



September 13, 2024

Chair Libby Garvey
Arlington County Board
2100 Clarendon Blvd, Suite 300
Arlington, VA 22201

Dear Chair Garvey,

The Arlington Chamber of Commerce supports Item 43 on the County Board agenda, the request to advertise the “County Board Policy on the Transformation of Commercial Office Buildings in Arlington,” and the related Zoning Ordinance amendments. Arlington faces a tremendous challenge in its office vacancy rate, and this policy and related zoning amendments will together be a powerful tool to meet this challenge. We are pleased to see the request to advertise on the Consent Agenda, and we hope that the County Board votes to advertise a hearing.

Arlington is contending with a historically high commercial vacancy rate of 22.8% that is creating constraints on the County’s tax base. An Arlington Economic Development study stated that a typical office building with a 50% occupancy rate only generates 58% of the total local tax revenue of a 100% occupied building. Losing this revenue hinders Arlington County’s capacity to fully fund important public services such as education, parks, public safety, and human services. These services make our community thrive. Arlington County should consider a range of policy options to attract and retain tenants to commercial office space, including creating a streamlined path for commercial property owners to adapt aging or obsolete commercial office space to adjust to market conditions.

The Chamber was an enthusiastic proponent of the first phase of the Commercial Market Resiliency Initiative (CMRI), which helped modernize the Zoning Ordinance to better attract and retain businesses of the 21st century. We appreciate the focus on process evaluation and improvement in the second phase of CMRI, which will remove barriers and serve as key tools to ensure that Arlington is tackling the issue of a high vacancy rate and helping maintain the funding of key services.

Adaptive reuse policies, which allow for the change in the primary use of a commercial building, provide property owners and businesses with greater flexibility to adjust their commercial spaces according to market demand. Currently, the uncertainty both in the cost of changing primary use and the time the process takes, limits the ability for property owners to secure financing on these projects and see them to completion. The policy and zoning amendments would create a streamlined path for adaptive reuse of buildings, encouraging these projects in Arlington. The Arlington Chamber requests that the final County Board Policy on adaptive reuse extends eligibility for projects to those initially approved under the Columbia Pike Form Based Code use permits and by right, to provide the greatest number of commercial property owners with this opportunity, and to ensure the greatest positive impact in Arlington.

The Chamber looks forward to the advertisement of this policy and related zoning amendments for a hearing in November. Additionally, the Chamber looks forward to continued conversations on the other policies proposed in the second phase of CMRI, including revisions to major, minor, and administrative Site Plan amendments and flexibility in signage requirements. We look forward to continued engagement with the County to ensure Arlington's regulations and processes fit the modern economic landscape, and we commend County Staff for their ongoing efforts.

Sincerely,

A handwritten signature in black ink that reads "Kate Bates". The signature is written in a cursive, flowing style.

Kate Bates
President & CEO

CC: County Board Vice-Chair Takis Karantonis; County Board Members Maureen Coffey, Susan Cunningham, and Matt de Ferranti; County Manager Mark Schwartz; Community Planning and Housing Development Director Samia Byrd; Arlington Economic Development Director Ryan Touhill; Marc McCauley, Arlington Economic Development; Jill Hunger, Community Planning and Housing Development.