

FY2022 1Q National Landing BID Board Meeting

Thursday, July 29, 2021, 9:30 am

Video-Enabled Conference Call

Draft Minutes

Members Present: Matt Bowyer, Robin Burke, Mark Carrier, Joe Chapman, Crystal Christmas, Gary Cook, Kim Driggins, Nora Dweck-McMullen (Vice-Chair), Shannon Flanagan-Watson (Arlington County), Brian Grant (Secretary), Charles Hill, Jack Kelly, Freddie Lutz, Glenda MacMullin (Treasurer), Titilayo Ogunmakinwa, Robert Peck, Sahil Rahman, Regina Rees, Harmar Thompson, Andy VanHorn (Chair), Todd Yeatts

Ex-Officio Members Present: Judy Freshman, Katie Paine (Arlington County Economic Development), Pamela Van Hine

Staff Present: Tracy Sayegh Gabriel (Executive Director), Ashley Forrester, Cassie Hurley, Robert Mandle, Jason Ozuna, Colleen Rasa, Malaika Scriven

Others present: Kedrick Whitmore (Counsel)

Members Absent: Joe Chapman, Rich Fernicola

Welcome & Introductions

- Board Chair, VanHorn, called the meeting to order at 9:30a.m. and a quorum was established
- Acknowledged and welcomed meeting attendees that are not on board but represent voting BID members (property owners), non-voting BID members (commercial tenants), and others and briefly went over agenda items

Chair's Report

- VanHorn welcomed new BID Board Members
 - Kimberly Driggins of the Washington Housing Conservancy
 - Sahil Rahman Owner of RASA
 - Charles Hill of Hilton/Doubletree; and
 - Jack Kelly of JBGS
 - Mark Carrier if BF Saul also joined the BID starting at the BID's 4th Quarter
- Vanhorn announced Board reception at 1550 Crystal Drive to enable the Board Members to connect and engage in person for the first time since before the pandemic
- BIG WINS since last quarter
 - Successful Virtual Annual Meeting covering momentum, investment, and focus on responsible, equitable growth
 - More and larger-scale in-person events and installations as illustrated by the Summer House installation at Long Bridge Park
 - News from JBGS partnerships with AT&T and Arlington County to bolster Innovation District/Smart City goals through provision of ubiquitous 5G access
 - Progress in BID's Equity work with successful completion of three Board DEI workshops and a successful Pride-focused panel conversation at Freddie's
- VanHorn introduced and welcomed two new BID staff members
 - Mathew Jones, Transportation & Planning Manager starts in August
 - Jason Ozuna, Facilities & Grounds Coordinator started last week

- Chair VanHorn asked for edits or revisions to the minutes from FY2021 Q1 Board Meeting
 - Hearing none, Chair VanHorn requested a motion to approve the minutes
 - Glenda MacMullin moved and seconded by Nora Dweck-McMullen
 - Motion carried unanimously

Treasurer's Report

- BID Treasurer, Glenda MacMullin outlined an overview of the financial “soft” close (i.e., pre-audit) of FY2021 with three key takeaways
 - First Takeaway - Approximately \$610,000 unspent FY2021 Operating Funds are estimated to be carried over into FY2022 as program reserved per the BID's approved carryover request to the County Manager
 - Though large, most of it is derived from our two major initiatives the funds for which were not yet expended by the end of the fiscal year:
 - \$460k for the Metro Plaza Enhancements
 - \$112,300 for the Downtown Wayfinding Initiative
 - Another \$37k of unspent funds is the result of lower than anticipated personnel costs
 - Second Takeaway - There are also approximately \$315k in unspent program reserve funds
 - The majority of this amount is derived from the BID's 5 percent of budget operating contingency – the BID did not spend any of these funds in FY2021
 - As part of the BID's approved carry over request to the County Manager, this reserve has been carried over into FY2022 but reduced to about \$229k to reflect the 5% cap relative to the BID's lower budget due to reduced assessments
 - An amount of \$76k was also unspent in the BID's FY2021 COVID Continuity Reserve and has been carried over to the Back-to-Office program reserve as part of the approved carry over request
 - Third Takeaway - After accounting for the approved carry over request, the BID's FY2021 close tracks closely to what was anticipated with modest overages in Administration and Management, Public Realm & Beautification and Transportation program areas.
 - These overages were balanced with lower less than anticipated spending in Community Events & Outreach, Economic Development, and Marketing & Promotion.
 - Important to note that these variances remain within those allowed by the BID's Service Agreement with Arlington County – variances of over \$50k require County Manager approval.
- Total FY2022 Program Reserve Funds are estimated to be:
 - Metro Plaza Enhancements - \$460k
 - Downtown Wayfinding Initiative - \$112,300
 - Back to Office - \$123,000
 - FY2022 Operating Contingency - \$229,000
 - NOTE – any changes to the end of year financials that result from any necessary audit adjustments will be absorbed by or added to the Back to Office Reserve
- FY 2021 Audit will kick-off with TKR in early August
 - Audit Committee will review the audit work which will be presented to the BID Board at the October Board Meeting before being provided to Arlington County

- Audit Committee includes:
 - Glenda MacMullin – Treasurer is designated as Chair of the Audit Committee by the BID Bylaws
 - Andy VanHorn – Chair of the BID is designated as a member of the Audit Committee by the BID Bylaws
 - Rebecca Rivard – Executive Committee appointed as outlined by the BID Bylaws

FY2022 Priorities

- Tracy Gabriel provided an overview of the BID’s FY2022 Priorities outlined in the approved FY2022 Work Plan
 - **CENTERING ON RECOVERY AND RESILIENCE**
 - Explore evolving markets in a post-COVID era
 - Support economic recovery through small business support
 - Positive story of transformation through the lens of National Landing’s inherent resilience
 - Elevate National Landing as the most connected downtown and promote as an innovation district
 - Embrace new approaches and technologies to support recovery/return-to-work & commuting
 - **CULTIVATING A CONNECTED AND ACTIVATED DOWNTOWN**
 - Use existing open space and create parklets and interim “meanwhile” spaces
 - Implement a cohesive, modern National Landing-wide wayfinding system
 - Maintain a focus on new transportation thinking and long-term next-generation mobility
 - **BUILDING A STRONG, WELCOMING ORGANIZATION AND BUSINESS COMMUNITY**
 - Ensure comprehensive, safe, return-to-work for BID
 - Elevate equity, diversity, and inclusion efforts in all aspects of the organization
 - Establish a system to build stronger business-to-business connections and relationships with National Landing enterprises, especially those that are minority-owned
 - Discussion
 - VanHorn – Encourage collaboration with Virginia Economic Development Partnership and Arlington Economic Development to focus on tech companies and innovation
 - Cook – Incorporate 5g overview and summary that helps the BID stakeholders understand the benefits and opportunity
 - Flannagan-Watson – County would like to be part of the conversation about marketing the Innovation District and Connect Arlington
 - VanHorn – Consider partnership with Virginia Tech for thought pieces on Innovation District
 - Gabriel – Will be creating an Equity Framework as a priority

Metro Plaza Enhancements

- BID Board approved the Crystal City Metro Plaza Enhancement at the FY2021 Q3 Meeting
- Improvements are anticipated to cost \$460k
- BID has been exploring a partnership with JBGS to implement the improvements
 - Land is controlled by JBGS

- JBGS has construction expertise that the BID does not
 - JBGS is already mobilizing construction on adjacent site
- BID plans to negotiate an agreement with JBGS by which they will manage physical construction at the site and BID will reimburse JBGS for costs up to \$460k
- BID presented draft resolution that would authorize Gabriel and MacMullin to negotiate agreement with JBGS to include:
 - Maximum guaranteed price of \$460k
 - Major decisions regarding design changes shall be subject to BID approval
 - Parties will work in good faith to meet agreed upon schedule
 - JBGS shall provide BID regular updates regarding progress and schedule
 - JBGS shall be responsible for ongoing maintenance of the project upon completion
- JBGS representatives on the BID Board notified the BID of a conflict of interest regarding this action and recuse themselves from the discussion and vote
- ACTION – VanHorn moves that the Board adopt the resolution dated July 29, 2021 authorizing the BID to enter into an agreement with JBGS for the construction of the Metro Plaza Enhancements – as amended to reference the plaza around the existing plaza
 - Seconded by Bria Grant
 - Discussion
 - Pam Van Hine
 - \$460k enhancement is not inclusive of the entire landscape plan on the rest of the block
 - Confirmed by Mandle
 - Confirming that there haven't been any major changes
 - Gabriel noted that no substantive changes have occurred
 - Please make sure that the MOT provides sufficient space for bikes and pedestrians
 - Mandle noted that MOT will go through County process and meet any requirements established
 - What is the anticipated schedule?
 - Mandle notes that schedule is still in flux; will share additional information as it becomes available
 - Gary Cook
 - Confirming that the property on which the enhancements are occurring is on the public portion and not the portion owned by JBGS
 - VanHorn noted that the BID funded enhancements were occurring around the public area around the Metro entrance and that JBGS would separately be engaging in improvements without BID funding on the areas around 241 and 251 18th Street South
 - Shannon Flanagan-Watson
 - Proposes friendly amendment to further reinforce the maximum cost: "FURTHER RESOLVED, that Tracy Gabriel and Glenda MacMullin are authorized to undertake all necessary and proper actions on behalf of the Corporation to complete the Agreement "pursuant to the general terms set forth in Exhibit A attached hereto"; and
 - Amendment moved by Nora Dweck-McMullen and seconded by Brian Grant

- Resolution approved unanimously with JBGS representatives abstaining

Transportation

- Two major transportation priorities outlined in the Strategic Plan are continuing to move forward
 - Route 1 – VDOT's Study did recommend an at-grade boulevard similar to what was presented in the Reimagine Route 1 Report
 - Still work to do to improve safety, connectivity and the experience
 - People Before Cars Campaign helped convert participants into active supporters
 - BID provided letter of support for the recommendation but noted improvements that could still be made
 - Next Step – VDOT will be issuing their draft report in August
 - VanHorn notes that if you are supportive of the effort to improve Route 1 now is the right time to express your voice
 - Some members of the community have provided a strong voice in opposition
 - VanHorn notes that an urban boulevard is the right experience for our downtown and wants to make sure we have the platform to continue to have the conversation
 - CC2DCA Intermodal Connector
 - Official Pre-NEPA process kicked off last week
 - Process will be starting from scratch and will not be using the BID's work on alignment and desire for iconic design in this effort
 - Urge members to weigh in to make sure the investment best serves the downtown

Board Committees

- Chair VanHorn requests a quick report out from each committee chair, committees include: Pentagon City, 23rd Street, Potomac Yard, Equity and Transportation
 - Transportation – Harmar Thompson
 - Committee meeting focused on four major projects
 - CC2DCA – Pre-NEPA process initiated and BID will be reaching out to encourage feedback on the Purpose and Need scoping effort
 - Route 1 – Feedback window open following VDOT's last public meeting on Route 1 Multimodal Improvements Study and members encouraged to weigh in
 - Crystal City Bike Network Plan
 - 15th Street South Improvements
 - Equity Committee
 - BID held Board equity training in May and June
 - Board and staff weighed in on an Equity Action Plan
 - Feedback from training and workshop will inform a larger Equity Plan that will be shared with Committee in September
 - Equity programming hosted Equity in Action Series – "Creating Safe Places" was chaired by Lutz and Najjoun and hosted in person
 - Next steps – Seeking topics of interest from the Board to inform additional work
 - Crystal City Committee – Robin Burke

- New “Engagement Forecast” a useful way of keeping committee members up to date on area projects
 - Robust discussion about back to office plans with much of conversation about building confidence, Labor Day as an anticipated inflection point, and the likely continuation of a flexible work-week (most likely 3-days in office)
 - Continued challenges in the Hospitality Industry which lag rebound in competitor markets
- Pentagon City – Robbie Peck
 - Committee consensus was to support consideration of Tax Increment Financing such that amenities can be delivered along with and even ahead of redevelopment
 - The draft Pentagon City Plan is being presented to the Pentagon City Focus Group today and will be followed by a feedback window
 - BID will review and provide additional feedback to the Committee and Board and encourage stakeholders to weigh in.
- 23rd Street – Freddie Lutz
 - BID is planning to launch NaLa Saturdays, a new monthly, signature event for National Landing providing a fun way to promote 23rd Street as a destination – targeting spring 2022
 - BID staff also provided an overview of opportunities to improve customer access and parking in the area with a focus on 1) improving curbspace management and weighing in on upcoming County processes; 2) utilization and promotion of the County’s new lot at 22nd Street and S. Eads; and 3) exploring partnership opportunities with owners of other parking assets.
 - BID is actively exploring opportunities and will continue to consult with the committee and other stakeholders.
 - Committee leadership also discussed how to better encourage engagement at the committee level.
 - Committee membership will be made up of property owners and several engaged business owners.
 - Broader group of 23rd Street business stakeholders will be invited to participate in a new Restaurant and Retail Roundtable to launch later this fall.
 - The roundtable will be more focused on strategic marketing collaborations, events, and communications whereas the committee will look at longer-term strategic collaborations and opportunities.
- Potomac Yard – Matt Bowyer
 - BID highlighted the kick-off of the Pre-NEPA process for CC2DCA and encouraged stakeholders to weigh in on VDOT’s preferred alternative for a conversion of Route 1 into an at-grade urban boulevard though highlighting opportunities for an even better project
 - Committee members also had an encouraging conversation about Back-to-Office/Back-to-Business with residential properties reporting very positive leasing activity, offices anticipating a stronger return to office movement post Labor Day
 - Office leasing remains slow as does hotel stays where NL’s recovery actually lags the region and nation

- Looking ahead, the Committee anticipates getting an update from Arlington County on Short Bridge Park construction which is anticipated to begin in 2022

Other BID Updates

- HR&A Market Analysis
 - Top takeaways of HR&A's sector analysis were shared at the annual meeting
 - Presentation is available in the Board Electronic folder
 - A full market analysis report will be released in the fall
- Media Hits
 - Favorable coverage from notable media outlets including Washingtonian, WTOP, Washington Business Journal, FOX5, NBC4, and Washington Post
 - Coverage of all aspects of our business from transportation and development projects to placemaking activations, partnerships, and event programming
- New Partnerships
 - Monumental Sports & Entertainment and Wizards District Gaming – Taps into the electronic gaming market and will include an inaugural “watch party” and “play with a pro” activation
 - Project HUG – Collaboration with Aurora Highlands Civic Association and Friends of Urban Agriculture produced a demonstration garden that donated 100 pounds of produce
 - Restaurant Association of Metropolitan Washington – Sponsoring upcoming Summer Restaurant Week and will spotlight National Landing at the annual RAMMYs event
- *Creating Safe Spaces* – hosted dynamic panel representing local business leaders in the LGBTQ+ community as part of the BID's Equity in Action Series
- Social Media Wins – Major increase in social activity including:
 - 1.5 million impressions over last year
 - 50k+ engagements
 - Added 5k+ followers to our social media presence in past 5-months
- Summer House – launched successful activation that will continue through Labor Day
- Return To Office Campaign – BID looking to kick off campaign post-labor day with new programming, partnerships, and activations

Other Business

- FY22 2Q Board Meeting – October 28 @ 9:30am

The meeting adjourned at approximately 10:55am.