

### 2/11/23 UPDATE

Thank you for staying in touch and supporting the Rose Hill Coalition! It is your individual actions that are the "Coalition".

Having a vision... We must remain optimistic that Rose Hill Plaza will be a success story for our community, as well as other similar communities throughout Virginia (and beyond)! What does that look like? How do we make it happen? We must start thinking about the future now.

We also need you to continue spreading the word. We are finding that many in our community are still unaware of Combined Properties' (CP) plans to replace Rose Hill Plaza with 400 residential units and reduce the retail footprint to a mere 56,000 sq (including greenspace). When we inform those people, they are as outraged as you are.

We need as many supporters as possible if we are to have a chance in succeeding in saving Rose Hill Plaza. The Coalition refuses to accept that the County has already rubberstamped their approval of CP's nomination that will lead to a change of zoning from commercial retail to residential and retail. Giving up your voice now is the same as saying you don't vote because it won't make a difference. Don't believe that fallacy.

## What's Next

The next step for the Rose Hill Nomination is the **Planning Commission "Workshop"** where the Combined Properties will make a formal presentation and the public can provide comments. Public comments (aka "testimony") can be provided in person or by written statement (email or mail), telephone, or video.

See our webpage <u>Take Action Now!</u> for the many ways you can share your comments before and during the Workshop.

# The Planning Commission Public Workshop will be held on

Thursday, March 23, 2023

## The Nomination Process

To view CP's formal application for Nomination Number CPN22-LE-001, go to Combined Properties SSPA Application (PDF).

The application also includes their "SSPA Narrative Statement of Justification", which states, "...the Property's existing commercial leases are scheduled to lapse in 2027, which has been strategically timed with the desired start date for construction of the proposed development for the Summer of 2027." CP also predicts that "If the Property is not accepted into this cycle's SSPA process, the Property risks long-term vacancies until 2035 which is detrimental to the health of the Property and the neighborhood."

Note: Department of Planning and Development (DPD) staff hosted a series of instructional "Lunch and Learn" meetings September 2022, to explain the nominating process. A video recording is available. We have asked the County to hold more instructional meetings for the public at convenient times and locations.

For more information on the nomination process, you can visit the County website and/or the Rose Hill Coalition website. (Warning, the process is not intuitive and although the County is trying to improve their website, it has a lot to be desired.)



### What Happened on January 23

As you may know, ~200 residents showed up at the January 23 Community Engagement Meeting (see video) to say loud and clear that they do not support Combined Properties nomination for Rose Hill Plaza. Franconia District Supervisor Rodney Lusk reiterated at the meeting that no decision has been made. That's technically true. However...

What is true is that in his February 3, 2023, "Lusk Report" to his constituents, Supervisor Lusk made no mention of the Engagement Meeting and provided no land use updates. (Ironically, he did include information about dredging Lake Accotink in Braddock District.)

He did write that his January 28, Franconia District Open House "was a tremendous success! Over 50 residents visited the Franconia Governmental Center to hear from Chairman Jeff McKay, Captain Lieb, the Springfield Art Guild, and myself about the latest updates impacting our community." No confirmation on whether that Open House update included the Rose Hill nomination.



### The Future of Rose Hill Plaza

The future of Rose Hill Plaza is in your hands just as much as it is in the hands of Combined Properties (CP) and Fairfax County.

Most residents who live within a three mile radius appear to strongly support the Plaza as both a convenient and critical neighborhood resource. Surprisingly, that circle includes residents from Penn Daw near Route 1. (Note that Combined Properties also incrementally shut down that

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shopping center and replaced it with residential and limited retail. So far, all the small retail space and many residential rental units have not been leased.)

In 2022, Rose Hill Plaza supported 27 retail stores and restaurants. In 2023 (as of 2/10), two of those businesses closed when their leases expired due to increased rent. CP still promotes the plaza online as:

- located in neighborhood with dense residential development,
- featuring several destination tenants offering 'one stop' shopping, and
- located in affluent Fairfax County that has a household median income of \$124,831 and ranks as the 3rd wealthiest county in the U.S. as published by the Census Bureau (2019)

CP's redevelopment of Rose Hill Plaza proposes the following:

- 56,000 sf of retail, including green space\*
- ~400 units housed within 3- and 6-story structures
- Covered parking garage for residents, visitors, and retail customers
- Open parking for retail customers
- Anchor grocery store (smaller footprint than the current Safeway)

\*Currently 154,000 square feet. Was reduced to 75,000 in CP's first plan (May 2022) and then reduced further to 56,000 square feet in their revised plan (October 2022)



### Is "Mixed Use" the Answer?

We must ask the question of the current and future success for mixed-use development. It sounds good and may work well in some places, but is it practical and applicable everywhere?

What was considered mixed use in the past? A small shopping center within a residential community that provided both convenient and essential services. Now mixed use is defined as high-density residential with minimal retail which requires the local community to drive further for those essential services because they are no longer convenient. The new vision for mixed use also seems to *contradict* the move toward walkable communities and reducing our dependance on cars. (Note for planners, this is not a high-density city and people are not going to give up their cars. Sorry to break the news.)



## My Demise Has Been Greatly Exaggerated

Despite all predictions, brick and mortar is the still the dominant footprint and will continue to remain so. Even the large online retailers are acknowledging the distinct advantages of in-person shopping. In 2017, Amazon purchased Whole Foods and in 2020 they launched their own grocery store, Amazon Fresh. The opening of the Amazon Fresh in Franconia was greatly lauded by our local representatives in May 2021.

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Left: Chairman Jeff McKay, Delegate Mark Sickles, and Franconia Supervisor Rodney Lusk at the June 10, 2021, opening of the first east coast Amazon Fresh in Franconia.

Many successful online retailers have established brick and mortar stores, including Warby Parker which now has 160 eyeglass stores across the U.S. and Canada.

According to an article by NBC News:

Despite the full reopening of the economy... "Online sales now make up 14 percent of retail sales overall, and are expected to top \$1 trillion this year, compared to just over \$760 billion in 2020, according to the Adobe Digital Economy Index.

Still, brick-and-mortar remains the most powerful part of the equation. A recent report from Deloitte Insight found that 55 percent of shoppers who began their product search online made the purchase in a store. That trend is fueling a growing recognition that the combination of stores and websites produces the biggest payoff.

"Retail was always part of the strategy," said Ariel Kaye, founder and CEO of Parachute Home, which began in 2014 as a direct-to-consumer company selling bedding products, and grew into a high-end boutique retailer selling a curated collection of furniture, mattresses and home goods. "Customers want to see and touch and feel products in person, and we knew there was an opportunity to improve and think about the retail shopping experience differently." (April 7, 2022, NBC News, <a href="https://www.nbcnews.com/business/online-brands-open-stores-suburbs-rcna23030">https://www.nbcnews.com/business/online-brands-open-stores-suburbs-rcna23030</a>)

According to ISCC\*, store closings by national chains drove home the vital place of small businesses in commercial real estate.

"The economic resurgence also has led to a rise in formation of small businesses. Financial software colossus Intuit forecast in its 2021 New Business Insights report that about 17 million small businesses will form this year. While that's encouraging, entrepreneurs face the same challenges they always have, and limited understanding of the actual costs of launching in a physical space is among the greatest." (https://www.icsc.com/news-and-views/icsc-exchange/post-pandemic-permanent-changes-in-landlord-small-business-relationship)

\*ICSC is the member organization for the advancement of the Marketplaces Industry, made up of shopping centers, malls and main streets, and the commerce they drive and the communities they create.

# We Need More Housing

This declaration is a favorite of commercial real estate developers and shows their attempt to spin, in their favor, the actual need for "affordable" housing.

Yes, we absolutely need more affordable housing! The cost of buying or renting a home is so high in Fairfax County that many who work here cannot also live here. The County describes affordable housing as having "enough income to pay your housing expenses and still have enough money left over to provide for your basic needs like food, clothing and medical care."

But how many commercial real estate developers are interested in offering *affordable* housing? Currently, Fairfax County requires new construction to include only 6% of affordable housing units in their plans. Combined Properties was happy to say at the January 23 Community Engagement meeting that they will meet this *minimum requirement*.

In fact, it is Fairfax County that is building new affordable housing.

"Within the past four years, Fairfax County has quickly risen to be a leading producer of affordable housing in the Washington, D.C. area with a pipeline of more than 3,000 units of committed affordable housing in various stages of development." (November 2022,

https://www.fairfaxcounty.gov/housing/news/2022/affordable-homes-add-value-to-fairfax-county)

Do we really need more standard rental housing? Take a look at the Rose Hill Apartments immediately behind Rose Hill Plaza, which were built in the 1950s (and since renovated). Currently, they have 58 unoccupied units, ranging from one to three bedrooms. A one bedroom, one bath rents for \$1,709 plus utilities. A two-bedroom, one bath rents for \$2,026. (No price is currently listed for their three-bed, two bath apartments.) And they are offering one-month's free rent.



### Let's Get Real CP

Combined Properties has consistently declined to say what the range of rents (or Class) would be for the 400 new units they propose to build at Rose Hill.

So, for a possible comparison, let's look at their new South Alex (formerly Penn Daw) 400 Class-A apartment units which opened in 2022. When construction began in 2018, it was promoted as a \$135 million, 502,000 sf mixed-use development. A 1 bed/1 bath (672 sq ft) rents for \$2,086 - \$2,915\*. A 2 bed/2 bath (1,265 sq ft) rents for \$3,399 - \$4,332\*. All units below the \$2,690 price point are filled. Above that price, approximately 155 units are still available. They also have a special: Up to 1 month free on all units if moved in by 3/31/2023. In case you were wondering, utilities, parking, and "valet trash" are extra. However, they do have a nice range of amenities. You're welcome for the free advertising.

\*The asterisk means "price subject to change". That is, they can raise the rent when your short-term lease expires. (So much better than those long-term retail leases.)

Retail at South Alex? They advertise 45,000 square feet of small shop retail anchored by a 20,000 sf national "Specialty Grocer" (aka ALDI). The Aldi has not yet opened, and all other retail space is still unfilled. Their website provides 2021 demographics that estimated an average income ranging from a radius of 1 mile - \$138,389 to 3 miles - \$166,579 to 5 miles - \$147,514.

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Forgot to mention, no mention of affordable housing units at South Alex so we will have to research that some more.



## Your Feedback

Please share what steps you are taking to make your voice heard on this issue. It is difficult to determine community interest and response other than being cc'd on emails (100+) to our representatives or via attendance at public meetings (200+).



### Social Media

Maybe this is a no brainer... Would you like the Rose Hill Coalition to engage with the community through social media? Or are emails and the website sufficient? Note that our resources are limited, so adding more work needs to be offset with significant gains. Help with this effort is also needed. Email your thoughts and offers to assist to stopzoning@rosehillcoalition.org.



### Coalition Website

We update our website regularly as needed and as is possible. The latest update was 2/11/23. We continue to rework it to make it easier to read and navigate, as well as clarify the nomination process, the players involved, and how you can personally take action. This is a moving target and has a steep learning curve. If you have any suggestions (general or specific) on how to improve the website, we would love to hear from you. Kudos are appreciated as well!

#### IN THE NEWS

#### New Figures Show Northern Virginia Losing **Population**

In a study published by The Weldon Cooper Center for Public Service at the University of Virginia, "estimates show those population losses accelerating. The localities losing population are Alexandria, Fairfax County, Fairfax city, Falls Church and Manassas – all except Manassas are in what might be considered the "inner ring" of Northern Virginia." (Cardinal News)

#### Chairman McKay discusses **County** Issues

Watch the February 1, 2023, interview on YouTube.

As Chairman, Jeff McKay represents Fairfax County, Virginia's 1.2 million residents. He is also Chair of the Dulles Corridor Advisory Committee, serves on the Northern Virginia Transportation Authority, Northern Virginia Transportation Commission, and the Metropolitan Washington Council of Governments. He is on the Board of Directors for the Virginia Association of Counties, where he is the immediate past president. He is also the former Supervisor for Lee District (now Franconia).

#### Regional Fair Housing Plan Released

2/3/23: The Metropolitan Washington Council of Governments released their "Regional Fair Housing Plan" to shape the future of housing in the region. The plan identifies actions, both for Fairfax County and the Washington, D.C. region to:

- Increase access to housing,
- Increase access to all neighborhoods,
- Increase fair housing enforcement,
- Remove barriers to housing choice,
- Increase housing choice for persons with disabilities.

Review the Regional Fair Housing Plan at: <a href="www.mwcog.org/fairhousing">www.mwcog.org/fairhousing</a>. All comments on the plan can be sent to <a href="fairhousing@mwcog.org">fairhousing@mwcog.org</a> or by voicemail at 202-962-3794 or TDD at 202-962-3213. Comments can be submitted by mail at MWCOG, 777 N. Capitol Street, NE, Suite 300, Washington D.C. 20002, Attn: Fair Housing.

#### Fairfax County Public Schools Strategic Plan



Fairfax County Public Schools is inviting the community to engage in building our shared future. Learn more about the strategic planning process on their <u>website</u> and contribute to the conversation by answering survey questions. Feedback received will be used to inform the strategic planning process. All feedback received is anonymous.

"What is the ONE promise our school division should make and keep regarding learning, growth, and success for every student?"

Provide your feedback and help shape the future of FCPS for the next few years at <a href="https://bit.ly/strategicplanfcps">https://bit.ly/strategicplanfcps</a>.

# Fairfax County First **Transportation Plan** to Include Cutting Greenhouse Gas Emissions

2/3/23: However, "There are 25 projects that could be exempted from the emission standards because they are already funded or under construction. Those include the Richmond Highway Bus Rapid Transit system, an I-495 overpass at Tysons Corner Center, and the \$237 million Soapstone Connector." (FFXNow)

Thank you and stay in touch!

