

2014 2Q Board Meeting
DoubleTree by Hilton – Crystal City
October 10, 2013
Minutes

Members Present: Doug Abbott, Crister Ahl, Joan Berman, Michelle Cowan, Jim Creedon, Dori Familant, Karen Gentry, Kingdon Gould III, Alan Haskel, Brenda Krieger, Freddie Lutz, Glenda MacMullin, Cheryl Mendonsa, Marc McCauley, Toby Millman, Derrick Morrow, Mara Olguin, Mark Rivers, Harmar Thompson

Members Absent: Larry Duncan, Brian Fitzgerald, Jerry Norris, Peter Priesner, Steve Wilder, Julie Yeung

Staff Present: Angela Fox, Charles Gray, Robert Mandle, Joseph Petty, Kedrick Whitmore (Counsel)

Arlington County Guests: Barbara Donnellan, Sarah Emmans, Cindy Richmond

Harmar Thompson, Chair, called the meeting to order at 11:48am and a quorum was established. A motion was made, seconded, and accepted to approve the minutes from the July 18, 2013 1Q14 meeting.

Crystal City Updates

There is a new Indian restaurant on 23rd Street. The Crystal City Wine Shop has opened on 20th.

400 Army Navy has its first SPRC on 10/21. 1720 S. Eads St. was approved. Lowe is working on some deals for 1400 Crystal Drive. 1900 hasn't broken ground yet.

CCCRC is looking at metrics and affordable housing.

Phases 1 and 2 of Crystal Drive two-way has been completed, including the installation of a HAWK signal at 2450 Crystal Drive. Phase 3 hasn't begun yet.

Metro Ridership is down for the weekdays, but up for the weekends.

Listening Tour

County Manager Barbara Donnellan had a conversation with board members as part of her "Listening Tour."

President/CEO Report

Administration: A motion was made, seconded, and approved to accept the FY13 Audit and forward it to the County. A motion was made, seconded, and approved to accept the FY13 Annual Report and distribute it to the County. A motion was made, seconded, and approved to accept the FY15 Workplan and send it to the County. The FY15 Workplan includes three budgets: one with the current boundaries, one with expanded boundaries beginning on July 1, 2014, and one with expanded boundaries beginning on January 1, 2015. All three budgets include an extra employee to handle marketing/social media, and the expanded budgets include a second additional employee to focus on operations.

Events/Programs: The Twilighter was 7/27 and as popular as ever. Sip and Salsa was 9/15 and had great crowds despite the Crystal City Metro Station being closed during the event. The Crystal City BID is working with Metro to make sure that the station is open in the future. Pups and Pilsners had lots of people and dogs on 9/22. Outdoor Zumba ended at the end of September. Blues and Brews is a new event, bringing beer and live music to the courtyard at 2121 Crystal Drive on the last Wednesday of the months of July, August, and September. Everything Esmonde is performing bike maintenance in the Crystal City Water Park. Wine in the Water Park was a great as ever, with large crowds on Friday nights in September. The Diamond Derby was 9/28. The Crystal City BID installed a Fixtation in the Crystal City Water Park that is the only bike supply vending machine in the DC area. It is managed by Phoenix Bikes, and they get the proceeds. The Arlington County Fun ride kicked off in Crystal City for the first time this year on 10/5. The Floral Frenzy: Tropical Storm was 10/8. The Marine Corps Marathon will be 10/27. Art Underground is doing great with new studios coming online and great programming in Gallery Underground. The 1K Beer | Wine Walks are 11/6 and 11/17. The Crystal City FRESHFarm Markets ends on 11/26.

Notes from Barbara Donnellan's Listing Tour

Signage

- Several Board Members made the case that the economic value of signage to businesses is overlooked by Arlington County decision makers
- With its unique geography that provides high visibility by politicians, businesses, and millions of tourists, Arlington has a competitive advantage in that signage has a higher economic value than other area jurisdictions
- Existing signage regulations, however, continue to make it difficult for Arlington County and area business to realize this value and take advantage of this asset
- Several existing Crystal City tenants made the case that Arlington's restrictive signage practices and administrative costs of obtaining signage could be a liability in retaining and obtaining businesses
 - PBS representative expressed that signage could very well be a determining factor in future decisions to remain in Crystal City and Arlington if brand visibility is more attainable in other jurisdictions
 - As a relatively new building owner in Crystal City, CEA noted that had they realized how costly and limited they were in obtaining the signage that they wanted for their new building would be, it would have impacted their calculus about the value of the purchase and maintaining a location in Arlington
- Arlington wishes to attract creative companies and bolster the creative economy, yet lack of dynamic signage can hinder the area's attractiveness; creative companies are not allowed to be creative when it comes to their branding and their relationships with the community
- Area neighborhoods and associations noted that they are more supportive of businesses than often portrayed and emphasized that they are not against signage just against being negatively impacted by excessive light

Economic Development

- Other area jurisdictions are outcompeting Arlington County through the use of subsidies and tax relief
- What is AED doing to revise subsidy packages to compete against other jurisdictions?
- Is Arlington County making the right calculations in determining whether to provide subsidies? For example, in the NSF deal, Alexandria will forego a significant amount of property tax, but this investment will likely pay off given NSF's ability to generate large numbers of hotel room nights, car rentals, and dining all of which have large sales/transient tax implications.

Entitlement Process

- Many Crystal City properties are looking at upgrading/updating their properties in order to attract new tenants or retain existing ones
- The current entitlement process takes too long to keep prospective tenants who are looking for specific modifications interested
 - Lowe Enterprises Real Estate Group cited an example where a potential tenant wanted to make some rooftop building modifications that required a major site plan amendment the timeline for which put the property out of contention for the tenant
- The lengthy process also makes it difficult to show properties to prospective tenants when the upgrades and approvals are taking longer than expected or when approvals for building façade outside work trail behind more conventional interior upgrades
- Beacon cited an example where approvals for seemingly aesthetic improvements (building entryways) took an overly long time. Now, interior work is completed and exterior work is not making showing the property difficult amidst the delayed construction
- Property owners have specific budgets available to fund renovations. Long and expensive entitlement processes can discourage property owners from investing in their buildings and/or reduces the quality of such investments to make the financials work