August 31, 2012

STATEMENT OF JUSTIFICATION
ARBOR ROW BLOCK E – FINAL DEVELOPMENT PLAN
FDP 2011-PR-023-3

Introduction and Location

Cityline Partners LLC (the "Applicant") seeks Final Development Plan ("FDP") approval for approximately 3.14 acres identified as Fairfax County Tax Map Parcels 29-4-((7))-1 and -2 (part) (the "Property") in Tysons Corner. The Property is designated as "Block E" on the Conceptual Development Plan ("CDP") filed with pending Arbor Row rezoning application (RZ 2011-PR-023) (the "Rezoning"). Hanover R.S. Limited Partnership ("Hanover"), the contract purchaser of Block E, seeks FDP approval to construct an urban high-rise residential block with ancillary retail uses with 430 to 480 units in up to 516,800 square feet of gross floor area ("GFA"). Approval of urban multi-family residential units on the eastern side of Arbor Row, within a one-third mile walk of the Tysons Central 123 Metrorail Station, will diversify the office character of the area and establish the type of transformational, "24/7" community envisioned in the Tysons Corner Urban Center Plan (the "Tysons Plan") for this transit-oriented development site.

The Property currently is zoned C-3, SC and HC, subject to proffers accepted in conjunction with the West*Park development, and was formerly occupied by the forty-year old, two-story, 21,500 square foot "Franklin" office building and a portion of the one-story, 12,000 square foot "Grayson" office building, which recently were demolished. The original surface parking lots remain on this Block. The Property lies on the south side of Westpark Drive, between the existing Association for Manufacturing Technology ("AMT") office building on the east and the proposed extension of Jones Branch Drive on the west. The PDC-zoned Tysons II project is located up the hill to the south, where a 17-story office building and 112-foot tall parking garage are under construction. As part of the Tysons II project, a pedestrian trail and stormwater management pond exist along the southern property boundary. Directly across Westpark Drive from the Property to the north is a large, above-ground parking structure and office building on land zoned C-4.

Concurrent Applications

FDP 2011-PR-023-3 has been filed concurrently with the pending Rezoning/Conceptual Development Plan ("CDP") Application for Arbor Row and Proffered Condition Amendment Application for West*Park (PCA 88-D-005-7). In the concurrent Rezoning, Cityline Partners seeks to rezone approximately 19.40 acres, including the Property, from the existing C-3 District to the Planned Tysons Corner Urban ("PTC") District to replace aging, suburban office buildings and surface parking lots with a transit-oriented community within walking distance of Metro. This FDP Application is one of a series of FDPs filed for Arbor Row, where a mix of office, residential, hotel and ground floor support retail and service uses are being proposed at a maximum total GFA of approximately 2,575,685 square feet and an overall floor area ratio ("FAR") of 3.05. In the concurrent PCA Application, Cityline Partners seeks to remove the Arbor Row rezoning acreage (including this Property) and an additional

eight-acre Parcel B2 off-site dedication area from the previously proffered development plans for West*Park to enable redevelopment of Arbor Row in conformance with the Tysons Plan and in compliance with the PTC District zoning regulations. In addition to this FDP, two other concurrent FDP Applications for Arbor Row have been filed for Planning Commission review and approval in Block A (multi-family residential) and Block F (office).

Comprehensive Plan

The Property is designated in the Tysons Plan as part of the large "Tysons Central 123 District" and is recommended for "transit-station mixed-use development" (Tysons Plan, Map 14 on page 138). The Property lies almost entirely within a one-third mile walking distance from the Tysons Central 123 Metrorail Station as measured generally from the base of the escalator at the northern entrance. The walk between the Metrorail Station entrance and the proposed residential buildings has been designed to be "convenient, safe, and pleasant" as set forth in the recommendations on page 24 of the Tysons Plan. Additional Tysons Plan guidance is found in the "Areawide Recommendations" and more specifically in the "Subarea 2: South West Park Redevelopment Option" recommendations on pages 141-142, which state that the "vision for this subarea is to redevelop primarily with mixed use with an urban character at a substantially higher intensity" than what is currently there now to include ground-floor retail uses, with intensification contingent upon integration with Tysons II through pedestrian and vehicular linkages.

The proposed redevelopment of Block E on this FDP reflects the detailed land use, urban design and transportation recommendations of the Tysons Plan to create a vibrant, urban "sense of place" with high quality architecture and a varied, interesting skyline. This FDP also conforms with the land use and intensity guidance on pages 24 through 28 of the Tysons Plan. As depicted on FDP Sheet C3.0, the Property is located within the one-third mile radius of the Metrorail Station, and therefore, is planned for a 2.5 FAR, exclusive of bonus intensity for workforce housing and public facility site dedication. The Tysons Plan encourages more intensive residential densities within walking distance of the future Metro Stations. In proposing dedication to the County of the off-site, eight-acre Parcel B2 for a potential elementary school site, athletic fields, and recreational trail, Cityline Partners has incorporated bonus intensity into Block E in the concurrent Rezoning to allocate a portion of residential density on the FDP in an area closest to the future Metro Station. This bonus intensity - for superlative contributions toward public facilities as proffered in the concurrent Rezoning - conforms with a fundamental tenet of the new Tysons Plan, as described specifically on page 28 of the Tysons Plan. Detailed computations demonstrating conformance with the bonus density recommendations are presented on FDP Sheet C2.1.

Proposed Final Development Plan

The FDP dated February 24, 2012, as revised through August 29, 2012, has been prepared by Bowman Consulting Group, Ltd., WDG Architecture, PLLC and Parker Rodriguez, Inc. and consists of 40 sheets. Hanover is seeking approval for a high-quality, high-rise multi-family building with significant amenities located within one-third mile of the future Tysons Central 123 Metro Station.

The FDP sheets conform with the proposed CDP and draft proffers submitted in conjunction with the Rezoning and have been prepared in coordination with AMT and its FDP Application on adjacent Block F to the east. As shown on the FDP, Hanover will consolidate and redevelop two existing parcels to create Block E. This new Block E will be surrounded by a new street grid, including a new, private east-west street connection between Jones Branch Drive Extended and the Private Entry Road, which will serve the new, formal entrance to the relocated AMT office building on Block F.

As shown on the FDP, Hanover will redevelop the site with a single, L-shaped, luxury high-rise tower that will rise up to 300 feet in height and include approximately 516,800 square feet of gross floor area. Building elevations, façade treatments and perspective views are presented on FDP Sheets A0.5 through A0.9. The taller wing of the tower, which will run parallel to the proposed Jones Branch Drive Extended, will rise to 27 stories, while the other wing, which will run parallel to Westpark Drive, will rise to 20 stories (and, as such, will preserve the "datum line" along Westpark Drive that will be created by the other proposed buildings within Arbor Row). The Block E building will include a minimum of 430 dwelling units and a maximum of 480 dwelling units. Hanover has designed the Block E building, in massing and in layout, such that it reinforces and activates the two primary street edges along Westpark Drive and Jones Branch Drive Extended. Specifically, Hanover has proposed that up to 7,000 square feet of ground floor retail, service and other non-residential uses will be oriented along the Westpark Drive to activate the streetscape. In addition, Hanover has located the residential lobby and adjoining amenity area prominently at the corner of Westpark Drive and Jones Branch Drive Extended. The plans for Block E feature attractive, pedestrian-friendly streetscapes along Westpark Drive, Jones Branch Drive Extended across from the hotel site in Arbor Row Block D to the west and along the new interior street to the east, which will serve both the Block E garage and AMT's new building entrance on Block F. These elements contribute toward the goal of establishing the "sense of place" envisioned in the Tysons Plan.

As shown on the FDP Landscape Sheets, the plans for Block E include significant, high-quality active and passive recreational amenities, including public park space. FDP Sheets L0.03 and L1.03 show an elevated, outdoor "Private Amenity Roof Terrace" that is approximately 27,000 square feet in size and includes a pool deck, grill, lawns and seating areas. The high-rise tower includes substantial interior amenity space, including (a) a fitness center located on the pool courtyard level, (b) a ground-level amenity area that includes among its features a lounge, a screening room, and business/conference center, and (c) a large ground-level amenity room available for private resident events. As depicted on FDP Sheets L0.02, L0.03 and L1.02, this "party room" spills out onto a private outdoor resident terrace that then opens up to an approximately 0.64-acre, publicly-accessible "Pocket Park" that extends across the south side of Block E between the private street and the southern property boundary. This Pocket Park has been designed to expand and complement proffered trails and open space on the adjacent Tysons II property. Shadow studies included on FDP Sheet A0.4 demonstrate that these outdoor amenity areas will remain sunny most of the year.

At the terminus of Jones Branch Drive Extended, the FDP depicts a switchback ramp and stairs to provide a pedestrian and bicycle connection to the Tysons II trail system. An overall

Pedestrian Circulation and Hierarchy Plan for the Arbor Row development has been filed in the concurrent Rezoning, and elements relevant to Block E have been reflected on this FDP. Block E will be linked to existing and proposed off-site trails and properties through the sidewalks and trail connection depicted on the FDP landscape plans.

The FDP for Block E shows a maximum residential building height of 300 feet, which is appropriate for a new residential building in the TOD areas and is consistent with the Tysons Plan policies permitting such height increase. The Rezoning includes proffers to provide twenty percent (20%) of the units in Block E as workforce and, if required by the Zoning Ordinance, affordable units, with significant active and passive recreational amenities on-site for the residents' use as described above. Given Block E's proximity to the I-495 Capital Beltway Interchange and to the office buildings and parking structures in Tysons II to the south, a 75-foot increase over the base Tysons Plan recommendation is reasonable, enables a better site design and creation of the significant Pocket Park along the south and is conformance with the Plan.

Affordable Housing

Twenty percent (20%) Workforce Dwelling Units ("WDUs") have been proffered to be provided within Block E and will be within walking distance of the future Tysons Central 123 Metro Station. In combination with any affordable dwelling units ("ADUs") that may be required under the Zoning Ordinance, affordable and workforce housing within Block E will be provided in conformance the "Tysons Corner Urban Center Workforce Dwelling Unit Administrative Policy Guidelines" adopted by the Board of Supervisors on June 22, 2010. WDUs will be provided so that the total number of ADUs, if any, plus the total number of WDUs results in twenty percent (20%) of the total residential units constructed pursuant to this FDP. The 20% applies to the total number of dwelling units to be constructed on the Property; however, any units created with workforce housing bonus floor area are excluded from the 20% WDU calculation, as set forth in the Board's Policy Guidelines. If ADUs are provided in this FDP, both the ADUs and the ADU bonus units shall be deducted from the total number of dwelling units on which the WDU calculation is based. The WDUs will consist of a mix of bedroom counts similar to the mix provided for the market rate units and the minimum unit size of WDUs will be consistent with the Policy Guidelines.

Conclusion

This proposed FDP is in conformance with the proposed CDP and draft proffers filed in conjunction with pending the Rezoning and complies with all applicable regulations, ordinances and adopted standards, with the exception of the requested waivers and modifications listed on both CDP and FDP Sheets C2.1.

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