

# ASF | ARLINGTONIANS FOR OUR SUSTAINABLE FUTURE



Bonus Density for Benefits  
Planning Commission Review Pen Place  
April 4, 2022

\* Denotes update from slide deck submitted 4/1

*By 2045, Arlington said it would add 63,000 residents –  
Charlottesville and Culpeper total 66,0000*



Today, these three jurisdictions have:

- 25 Schools
- 33 Parks
- 5 Libraries
- 5 Police Stations
- 11 bus routes, a trolley line, and 2 train stations

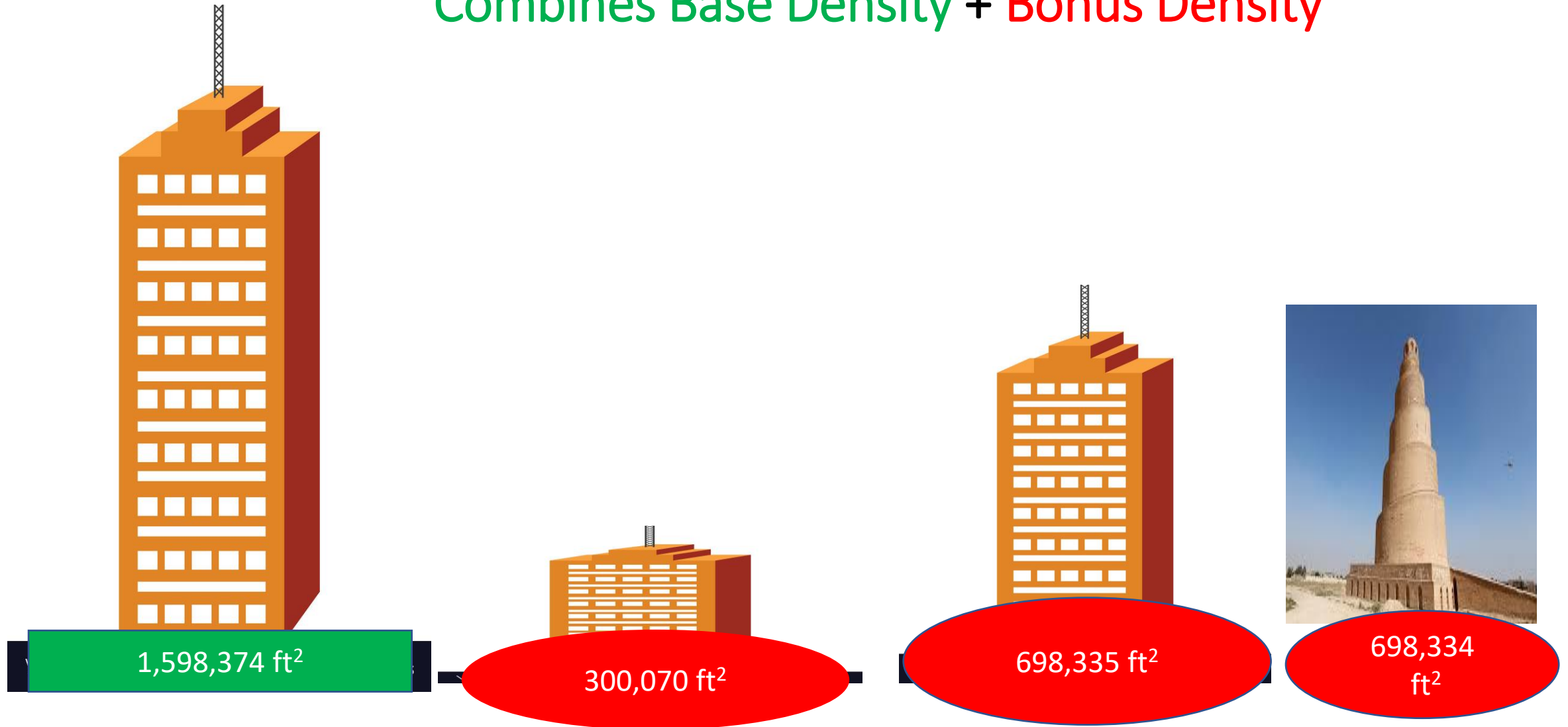
*Who will pay for this?  
Where will it fit?  
When will we plan it?*

# PenPlace -- Amazon Wants Whopping Amount of Bonus Density (BD)

- Chrysler Building 1,119,000 ft<sup>2</sup>
- Amazon BD 1,696,471 ft<sup>2</sup>
- That's 1.5 Chrysler Buildings in bonus density, well over half the entire project size at Pen Place !!
- PC on April 4 reviews LEED bonus density credits (worth 300k ft<sup>2</sup> of BD) and community benefits for the remaining 1,396,671 ft<sup>2</sup>
- Is it a fair deal?



PenPlace is a Dense Place: 3,295,115 ft<sup>2</sup> on 12.5 acres  
Equal to 1/5 total office space built in Arl. from 1960-82  
Combines Base Density + Bonus Density



# Density Derived from Transfer of Dev. Rights (B), Hotel Conversion (C), Sustainability (E), & Community Benefits (F)

| A<br><b>Total Density Proposed by Applicant</b> | B<br><b>2013 County Board approved density</b>              | C<br><b>Density gained by conversion from hotel to commercial use (300 + 299 units from the Marriott)</b> | D<br><b>Total Base Density (Pentagon City PDSP)</b> | E<br><b>Density requested to be earned through the GBI</b> | F<br><b>Remaining Density to be earned through ACZO Sec. 15.5.9</b> |
|---|---|---|---|--|---|
| 3,295,115<br>(Sq. ft. of GFA)                   | 1,164,099 Sq. ft. of office and retail GFA; 300 hotel units | 434,275<br>(Sq. ft. of GFA)   | 1,598,374<br>(Sq. ft. of GFA)                       | 300,070<br>(Sq. ft. of GFA)                                | 1,396,671<br>(Sq. ft. of GFA)                                       |

Amazon *also* wants to exclude almost 300,000 ft<sup>2</sup> from the total project! (exclusion was revealed only March 28, and as a much higher number, almost 1 million)\*

# PenPlace Community Benefits – Flawed Process

- Opaque site planning didn't reveal community benefits until February 10, 2022; AHIF number only revealed April 1
- BONUS DENSITY was omitted or distorted in community and commission meetings; discussion of benefits has focused on a 26,500ft<sup>2</sup> high school (compare it to 1,396,671 ft<sup>2</sup> of bonus density, or 50 high schools)
- Residents uninformed of bonus density dollar value and value of “reciprocal” benefits
- Public access, underground utilities, commercial bike dock are not exclusively public benefits; helix access 2 days per month
- Request to exclude 1m ft<sup>2</sup> first dropped on March 28, was amended to 300,000ft April 1! Community unable to react, low trust in the figures!

**Any way you look at this, in square feet, in dollar terms, PenPlace is not a fair deal for Arlington residents**

# PenPlace – Arlington Board to Vote in April on Community Benefits to Compensate 1.396 million ft<sup>2</sup> BD

Except for AHIF amount, we don't have the project values, so ASF estimates the community benefits as follows:

|   |                          |
|---|--------------------------|
| Unspecified donation* to AHIF                                     | 30.0 million *           |
| -- Arlington Community HS (+ 50 pkg. spots)                       | 12.0 million             |
| -- Bike lanes, path thru park, landscaping, underground utilities | 8.0 million              |
| -- Child care center  | 6.0 million              |
| -- Pen Park   | 9.5 million              |
| -- Bus shelter, bike dock, TDM, traffic light                     | 10.0 million             |
| <b>TOTAL COMMUNITY BENEFITS</b>                                   | <b>\$ 75.5 million *</b> |

# Three Scenarios - Arlington Leaves \$379.5 m - \$1.070 bn on the Table\*

## Pricing PenPlace Square Footage:

- A building in Shirlington sold in 2020 for \$326/ft<sup>2</sup>
- A NYC commercial appraiser suggested \$350/sf<sup>2</sup> for HQ2 complex
- Wash Bus Journal (Jan 2022) reported residential bldg in Crystal City was \$820/ft<sup>2</sup>



PenPlace BD 1.396 msf @ **Low end of \$326/ft<sup>2</sup>** = \$ 455.0 m

PenPlace BD 1.396 MSF @ **Med level of \$350/ft<sup>2</sup>** = \$ 488.6 m

PenPlace BD 1.396 msf @ **High end of \$820/ft<sup>2</sup>** = \$1,144 m

**Amazon will provide community benefits of \$75.5 million; but the bonus density is worth \$455 million to \$1.144 billion! \***

**Amazon needs to commit \$379.5 million to \$1.070 billion more \***



# Getting Our Money's Worth – Ideas for additional Amazon Benefits to community of \$413.1 m\*:

- \$92 million for new Pentagon City Elem. School, community center, and public library
- \$72 million to acquire 1/2 acre of RiverHouse land and convert to public park
- \$65 million to build/equip a rapid ferry service to PG County (at new VT campus)
- \$40 million endowment to extend Casey Tree Foundation into Arlington
- \$35 million - new homeownership programs, land trusts, and co-op financing to enable lower-income (50-70% AMI) home ownership
- \$33.5 million for scholarships to Virginia colleges/universities for current ARL students at 30-50% of AMI
- \$30 million up for stormwater mitigation measures in Crystal City/National Landing
- \$30 million for park/rec needs in Aurora Highlands/Crystal City
- \$15 million for a shuttle service for ACHS to other parts of Arlington (10 yrs)
- \$600,000 to study and implement green building practices in Arlington

# We Can Do Better – PenPlace and Beyond

- Amazon's 2022 market capitalization is \$1.677 trillion.
- Arlington County FY 2022 budget was \$1.4 billion, 1/1200<sup>th</sup>
- Why should Arlington taxpayers subsidize Amazon while leaving this area without a community center or a new park of its own?
- PenPlace and Pentagon City Sector processes are creating dire needs for parks, schools, sewers, roads, libraries, fire stations, etc. The County should finance these capital expenses up front AND require substantially more community benefits before approving developer-requested GLUP/zoning/bonus density that unlocks population influx over and above the 63,000 planned

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