

Executive Summary

The County and School Boards asked the Community Facilities Study Committee to identify the principal strategic challenges that Arlington faces, point out the barriers to overcoming those challenges and recommend ways to address them. Over the last nine months, the Committee has immersed itself in Arlington's current and future demographic, economic, and facility trends. This report documents the conclusions reached by the committee in those topic areas

Arlington is challenged today and is entering an era of tough choices with diverse needs competing for money, space and community support.

In addition, this is a time of unusual change in the leadership of the County and Schools. The Committee recommends that addressing the challenges identified in this Report be a priority for both elected and appointed officials.

What do we see as the principal challenges?

- A scarcity of land for public facilities
- Dealing with changing demographics
- A threatened commercial tax base
- Strategic facility planning and priority setting, and
- The need to revamp our community dialogue

A Scarcity of Land for Public Facilities.

Land is Arlington's scarcest resource. The County is only twenty-six square miles, the smallest and most densely populated County in the country. Of that twenty-six, 9.5 is owned by federal, state or regional bodies or taken up by transportation rights of way. Another 14.2 is privately owned. County and Schools account for the final 2.2, and that land is already crowded with heavily used community facilities and other public uses.

As Arlington's population grows (forecast to reach 283,000 by 2040 based on the adopted General Land Use Plan), the demand for more schools, open space and facilities for public services will grow as well. For example, we will not only need to build schools for more kids but also provide sports fields and basketball courts for those kids to use, facilities to park and service the school buses that transport them, and space to store the equipment that repairs and plows snow from the streets they use. And a similar range of needs will be required for every age group, from adult recreation and continuing education to library services and natural and green space.

The challenge for the future is, first, to make better use of the land and facilities (including public buildings and other public uses) we have and, second, to look for opportunities to "create" more land.

What does that mean? It means building up, rather than out. It means building over and under whenever possible. It means making facilities flexible and adaptable and appropriate for joint use, whenever possible. And it means finding land where it does not now exist, such as decking over on I-66. These solutions are likely to present engineering challenges and are almost certain to be more expensive, but, because land is our scarcest resource, novel and creative approaches may prove to be the most prudent.

To help meet these growing needs, Arlington should formalize a “land acquisition fund,” adopt policies for its use and include all types of public facilities as well as the costs associated with any “newly created” land.

Recommendations:

- **Make maximum use (and reuse) of the facilities we have**
- **Encourage joint or shared use of facilities**
- **Build up, under and over rather than out**
- **Create “new” land**
- **Collaborate with other jurisdictions for shared uses**
- **Establish a land acquisition fund**

Dealing with changing demographics

Arlington will grow, adding another 70,000 residents if we follow the currently adopted land use plan. The challenge is addressing the needs of those parts of the population that are growing and, particularly those population elements that are critical to our economic future. Diversity is one of our strengths. We are a place where a wide range of people want to live. We attract exceptional people from all walks of life and, importantly, we attract the businesses that want to employ them. We are appealing to the 29 year old who does not want to own a car and wants to live in an urban setting; to the 67 year old who wants to continue to live in the community where her children were raised; and to the young family attracted by the quality schools and the outdoor and indoor spaces and places that are inviting for children.

But some obvious challenges arise. Increasingly, middle-class families, those earning 80-120 percent of median income, cannot afford to live in Arlington. How do we keep the 29 year old when he or she has children and is looking for a suitable, affordable place to live? Are the schools prepared to handle the growing and diverse population that Arlington is likely to attract? Do we have the active recreation facilities, urban gathering spaces, and natural areas and trails they seek? These millennials are the heart of Arlington’s future workforce and a critical ingredient in attracting 21st century businesses to locate and grow here. Whether the young adult will stay in Arlington to raise his or her family is one of the central, difficult to answer questions about Arlington’s future. We do know that the quality of the schools, parks, and recreation centers will be an attraction. We do know that the close-in transit-oriented environment appeals to many young adults. But will we have the housing to accommodate them and will the County and the Schools have anticipated their numbers correctly so that perceived school crowding will not be a disincentive?

The Committee spent a great deal of time on the issue of projecting future County and School populations and has made a series of recommendations to coordinate more effectively the availability and use of demographic data between the Schools and the County. On the critical issue of housing that is affordable to those starting out, the Committee has discussed several approaches for the County to consider further and in more detail. On the issue of meeting the needs of a diverse student body, the Committee recommends an enhanced and coordinated program of wrap-around services involving County, School and non-profit community resources. And, finally, on the issue of meeting the needs of the growing over 65 population, the Committee recommends that more Arlington-specific data be collected and analyzed so that we can plan for seniors in their 60s, 70s, 80s, and beyond.

Recommendations:

- **Improve population forecast and projection methods**
- **Improve cohort data research, particularly for those over 65, and use demographic projections to help define future facility needs**
- **Develop strategies to increase starter housing**
- **Enhance wrap around services coordinating school and after-school need**

A Threatened Commercial Tax Base

Like all local governments in Virginia, Arlington relies heavily on the real estate tax for its revenues. Unique among its Virginia neighbors, 50% of Arlington's real estate taxes come from commercial properties which include office, retail, hotel and rental apartments. The comparable figure in Fairfax is 25%, in Prince William, 21%, which means a greater proportion of the local budgets in those counties is derived from residential real estate taxes, compared to Arlington.

Decades of a thriving commercial office market has afforded Arlington top-rated schools and a wide variety of public amenities, all while keeping residential taxes low. But that model is threatened now because of a rapid rise in the vacancy rate in commercial office buildings, which is currently 21 percent, more than double its historic level. This is meaningful to every Arlingtonian because every one percent increase in the office vacancy rate equates to a half cent on the real estate tax rate, or \$29.00 for the average single family home.

The causes of this rapid rise in office vacancies are several, which means that there is no easy solution. Base Relocation and sequestration at the federal level have reduced the presence of federal agency tenants and their private consultants; the rise of teleworking and the trend toward shared office space has reduced the demand for private office space; and the opening of the Metrorail Silver Line has brought competition from office markets to our west in Tysons and Reston. As Arlington's apartment market strengthens and fills space that may have otherwise become office development, the demands placed on public facilities will increase.

Arlington can no longer rely on its location and reputation to sell itself. It must step up its game in marketing and improve its receptivity to business, both those currently located here and those wanting to come. It must focus on new markets such as research and education and build on the technology businesses in Crystal City and Ballston. It must be willing to respond quickly and with flexibility to

requests for minor or temporary changes to buildings or their environs. The Committee recommends an enhanced role for the Business Improvement Districts in allowing such changes.

The Committee recognizes that office development can sometimes put added pressure on County facilities and services, pose additional traffic issues, and challenge the aesthetic vision that some Arlingtonians have of their neighborhoods and the County. In order to make clear the trade-offs the County Board must make, the County staff report accompanying a commercial development project should include a statement of its economic impact, including both costs and benefits likely to be generated by the project. In addition, the County Board should revise its charge to the appointed citizen Economic Development Commission to assign it the job of reviewing the staff economic impact statement and providing its comments directly to the Board.

Recommendations:

- **Step up marketing efforts to attract commercial office tenants**
- **Add an economic impact statement to project Staff Reports**
- **Require an EDC letter to the County Board regarding the economic impact of each project**
- **Enhance the role of the BIDs, and adopt other improvements, to attract and retain businesses**
- **Focus on providing a variety of housing to meet the wide range of incomes**
- **Increase public awareness of the importance of a strong commercial tax base**

Strategic Facility Planning and Priority Setting

As the Committee dealt with the task of developing a process for the County and School Boards to use in the siting of public facilities, the question arose of how the County and Schools strategically prioritize their future facility needs. How does a particular project find its way into the Capital Improvement Plan, and how does that relate to the County's broader vision of its future? What is the role of the community in thinking through these strategic priority setting decisions?

Our recommendations are designed to achieve four goals:

- Institutionalize better coordination between Schools and County and among the several County departments, including development of specific criteria or considerations for prioritizing facility needs.
- Improve the opportunity for public participation and input into the early stages of priority setting for future facilities.
- Bring together the information about ongoing demographic and economic changes in the County and schools with the early planning and thinking about future facilities.
- Identify long-range strategic issues and their implications for facility needs and provide a basis for prioritizing candidates for inclusion in a future update of the CIP.

We recommend the Boards establish a Facilities Strategic Planning Committee consisting of two County Board and two School Board Members (with a rotating Chair). This committee would monitor and provide strategic guidance on public facilities and associated budgets to the full Boards for their respective ultimate decision-making processes. The Facilities Strategic Planning

Committee would also provide guidance to a Joint County/APS staff team. This staff team would be chaired by a designated senior person from the County Manager’s office and composed of the key facilities planning staff from APS and County departments. The staff person designated to lead the effort must be senior enough to provide direction and leadership to the rest of the team and be charged with taking a longer strategic view of needs. A longer term, data-driven strategic view of needs—in conjunction with a recognition and understanding of immediate priorities—is critical to ensuring a balanced view of capital facility needs.

The Facilities Strategic Planning Committee would receive annual updates on demographic trends, development market projections and other factors (including the natural aging of structures) and, for schools, the general geography of future school needs that might impact the need for future facilities, whether County or Schools.

In developing a master list of projected future needs, the four-person Committee would review those facilities currently in the pipeline (e.g. the adopted CIP and other previously identified needs) and also the various adopted plans that are part of the Comprehensive Plan, and supporting documents including sector and area plans that are adopted for different areas of the County.

Community involvement would be achieved through a new Joint Facilities Advisory Commission, with members appointed by both the County and School Boards. This commission would provide a venue for broader community input and coordination with other established advisory commissions.

Under this proposed approach, once the public facility needs have been listed and prioritized, in a more open way with community members, this work would feed into other processes on specific projects. As charged by the Boards, the Committee is proposing a new siting process that would be followed by the County and Schools when a new site is needed for a facility. This framework would guide all types of large and complex public facility projects including new schools, fire stations, storage and infrastructure “back of house” needs.

Recommendations:

- **Create a formal, integrated strategic needs assessment and priority setting process between APS and the County with these three elements:**
 - **A Facilities Strategic Planning Committee consisting of two County Board and two School Board members**
 - **An integrated staff team including APS and all relevant County departments, and**
 - **A Joint Facilities Advisory Commission**
- **Implement the proposed Public Facility Siting Process**

Revamping the Community Dialogue

Arlington has always prided itself on its level of civic participation, from the early 1950s when a generation of residents, many of them federal employees, wrested control of the schools from the segregationist-minded state government, to the blossoming of citizen-led land use planning and design for our Metrorail corridors. But, in reality, even the most robust civic process reaches only a small percentage of the population. While Arlington, like many communities, has an established network of

civic associations for each “neighborhood,” the role of these groups and participation levels continue to change. And that is becoming more the case as a new generation gets its information from new sources and communicates in different ways. Our conclusion is that the County and Schools have to redouble their efforts to engage with the diverse population that lives and/or works here.

What does this mean as a practical matter? It means developing accessible, educational and actionable information and distributing it through effective channels. It means more vigorous and creative communications and two-way civic engagement efforts, first from the elected officials who set the policy but, just as importantly, from the professionals in the County and Schools who carry out the policies and provide the services. Traditional community meetings have a place. But we have a diverse population, some of whom respond best to information in a digital environment. Communications from the County and Schools should be clear and allow easy response. Not everyone is interested in – or able to – regularly visit County or School offices or troop over to the County office building to sit around a table and talk for several hours at a community meeting, or obtain information equally through neighborhood groups or listservs.

That does not mean that people are not concerned about what is happening in the community. To increase participation, new formats and different kinds of places and times for meetings (or virtual meetings) are needed and people need to better understand what is being asked of them and how their input matters or will be handled. In the course of this Study, the Committee experimented with some new forms of communication while also using established partners to reach broader segments of the community. However, even with new tools some segments remain difficult to reach – those working multiple jobs, parents with an overload of family responsibilities, students, non-English speaking, renters, and those less digitally-connected – which is why the Committee stresses the importance of a system-wide rethinking of our communications and civic engagement strategies and practices. The elected officials and staff should experiment with new communications media and, importantly, find ways of reaching those whose participation rates have historically been low. Not an easy task, but one critical in keeping Arlington moving forward together.

Recommendations:

- **Examine civic engagement process and practices to reach new audiences, and better incorporate new techniques and technologies**
- **Experiment with new channels of communication, particularly social media**

This Document

In response to the Boards’ adopted charge, the Committee also drilled into specific Arlington facts, policies, and case studies to accomplish its work. This report provides a summary of those most critical factors and their respective relationship to the challenges facing Arlington in the future. It also provides one location to find basic information that will be needed to guide future facility planning, including facility inventories and the current and future outlook regarding demographic and economic conditions.

A Final Word

The Committee appreciates the opportunity that the County and School Boards have given us to learn more about our community and work with each other and with the Resident Forum to offer you these recommendations. We want to give a special thanks to County and Schools staff and especially to Jennifer Smith, Matt Ladd and Lisa Stengle who led the talented staff team as well as to former County Department Director Susan Bell who brought her many skills to the task of coordinating the overall effort.