



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of September 14, 2024

DATE: September 10, 2024

SUBJECT: Request to advertise public hearings to consider:

- A. Adoption of the *County Board Policy on the Transformation of Commercial Office Buildings in Arlington* that will provide policy guidance on the creation of a more streamlined and economically viable approach for the adaptive reuse of obsolete commercial buildings, in addition to policy guidance on other tools to otherwise reduce the supply of obsolete office buildings; and
- B. An ordinance to amend, reenact, and recodify Articles 15 and 18 of the Arlington County Zoning Ordinance (ACZO) to amend or create a new regulatory process for the adaptive reuse of obsolete office buildings to provide a more streamlined and economically viable entitlement process.

C. M. RECOMMENDATION:

Adopt the attached resolution to authorize advertisement of public hearings by the Planning Commission no earlier than November 4, 2024, and the County Board no earlier than November 16, 2024, to consider:

- A. Adoption of the *County Board Policy on the Transformation of Commercial Office Buildings in Arlington* that will provide policy guidance on the creation of a more streamlined and economically viable approach for the adaptive reuse of obsolete commercial buildings, in addition to policy guidance on other tools to otherwise reduce the supply of obsolete office buildings; and
- B. An ordinance to amend, reenact, and recodify Articles 15 and 18 of the Arlington County Zoning Ordinance (ACZO) to amend or create a more streamlined and economically viable entitlement process for the adaptive reuse of obsolete office buildings and to make editorial changes to the ACZO for the purpose of clarity and for other reasons required by public necessity, convenience, general welfare, and good zoning practice.

ISSUES: No issues have been identified to date for this Request to Advertise (RTA).

County Manager:

MJS/SFW

County Attorney: CK^o MNC

Staff: Marc McCauley, AED and Jill Hunger, CPHD

SUMMARY: This request to advertise (RTA) will allow future public hearings to consider:

- A. The adoption of the *County Board Policy on the Transformation of Commercial Office Buildings in Arlington* (“the Policy”) which shall provide guidance on tools to reduce, replace and/or reposition obsolete office supply, with a primary focus on near-term efforts to institute a new process to review proposals for the adaptive reuse of office buildings and further guidance on improving processes for other tools to transform Arlington’s office inventory.
- B. Potential amendments to Articles 15 and 18 of the Arlington County Zoning Ordinance (ACZO) to amend or create a more streamlined and economically viable process for the adaptive reuse of obsolete office buildings. An ongoing discussion relates to the elements of a streamlined process for adaptive reuse that are incorporated into the ACZO, the policy referenced above, or changes to administrative regulations.

Within this context, an office adaptive reuse is defined as an existing site plan building that changes the primary use from office to an alternative use and proposes relatively minimal exterior changes to the existing building and site. A process for changing the primary use in an approved and constructed site plan building exists within the major site plan amendment process. The consideration of an alternative process that is more streamlined is being considered to acknowledge that the existing major site plan amendment process is typically too extensive and time consuming than may be required for this type of project. The desired outcome is a more rapid recovery of fiscal and placemaking conditions that are hampered by the continued presence of obsolete and vacant office buildings.

The effort to create a policy, regulatory and procedural framework to address the oversupply of obsolete office space is driven by a real and impactful challenge in the commercial office sector vacancies and even more critically asset valuations. This challenging market condition is structural, long-term and has a significant impact in the near-, mid- and long-term fiscal health of the County. While staff believes Arlington has a relatively limited number of adaptive reuse candidate buildings, the positive impact on the commercial office market, the vitality of neighborhoods and the fiscal health of the County could still be significant. Furthermore, the conversion of any office buildings to residential or hospitality uses would have the additional benefit of helping to increase Arlington’s housing supply and inventory of hotel rooms, advancing other County goals. Other tools related to the transformation of Arlington’s office inventory may include additional changes in process for site plan amendments for office building repositioning (investments to existing office buildings) and various types of redevelopments.

A draft of the proposed Policy document and any language related to changes to the ACZO will be provided on the County’s [CMRI web site](#) no later than October 1, 2024. This Board report summarizes the general approach to both the policy and potential ordinance changes.

BACKGROUND: The prospective County Board policy, zoning ordinance amendment and procedural refinements to be developed is part of CMRI 2.0, which is a continuation of the [Commercial Market Resiliency Initiative \(CMRI\)](#) initiated by the County Manager and authorized by the County Board in April 2022 and reconfirmed in September 2022, and

throughout 2023 with the adoption of amendments to the zoning ordinance. The objective of the CMRI is to identify ways the County can respond to the quickening pace of economic change and innovation, shifting consumer behaviors and expectations, and business practices through removing regulatory barriers to achieve market solutions. The focus of this RTA is to introduce policy and regulatory changes to address structural weaknesses in the commercial office sector, specifically the oversupply of non-competitive and obsolete office buildings.

As with many other communities in the region and nationally, Arlington is experiencing a historical, structural change in market demand for office space that is continuing to increase the vacancy rate. At the same time the County has a significant share of its office supply in older, less competitive buildings that are challenged to compete for tenancy, even with lower lease rates. The result is a market condition that drives down values of office buildings of all types and quality.

These market dynamics continue to put the County at considerable financial risk given projected further stagnation or even future significant declines in the assessed value of Arlington's commercial office properties. A constrained office sector value and related decreases in tax revenues threatens the County's ability to fund a myriad of other programs and investments that benefit the broader community. Long-term vacancy and disinvestment of aging office buildings in the County's mixed-use districts also threatens the vibrancy, activity, potential safety and attractiveness of these and surrounding neighborhoods.

Therefore, the items introduced within this RTA and to be considered at future public hearings reflect the necessity of public action to confront the existing and future impacts of the commercial office sector challenges on the County's fiscal health and overall quality of life. A near-term action within this effort is a focus on a new process to consider the adaptive reuse of an existing office building.

A study of Arlington's total office market inventory has found that over 70 (or over 40% in terms of square footage) of the 328 office buildings were considered at risk for some form of market distress. Market distress can take many forms, but often requires significant value corrections, capital restructuring and/or plans to transform the distressed asset into a more viable investment. Adaptive reuse is one option often considered to recover the value of an asset.

Adaptive reuse projects have a more rapid and less intrusive construction process (as compared to full-scale redevelopment) that provide quicker return to value recovery of an asset, higher tax revenues in the near-term, and shorter and less intensive construction impacts on a surrounding area. A faster turnaround of a building can also more readily respond to emerging market opportunities and fill market supply deficiencies for non-office uses. One example would be the potential to provide additional and uniquely positioned housing stock to help address Arlington's housing shortage. Other potential advantages of adaptive reuse, which will be further studied, include the creation of unique and creative building stock and amenities and embodied carbon savings given the reduced energy cost associated with demolition and construction and reuse of building materials and major infrastructure elements such as below-grade parking.

Adaptive reuse is not a clear or viable option for many buildings, as the implementation of an adaptive reuse investment has many challenges and limitations¹ including, but not limited to, the cost of such a transformation relative to a generated market return, and structural limitations such as inefficient floor plates, building facades, and low ceiling heights. And, while the vacancy rate is now over 23%, this does not always translate into fully vacant buildings with a low enough land basis that would justify an adaptive reuse investment.

County staff concur with the general perspective of industry leaders that the limited viability of adaptive reuse projects for most office buildings leads to an expectation that there will be a limited number of future adaptive reuse projects in the County. However, these assumptions could change, as market conditions and the underlying economics of adaptive reuse shift. Despite the potentially small number of buildings/site plans pursuing an adaptive reuse, the impact on the County could still be significant in terms of the square footage of obsolete and vacant office space taken off the market and the recovery of related tax revenues.

Another challenge for emerging, viable adaptive reuse projects is the current Arlington County process which include time and cost hurdles that are not acceptable for this unique type of private investment. While this is one of many hurdles to adaptive reuse projects, it was one that is in great part under County control. Specifically, a change in a primary use of a building at the scale of adaptive reuse projects currently triggers a major site plan amendment which is costly, time consuming, and often considered uncertain by investors. Additionally, adaptive reuse projects, to maximize the benefits of the investments and improve the quality of the building and its amenities, often will include building alterations that increase the gross floor area (GFA). This often does not include the addition of new stories or other significant building additions that would be considered as some form of redevelopment, but more nominal changes in density either associated with the calculation of GFA per zoning regulations of use completely within the interior of the building (including excess parking) or minimal changes to the exterior of the building such as ground-floor bump outs, new building facades, or converting rooftop spaces into occupiable space. Further, Arlington has many neighborhoods that have long-range sector and area plans that envision transformative redevelopment options. The [*Administrative Guidance for Office Conversions*](#) (December 2020) provides a platform for resolving these conflicts between long range visions and near-term opportunities but does not hold the weight of land use policies or zoning allowances.

There are some potential downsides to adaptive reuse to consider, such as older, obsolete buildings regaining a useful life but that potentially defer long-term public infrastructure plans associated with streets, transit and public space; and, upgrades to building systems may be constrained (physically and/or financially) and not always able to reach the full County standards for new construction. These issues or trade-offs will all be considered as part of the creation of a new policy and regulatory framework. Staff concludes the significant benefits of adaptive reuse projects and the limited number of such projects will generally balance any concerns of the impact of these potential downsides and trade-offs.

¹ [Office to Resi Conversion Memorandum \(October 2022\)](#)

Arlington has only a couple of examples of adaptive reuse from office to residential over the past decade or more – 2221 S. Clark Street (Common at National Landing – f/k/a WeLive) and 220 20th Street. Both are located in Crystal City, and 220 20th added six new floors in addition to the adaptive reuse of the obsolete office building. The City of Alexandria and Fairfax County, among many other jurisdictions, have put policy and regulatory frameworks in place that have resulted in entitled and completed adaptive reuse projects over the past several years. Arlington County staff in AED, CPHD and DES have seen an uptick in preliminary interest in adaptive reuse projects in recent years.

A holistic public policy effort to address the necessary transformation of Arlington’s office inventory must consider how best to accommodate and even incentivize other private investment opportunities that remove or reposition obsolete office supply, such as:

- The significant investment in an existing office building to reposition the asset to be more competitive to office tenants; and,
- A project redevelopment where all or most of the existing structure is maintained but additional stories or additions are added; and,
- A project redevelopment where most of the structure is demolished but major elements of the existing building such as a podium or structured parking are maintained; and,
- Full-scale redevelopment from ground up; and,
- Change in the anticipated office use of a planned and/or entitled yet undeveloped site, also known as switches.

DISCUSSION: This RTA provides for further County Board consideration of two related elements: A) the *County Board Policy on the Transformation of Commercial Office Buildings in Arlington* and B) potential amendments to Articles 15 and 18 of the ACZO to amend or create a more streamlined and economically viable process for the adaptive reuse of obsolete office buildings. In addition to new policy and ordinance text enacted by the County Board, there are procedural and administrative refinements that the County Manager can implement in alignment with and complementary to the spirit and direction of any County Board policy or approved zoning text.

County Board consideration of policy guidance and zoning amendments shall consider, but not be limited to, the following key questions as to whether:

- There exists a common understanding and acceptance that the current challenges in the commercial office sector are structural and long-term and represent a significant threat to Arlington’s fiscal health and overall quality of life.
- The existing processes for considering adaptive reuse of obsolete office buildings is not sufficient or most effective to achieve the resulting benefits to the County of such private investments.

- The streamlining and right-sizing of County procedures to review adaptive reuse proposals that will reduce or reposition obsolete office supply is a public priority.
- Adaptive reuse represents a first focus of all potential processes related to reducing or transforming the office market inventory.
- A new streamlined process for review and approval of adaptive reuse projects is required to allow for and encourage private investment and achieve the expected benefits to the County.
- A streamlined adaptive reuse process should provide for a newly defined process within the appropriate sections of the ACZO (if/as applicable) and additions or amendments to the Administrative Regulations 4.1 Governing the Submittal of Site Plans (“Administrative Regulations”).
- The approval of nominal changes in GFA within adaptive reuse projects for minimal changes to building form, with both nominal amounts and minimal changes to be defined within policy and/or ordinance (and with further detail provided below), can be allowed utilizing the adaptive reuse of an office building as a defined community benefit.
- There are any identified conflicts between economically viable adaptive reuse projects and other County goals and policies, such as affordable housing, green building or modal improvements, and are any recommended trade-offs transparent and for the overall benefit of the County.
- Adaptive reuse projects should have building and site standards applied to the review process to account for realistic outcomes and project economic viability.
- Additional guidance on other process changes and incentive structures related to other forms of development activity that reduce and/or reposition obsolete office buildings is appropriate and implementable.

The Policy and potential zoning ordinance amendments for discussion and consideration at future Planning Commission and County Board public hearings shall provide final recommendations on these open items and other issues raised during further analysis and engagement. A draft of the proposed Policy document and any language related to amendments to the ACZO will be provided on the County’s [CMRI web site](#) no later than October 1, 2024.

For consideration of this RTA at the September 2024 County Board meeting, relevant information on the prospective Policy and potential zoning ordinance amendments at the time of this RTA is provided below.

A. The County Board Policy on the Transformation of Commercial Office Buildings in Arlington (“the Policy”)

The Policy is intended, among other things, to provide guidance in the following areas: 1) justification for the consideration of the policy and enhanced County actions to address commercial market challenges, 2) some specific standards to consider during review of site plan applications, 3) relationship of guidance to other adopted County Board policies, 4) a framework for a potential new approach to reviewing and approving adaptive reuse projects; and 5) other

areas of policy and regulation that can be further studied to address the commercial market challenge. The following is an annotated outline of the proposed Policy.

I. Office Market Challenges, Headwinds and Opportunities

A narrative on the current and future state of the Arlington office market. Major topic areas will include the micro and macro factors affecting office demand, Arlington's competitive positioning amid the expansion of transit-served office market clusters, the office supply challenges facing Arlington due to the presence of a significant supply of non-competitive or obsolete office supply, the declining trends in office building valuations, the long-term structural challenges of a demand-supply imbalance in Arlington, and the market opportunities to capture flight to quality trends and strengthen the Arlington office market as a whole through the reduction of obsolete office supply.

II. Fiscal Impact of a Declining Commercial Office Sector

The translation of observed office market trends into impacts on commercial office assessments and tax revenues, including assessment impacts on hypothetical office buildings under various stages of market performance or distress, long-term trends of the office assessments in the County, and the revenue impacts of declining office assessments. An understanding of the fiscal impact on the County of a declining commercial office sector will provide the foundation for and the justification of a bold public policy market intervention.

III. The Justification and Opportunity for Public Intervention in the Commercial Office Sector

A perspective on the cost of inaction and the opportunity to pursue bold policy and regulatory changes to reduce or reposition obsolete office supply, recover tax revenues and restore fiscal balance. A fundamental conclusion proposed in this section is that the reduction of obsolete office supply is a public priority and, as such, efforts to achieve the goal of reducing or repositioning Arlington's obsolete office supply should be appropriately incentivized in County regulations.

IV. A First Focus on Adaptive Reuse

The introduction of the adaptive reuse concept and justification for why this specific market opportunity for removing obsolete office supply should be prioritized for regulatory changes. This will include a summary of the benefits of adaptive reuse to tax revenues, neighborhood placemaking, the new supply of needed uses such as housing and hotel keys, and perhaps innovative new uses for former office buildings, as well as an acknowledgment of some of the trade-offs and risks of adaptive reuse. A significant policy statement will address the need to be more fluid and flexible in the County's processes and accept a certain level of risks and potential trade-offs in order to achieve impactful change and benefits.

V. Adaptive Reuse Policy and Regulations in Arlington County

A review of the challenges associated with the current process (major site plan amendment) for receiving approval of an adaptive reuse project and lessons learned from adaptive reuse policies and regulations in other Virginia jurisdictions.

VI. Scope of Prospective Regulatory Change for Adaptive Reuse Projects

Substantive policy guidance on the regulatory changes that should be pursued to streamline the review and approval of adaptive reuse projects. This includes:

- The need to create or amend a site plan amendment process potentially through amendments to the ACZO and/ new or amended elements of the Administrative Regulations that can effectively achieve a streamlined approach for adaptive reuse projects.
- Criteria and limitations for project eligibility for the new adaptive reuse process.
 - It is expected that the policy will set forth a requirement that only previously approved site plan buildings will be eligible, thus initially excluding projects approved under the Columbia Pike Form Based Code use permits and by right. Further guidance may be provided why and when such exclusions may be studied and further addressed within in the regulatory framework.
- Policy guidance on desired time for review and approval and elements of a targeted community engagement strategy. The goal should be to provide a process that is significantly shorter in duration than current site plan amendment processes.
 - This may include guidance on the role of the County Board's commissions in the review process, most notably the Planning Commission and its committees.
- Policy guidance for consideration of increases in density, and in some very specific cases heights, for an adaptive reuse project. It is expected that the policy will direct that there is a limit on the scale of new heights and density to that of minimal changes to building form, and as will be further defined.
 - New density and building height considerations can be expected to only consider changes associated with internal space planning, rooftop and façade changes, ground-floor bump outs and conversion of excess existing parking to occupiable square feet.
- Policy guidance that the regulatory framework integrates the policy finding that reduction of obsolete office supply is a defined public priority, and thus the approval of additional density is designated as a community benefit provided to mitigate the impact of new entitlement, perhaps with limitations of the scale of use for this specific benefit.

- Policy guidance on the intersection between an adaptive reuse policy and regulatory framework and existing County policies such as affordable housing and green building.
 - It is not intended that an adaptive reuse framework shall directly alter any existing County policies, but this Policy will potentially provide guidance on how to manage conflicts and trade-offs.
 - Another potential point of conflict may occur when adopted land use plans and policies 1) prescribe a preferred land use to a specific site or block or 2) identify a site for the realization of other planned infrastructure or community benefit goals but the reinvestment into and adaptive reuse of a building prolongs its useful life.
- Policy guidance on building and site standards that should be applied to adaptive reuse projects, including potential guidance to limit overloading adaptive reuse projects with new standards in the spirit of a streamlined process resulting in economically viable projects. Of particular note will be building standards that have an impact on neighboring sites, such as parking and loading standards.
- A reference for the need to integrate any proposed changes to the land use regulatory framework with the building code.

VII. Other Policy Guidance and Considerations for Reduction and Repositioning of Obsolete Office Supply

The Policy shall provide guidance on the scope and timing of future studies of streamlined approaches or incentives in other areas identified as potential tools to further achieve the transformation of Arlington’s office inventory, specifically the reduction of obsolete office supply. These areas of future study include:

- Building repositioning, or the investments and related site plan amendment requests to upgrade existing office buildings to improve their competitive positioning.
- Various forms of redevelopment that replaces obsolete office inventory, including:
 - Adaptive reuse of an existing office building structure with addition of new stories or building additions; and,
 - Redevelopment of an existing office building and ground-up redevelopment but with the retention of existing building podium and/or underground parking; and,
 - Complete, ground- up redevelopment.

A key policy element to consider will be whether the reduction or repurposing of obsolete office supply in any of these forms should be considered for a more streamlined regulatory approach and whether the reduction of obsolete office supply is eligible as a public priority that can be applied to achieve additional density above the standard site plan base density or existing density allocations.

This section will also provide some guidance on the County Board's inclination to consider, after further study, any financial incentives to address office sector weaknesses, achieve a reduction of obsolete office supply and increase tax revenues through recovering office building assessments. A future study could consider recent recommendations from the Economic Development Commission, input from other stakeholder groups and experiences with financial incentives in other jurisdictions. Any study would ultimately require a thorough analysis of the financial costs and tax revenue benefit of any specific incentive.

B. Potential Amendments to the ACZO

The RTA provides notice of future County Board consideration of potential amendments to the ACZO to provide for a streamlined and viable process for the review of site plan amendments related to adaptive reuse projects. A key consideration of the final recommendations between the RTA and County Board consideration of any specific zoning ordinance amendments will be 1) the specific rules, standards and requirements for a newly defined or amended process for adaptive reuse site plans; and 2) which elements of a new or amended process are codified within the ACZO (if any) and which are provided in the Administrative Regulations.

As currently developed through internal staff discussions and input from stakeholders in various forums, the prospective draft framework for the purpose of future analysis and discussion (with specifically critical open items identified) is as follows:

- Adding a newly defined site plan amendment process to §15.5.3. of the ACZO. This new §15.5.3.D would introduce the new concept and provide all codified standards, with the exception of mechanisms for approving any additional density which is discussed below.
 - An alternative approach of amending existing elements of ACZO §15.5.3 and the Administrative Regulations is still under review, with the final recommendation being fully addressed by the time of future public hearing.
- Defining the term Adaptive Reuse, Office in the ACZO – “A change in the primary office use of one or more existing buildings to an alternative use that includes minimal changes to the building form and the surrounding site and an only nominal increase in building gross floor area.” Both “minimal changes” and “nominal increases” will be clarified in the Policy, ACZO and/or Administrative Regulations.
- Establishing criteria for the application of a new adaptive reuse process within the ACZO, which will likely include a requirement that the adaptive reuse project is part of an approved site plan, has a certain threshold of existing use that is office, which results in a change of certain percentage of the existing office use. Other criteria such as age or some measure of asset vacancy or distress have also and will continue to be discussed.
- Placing limitations on use of the new adaptive reuse process for specific types of site plan amendments, with outright prohibitions on requests including, but not limited to: new construction of building additions or stories, with certain exceptions provided below; new vacations of public land or right of way; changes to previously committed community

benefits; and removal or reduction in any building standards approved during any previous County Board approval. Further limitations may be added, including limits on the use of this new adaptive reuse process for future site plan amendments after the initial change in the primary office use.

- Requiring County Board approval of an adaptive reuse site plan amendment application. Some proposed changes may meet standards currently in place for administrative change requests, and this new process would not preclude that path.
- Refining significant areas of process, and the appropriate placement of any regulations or rules within either the ACZO or the Administrative Regulations, including:
 - A defined timeframe from receipt of a completed application to a County Board hearing. A preferred target may be included as part of the Policy, such as the desire from a streamlined approach to strive for approximately 100 days or less of process, but how this is codified or integrated in administrative procedures is a critical open item.
 - The focused engagement with County Board-appointed commissions and committees, most notably whether applications are heard by the Planning Commission and/or their Site Plan Review Committee (SPRC) prior to County Board consideration. A required or even anticipated level of engagement can alter goals on the timing of the process.
- Accommodating modification requests to previously approved heights and density of an adaptive project via new ACZO regulations in Article 15.
 - Additional height to an adaptive reuse project may be considered for the introduction or increase to an existing rooftop area of occupiable space and structure that requires a recalculation of building height.
 - Additional GFA may be considered under the following conditions, subject to further refinements:
 - Density associated with the change in use as regulated by the underlying zoning district standards, without amendments to building height or form; or
 - Rooftop uses that were not included in a previous site plan approval or were previously excluded from gross floor area; or
 - Previously excluded density in the interior of the building; or
 - Building façade changes that affect exterior wall widths; or
 - Ground- and second-floor retail and commercial bump outs; or
 - Addition of mezzanine spaces; or
 - Addition of covered balconies or terraces that qualify as occupiable square feet; or
 - Requested increases in density in a similar purpose and level of impact as those listed above, per the determination of the Zoning Administrator.

- Additional GFA for an adaptive reuse project may be considered if existing parking spaces are no longer required and an alternative use is proposed within that area.
- Subsequent approval of GFA increases shall have a defined limit/cap applied to the adaptive reuse project for the remaining duration of the site plan (i.e., until a future Major Site Plan Amendment).
- Approval of increases, in sum or in part, in GFA shall be provided through clear definition of the adaptive reuse of an obsolete office building as a public priority. This requires a significant pairing with the current state and ACZO authorities provided for the use of incentive-based zoning.
- Developing new language within the Administrative Regulations for: 1) an application submittal checklist that reflects the level of change to be reviewed with an adaptive reuse proposal; and 2) standard site plan conditions and requirements to be universally applied or encouraged by staff as part of any adaptive reuse project review.

The above elements are being considered as included in one, some or all the primary documents. This continues to be a fundamental open item or question for implementing a new or amended adaptive reuse process.

The elements of a framework and identification of open items and questions are presented here to provide the scope of potential amendments to the ACZO and to construct a foundation of continued discussions up to the County Board public hearing and consideration.

Elements of the overall framework that ultimately are included in the Administrative Regulations are generally not subject to County Board approval, but the development of those administrative standards will be publicly discussed and those discussions will occur alongside the elements requiring County Board action, albeit with some potential lag between final completion of changes to the Administrative Regulations. The goal is to have a fully formed legislative and administrative process established by the end of the year.

PUBLIC ENGAGEMENT:

Level of Engagement: Communicate

Staff believes this level of engagement is appropriate for the request to advertise followed by a consult approach as outlined below. This is a request to authorize advertisement that will be followed by a continued engagement effort prior to Planning Commission and County Board consideration. Staff provided a recorded Lunch and Learn presentation with moderated questions and answers on July 31, 2024.

After the RTA, staff will employ a **Consult** engagement strategy. Future engagement opportunities prior to County Board action will include 1) an additional public, virtual Lunch and Learn; 2) focus or work groups with commercial real estate stakeholders; 3) presentations to the Planning Commission's Zoning Ordinance Committee (ZOCO) and/or Long Range Planning

Committee (LRPC); and, 4) and presentations to the Economic Development Commission, Housing Commission and Transportation Commission, among other committees and commissions as needed; and, 5) presentation and public hearing at the Planning Commission's regular meeting on November 4 or as soon thereafter as these items may be heard.

Outreach Methods:

Public notice will be given in accordance with the Code of Virginia §15.2-2204. Staff anticipates circulating notices of the Planning Commission and County Board public hearings for this ACZO amendment by the statutorily defined dates in the issues of the Washington Times for hearings no sooner than the November 4, 2024, Planning Commission, and November 16, 2024, County Board meetings. In addition to the above legal requirements:

- Upon authorization of the RTA, staff would publish information about this study on the Commercial Market Resiliency Initiative web page. Staff contact information would be available on the website, along with a comment feedback form for submitting comments directly to staff.
- Based on further staff analysis and any additional input received, staff will:
 - include a draft Policy and/or proposed zoning ordinance amendment language on the CMRI web page.
 - provide a detailed summary of key engagement take ways or open issues prior to the public hearings by the Planning Commission and County Board.
- Upon authorization of the RTA, staff will institute the engagement strategy as set forth above.

Community Feedback: See section above regarding the engagement approach.

FISCAL IMPACT: None

RESOLUTION TO AUTHORIZE ADVERTISEMENT OF PUBLIC HEARINGS BY THE PLANNING COMMISSION NO EARLIER THAN NOVEMBER 4, 2024, AND BY THE COUNTY BOARD NO EARLIER THAN NOVEMBER 16, 2024, TO CONSIDER:

- A. ADOPTION OF THE COUNTY BOARD POLICY ON THE TRANSFORMATION OF COMMERCIAL OFFICE BUILDINGS IN ARLINGTON THAT WILL PROVIDE GUIDANCE ON THE CREATION OF A STREAMLINED AND ECONOMICALLY VIABLE PROCESS FOR THE ADAPTIVE REUSE OF OBSOLETE COMMERCIAL BUILDINGS, IN ADDITION TO POLICY GUIDANCE ON OTHER TOOLS TO REDUCE THE SUPPLY OF OBSOLETE OFFICE BUILDINGS; AND**
- B. AN ORDINANCE TO AMEND, REENACT, AND RECODIFY ARTICLES 15 (ADMINISTRATION AND PROCEDURES) AND 18 (DEFINITIONS) OF THE ARLINGTON COUNTY ZONING ORDINANCE (ACZO) TO AMEND OR CREATE A STREAMLINED AND ECONOMICALLY VIABLE ENTITLEMENT PROCESS FOR THE ADAPTIVE REUSE OF OBSOLETE OFFICE BUILDINGS AND TO MAKE EDITORIAL CHANGES TO THE ACZO FOR THE PURPOSE OF CLARITY AND FOR OTHER REASONS REQUIRED BY PUBLIC NECESSITY, CONVENIENCE, GENERAL WELFARE, AND GOOD ZONING PRACTICE.**

The County Board of Arlington County hereby resolves to authorize advertisement of public hearings by the Planning Commission no earlier than November 4, 2024, and by the County Board no earlier than November 16, 2024, to consider:

- A. Adoption of the County Board Policy on the Transformation of Commercial Office Buildings in Arlington that will provide guidance on the creation of a streamlined and economically viable process for the adaptive reuse of obsolete commercial buildings, in addition to policy guidance on other tools to reduce the supply of obsolete office buildings; and*
- B. Amending, reenacting, and recodifying Article 15 (Administration and Common Procedures) and Article 18 (Definitions) of the Arlington County Zoning Ordinance (ACZO) to amend or create a streamlined and economically viable entitlement process for the adaptive reuse of obsolete office buildings and to make editorial changes to the ACZO for the purpose of clarity and for other reasons required by public necessity, convenience, general welfare, and good zoning practice.*