

Old Town North Small Area Plan Update (OTN SAP Update)

Economic Development Subcommittee Meeting #1

**Wednesday, February 10, 2016, 1:00 – 3:00 PM
Alexandria Economic Development Partnership
625 N. Washington Street, #400**

DRAFT MEETING NOTES (02.19.2016 DRAFT)

OTN SAP Subcommittee Members

- Chair David Speck
- Krista DiIaconi
- Stephen Goodman
- Bruce Machanic
- Carlos Mejias
- Jeff Strup

ECONOMIC DEVELOPMENT

The Agenda for this first meeting of the OTN Economic Development Subcommittee included two parts:

- OTN Retail Analysis/Strategy Discussion with plans for a follow-up Panel Discussion of Retail/Commercial Brokers
- Potential OTN Market and Feasibility Study Discussion

RETAIL ANALYSIS DISCUSSION

To begin the Retail Analysis/Strategy discussion at today's meeting, Alexandria Economic Development Partnership (AEDP) staff provided a [presentation](#) which identified a catchment area for the OTN retail analysis/study. The catchment area extends beyond the OTN boundaries to include: OTN, Old Town, Braddock, Del Ray and Rosemont. AEDP reviewed demographic information for the catchment area, including population, median household size, age, education, median income and employment. AEDP also presented the existing land use mix data prepared by the Planning and Zoning Department for OTN with a comparison to the land use mix for OTN in 1992. Traffic counts were also provided for key blocks by AEDP and Planning and Zoning prepared a map of key area transit routes which was shared. Also, AEDP provided preliminary insights into the retail market for OTN relative to what is likely to work and what is likely not to work. AEDP further noted that it will be undertaking a City-wide study of the commercial market over the next several months due to an increased interest in converting some buildings from office to residential. The Subcommittee was then asked to respond to the information in the presentation. The public was also invited to make comments.

Comment: There is a distinct difference between a single person household and a family household. Will that be part of the retail analysis? **Response:** We can explore the data further to identify the number of single person households in the catchment area.

Comment: Twenty-five (25) to 65 is a big age group; shouldn't it be broken down into smaller ranges? **Response:** The 25 to 65 range is meant to show the age group with the biggest purchasing power; however, that range can be further broken down.

Question: Can we see how demographics in Alexandria compare to nationwide data? **Response:** Yes; we can provide that information; however, we do know that Alexandria has the fastest growing population under 35.

Question: In the employment by catchment area chart, does the green bar indicate unemployed? **Response:** Yes.

Question: The footnote under the traffic counts table "VDOT 2014 Traffic Counts", does that mean those numbers are one or two years old? **Response:** Those counts are averaged for 2014 and are the most current.

Comment: Traffic counts are shown for Washington Street; but, is Washington Street a retail focus area in the OTN Small Area Plan? **Response:** Small portions of Washington Street are identified as retail focus areas in the Small Area Plan, namely the frontage of the Saul Center and the southeast and northeast corners of Washington and Montgomery Streets. However, the traffic counts will help inform if drivers will be willing to make a detour from Washington Street to the other retail focus areas east of Washington Street.

Question: How does traffic on Washington Street compare to Route 1? **Response:** Washington Street has a higher traffic volume.

Question: The study seems oriented towards retail. Can we get a snapshot of the land use mix to make sure we have the right balance? **Response:** The City is also at this time undertaking a fiscal analysis study of tax revenue by real estate use. Currently the ranking is hotel followed by retail, office, multi-family residential then single family residential.

Question: What is the biggest hindrance for growth? **Response:** Retail needs population and currently the daytime population in OTN is too low. Accessibility is also a factor.

Comment: One of the biggest issues for the office spaces along the Waterfront in OTN is that people are not aware that they exist. Not many people drive along N Fairfax Street.

Comment: Office conversion to residential leads to a large drop in business because there are not as many people per square foot in residential space compared to office space.

Question: Office developers are reluctant to move to an area without sufficient amenities and retail developers are reluctant if the population is not sufficient. How do we bring retail businesses before people? **Response:** When it comes to retail, the use is not permanent, but the

space is. Retail space can build awareness that will in turn attract residents to move in. However, incentivizing retail is not a good strategy because it can attract retailers with good intentions but less experience.

Comment: A lot of the time retailers ask for the visibility of Washington Street but the walkability of King Street. OTN is a very walkable community. Educational walking tours of OTN can help bring awareness to retailers.

Comment: We need to look at the OTN area more broadly and identify particular retail uses that do not exist today.

Question: Explore curated retail to meet the needs and create a balance in uses. Can we introduce larger areas to curate and identify certain retail uses? **Response:** Void analyses are a tool that can help determine from consumers what they believe is missing.

Comment: AEDP asked retailers in OTN about their strength and they mentioned that parking is a lot easier than King Street. We can identify retail uses and services that would not be willing to fight for parking.

Next Proposed Step in Retail Analysis/Study

As a next step in this process, staff from AEDP and Planning and Zoning proposed a Panel Discussion, hosted by the Subcommittee and Advisory Group, of retail brokers to address given questions about the market here based on the data provided and the brokers' familiarity with the market within the catchment Area.

In regards to the Panel Discussion, the Subcommittee had these comments, with some also coming from the public:

Question: Retail usually follows office and residential uses. It is important to have representatives from both the retail and commercial side. Will the panel consist of retailers or brokers? **Response:** Brokers.

Question: Would the retail brokers have knowledge of the commercial market? **Response:** No, retail brokers focus on retail only.

Question: The idea of bringing a panel is useful. Can the panel include a combination of commercial and retail? **Response:** Yes.

Comment: OTN's identity is perceived as residential. The area is not close to the Metro, so accessibility is important.

Comment: For many property owners, there is not an incentive to invest in office and they may find it more beneficial to sell their properties to residential developers.

Next Steps: The Subcommittee agreed to the Panel Discussion and decided to hold the Panel Discussion on April 20, in the afternoon with the time and the location to be decided. The

afternoon was identified as a good time to draw brokers as panelists and guests. AEDP will organize the panel of retail brokers with some commercial brokers included per the request of the Subcommittee. Notification of the date, time and location will be confirmed. The Panel Discussion will be open to the public as all meetings of the Advisory Group are open to the public.

Public Comments: The public comments are intertwined in the list of comments above.

POTENTIAL MARKET AND FEASIBILITY STUDY DISCUSSION

It was noted that NRG does not have a development partner at this time; however, NRG does have representation on the OTN SAP Advisory Group. In the absence of a development partner, the planning for the NRG site, under the OTN SAP Update planning process, will be particularly high level, focusing primarily on principles and concepts. To generate ideas at that broader level, the City would like to explore a market analysis to help identify a signature/innovative use which would fit into a mixed use context for that area. With that, the Subcommittee was asked to suggest any ideas they may have for signature/innovative uses that could be studied as part of a mixed use environment, recognizing that this is something conceptual that would need to be considered by NRG once it does have a development partner onboard.

Comment: A University campus would be a good use because it introduces daytime and nighttime population.

Comment: The idea of a University was noted in the [NOTICE Survey](#) dated September – October 2014. Many people also mentioned accessibility, mixed-use with a focus on open space along the Waterfront, and an innovative use as key themes for redevelopment of this site.

Comment: If we anticipate a signature use then accessibility is very important to absorb a big success.

Question: Are we still considering a light rail connection? **Response:** A light rail connection was mentioned during the Charrette and the City will be studying the feasibility of a bicycle/pedestrian trail, or rubber wheel or light rail connection in the area of the rail tracks as part of the OTN SAP planning process under Phase II (Study) and Phase III (Testing).

Comment: A possible institutional use was discussed during the Charrette as well as a possible theater and/or another art/cultural use. The idea of having a demonstration site for a carbon neutral building as an educational opportunity was also one of the ideas that came out of the Charrette.

Comment: The concern with institutional uses is that they do not generate tax revenue for the City. **Response:** They generally make up for tax revenue by generation of people who spend money in the area when they visit. If we consider a university or museum it has to be a world class institution to attract enough people.

Comment: There are examples of successful public private partnerships in the region such as the area around the Ballpark.

Comment: We can also consider creative incubator spaces for the arts and small businesses.

Comment: Rensselaer Polytechnic Institute has a Tech Park that acts as an incubator space for professors and students to start businesses.

Comment: Institutional organizations would be competing with developers who will be designing for the highest FAR. We cannot spend time studying something that is not economically feasible. **Response:** We can first find a use that would be feasible and that therefore might be attractive to the owner and its developer partner.

Comment: So far for signature uses we have heard art/museum/theatre uses, environmental innovation, education and incubator spaces.

Question: Is there an opportunity to have this site serve to support uses in other parts of the City? **Comment:** There are people who would not want OTN to be a drop off/transfer point.

Comment: Consider a startup business center with subsidies to attract businesses.

Comment: Incubator spaces can also include an art component.

Comment: Consider combining a theater with after school programs . . . perhaps this is the location for a multi-purpose center.

Comment: University of Virginia in Charlottesville has a program for green design and they have ties with the art community in Arlington.

Comment: Virginia Tech also did a mock-up study for redevelopment opportunities in OTN.

Comment: Yes; the City has that study.

Comment: The Art League will need more space in the future. We need to look at potential site for a bigger space for the Art League with an art/sculpture garden.

Next Steps: The City will develop a scoping document for a possible market feasibility study that can explore these ideas and other possible signature/innovative uses. The Subcommittee will be kept informed of the progress.

Public Comments: The public comments are intertwined in the list of comments above.

Next Steps for the OTN SAP Economic Development Subcommittee: The OTN Economic Development Subcommittee will **report out to the full OTN SAP Advisory Group at the full Advisory Group's next meeting on Thursday, March 24th, 7:00 pm.** The Next Meeting of the Subcommittee will be the Panel Discussion for the Retail Analysis/Strategy Study. There was consensus to hold the **Panel Discussion on Wednesday, April 20th with a preference for the afternoon** due to the desire to attract brokers as panelists and as members of the audience. All Advisory Group meetings are open to the public.