

County of Arlington/City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 10, 2019

TO: MEMBERS OF THE ARLINGTON COUNTY BOARD
MEMBERS OF THE ALEXANDRIA CITY COUNCIL

FROM: COUNTY BOARD CHAIR CHRISTIAN DORSEY
MAYOR JUSTIN M. WILSON

SUBJECT: PROPOSED INCLUSIVE GROWTH JOINT TASK FORCE

In the fall, the County and the City were a part of an extraordinary economic development success. With the paired announcement of the new Amazon HQ2 coming to Crystal City and the Virginia Tech Innovation Campus coming to the Alexandria portion of Potomac Yard, the collaboration of our two jurisdictions brought home the gold medal in one of the most significant economic development attraction efforts of the past decade. This win was the direct result of forward-thinking policy-making in both jurisdictions over decades, and the product of a unique partnership in the economic development arena.

The Commonwealth, led by two successive Governors, is supporting this effort with significant new state investments to address current and future challenges, primarily the impacts on transportation/mobility and the availability of affordable housing. These new state investments will complement planned or recently completed local investments in both policy areas and help Arlington and Alexandria chart a different course from other communities who have faced similar economic development and population growth.

The fall announcement was a starting line, not a finish line. We recognize that many residents in both communities are concerned that the benefits of Amazon's HQ2, the Virginia Tech Innovation Campus and the George Mason School of Computing will accrue to small pockets of our community, while the entire community copes with the challenges. It is incumbent upon us to develop policies that avoid this outcome.

We believe this unique opportunity calls for new policy approaches, unprecedented collaboration between our two jurisdictions and a sense of urgency to ensure that the growth we anticipate from these paired investments is inclusive and benefits the diverse communities in both of our jurisdictions for generations to come. We are committed to developing a structure for this collaboration to facilitate the work between our jurisdictions and leverage Federal, non-profit, and foundation resources, along with additional investment from the Commonwealth.

We have a strong base upon which to build a new collaborative structure. A nearly two-decade partnership between our two jurisdictions led to the existing Crystal-City Potomac Yard Transitway¹. Alexandria's adopted Housing Master Plan² and Arlington's adopted Affordable Housing Master Plan³ have framed efforts to improve affordability in this corridor. Arlington's Crystal City Sector Plan⁴ and Alexandria's North and South Potomac Yard Plans⁵ have shaped the mixed-use development key to the growth we have envisioned. The County's Transit Development Plan⁶ and the City's work to bring a new Metrorail station to Potomac Yard have helped ensure that the transportation infrastructure will support future development. Our jurisdictions also have cooperated to improve the natural spaces of this area with the Four Mile Run Restoration Project⁷ and various open space acquisitions/dedications and improvements.

Joint framework for policy innovation

To launch our next phase of cooperation, we propose a joint meeting on October 1st of the Arlington County Board and Alexandria City Council. The goal would be to create a joint framework for how Arlington and Alexandria will perform the policy innovation, implementation and collaboration necessary to ensure shared benefits to our communities. We envision creating a joint entity that includes civic leaders and policy experts working with stakeholders in both jurisdictions to guide this collaboration.

We believe this framework should focus on these key policy areas:

- **Housing Affordability:** Leveraging our collaboration to put in place land-use tools spanning our jurisdictions that will help create and preserve affordable housing and increase housing stock to meet anticipated population growth. Such efforts must pay focus to communities threatened by rapid economic change.
- **Workforce Development:** Retooling our workforce development capabilities to ensure our residents are equipped to take advantage of the opportunities offered by Amazon and the Virginia Tech campus. The goal is to create not only a more robust tech-talent pipeline for professional positions regionwide, but for a diversity of employment opportunities.
- **P-12 Education:** Ensuring we maximize the benefits for all students in both jurisdictions from these new investments by developing plans to partner with curriculum, career prep and facility collaboration.

¹ <https://www.alexandriava.gov/tes/info/default.aspx?id=58644>

² <https://www.alexandriava.gov/HousingPlan>

³ <https://housing.arlingtonva.us/affordable-housing-master-plan/>

⁴ <https://projects.arlingtonva.us/neighborhoods/crystal-city-development/crystal-city-sector-plan/>

⁵ <https://www.alexandriava.gov/PotomacYardPlan>

⁶ <https://projects.arlingtonva.us/plans-studies/transportation/transit-development-plan/>

⁷ <https://www.alexandriava.gov/hub.aspx?id=14042>

- **Transportation/Mobility:** Identifying and implementing further mobility innovation over the next several years to bring Crystal City and Potomac Yard together as an urban community and economic development engine.
- **SWaM Business Assistance:** HQ2, Virginia Tech and GMU will all create varying levels of contracting opportunities. Plans should be developed to assist SWaM businesses in our communities to benefit from these contracting opportunities.

In each of these policy areas, we should take into consideration climate resilience when evaluating new, collaborative investments and policies.

We are looking to models that can be adapted to help achieve our goal of a productive cross-jurisdictional collaboration aimed at enabling vulnerable community members to thrive in a market that could otherwise displace them. Some models that we could consider include:

Community Development Corporation (CDC)

Community Development Corporations are non-profit community-based organizations that often take a holistic approach to the concerns of the most vulnerable residents/businesses in a defined geographic area. They serve as magnets for capital investment from public and private sources and usually, in their governance and programmatic activities, empower residents to directly participate in decision-making.

CDC's can integrate all stakeholders in their governance and are natural initiators of or partners for Community Development Finance Institutions (CDFI's) that can complement a CDC's program.

Establishing a CDC would require sponsoring entities or individuals to establish the 501(c).

Redevelopment and Housing Authority (RHA)

Programmatically, a redevelopment and housing authority can perform work similar to that of a CDC. Yet as a political subdivision, an RHA allows for localities to exercise greater control over its trustees; RHA's are not 501(c)s and not as attractive for charitable giving; and RHA's are subject to all the "sunshine" requirements of Virginia public bodies.

The City of Alexandria has vested authority under the Code of Virginia to operate an RHA and has done so for the last 80 years. Arlington does not and would need a majority vote of qualified voters in a referendum to exercise the same authority. Furthermore, such authorities are authorized only for each locality, and cannot legally operate across jurisdictional boundaries.

Pursuing a joint political subdivision would require enabling legislation.

Statutory Partnership

The City and The County could also structure a partnership that coordinates the work of existing staff and includes residents and other stakeholders through an advisory group or groups using best practices from our collaboration on the Four Mile Run Stream restoration.

Pursuing this model by establishing an Inclusive Growth Joint Task Force is likely the simplest of the three options and would be subject to the same public body considerations outlined in the RHA section. As we move forward our structure can, and may necessarily, evolve and transition.

Cc: Mark Schwartz, County Manager; Mark Jinks, City Manager; Arlington School Board; Alexandria School Board