

Aurora Highlands Civic Association

Monthly Meeting Minutes

March 13, 2019

DRAFT

Attendees: 16 people signed in, at least 35 in attendance

Proceedings:

President Miriam Gennari called the meeting to order at 7:05 in the Aurora Hills Senior Center

New Business:

- A neighbor expressed concern that the Long Bridge Aquatic Center will not be a neighborhood facility and will instead be used for swim teams from throughout the region.
- A neighbor also expressed concern about the County Board's proposed property tax increase. Why do property taxes need to go up if Amazon is going to bring in \$14 dollars for every \$1 of incentives (according to Christian Dorsey)?

Attendees were reminded of the opportunity to speak to County Board about Amazon on Saturday, March 16.

Regular Agenda

1. Crystal City BID

Presented by Tracy Gabriel, executive director of the Crystal City BID

A BID (Business improvement district) is a special tax area that local commercial property owners agree to pay to manage and fund place making and local promotion services.

Ms. Gabriel has a background in public sector planning and economic development. Her goal is to keep what we love about the neighborhood and get more of what we want. She took her role at the BID in August 2018.

The Crystal City BID was formed in 2006, in the aftermath of significant job lost in the neighborhood. The goal was to diversify the area and make it more desirable for employers and retail.

A lot of people ask about the name "National Landing." This is designed to be an area wide name to encompass the different neighborhoods. The alternative was "Jefferson Davis Corridor."

Greenspace is included within the BID boundary to allow them to do programming, art, activation.

Ms. Gabriel explained that Crystal City is Virginia's largest walkable downtown . Visit crystalcity.org for factsheets. They are the 2nd largest hotel market in the region, home to strong tech, nonprofits/associations, and still have lower rents than downtown DC.

Currently, 4,000 units of housing planned for the area. New office buildings are also planned, the first since the 1980s. The neighborhood will also get new investments in public infrastructure.

The Amazon announcement is already helping keep current commercial/org tenants. It will also bring significant new retail opportunities. It could potentially quadruple street-level retail along Crystal Drive. Mostly it is changing perception and bringing national attention to the neighborhood.

The BID will be working to enliven vacant spaces and do more ground floor activation. They are also excited about the pedestrian bridge to National Airport (CC2DCA) which will unlock the proximity of local businesses and tenants.

The BID has had a strategic plan to expand coverage to include Pentagon City and North Potomac yard for a long time. They have ramped up efforts recently and are getting good buy-in from most area businesses. Expanding would allow them to promote businesses & do activities and beautification projects. They invest in public spaces and residential areas too even though they are only funded by businesses.

Questions from the audience:

- Why is Pentagon Row not in expansion plan? Simon (owner of Pentagon City Mall) wouldn't join, so the BID opted not to surround a nonpaying location.
- How is the tax assessed & does it support/promote small/independent business? Tax is calibrated to assessed value of the property. The BID includes small buildings on 23rd street and multifamily residential buildings. All pay the same rate.
- Can you bring back movie nights? Requests, talking to potential partners
- Housing for nearby workers? Everyone has their part to play in increasing the housing need in the area. The BID cannot determine this policy.
- Who are the BID's audience – people who work and/or live in Crystal City
- Transportation is provided in some communities (free circulator/shuttle for the neighborhood)
 - BID wants to be innovative

2. Erik Gutshall, member of the Arlington County Board

Mr. Gutshall was elected in Nov. 2017. He emphasized how the Amazon plan fits within Arlington's sector plan and makes up for the large loss of Federal jobs since 2000.

Mr. Gutshall explained the difference between the state and local incentives. The Virginia incentives are based on the # of jobs, and the average salary of \$150,000. This was already approved by the Virginia legislature.

Arlington's incentives are based on the square feet occupied, in keeping with the commercial real estate tax. Mr. Gutshall emphasized that only 5% of incentive package is going directly to Amazon, the rest are investments to infrastructure (transportation) and affordable housing. The goal is to get people on to transit, mitigate auto traffic, make it safe and easy to walk/bike/scoot in the neighborhood. The state has included \$50 million for K-12 education for teacher training related to tech skills (across the state).

Mr. Gutshall presented a graph of Transient Occupancy Tax Grant. Amazon will receive 15% of the growth of this tax, above the base rate set before Amazon arrives, if they meet the office space goals.

The County Board is voting on the performance agreement on Saturday, March 16. They are committed to spending at least half of TIF in the vicinity of and consultation with Amazon.

Question:

What is the housing incentive as part of this deal? The County does not contemplate how housing is going to accommodate as part of this new workforce growth.

- Arlington will commit 7 million, should translate to 100 affordable units per year
- The board is planning to announce the Housing Arlington Initiative on Tuesday, March 19, or soon after, which will examine the zoning ordinance.
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What is the definition of affordable housing?

- Committed Affordable Housing – financing structure, legally bound, used AMI metric (60% AMI or less) – No more than 40% of gross wages spent on rent
- General meaning based on individual – Market Rate Affordable
- A household should not spend more than 30% on housing, or affordability index that includes housing and transportation (40%)
- The resident emphasized that even CAF is not enough. Many residents struggle to afford rents even if they don't qualify for CAF units.

Gutshall: If we are successful (jobs, community, lifestyle) means it will always be tight to live here. Everyone can get more house for their money if you go further out. We can't subsidize our way to mass affordability. We need to get more creative about type of housing. That's where zoning and missing middle come into play. This could include micro-housing and co-housing models. You will always be able to get more house by moving further out.

Question: Are you satisfied with the outreach Amazon has done with residents. Does Amazon need to be required or encouraged to do more engagement?

- Three weeks ago, he wasn't satisfied, but they have improved – meeting with lots of groups and civic associations
- Amazon will need to meet people more as they prepare to go through the site plan process

AHCA President Miriam Gennari also talked to the desire for more engagement. She wants two meetings a year to discuss growing pains, longer-term engagement, including school capacity.

Mr. Gutshall asked if the Crystal City Citizen Review Committee was supposed to provide this engagement and supposed to be a zip-code wide body. Natasha Atkins responded that businesses drive that group.

The general question is whether 22202 residents are entitled to special treatment for growth concerns/impacts? Gutshall says the pressures of growth are experienced everywhere, and are not unique here. This area should not expect special treatment.

One resident brought up the engagement model used by the Clarendon Civic Association when it had trouble getting local bars and restaurants to engage. Now there is a formal process to address issues through a regular meeting and the system is working.

Mr. Gutshall suggested that a neighborhood liaison can be required as part of the site plan conditions for each Amazon property.

Another attendee asked why property taxes will go up if Amazon is going to get \$14 dollars for every \$1 of incentives. Mr. Gutshall replied that it will take a while to get this revenue, and Arlington has needs in the meantime, like school capacity and Metro.

Gutshall: How do you grow and improve land values without displacement? Arlington can try to maintain income diversity, be a place for people to start out. But there is distortion in the housing market driven by zoning. "I'm not saying we're going to upzone all of single-family North Arlington." We need to address the zoning ordinance to allow more smaller housing types. We need to provide more CAF funding. And we need to create a talent pipeline so the next generation can have access to these high-paying jobs.

What about teachers, firefighters, police?

Gutshall: We've raised their salaries but can't control individual choices to move out for more house.

3. ADU compliance problem

Local resident Dan Gilbert presented his problem getting his Accessory Dwelling (AD) unit above his garage legally permitted. He is asking for a letter of support from the civic association.

Background:

- 1983 - variance to put a room above the garage and occupy
- 2004 - it became illegal when moved out of house and rented as a room
- 2011 – AD allowed in the main house
- 2017 – AD allowed in detached structures (like his garage)

The problem is that the rules are too convoluted and make the legal permitting of any preexisting unit nearly impossible. He has the support of his neighbors and the unit has been rented in the past with no problems. Right now, he has no route for his unit to get legal permitting.

Scott made a motion:

"Considering that Mr. Gilbert's garage structure was built decades ago, appears to satisfy AD requirements with minor exceptions in knee wall height and dormer size, and has been used in the past as living space with no known issues from neighbors, AHCA supports Mr. Gilbert's request that it be granted grandfathered legal AD status."

Attendees voted to approve the motion: 17 in favor, none opposed, motion passes

Attendees also discuss the need to find a way to get approval for preexisting AD units that don't comply with regulations

4. Proposed Sustainability Statement

Pres. Gennari presented a drafted Sustainability Statement that lays out the community's vision for tackling future issues. The county should think about development in broader context, rather than just individual site plans. What is the area going to look like in 50 years? Will the County share the data it's collecting? This is how Amazon is thinking, this gives concrete priorities.

David Husband moved to replace the word "sustainability" with "livability" throughout the statement to better reflect the scope. This amendment passed 20 to 0.

Jane Green moved to amend the statement so that the housing item was ranked second in the bullet points. This passed 18-0.

Attendees also discussed a possible resolution to ask for regular engagement with Amazon. This issue was tabled until a member could draft this resolution.

Attendees voted to approve the amended livability statement – 21 in favor, 0 opposed.

The meeting adjourned at 9:10.