



July 10, 2024

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

Dear Chair Garvey,

The Arlington Chamber of Commerce appreciates the inclusion of funding for the CC2DCA and Shirlington Bus Station projects in the proposed FY2025-2034 Capital Improvement Plan (CIP) and encourages the County Board to include them in the adopted CIP at the July 22 meeting. In addition, we urge the County Board to be mindful that economic trends can negatively impact the projected growth assumed in the CIP process, and think critically about the need for innovative policies to promote development.

The CC2DCA project would provide a significant benefit to the Crystal City neighborhood, and for the National Landing area overall. By establishing a direct connection between the neighborhood and Ronald Reagan Washington National Airport, CC2DCA will enhance connections between the airport, the new VRE Crystal City Station, bus rapid transit, Metrobus routes, and the Mount Vernon Trail, while serving as a strong complement to expanded VRE and Amtrak service in Crystal City.

The expansion of the Shirlington bus station additionally will help expand the capacity of the station, which is a transportation hub for Shirlington and adjacent neighborhoods to connect to Alexandria, Fairfax County, and to Metrorail stations. Shirlington, with its walkable urban village, is a destination that attracts people from throughout Northern Virginia. This investment in the bus station is a commitment to strengthen connectivity between the neighborhood and Northern Virginia.

Furthermore, we urge the County Board to keep in mind the significant repercussions of a high commercial office vacancy rate on the investments in the CIP process. Currently, the CIP assumes revenue growth of 2.5% in FY2026 and FY2027, and 3% annual revenue growth hereafter. The commercial office vacancy rate is at a historic high of 23.6%, and office sales in the region have revealed significant price reductions for office buildings. Coupled with slower growth in construction of multifamily residential due to higher interest rates, the economic trends can negatively impact tax revenue growth for Arlington.

Therefore, it is reasonable to prepare for a scenario when target revenue goals in upcoming years are not reached. We commend the hard work of County Staff on the Commercial Market Resiliency Initiative, both in the ordinances already adopted and those currently being planned for adaptive reuse and site plan amendments. We wish to stress the importance of persistently analyzing creative ideas and policies to stimulate economic development, thereby increasing commercial tax revenue to fund the public services that our community prioritizes.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink that reads "Kate Bates". The script is fluid and cursive, with the first letters of "Kate" and "Bates" being capitalized and prominent.

Kate Bates  
President & CEO

CC: Vice-Chair Takis Karantonis; Arlington County Board Members Maureen Coffey, Susan Cunningham, and Matt de Ferranti; County Manager Mark Schwartz; Arlington Economic Development Director Ryan Touhill.