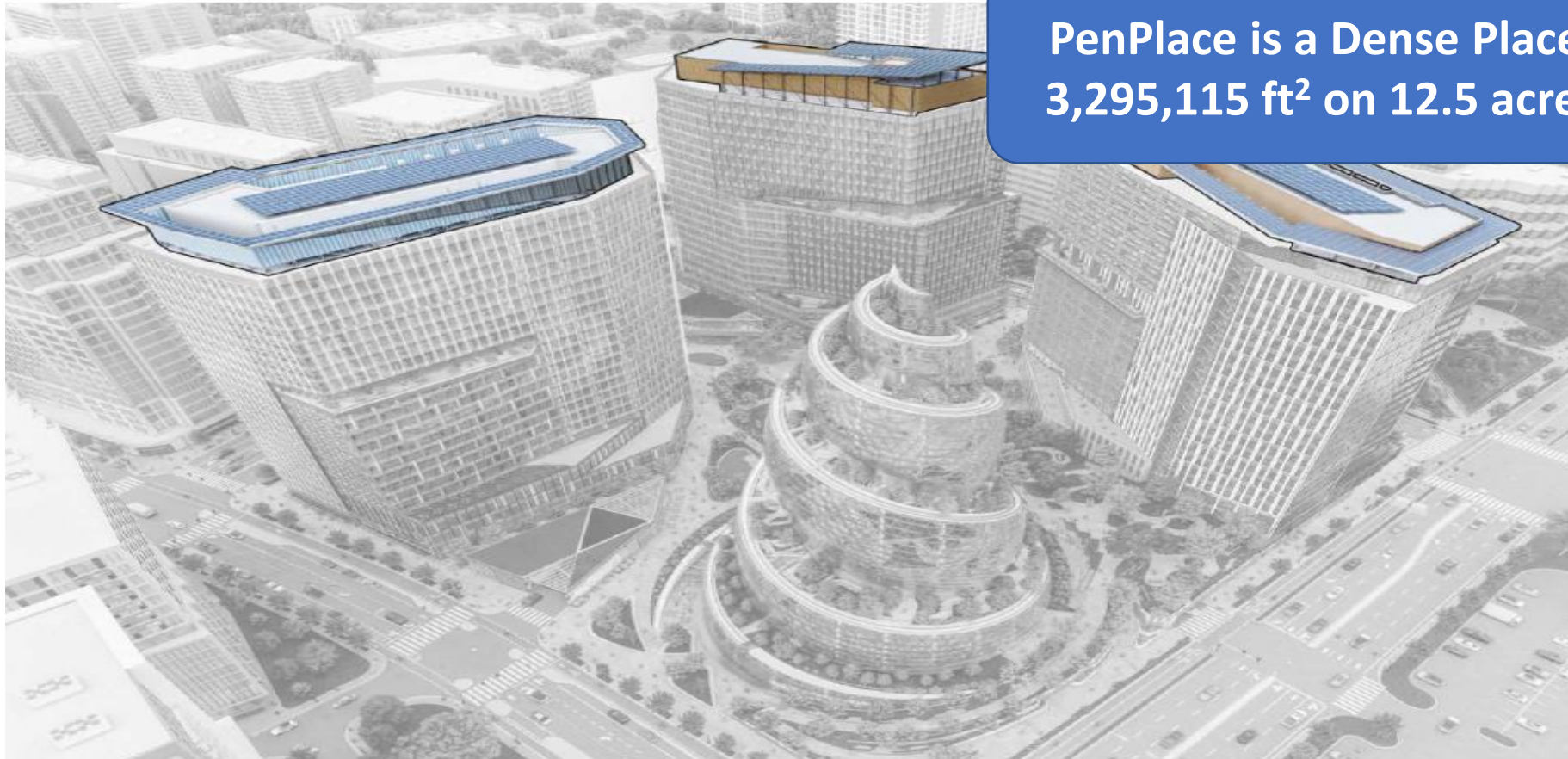


ASF

ARLINGTONIANS FOR OUR SUSTAINABLE FUTURE



PenPlace is a Dense Place:
3,295,115 ft² on 12.5 acres

Pen Place Bonus Density and Community Benefits
Arlington County Board Review April 23, 2022

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



Today, these three jurisdictions have:

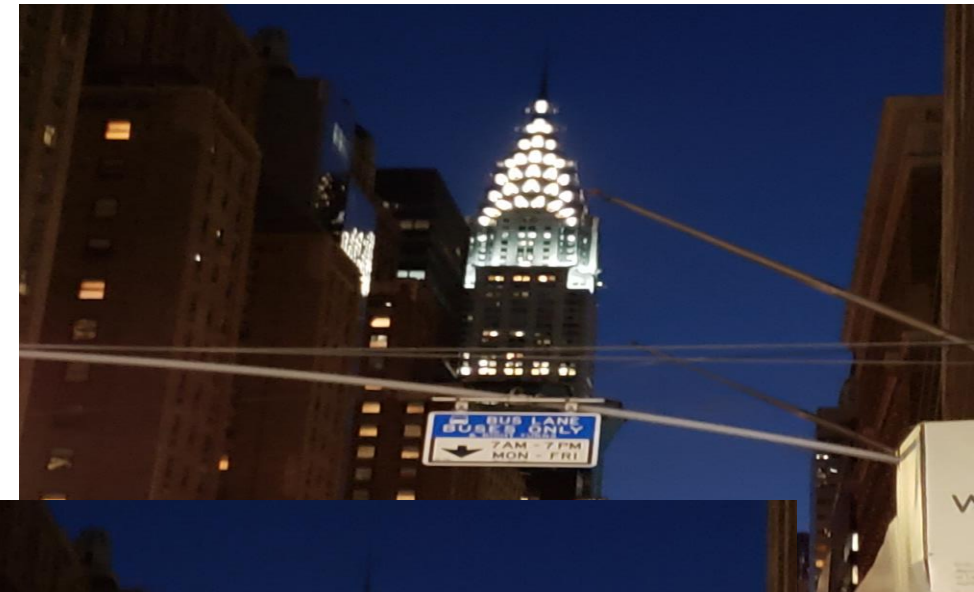
- 25 Schools
- 33 Parks
- 5 Libraries
- 5 Police Stations
- 11 bus routes, a trolley line, and 2 train stations

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

Amazon Wants Whopping Amount of Bonus Density (BD)

- Chrysler Building 1,119,000 ft²
- Amazon BD 1,696,471 ft² *
- **That's 1.5 Chrysler Buildings in bonus density, well over half the PenPlace total square footage!!**

*Of which 1.4 million ft² will be traded for community benefits. Let's make it a good deal for Arlingtonians!



PenPlace Community Benefits – Process Problems

- County is not sharing with residents or commissions bonus density dollar value or value of “reciprocal” benefits
- Community benefits published too late on February 10; AHIF amount withheld til April 1 and is proportionately smaller than Met Park amount
- Commissions – we learned – are left out of site planning, unaware of bonus density sums, and unable to exercise oversight and proper advisory roles
- Feb 10 review of benefits focused only on 2.7 acre park and a 26,500 ft² high school (1/50th of the total bonus density being traded)
- Public access, underground utilities, commercial bike port are shared benefits; should not be credited with BD; helix access only 2 days/ month!
- Amazon is also asking to OMIT ENTIRELY from project gross floor area an ADDITIONAL 300,000 ft² of space (separate from bonus density)
 - Process does not earn public trust, needs fixing!

Benefits Now, Density Later

Many site plans have been delayed, amended, or voided promised benefits. Clarendon 10th Street park and Ballston bridge good examples

With telecommuting/pandemic shifting demand, we can envision possible reduction in site buildout:

We need to add safeguards:

- bonus density should be tied to each building, not whole site up front
- Any delay in delivery, such as for ACHS, should be discounted, or compensated with benefits so county is made whole on same day density transferred
- AHIF payments should be up front, all at once, or discounted, or increased to cover delays



PenPlace – Arlington Board to Vote in April on Community Benefits to Compensate 1.396 million ft² BD

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

-- Amazon 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
TOTAL COMMUNITY BENEFITS	\$ 75.5 million

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/ft²
- A NYC commercial appraiser suggested \$350/sf² for HQ2 complex
- Wash Bus Journal (Jan 2022) reported residential bldg in Crystal City was \$820/ft²



PenPlace BD 1.396 msf @ **Low end of \$326/ft²** = \$ 455.0 m

PenPlace BD 1.396 MSF @ **Med level of \$350/ft²** =\$ 488.6 m

PenPlace BD 1.396 msf @ **High end of \$820/ft²** = \$1,144 m

Amazon will provide community benefits of \$75.5 million; but 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 million

Education/Community Services

- \$92 million for new Pentagon City Elem. School, community center, and public library

Environment

- \$72 million to acquire 1/2 acre of RiverHouse land and convert to public park
- \$40 million endowment to extend Casey Tree Foundation into Arlington
- \$30 million for park/rec needs in Aurora Highlands/Crystal City
- \$30 million up for stormwater mitigation measures in Crystal City/National Landing
- \$600,000 to study and implement green building practices in Arlington

Equity

- \$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

Transportation

- \$65 million to build/equip a rapid ferry service to PG County (poss. at new VT campus)
- \$15 million for a shuttle service for ACHS to other parts of Arlington (10 yrs)

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, 1/1200th
- PenPlace/Pentagon City new density awards create dire needs for key services: parks, schools, sewers, etc. The County must finance these capital expenses up front AND require substantially more community benefits before it approves any more land use, zoning, or bonus density, all of which add more residents beyond the 63,000 already mentioned
- Given this, ASF asks for a revised deal that:
 1. Delivers an additional \$413.1 million in community benefits at PenPlace;
 2. Makes Amazon deliver the benefits immediately or add benefits to cover any delays (e.g, increase AHIF amount because 1st tranche delivery not til 2026;
 3. Awards bonus density to Amazon in 4 tranches, conditioned on approval of construction permits for each building;
 4. Improves Arlington’s broader site planning processes to enable earlier community and better input from commissions.

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