



FY 2025 – Q1 BOARD MEETING

NATIONAL LANDING BID

Wednesday, July 24, 2024, 11:30 am – 1:00 pm.

241 18th St S

Minutes

Members Present: Catherine Anchin, Stacey Brayboy, Gary Cook, Kimberly Driggins, Terrence Duvall, Heena Feeney, Aubrey Fenton, Shannon Flanagan-Watson, Shavini Fernando, Franki Fitterer, Rock Harper, Freddie Lutz, Donna Marquez, Andrea Murray, Abbey Oklak, Mara Olguin, Joe Oyler, Robert Peck, Patrick Philippi, Sahil Rahman, Regina Rees, Harmar Thompson, Pamela Van Hine, Thomas Vannetta

Members Absent: Mark Carrier, Ashleigh De La Torre, Judy Freshman, Kingdon Gould, Dave Ritchey, Andy VanHorn

Staff Present: Tracy Sayegh Gabriel, Rob Mandle, Malaika Scriven, Ben Wills, Mai Abdelaziz, Elissa Staley, Erica Rivera, Madison Diaz, Lindsay McCartney, Gavin Meyer

Others Present: Kedrick Whitmore (Counsel), Allie Mathews (Rasa)

Welcome

- Tracy introduces video from Annual Meeting & Rammy's and thanks Amazon and Rock Harper for his contribution
- Chair Kiimberly Driggins, new Chair, expressed gratitude for the opportunity to serve and acknowledged the contributions of previous Chair, Andy VanHorn, and thanked JBG SMITH for providing the meeting space

Introductions

- Kimberly gave an overview of the agenda and welcomes new board directors
- All meeting attendees provided a brief introduction

Recent Wins

- Annual Meeting: Successful event with over 200 attendees at Amazon's new HQ2 and 13 restaurants in the National Landing area
- Wavves Mural: 1400 square mural was completed JD Deardourff near the Mount Vernon Trail. The mural was chosen by a panel of area stakeholders out of 30 artists.
- Water Park Programming: Relaunch of popular events such as Fridays at the Fountain and Fitness at the Fountain on Mondays.
- Crystal City Metro Station East Entrance: Groundbreaking for the new entrance which will cost \$146 million and accommodate peak travel periods; project completion expected in late 2027.
- CC2DCA Funding: Achieved full funding from NVTA.

Motion on Approval of FY2024 Q4 Board Meeting Minutes

- **Motion: Gary Cook**
- **Seconded: Robbie Peck**
- **Abstention: New Board Members Abstaining**
- **Discussion: None**
- **Approved Unanimously**
- **Opposed: None**

Treasurer's Report

- Robbie Peck provided the Treasurer's Report.

End of Year Soft Close:

- A pre-audit financial snapshot showed \$426k in unspent funds due to extended timelines on several projects that total \$275K and include:
 - Innovation Governance Strategy Research
 - An upcoming Market Study Update
 - Placemaking Plan & Toolkit
 - Legal expenses related to our new lease
 - Planned interim art on latent Metroway bus stations
 - A planned refresh of the Brand and website
- Remaining \$231K is due to conservative spending in the first half of the year from uncertainty around commercial office assessments and upcoming costs related to BID's office move
- Additional Revenue of \$167k more in sponsorships which resulted in higher spending on events
- Neither the contingency reserve fund nor the wayfinding reserve which together total \$342k was utilized.

County Manager Letter & Reserve Funds:

- Service Agreement Compliance: BID must notify the County Manager of planned carryover spending and budget variances over \$50k.
 - Recommended Reserve Funds for FY2025:
 - Operating Contingency Fund: Transfer unused funds into FY2025 Operating Contingency - maintain at 5% level.
 - Program Reserve Fund: \$275k for six main ongoing projects.
 - Office Relocation Reserve: \$231k from unspent operating funds for office move expenses (furniture, technology, etc.).
- Audit Impact: Fluctuations in carryover fund amounts due to the audit will be adjusted in the Office Relocation Reserve.

Motion to approve a request to County Manager to carryover unspent FY2024 Operating Funds & Reserve funds into 1) a Program Reserve Fund of up to \$275k, 2) an Office Relocation Fund of approximately \$231k, and 3) the FY2025 Operating Contingency

- Motion: Sahil Rahman
- Seconded: Patrick Philippi
- Abstention: Shannon Flanagan-Watson
- Discussion:
 - Assessments: Questions raised about current assessments.
 - Shannon inquired about what Office Relocation funds were originally planned for – primarily from taking a conservative approach to spending based potential assessment declines.
 - Sponsorship Revenue: Sahil asked about unexpected sponsorship and Robbie explained that sponsorships are not budgeted; a conservative approach is taken, relying on assessments and new building activity.
 - Rob noted that significant sponsorships, like from Amazon, have only emerged in past few years.
- Approved Unanimously
- Opposed: None

FY2025 Budget

- The BID budget increased by 6.2% over the previous year due to new developments, including Amazon HQ2, the Sage, the Milton, Riva, and Grace.

- Commercial assessments remain uncertain, which could impact the budget despite new deliveries.
- BID staff will prepare for potential budget impacts from December appeals.

Office Lease Update:

- Temporary Space: Plans for interim office space during the transition were discussed.
- Lease Search:
 - Initiated in May 2023 in preparation for June 2025 lease expiration at 2011 Crystal Drive.
 - Contracted with JLL for brokerage services to ensure an "arm's length" negotiation with potential landlords. With advisory support from Harmar Thompson and Andy Vanhorn, the BID reviewed 9 properties and 16 spaces from 6 different property owners.
- Property Selection:
 - BID requested proposals for three properties based on metro accessibility, street vibrancy, and employee attraction/retention.
 - Following the April Board meeting, the BID signed an LOI for space at JBG Smith's 1550 Crystal Drive.
- Current Status:
 - Negotiations are ongoing; the space layout now includes a 30+ person conference room.
 - Latest lease draft received last week.
 - BID must vacate 2011 Crystal Drive by September 18, requiring interim space until the new location is ready on December 1.
- Interim Space:
 - Exploring options at JLL's Orchard Co-Working space at 2451 Crystal Drive.
 - Negotiations continue with JLL and legal counsel.
- Draft Lease:
 - Available for review in the electronic Board folder.
- Move Considerations:
 - Most current office furniture can be retained; additional or replacement components needed.
 - Anticipated substantial IT investment for post-pandemic support.
 - Rent abatement, moving allowance, and carryover funds expected to cover these expenses.

- Lease Finalization: The BID is finalizing a lease for new office space at 1550 Crystal Drive, with expected move-in by December 2024.

Board Committees:

- In addition to the standing administrative committees (Executive, Audit, and Nominating), several Board Committees have been established to support the Board and advance the BID's mission.
- These committees typically meet quarterly and provide brief reports at the quarterly Board Meetings.
- Board members were reminded that each board director is required to serve on at least one committee.

Audit Committee

- Discussion was led by Robbie Peck
- Preparation for FY2024 Audit is underway.
- The Audit Committee provides feedback and guidance in the completion of the annual Audit and reviews the draft Audit ahead of the Q2 Board Meeting in October where the formally presented, accepted by the Board, and subsequently submitted to the County by a November 1 deadline
- BID Bylaws define the membership of the Audit Committee to include the Treasurer as the Committee Chair, the Board Chair (Kimberly) and an additional Board-Appointed Member (presently Abbey)
- Committee Meetings will be open to interested Directors as observers as some have shown interest.

Transportation Committee

- Discussion was led by Harmar Thompson
- Updates on Bike month events, Pride Crosswalks, and CC2DCA funding

Equity Committee

- Discussion was led by Sahil Rahman
- Upcoming initiatives for FY2025 were outlined, with a focus on community engagement.
- Kimberly Driggins noted that given the environment, she wanted to thank the BID for the Equity work. Shannon wanted to amplify from a county's perspective and encouraged BID to continue to do the great work around Equity and Tracy thanked the Board for backing the work on Equity.

23rd Street Committee

- Discussion was led by Freddie Lutz
- Pocket Park Upgrade (23rd and Eads):

- DPR is seeking feedback through an online survey on three design options.
- Delivery expected in Q3 2025.
- Mixed reactions: concerns about cost versus support for upgrading the gateway.
- Artistic Rainbow Treatment: County Board Member Takis Karantonis announced plans for rainbow treatment at 23rd Street intersections with Eads and Fern in collaboration with County, Equality Arlington, MOCAA, and National Landing BID; Installation planned for June 7; received group support.
- Melwood Redevelopment: Plans to add 113 units of affordable housing.
- Public Safety Update: ACPD reported continued staffing shortages.
- Events Update:
 - June 27: Successful Annual Pride for the Police event
 - September 29: Ice cream event planned.

Planning & Development Committee

- Discussion was led by Andrea Murray
- Updates on placemaking initiatives, market summary report and BID investment in ReLaunch and Open Rewards

FY2025 Work Plan Priorities

- Priorities include:
 - Strategic Plan Implementation: Focus areas include the Innovation District and Flagship Event
 - Exploration of Ambassador Program
 - Seeking opportunities to expand and highlight green ribbon
 - Strengthen Equity

Trust for National Landing

- Engagement with Uncommon Bridges concluded last month
- Their report summarizes the exploration over the past few months and outlines a number of next steps which include:
 - Engaging with the County on any necessary legal review
 - Finalizing bylaws, articles of incorporation, and accounting policies with any applicable input from BID and/or County counsel and the BID Executive Committee; and
 - Formal filings with SCC, IRS, State of Virginia
- Discussion

- A Director asked about how donations are handled
 - Rob noted that donation acceptance policy is outlined in the bylaws and that non-monetary donations will not be accepted
- A Director asked about how Foundation is being framed from a financial standpoint
 - BID and County working closely on final formation and financial reporting / accounting checks and balances
- A Director asked if EC members have enough experience with formation
 - Kimberly noted she had experience launching 501(c)(3) organizations
 -
- Ked clarified that they will work with EC to make sure it's done properly – Venable has extensive experience creating Trusts

Motion to designate Executive Committee as the founding board of the Trust for National Landing and to empower them to proceed with drafting the formation documents and proceed with filing applications

- Motion: Patrick Phillippi
- Seconded: Mara Olguin
- Abstention: Shannon Flanagan-Watson
- Discussion:
 - Note: This would be the founding board but could change thereafter
 - Asked if Trust would have its own staff and it was clarified that best practices is no staff and Tracy would be Executive Director for both – Trust would act as vehicle to advance work of what BID is currently doing
 - Shannon mentioned that it needs to separate accounts and financial systems
- Approved Unanimously
- Opposed: None

Major BID Initiatives:

- **CC2DCA:** Stakeholder workshops completed; project is fully funded at \$57.2 million
- **Placemaking Toolkit:** A draft toolkit is being finalized to guide placemaking efforts.
- **Innovation District Governance:** The steering committee will shape the strategic direction of the Innovation District around:
 - Establishing the appropriate governance structure to develop and operate the district
 - Determine the optimal innovation geographic boundary

- Anticipate the fiscal impact on communities involved
- Capital fundraising strategy and budgeting
- Confirming key industry verticals

Director Updates

- Kimberly Driggins: WHC released a 5-year impact report that shows depth and breadth of organization. Kimberly also co-authored an article on social infrastructure
- Patrick Phillippi: Amazon rescheduled Community Day to September 21 due to heat wave; Amazon pledged \$1 billion to Equity Housing Fund in Seattle, Arlington and parts of Nashville
- Franki Fitterer: Virginia Tech Innovation campus is welcoming students in January 2025 with official ribbon cutting in December 2024
- Shannon Flanagan-Watson: Capital Improvement Plan got adopted
- Catherine Anchin: MOCA is new to National Landing, celebrating 50th anniversary and Gala on September 25th
- Andrea Murray:
 - Leasing is going well – Van Leewen opened and Tatte having their “friends and family” opening on Monday July 31
 - Delivering towers on 2000 and 2001 Bell St at end of year
 - 2011 Crystal Dr repositioning for multimodal transportation hub to be amenity hub for neighborhood. Large conferencing open to public – not just tenants

BID Staffing

- Ben Wills leaving as Director of Marketing & Communications – search in underway for new Director
- Hiring for new role: Events & Activations Associate.

FY2025 Board Meeting Dates

- Note of FY2025 BID Board of Directors Meeting Dates and the Annual Meeting is being targeted for early June.
- BID senior team and some staff are headed to the International Downtown Association’s conference in Seattle on September 11-13. IDA is the trade association for BIDs and other place management organizations. BID will cover registration for any board members interested in attending.
- BID exploring dates and desired program for a board retreat since there hasn’t been one since Spring 2022.

- Reminder that Conflict of Interest forms have been sent out and each director needs to disclose any conflicts if any.

Closing Remarks

- Next Board meeting is on **Wednesday, October 23rd**
- Thank you to RASA and Sahil for lunch