential property owners and tenants to organize and forge an agreement among themselves.

The Current Conditions Assessment identifies six potential development concepts for the LAVC. Community preference is for a combination of concepts, but ranked highest is the concept that the LAVC should become a “Food and Dining” destination, supplemented by entertainment and the arts which builds upon the existing base of restaurants and food service, and creates a distinct competitive position in the local marketplace. Additional residential and consumer density will be necessary in order to provide the needed market support for the additional retail and service businesses envisioned. The preferred development concept for the LAVC serves as a basis for the strategies outlined in the CRP to reposition the market orientation and commercial identity of the LAVC. It also serves as a guide for desired leasing and tenant recruitment efforts in the shorter-term, and as a tool for linking existing uses to the future redevelopment of the LAVC according to the 2009 Comprehensive Plan amendment.

**COMMERCIAL REINVESTMENT PLAN (CRP) RECOMMENDATIONS** The CRP was informed by the operations and market analyses presented in the Current Conditions Assessment of the CRP. The CRP outlines an implementation approach that is intended to guide business development and stimulate growth in the LAVC. The CRP is organized around four functional areas that have been used in commercial revitalization programs across the country: administration and organization; marketing, events and promotions; physical improvements and design; and, business mix and economic restructuring. The CRP identifies Objectives, Challenges and Opportunities and provide specific Strategies and Actions to accomplish the Objective(s) of each Functional Area. A summary of the recommendations is provided in the inside pages of this brochure.

The LAVC is positioned for change. What that change will be will be determined by the commitment and actions of the property owners and the business operators. The consumer market and competition is growing. The time to implement a CRP that will sustain current uses and guide the revitalization of LAVC is now.

**For More Information, Contact:**

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# SUMMARY OF THE LAKE ANNE VILLAGE CENTER COMMERCIAL REINVESTMENT PLAN RECOMMENDATIONS

## ADMINISTRATION AND ORGANIZATION: management and leadership in the LAVC

### OBJECTIVE I: ESTABLISH LAVC ACTION

**Strategy 1** Organize property owners, businesses and other affected stakeholders to begin implementation of the CRP

### OBJECTIVE II: REDEFINE/MODIFY LARCA EXPENSES, BUDGET AND BYLAWS

**Strategy 1** Seek opportunities to share operating and maintenance costs with other users of Washington Plaza, including the Reston Association

**Strategy 2** Restructure/amend LARCA Bylaws to facilitate the creation of a Memorandum of Understanding (MOU) among all LAVC non-residential property owners to facilitate the CRP, including creation of a centralized Commercial Management Program (CMP) that addresses such things as a centralized management structure, standard hours of operation for commercial units, tenant use restrictions, storefront/window display guidelines, cost sharing arrangements, and controls for enforcement and structural modifications

**Strategy 3** Consider restructuring portions of the LARCA's operating budget to align with actions of the CRP; consider reallocating a portion of the reserve fund to initial start-up costs associated with the CMP and activities such as the creation of a new signage and wayfinding system for LAVC

**Strategy 4** Restructure/amend LARCA Bylaws, as necessary, to facilitate the enhanced use of the Washington Plaza for art installations, movie screenings and similar events

**Strategy 5** Consider amending the LARCA Bylaws to facilitate the purchase and sale of commercial condominium units and property to facilitate implementation of the CMP, as well as the redevelopment plan for the LAVC as set forth in the Comprehensive Plan

### OBJECTIVE III: CENTRALIZE COMMERCIAL MANAGEMENT AND OPERATIONS

**Strategy 1** Finalize and ratify the MOU discussed in Objective II, Strategy 2, above; adopt and fund CMP.

**Strategy 2** Implement the LAVC CMP; establish the LAVC CMP Advisory Board; evaluate success of CMP; modify as appropriate

### OBJECTIVE IV: ENGAGE LAVC PROPERTY OWNERS TO BE PART OF OR THE CATALYST FOR THE REDEVELOPMENT OF THE LAVC

**Strategy 1** Develop an action plan to position property owners to participate in a redevelopment plan for the LAVC as set forth in the Comprehensive Plan

## MARKETING, EVENTS AND PROMOTIONS: visibility and brand awareness of LAVC and its operators

### OBJECTIVE I: BUILD ON SUCCESS OF EXISTING LAVC EVENTS AND ACTIVITIES PROGRAMMING

**Strategy 1** Leverage existing events to further develop LAVC image as a Food Destination by actions such as restaurants opening for breakfast and/or lunch on days of events and by exploring opportunities to include the LAVC's food operators in major events such as Taste of Reston and Oktoberfest

**Strategy 2** Incorporate arts and cultural activities into broader events programs; develop a regular "Lake Anne Culture Walk" that combines the arts and cultural programming, and expand the RA film series, "Family Dive-In Movies" to include LAVC lakeside screenings

**Strategy 3** Develop new seasonal events focused on Lake Anne; develop a "Lake Anne Annual Volunteer Community Clean Up Day"; activate Lake Anne during the warmer months with non-motorized boating events; encourage visitation during the winter months by expanding existing holiday-themed events that could include ice skating, live entertainment, tree lighting, crafts, ice sculpture, and other family oriented activities, perhaps within an enclosed events structure.

### OBJECTIVE II: EXPAND THE LAVC IDENTITY TO A LARGER MARKET

**Strategy 1** Develop a print and electronic marketing campaign focused on the unique aspects of the LAVC, including the following characteristics: a rich architectural/design history; diversity of local/independent food offerings; integration of the arts into the community; and, a commitment to environmental sustainability.

### OBJECTIVE III: DEVELOP NEW PARTNERSHIPS TO LEVERAGE LARGER MARKETING INITIATIVES AND INCREASE THE LAVC CONSUMER BASE

**Strategy 1** Collaborate on cross-marketing efforts with owners and operators in the Reston Town Center

**Strategy 2** Solicit corporate sponsors for events programming and large-scale capital improvement projects

**Strategy 3** Leverage and improve linkages to local and regional transit systems, including way finding elements that direct Silver Line Metro riders to LAVC (e.g., kiosks, bus advertisement, etc.) and transit links between LAVC, Reston Town Center and downtown Herndon

## SUMMARY OF THE LAKE ANNE VILLAGE CENTER COMMERCIAL REINVESTMENT PLAN RECOMMENDATIONS

### PHYSICAL IMPROVEMENTS AND DESIGN: aesthetics, functionality, and long term environmental sustainability of the infrastructure and built environment

#### OBJECTIVE I: ESTABLISH LAVC AS A REGIONAL LEADER IN SUSTAINABLE DEVELOPMENT

- Strategy 1** Pursue geothermal technology, or other sustainable energy systems, as a potential replacement/expansion of the RELAC system
- Strategy 2** Improve energy efficiency of existing buildings through retrofitting of structural and mechanical systems; develop a database of green building products, landscaping materials, equipment, and preferred vendors; coordinate replacement of windows, storefronts, and doors for to negotiate better prices

#### OBJECTIVE II: IMPROVE EXTERNAL VISIBILITY AND INTERNAL NAVIGABILITY OF THE LAVC

- Strategy 1** Improve the visual identity of the LAVC from surrounding road networks and pedestrian paths; regularly monitor and clear brush from existing signs on Baron Cameron Avenue; install a new signage and internal wayfinding system that includes gateway signage, directional signage, light pole banners, and an updated business directory; consider installation of a sculpture specific to Lake Anne at the intersection of Baron Cameron Avenue and Village Road

#### OBJECTIVE III: IMPROVE PHYSICAL LAYOUT AND APPEARANCE OF COMMERCIAL SPACE IN EXISTING BUILDINGS

- Strategy 1** Assist merchants with storefront design and visual merchandising through storefront design guidelines; provide technical assessments of the appearance of individual storefronts and how to improve the attractiveness of exterior and interior merchandising displays
- Strategy 2** Expand available space in existing commercial units; monitor opportunities for LARCA, or another entity, to acquire vacant commercial spaces to create larger storefronts and retain/attract tenants that would contribute to the business mix in the LAVC; explore potential to add depth to the commercial units in the Chimney House building to make them more commercially viable

#### OBJECTIVE IV: DECIDE WHETHER TO PURSUE LISTING ON THE NATIONAL REGISTER OF HISTORIC PLACES

- Strategy 1** Evaluate the impact on business development and future reinvestment that would result from listing the LAVC on the National Register of Historic Places

### BUSINESS MIX AND ECONOMIC RESTRUCTURING: a common vision for the market positioning of the LAVC, and for retention/

#### OBJECTIVE I: CENTRALIZE INFORMATION FOR DISSEMINATION TO PROSPECTIVE BUSINESSES AND INVESTORS

- Strategy 1** Refine content on “Lake Anne Plaza” website; supplement the information to include a brief demographic and market conditions summary that includes information that would be of interest to businesses that are considering locating in the LAVC
- Strategy 2** Develop and manage a centralized database of existing commercial spaces in the LAVC to include information on ownership and owner contact information, individual unit sizes, current assessed values, tenant/use, recent property sale transactions, as well as lease terms and rental information. This information can also be used for the creation and updating of LAVC marketing materials, as well as for the advance notification of potential vacancies/lease expirations.

#### OBJECTIVE II: SUPPLEMENT EXISTING BUSINESS MIX TO BETTER SERVE EXISTING MARKETS AND ATTRACT NEW MARKETS

- Strategy 1** Adopt a business development/commercial repositioning strategy on the types of businesses that will strengthen the current mix of uses, and position the LAVC to maintain an appropriate balance of uses as the market evolves.
- Strategy 2** Initiate business/tenant recruitment efforts based on business development/commercial repositioning strategy

