



## ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item  
Meeting of June 11, 2011**

**DATE:** May 17, 2011

**SUBJECT:** Request to consider proposed ordinance re-establishing the Crystal City Business Improvement Service District without a sunset and approval of the revised Service Agreement with the Crystal City Business Improvement District, Inc.

**C. M. RECOMMENDATION:**

1. Adopt the Ordinance (Attachment #1) re-establishing the Crystal City Business Improvement Service District without a sunset.
  
2. Authorize the County Manager to execute the revised Services Agreement (Attachment #2) between the County and the Crystal City Business Improvement District, Inc., subject to further non-material modifications of the terms that do not disadvantage the position of the County approved by the County Manager and in a form approved by the County Attorney.

**ISSUES:** Adopt the Ordinance re-authorizing the Crystal City Business Improvement District without a sunset and authorize the County Manager to execute the revised Services Agreement with the Crystal City Business Improvement District, Inc. No issues have been identified.

**SUMMARY:** The Crystal City Business Improvement District, Inc. (CCBID, Inc.) has requested that the County extend the authorization of the Crystal City Business Improvement District (District). Current authorization for the District expires June 30, 2011. The proposed Ordinance re-establishes the Crystal City Business Improvement District without a stated expiration date. This means the District will continue in existence until further action by the Board is taken to repeal the ordinance establishing the District; however, the County Manager will conduct an administrative review every five years.

Concurrent with this reauthorization is the approval of a revised Service Agreement between the County and the Crystal City Business Improvement District, Inc. (CCBID, Inc.) for the oversight of the Crystal City Business Improvement Service District. The proposed Agreement will become effective upon adoption and continue until terminated by the parties or until the Board terminates the Service District.

County Manager:

*BMD/mjs*

County Attorney:

*[Signature]*

Staff: Krista Bourgon (DMF)

**BACKGROUND:** At its April 22, 2006 meeting, the County Board adopted an ordinance creating the Crystal City Business Improvement District to provide a range of services, events, and activities that enhance the commercial properties in the Crystal City area --- these services, events, and activities are in addition to those already provided by Arlington County government. Enhanced services provided include: economic development; business recruitment and retention; marketing; street and sidewalk cleaning; landscaping and beautification of public areas; commercial visitor informational facilities; social, entertainment, and other events and activities; pedestrian and traffic improvements; public parking; signage; and transportation services, all promoting and serving the commercial properties in the District.

The current ordinance became effective July 1, 2006 and is set to expire on June 30, 2011.

The District is funded from an additional real estate tax levy on commercial properties located within the Crystal City Business Improvement District.

The Crystal City Business Improvement District, Inc. (CCBID, Inc.) is the County's non-profit partner that oversees the day-to-day operations of the District. In 2006, the CCBID, Inc. and the County executed a Service Agreement which provides the CCBID, Inc. with authority to provide a range of services in the Service District which services are detailed in an annual work plan approved by the County Board and are funded with District funds in accordance with an annual budget approved by the County Board. The County remains the governing authority and provides financial and administrative oversight for District operations.

**DISCUSSION:** The District has been in effect for five years, and its current authorization expires June 30, 2011. Over the last five years the District has provided a range of services and events in the district that have been beneficial to Crystal City commercial properties and the County as a whole.

Crystal City Business Improvement District, Inc. (CCBID, Inc.) is requesting that CCBID be re-established without a stated expiration date subject to the discretion

The CCBID, Inc. is requesting that the District be extended in perpetuity at the discretion of the Board. The County and the CCBID, Inc. are bound by a Services Agreement, which provides the County with the authority to approve or deny the annual work program, budget, and tax levy for the District. This agreement provides for further oversight of the CCBID, Inc. via an annual audit requirement, access to inspect books and records, and annual year-end report to the County Manager of work activities and performance analysis. In addition to the annual review of the CCBID, Inc. service agreement, the County Manager will conduct an administrative review every five years to determine the future viability of the district.

Service District Information: The boundaries of and properties within the Crystal City Business Improvement Service District are unchanged. It is 231 acres located in the Jefferson Davis Metro corridor south of I-395 and east of Fern Street, north to include all of the North Tract and Boundary Channel property and south to approximately S. 31st Street but not including the Potomac Yards-South Tract properties. A map delineating the district is included as Exhibit A of the proposed ordinance reauthorizing the district. The affected properties are identified in

Exhibit B.

Service Agreement Information: Language has been added which further clarifies administrative and financial provisions between the County and CCBID, Inc.. Most notably, a provision has been added to implement a thorough administrative review of CCBID, Inc.'s operations, performance, and management by the County Manager every five years in addition to the ongoing oversight provided by the County Manager. This will enable the Manager to provide informed recommendations to the County Board regarding the future viability of the Service District. Language has been inserted or revised to provide clarification on such issues as drawdown of excess fund balance, County administration fee calculations, interest earned on fund balance, and notice required to terminate the Agreement.

**FISCAL IMPACT:** The County receives 1% of the service district's supplemental tax rate revenue to offset the costs of administering the Crystal City Business Improvement District. These funds are included in the annual General Fund appropriation by the County Board.

## ATTACHMENT I

### ORDINANCE EXTENDING THE CRYSTAL CITY BUSINESS IMPROVEMENT SERVICE DISTRICT

WHEREAS, pursuant to §15.2-2400 et seq. Va. Code Ann., the County Board is authorized to establish service districts for the purpose of providing additional, more complete or more timely governmental services than may be needed or desired in the remainder of the County; and

WHEREAS, based upon the request of, and a demonstration of support from property owners affected thereby, the County Board has determined a need exists to provide some, and potentially all of the services authorized by law through the establishment of a service district within the area of Arlington County known as Crystal City, such service district to be called the Crystal City Business Improvement Service District (the “Crystal City BID”);

NOW, THEREFORE, be it ordained as follows:

1. The Crystal City BID is hereby established, the boundaries of which shall be as depicted on the map attached hereto as Exhibit A, and shall encompass those parcels included on the list attached hereto as Exhibit B, which Exhibits are incorporated herein.

2. The Crystal City BID is established for the purpose of providing additional, more complete and more timely governmental facilities and services including, but not limited to, economic development; business recruitment and retention; marketing; landscaping and beautification of public areas; visitor informational facilities and services; community outreach; social, entertainment and other events and activities; pedestrian and traffic improvements; public parking; signage; and transportation services serving the district, as well as such other and further activities as are provided by law for service districts, all to provide for the public health, safety and welfare.

3. The plan for providing facilities and services within the Crystal City BID is either or both for the County Board to provide the services and facilities directly using County

personnel and contractors, and for the County Board to contract with a nonprofit corporation which shall be responsible for the provision of specific services and facilities with the Crystal City BID, subject to management and oversight by the County Board pursuant to appropriate governing contracts, leases, and other documents.

4. The benefits to be expected from the creation of the Crystal City BID and the provision of the aforesaid services and facilities within the Crystal City BID include the preservation, and enhancement of the Crystal City BID as a safe, secure, and attractive area in which businesses and the community generally can thrive through the provision of additional, more complete and more timely governmental services.

5. This Ordinance and the Crystal City BID established hereby shall be effective upon adoption by the County Board and shall remain in effect until ~~June 30, 2011~~ terminated by the County Board .

EXHIBIT A  
MAP OF THE CRYSTAL CITY BUSINESS IMPROVEMENT SERVICE DISTRICT



## EXHIBIT B

### PARCELS IN THE CRYSTAL CITY BUSINESS IMPROVEMENT SERVICE DISTRICT

RPC	Address	Owner (as of January 2011)
36042016	JEFFERSON DAVIS HWY	PFC LLC
36042015	2300 JEFFERSON DAVIS HWY	PFC LLC
36042014	JEFFERSON DAVIS HWY	PFC LLC
36042013	420 23rd ST S	FIRST UNION NATIONAL BANK
36042012	422 23rd ST S	BAYNE WILLIAM B JR
36042011	424 23rd ST S	AK CRYSTAL INC
36042009	2325 S EADS ST	BMS-D&S ASSOCIATES LLC
36042008	2333 S EADS ST	BMS-D&S II ASSOCIATES LLC
36042007	JEFFERSON DAVIS HWY	BMS-D&S II ASSOCIATES LLC
36042006	2400 JEFFERSON DAVIS HWY	BMS-D&S II ASSOCIATES LLC
36042005	2525 S EADS ST	U S GOVERNMENT
36042004	2600 JEFFERSON DAVIS HWY	BMS-D&S II ASSOCIATES LLC
36042003	2620 JEFFERSON DAVIS HWY	AIRPORT MOTEL ASSOC LTD
36042002	2646 JEFFERSON DAVIS HWY	CRYSTAL CITY HSPTLTY CORP
36042001	2780 JEFFERSON DAVIS HWY	BMS-D&S II ASSOCIATES LLC
36041018	23rd ST S	ALBRIGHT PENROSE LUCAS
36041010	2316 S EADS ST	COWAN BRIAN
36041009	2306 S EADS ST	COWAN BRIAN
36041008	506 23rd ST S	PAPPAS LOUIS A TRUSTEE
36041007	526 23rd ST S	ALBRIGHT PENROSE LUCAS
36041006	536 23rd ST S	BAYNE WILLIAM JR
36041005	542 23rd ST S	SOUTH 23RD STREET
36041004	554 23rd ST S	SOUTH 23RD STREET
36041003	558 23rd ST S	CHOY OK JA
36041002	566 23rd ST S	MARC REAL ESTATE LIABILITY
36018018	23rd ST S	PAPPAS LOUIS A TRUSTEE
36018017	23rd ST S	PAPPAS LOUIS A TRUSTEE
36018016	23rd ST S	PAPPAS LOUIS A TRUSTEE
36018015	S FERN ST	CHOY SE KON
36018013	2201 S FERN ST	PAPPAS LOUIS A TR
36018012	2205 S FERN ST	PAPPAS LOUIS A TRUSTEE
36018011	555 23rd ST S	CHOY SE KON
36018010	556 22nd ST S	PAPPAS LOUIS A TRUSTEE
36018009	551 23rd ST S	PAPPAS LOUIS A TR
36018008	539 23rd ST S	PAPPAS LOUIS A TRUSTEE

<b>RPC</b>	<b>Address</b>	<b>Owner (as of January 2011)</b>
36018007	529 23rd ST S	BAYNE WILLIAM B JR
36018006	527 23rd ST S	BAYNE WILLIAM B JR
36018005	519 23rd ST S	JACOBSON MIRIAM LILLIAN
36018004	513 23rd ST S	PAPPAS LOUIS A TRUSTEE
36018003	509 23rd ST S	PAPPAS LOUIS A TR
36018002	507 23rd ST S	ZAVARELLA EULA TRUSTEE
36018001	501 23rd ST S	COUNTY BOARD OF ARLINGTON
36017006	2000 JEFFERSON DAVIS HWY	CRYSTAL CITY HOSPITALITY LLC
36017005	2020 JEFFERSON DAVIS HWY	CRYSTAL INN CO
36017004	JEFFERSON DAVIS HWY	FIRST VIRGINIA BANK
36017002	2221 S EADS ST	FIRST VIRGINIA BANK
36016005	S EADS ST	CONSUMER ELECTRONICS
36016004	1800 JEFFERSON DAVIS HWY	18TH STREET HOTEL
36016003	1919 S EADS ST	CONSUMER ELECTRONICS
35009009	1700 JEFFERSON DAVIS HWY	ASHORD CRYSTAL GATEWAY LP
35009008	400 15th ST S	TISHMAN SPEYER ARCHSTONE-
35009007	1700 JEFFERSON DAVIS HWY	ASHFORD CRYSTAL GATEWAY LP
35003030	1220 S EADS ST	COUNTY BD OF ARLINGTON
35002002	ARMY NAVY DR	CRYSTAL CITY LLP
35002001	400 ARMY NAVY DR	400 ARMY NAVY DR ASSOC
35001376	1221 S EADS ST	WARWICK HOUSE ASSOCIATES LLC
35001375	1300 JEFFERSON DAVIS HWY	ASHFORD CRYSTAL CITY PARTNERS
35001374	1331 S EADS ST	WARWICK HOUSE ASSOCIATES LLC
35001164	ARMY NAVY DR	CRYSTAL CITY LLC
35001163	1425 S EADS ST	AG/MRP HAMPTON ASSOCIATES LLC
35001026	1425 S EADS ST	AG/MRP HAMPTON ASSOCIATES LLC
35001025	1425 S EADS ST	AG/MRP HAMPTON ASSOCIATES LLC
35001024	1425 S EADS ST	SOVRAN BANK N A
35001023	S EADS ST	CRYSTAL CITY LLC
35001019	1201 S EADS ST	CRP/BAINBRIDGE BENNINGTON
35001018	400 11th ST S	CHESAPEAKE & POTOMAC
35001012	300 ARMY NAVY DR	CRYSTAL CITY LLC
35001010	11th ST S	CRYSTAL CITY LLC
35001009	11th ST S	CRYSTAL CITY LLC
35001008	401 12th ST S	LENOX CLUB L P
35001003	1460 JEFFERSON DAVIS HWY	AMERICANA CORPORATION
35001002	JEFFERSON DAVIS HWY	AMERICANA CORPORATION
34027028	2800 CRYSTAL DR	2800/2900 CRYSTAL DRIVE

RPC	Address	Owner (as of January 2011)
34027027	2900 CRYSTAL DR	2800/2900 CRYSTAL DRIVE
34027026	2899 27th ST S	ASHFORD CRYSTAL CITY LP
34027025	2600 CRYSTAL DR	GOULD/JEFFERSON DAVIS HWY
34027018	JEFFERSON DAVIS HWY	GOULD/JEFFERSON DAVIS HWY
34027017	2799 JEFFERSON DAVIS HWY	AIRPORT PLAZA HOTEL LLC
34027016	2711 JEFFERSON DAVIS HWY	AIRPORT PLAZA OFFICE
34027005	2611 JEFFERSON DAVIS HWY	THIRD GOULD LTD
34027002	2825 JEFFERSON DAVIS HWY	AIRPORT PLAZA HOTEL LLC
34026040	1801 S BELL ST	CESC MALL LAND LLC
34026039	1801 S BELL ST	BNA WASHINGTON INC
34026038	1801 S BELL ST	BNA WAHINGTON INC
34026037	1901 S BELL ST	CESC MALL LAND LLC
34026035	1999 JEFFERSON DAVIS HWY	VNO HOTEL LLC
34026033	1800 S BELL ST	SMITH PROPERTY HOLDINGS
34025005	608 S BALL ST	ARLINGTON COUNTY BOARD
34025004	S CLARK ST	ARLINGTON COUNTY BOARD
34025003	901 S CLARK ST	ARLINGTON COUNTY BOARD
34025001	320 6th ST S	ARLINGTON COUNTY BOARD
34024460	605 6th ST S	SOUTH BALL STREET LLC
34024457	305 10th ST S	NORTH TRACT APARTMENTS LLC
34024347	475 JEFFERSON DAVIS HWY	ARLINGTON COUNTY BOARD
34024346	311 6th ST S	COUNTY BOARD OF ARLINGTON
34024345	JEFFERSON DAVIS HWY	ARLINGTON COUNTY BOARD
34024342	JEFFERSON DAVIS HWY	ML JEFFERSON LLC
34024341	1480 CRYSTAL DR	ARLINGTON HOSPITALITY CORP
34024340	1411 JEFFERSON DAVIS HWY	ML JEFFERSON LLC
34024339	1421 JEFFERSON DAVIS HWY	ML JEFFERSON LLC
34024270	JEFFERSON DAVIS HWY	CESC CRYSTAL/ROSSLYN LLC
34024269	1215 S CLARK ST	CESC GATEWAY/SQUARE LLC
34024268	200 12th ST S	CESC GATEWAY/SQUARE LLC
34024266	1225 S CLARK ST	SECOND GATEWAY ASSOCIATES
34024033	1235 S CLARK ST	CESC GATEWAY ONE LLC
34024023	10th ST S	CESC CRYSTAL/ROSSLYN LLC
34024017	10th ST S	CESC CRYSTAL/ROSSLYN LLC
34024011	607 S BALL ST	607 S BALL STREET LLC
34024009	300 10th ST S	CESC CRYSTAL/ROSSLYN LLC
34024008	330 10th ST S	CESC CRYSTAL/ROSSLYN LLC
34024007	201 12th ST S	CESC CRYSTAL/ROSSLYN LLC

RPC	Address	Owner (as of January 2011)
34023003	399 OLD JEFFERSON DAVIS HWY	SEI ARLINGTON ACQUISITION CORP
34023002	355 JEFFERSON DAVIS HWY	MR MONUMENT VIEW LLC
34023001	333 JEFFERSON DAVIS HWY	MR MONUMENT VIEW LLC
34020269	2010 CRYSTAL DR	CESC PLAZA LIMITED PARTNERSHIP
34020268	220 20th ST S	CESC PLAZA LIMITED PARTNERSHIP
34020267	2001 S CLARK ST	CESC PLAZA LIMITED PARTNERSHIP
34020266	2100 CRYSTAL DR	CESC PLAZA LIMITED PARTNERSHIP
34020265	2200 CRYSTAL DR	CESC PLAZA LIMITED PARTNERSHIP
34020258	JEFFERSON DAVIS HWY	PLAZA ASSOC L P
34020257	JEFFERSON DAVIS HWY	PLAZA ASSOC L P
34020256	2101 JEFFERSON DAVIS HWY	SMITH PROPERTY HOLDINGS
34020255	2111 JEFFERSON DAVIS HWY	SMITH PROPERTY HOLDINGS
34020254	JEFFERSON DAVIS HWY	CESC SQUARE LAND LLC
34020253	1515 JEFFERSON DAVIS HWY	CRP/BAINBRIDGE CRYSTAL
34020251	251 18th ST S	CESC SQUARE LAND LLC
34020250	241 18th ST S	CESC CRYSTAL SQUARE FOUR LLC
34020249	1750 CRYSTAL DR	CESC SQUARE LLC
34020248	1550 CRYSTAL DR	CESC SQUARE LLC
34020245	2345 CRYSTAL DR	CESC PARK FOUR LAND LLC
34020243	2451 CRYSTAL DR	FIFTH CRYSTAL PARK ASSOC LP
34020239	CRYSTAL DR	CESC PARK THREE LAND LLC
34020238	1501 CRYSTAL DR	SMITH PROPERTY HOLDINGS
34020237	1505 CRYSTAL DR	SMITH PROPERTY HOLDINGS
34020236	CRYSTAL DR	CESC WATER PARK LLC
34020235	2231 CRYSTAL DR	CESC PARK THREE LAND LLC
34020234	2121 CRYSTAL DR	CESC PARK TWO LLC
34020233	2011 CRYSTAL DR	CESC PARK ONE LAND LLC
34020232	1801 CRYSTAL DR	TISHMAN SPEYER ARCHSTONE-
34020037	JEFFERSON DAVIS HWY	WMATA
34020035	2461 S CLARK ST	COMMONWEALTH CRYSTAL
34020034	2450 CRYSTAL DR	COMMONWEALTH CRYSTAL
34020033	2399 JEFFERSON DAVIS HWY	CP CRYSTAL CITY FEE OWNER LLC
34020032	2351 JEFFERSON DAVIS HWY	COMMONWEALTH CRYSTAL
34020031	2530 CRYSTAL DR	POLK AND TAYLOR PROPERTY LLC
34020030	320 23rd ST S	SMITH PROPERTY HOLDINGS
34020029	2521 S CLARK ST	POLK AND TAYLOR PROPERTY LLC
34020022	JEFFERSON DAVIS HWY	COUNTY BOARD OF ARLINGTON
34020018	2200 CRYSTAL DR	PLAZA ASSOC L P

<b>RPC</b>	<b>Address</b>	<b>Owner (as of January 2011)</b>
34020017	223 23rd ST S	SKB LIMITED PARTNERSHIP
34020014	JEFFERSON DAVIS HWY	COUNTY BOARD OF ARLINGTON
34020013	JEFFERSON DAVIS HWY	COUNTY BOARD OF ARLINGTON
34020012	JEFFERSON DAVIS HWY	COUNTY BOARD OF ARLINGTON
34020003	2221 S CLARK ST	PLAZA ASSOC L P
34020002	2511 JEFFERSON DAVIS HWY	TRANSWESTERN PRESIDENTIAL

**ATTACHMENT 2**  
**AGREEMENT FOR THE PROVISION OF**  
**SERVICES IN THE CRYSTAL CITY BUSINESS IMPROVEMENT SERVICE**  
**DISTRICT**

THIS AMENDED AND RESTATED AGREEMENT FOR THE PROVISION OF SERVICES IN THE CRYSTAL CITY IMPROVEMENT SERVICE DISTRICT (the “Agreement”), is entered into this 1st day of July, 2011, by and between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, in its capacities as the governing body of Arlington County and the governing body of the Crystal City Business Improvement Service District, (the “County Board”) and CRYSTAL CITY BUSINESS IMPROVEMENT DISTRICT, INC. (the “CCBID, Inc.”), a non-profit Virginia corporation with offices located at 2001 Jefferson Davis Highway, Suite 505, Arlington, Virginia. This Agreement supersedes the Agreement for the Provision of Services in the Crystal City Business Improvement Service District approved September 16, 2006.

WHEREAS, pursuant to Section 15.2-2400 et, seq., VA. Code Ann. (the “Service District Law”), the County Board has extended by ordinance the Crystal City Business Improvement Service District (the “District” or the “BID”), adopted at the meeting of the County Board held on June 11, 2011(the “Ordinance”), the governing body of which District is the County Board, and which District was established for the purpose of providing a range of services, events, and activities that enhance the public use and enjoyment of and the public safety, public convenience and public well being within the District, which services, events, and activities are in addition to the existing services, events, and activities which Arlington County government (the “County”) is already providing in the District; and

WHEREAS, CCBID, Inc. is a private, non-profit Virginia Corporation whose Board of Directors and committee membership includes owners and tenants of property located in the District and other interested parties; and

WHEREAS, acting as the governing body of the District, the County Board is authorized to levy and collect an annual tax on real property in the District to fund the provision of the variety of services within the District as contemplated by the Services District Law; and

WHEREAS, because CCBID, Inc. is representative of the persons and entities affected by the establishment of and taxation within the District, the County Board has determined that it is appropriate to contract with CCBID, Inc. for delivery of the services within the District, including management of District funds appropriated annually by the County Board; and

WHEREAS, the County and CCBID, Inc. desire to enter into this Agreement which is intended to describe the responsibilities of each of the County and CCBID, Inc. as to the undertaking and delivery of the variety of services that might be provided within the District and the manner of administration of the District for the provision of those services in the District.

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth below, the parties hereto agree as follows:

1. **ENGAGEMENT OF CCBID, INC.** The County Board hereby enters into this Agreement with CCBID, Inc., and CCBID, Inc. hereby accepts the duties and responsibility it is assigned by the County Board by the terms of this Agreement, to furnish and perform the District Services as hereinafter more specifically defined and identified from year to year during the term of this Agreement pursuant to the procedures of this Agreement. CCBID, Inc. shall establish an effective management plan at the corporate board level and the executive management level to ensure that the obligations of CCBID, Inc., particularly those relating to the management and expenditure of District funds, can be properly discharged.

2. **TERM OF AGREEMENT.** This Agreement shall commence July 1, 2011, upon adoption by the County Board and the CCBID, Inc., and shall continue until terminated in accordance with Paragraph 13 of this Agreement.

3. **SCOPE OF SERVICES.** Subject to the County Board making available to CCBID, Inc. necessary funds, CCBID, Inc. agrees to provide services contemplated by the Service District Law within the District as same may be agreed upon by the County Board or its designee and the CCBID, Inc. from time to time during the term of this Agreement in accordance with a work program and budget proposed by CCBID, Inc. and subsequently approved by the County Board annually.

The services to be provided by CCBID, Inc. within the District (“District Services”) are to be in the following service categories:

- A. Marketing, Promotion, Events, Branding;

- B. Transportation, Parking, Pedestrian and Safety Programs;
- C. Physical Enhancements (signage, wayfinding, beautification)
- D. Cleaning and Maintenance
- E. Security
- F. Any other activities set forth in Section 15.2-2403 VA. Code Ann., as may be included in a work program and budget approved in accordance with Section 4.

The parties agree that all District Services shall be provided by CCBID, Inc. within the District in accordance with the approved work program and budget; CCBID Inc.'s delivery of District Services will be reviewed by the County Board no less than annually during the term of this Agreement and shall at all times be provided to the satisfaction of the County Board, as reviewed by the County Manager or her designee (the "County Manager").

4. **CONSIDERATION OF ANNUAL DISTRICT LEVY; DEVELOPMENT OF WORK PROGRAM AND BUDGET.**

A. Prior to the beginning of each fiscal year of the County, being the period July 1 through June 30 (the "Fiscal Year"), the County Board will consider assessing a special tax levy on real property located within the District in addition to any County real property tax assessed, at a tax rate sufficient to fund an approved a work program and budget for District Services to be provided by CCBID, Inc. in that Fiscal Year as approved by the County Board. Accordingly, at the time of the commencement of the County budget process in the Fall of the prior Fiscal Year, the County Manager will provide to CCBID, Inc. (i) an estimate of the tax revenues that can be projected to be generated by a District tax levy, at the then existing District tax rate, if the same were imposed during the next Fiscal Year, (ii) a list of property owners and property in the District subject to assessment for the District levy for the coming Fiscal Year, and (iii) the then current real property tax assessment for the current Fiscal Year (understanding the revised real property tax assessments for real property in the County for such coming Fiscal Year will be issued on or about January of the current Fiscal Year).

B. On or before December 1 of each year, CCBID, Inc. shall submit to the County Manager for review and then recommendation to the County Board a proposed work program and budget for the forthcoming Fiscal Year setting forth CCBID Inc.'s proposal for the District Services to be provided by CCBID, Inc. during such forthcoming Fiscal Year, assuming the

then District tax rate in effect. The proposed budget shall be provided to the County in a format approved by the County Manager to the CCBID, Inc. The County Manager may request modifications and/or revisions to the proposed budget and proposed work program throughout the County's budget process, as necessary. CCBID, Inc. may also propose a work program and budget of District Services for the forthcoming Fiscal Year, with an alternative District tax rate for the forthcoming Fiscal Year. In preparing the budget for the upcoming Fiscal Year, CCBID, Inc. will include a County administrative fee equal to one percent (1%) of the revenues that would be expected to be generated by the approved District tax levy for such Fiscal Year; the approved budget shall include such fee calculated on the amount of revenues expected to be collected at the actual tax rate fixed by the County Board for that Fiscal Year. The County shall transfer from the District funds provided to CCBID, Inc. the amount equal to one percent (1%) of actual District tax revenues received for this County administrative fee at the end of each Fiscal Year. The County shall make every reasonable effort to complete this transfer and notify CCBID, Inc. of the amount transferred by June 1<sup>st</sup>.

C. CCBID, Inc. may also include in the annual District budget, a general, non-specified contingency account in an amount not to exceed five percent (5%) of the proposed total annual District budget. The contingency account may be used by CCBID, Inc. solely to fund unanticipated expenses in that Fiscal Year that arise out of the provision of District Services in accordance with the approved work program and budget. The contingency funds may not be used to fund any program, personnel or administrative expense, or other expenditure not identified in an approved work program and budget for that Fiscal Year. Where CCBID, Inc. intends to transfer Twenty-Five Hundred Dollars (\$2,500.00) or more from the contingency account to cover an unexpected expense that might arise during the Fiscal Year, CCBID, Inc. shall submit to the County Manager a notice of intent of CCBID, Inc. to make such transfer. CCBID, Inc. shall provide a summary statement in support or justification for such transfer with its notice. If the County Manager does not notify CCBID, Inc. of his/her objection within ten (10) days after receipt of such notice, then such transfer maybe made by CCBID, Inc. If the County Manager does object then the County Manager shall submit a notice of objection to CCBID, Inc. with reason(s), and CCBID, Inc. and the County Manager shall confer within five (5) days of receipt of notice of such objection to seek to resolve any difference(s) or objections that the County Manager has with regard to such proposed transfer.

If CCBID, Inc. and the County Manager cannot resolve the matters, CCBID, Inc. may appeal the matter to the County Board whose determination shall be final.

D. The County Manager and CCBID, Inc. agree to work diligently and in good faith to resolve any differences that may arise in conjunction with the County Manager's review of CCBID Inc.'s proposed work program, proposed budget and/or proposed District tax rate, so that the same may be timely submitted to the County Board with a favorable recommendation from the County Manager for the County Board's review and consideration in conjunction with its consideration of the overall County budget for the upcoming Fiscal Year. Upon the County Board's approval of a work program, budget and District tax rate for the Fiscal Year as part of the overall County budget, such work program and budget shall become a part of this Agreement and shall be deemed to be the District Services to be provided in the upcoming Fiscal Year.

E. In no event shall the County Board, pursuant to this Agreement, be under any obligation to approve a District tax rate, or to approve a budget or work program for the District for a Fiscal Year, nor shall CCBID, Inc. be obligated to provide District Services during such Fiscal Year if a budget, work program or District tax rate is not approved by the County Board for that Fiscal Year.

5. **RESERVE FOR UNCOLLECTED TAXES AND ASSESSMENT REDUCTIONS.** The County Board and the CCBID, Inc. agree that CCBID, Inc. will include within the District's annual budget request a line item entitled "Reserve for Uncollected Taxes and Assessment Reductions" (the "Reserve") to assure that full funding of the approved work program and budget for that forthcoming Fiscal Year is available to CCBID, Inc. should actual collections on District tax levies be diminished because of delinquencies in payment of a District tax levy during that Fiscal Year and/or real property assessment appeals for properties in the District result in a reduction in District tax levies during that Fiscal Year. The funds allocated will be retained by the County as District funds and separately accounted for from the general operating funds of the County. Any interest on the Reserve shall accrue to and become part of the Reserve. The funds in the Reserve shall be used (A) to fund shortfalls in approved CCBID, Inc. budget obligations for a Fiscal Year that directly result from a delinquency in payment of any District tax levy by a property owner of real property in the District subject to the District tax levy, and/or (B) to fund re-payment to any property owner within the District

who had paid a District tax levy, but is entitled to a refund of a portion of District tax levy that results from an awarded reduction in real property assessment due to an appeal of such assessment by that property owner.

The amount of the Reserve shall be equal to five percent (5%) of the District's projected revenues from the District tax levy for any Fiscal Year. However, the CCBID, Inc. will be required to allocate no more than two and one-half percent (2.5%) of the District's projected annual tax revenues to the Reserve in any annual District budget, until such time as the required five percent (5%) Reserve level is achieved. Thereafter, the projected District tax revenues allocated to the Reserve will be in an amount necessary to maintain funds in the CCBID, Inc. budget at the five percent (5%) Reserve level; in no case will CCBID, Inc. be required to propose in any District budget a set aside of funds for the Reserve that exceeds two and one-half percent (2.5%) of the proposed projected revenues from a District tax levy for a Fiscal Year.

Notwithstanding the foregoing, however, if in any Fiscal Year the County Manager estimates that the combination of tax delinquencies and assessment appeals are projected to exceed the then available funds in the Reserve, then the County Manager may, after consultation with CCBID, Inc., request that CCBID, Inc. propose modifications to the approved District work plan and budget to conform to actual District tax revenues for that Fiscal Year. Thereafter the County Board may approve a modified work plan and budget, or may appropriate County general funds to the District to make up the deficiency. If the County Board elects to fund the deficiency from County general funds then the amount of the deficiency will be reimbursed to the County from revenues of District tax levies in succeeding Fiscal Year(s), above and beyond the two and one-half percent (2.5%) annual allocation to the Reserve in that Fiscal Year.

6. **DISBURSEMENT AND EXPENDITURE OF FUNDS.**

A. CCBID, Inc. shall undertake administration and delivery of District Services only in accordance with the approved work program and budget for the then applicable Fiscal Year approved in accordance with the provisions of Paragraph 4 of this Agreement, as amended annually to reflect the current Fiscal Year work program and budget. Such activities shall be subject to the ongoing oversight of the County Manager.

To receive funds held by the County on behalf of the District, CCBID, Inc. must submit to the County Manager a request for the transfer of those District funds to CCBID, Inc. Any request made by CCBID, Inc. shall be for an amount that CCBID, Inc. expects would be required by it to cover the costs and expenses that CCBID, Inc. estimates would be incurred during that forthcoming two (2) quarters of the Fiscal Year to provide District Services consistent with the approved work plan. CCBID, Inc. must submit any such request no later than June 10 and December 10 respectively in each calendar year in order for the County to transfer the funds prior to the commencement of such two (2) quarters.

The County Manager shall review the request for funds and, if the request for funds is consistent with the approved CCBID Inc. work program and budget then in effect, the requested amount shall be transferred to the CCBID, Inc. on or before July 10 as to the June 10<sup>th</sup> request and December 27 as to the December 10<sup>th</sup> request. If within seven (7) business days after the receipt of CCBID Inc.'s request, the County Manager reasonably determines that the CCBID, Inc. request is not consistent with the approved CCBID, Inc. work program or the budget then in effect, then CCBID, Inc. and the County Manager shall promptly meet to resolve any differences related to the CCBID, Inc. request.

The County Manager shall thereafter transfer to CCBID, Inc. the requested quarterly payment (or an agreed upon adjustment thereto) determined to be appropriate at the earliest practicable date prior to the beginning of the applicable quarter of the Fiscal Year.

No CCBID, Inc. request for a disbursement of funds shall be for an amount that, combined with previous payments to CCBID, Inc. by the County from District tax levy funds for the Fiscal Year in question, would cause CCBID, Inc. to exceed the approved annual District budget for that Fiscal Year, unless the same is covered by CCBID, Inc. funds separate and apart from those funded from District tax levies.

B. During each Fiscal Year CCBID, Inc. may shift up to Twenty Thousand Dollars (\$20,000.00) in each Fiscal Year from one budget category to another, without prior written approval of the County Manager, provided only that such transfer does not either eliminate an expenditure category delineated in Section 3 above not previously approved by the County Board in adoption of the Fiscal Year work program and accompanying budget, nor result in the elimination of a work program item approved for the Fiscal Year by the County Board. Where CCBID, Inc. seeks in a Fiscal Year (i) to shift, in the aggregate, more than Twenty Thousand

Dollars (\$20,000.00), (ii) to eliminate a previously approved expenditure category, or (iii) to eliminate a work program item approved for a Fiscal Year within an approved expenditure category, then the County Manager's written concurrence will be required, which concurrence may not be unreasonably withheld, delayed or conditioned.

C. In those instances where CCBID, Inc. contracts with the County for the County Board to provide District Services in accordance with an approved work program and budget for a Fiscal Year, budgeted District funds may be appropriated directly to County departmental budgets in accordance with an appropriate agreement between CCBID, Inc. and the County Board. In such case, District tax revenues will be retained by the County in accordance with the terms of the agreement between CCBID, Inc. and the County Board, rather than having such funds first transferred to CCBID, Inc. and then transferred back to the appropriate County department. The County shall maintain and provide to CCBID, Inc. by September 15<sup>th</sup> of each calendar year an accounting of District tax levies so treated in this manner. In addition to the County's annual accounting, the agreement between CCBID, Inc. and the County Board may provide that the County Manager shall, for each County agency or department receiving District funds in this manner, account to CCBID, Inc. quarterly within fifteen (15) days after the end of each quarter of a Fiscal Year on the uses of such funds so provided in regard to the District pursuant to the agreement between CCBID, Inc. and the County Board.

D. The County shall make available to CCBID, Inc. no later than the date of the County's annual Budget Mid-Year Review an estimate of fiscal year-end revenue surplus or shortfall based on revenue collected or projected to be collected from the District tax levies during the Fiscal Year. CCBID, Inc. and the County Manager will meet and confer regarding the settlement of the District's Fiscal Year account. Funds generated from District tax levies and allocated in the CCBID, Inc. approved budget for a Fiscal Year, but not expended in accordance with the approved budget (as the same may have been modified during the Fiscal Year in accordance with this Agreement), shall be reserved and carried forward for District purposes.

E. Funds generated from all other sources shall be carried forward by CCBID, Inc. and always be available for use by CCBID, Inc. for District Services as CCBID, Inc. deems appropriate from time to time. An accounting thereof shall be provided to the County by CCBID, Inc. no later than one hundred twenty (120) days following the close of each Fiscal

Year. All fund raising, revenue generation, and any other activities not included in an approved work program and budget that is engaged in by CCBID, Inc. on behalf of or in the name of the District shall be subject to prior approval by the County Manager, which shall not be unreasonably withheld.

7. **MAINTENANCE OF EXISTING SERVICES.** The County Board agrees that the County will maintain those County services in existence within the District at the time of the inception of the District and not eliminate or reduce the level of services solely because of the establishment of the District. However, nothing in this Agreement shall constrain the County Board from changing the level of County services provided (whether reduction or enhancement) nor preclude the County Board from eliminating delivery of County services in the District which is part of a countywide change or elimination of services.

8. **FINANCIAL STATEMENTS AND REPORTS ON CCBID, Inc. ACTIVITIES.** On or before November 1 annually, CCBID, Inc. will submit to the County Manager a detailed, audited financial statement for the preceding Fiscal Year, prepared in conformance with Generally Accepted Accounting Principles (GAAP), and which compares actual expenditures during such year to the budget for the applicable Fiscal Year.

On or before December 1 of each year, in conjunction with preparation of the County budget, CCBID, Inc. shall submit to the County Manager a written report on CCBID Inc.'s activities during the preceding Fiscal Year. Such performance report shall include, in reasonable detail, a description of such activities, an analysis of performance in achieving program outcome targets, a list of all contracts for the provision of services and the cost of any services. This report will be available for public inspection in the office of the County Board Clerk.

9. **BOOKS AND RECORDS; INSPECTIONS; AUDITS.** CCBID, Inc. shall keep accurate books and records of all District Funds received and disbursed by CCBID, Inc. under this Agreement, and shall implement financial control policies to ensure the proper management of District funds, which controls shall be subject to review and approval by the County Manager. In addition, CCBID, Inc. shall maintain complete files of all contracts, transactions, and other matters relating to the District and CCBID Inc.'s activities. CCBID, Inc. shall retain such files, books and records until five years after the completion of an audit for any Fiscal Year. The County Board shall have the right to have CCBID Inc. files, books and

records inspected in the office of the CCBID, Inc. during regular business hours and upon reasonable notice to CCBID, Inc, and to conduct an internal or an independent audit of those books at such times as the County Board may deem necessary.

10. **CONTRACTING.** CCBID, Inc. may employ only such personnel as is consistent with the administrative line items of the approval budget of CCBID, Inc. in a Fiscal Year. CCBID, Inc. shall, prior to the start of each fiscal year, provide to the County Manager a list of all personnel employed by CCBID, Inc. The County Manager shall immediately notify CCBID, Inc. if the personnel create concerns for proper management of District funds or the delivery of District Services in which case CCBID, Inc. and the County Manager shall meet to resolve those concerns. Until the concerns are resolved, the County Manager may withhold payment of District funds to CCBID, other than funds necessary to pay for obligations previously incurred pursuant to this Agreement. CCBID, Inc. may enter into those contracts for the provision or administration of any of the District Services as approved in the actual budget for a Fiscal Year. CCBID, Inc. will adopt procurement procedures for contracting that reflect "best practices" for effective delivery of District Services at cost advantageous to CCBID, Inc. and affording the "best value" to CCBID, Inc. and shall incorporate the Ethics in Public Contracting requirements applicable to public employees found in Sections 2.2-4367 et seq. Va. Code Ann.; preference may be given to Crystal City based businesses if the cost to CCBID, Inc. for goods and services to be procured is competitive with that of other vendors, which otherwise could provide such goods and/or services.

11. **INSURANCE.** CCBID, Inc. shall obtain and maintain during the term of this Agreement a policy or policies of comprehensive general liability insurance with a company licensed to do business in Virginia providing coverage with respect to claims arising out of the subject matter of this Agreement including any claims that could arise under the Worker's Compensation Act. Such insurance shall provide coverage of (i) not less than One Million Dollars (\$1,000,000.00) for personal injury, including death, or property in any one occurrence, and Three Million Dollars (\$3,000,000.00) in the aggregate and (ii) not less than Twenty-five Thousand Dollars (\$25,000.00) per occurrence for employee theft or dishonesty.

The County and its officers, employees and agents shall be named as additional insureds on such policies. The policies shall state that the insurance may not be cancelled or terminated without thirty (30) days prior written notice to the County Manager. CCBID, Inc. shall submit

to the County a certificate evidencing that CCBID, Inc. has obtained and is maintaining the above insurance.

12. **INDEMNIFICATION.** CCBID, Inc. shall indemnify, defend and hold harmless the County and its officers, employees and agents (the “Indemnified Parties”) from and against all claims, liabilities and losses, including costs and expenses incident thereto, which an Indemnified Party may hereafter incur, be responsible for or pay out as a result of any act or omissions by CCBID, Inc. or its officers, employees, contractors, or agents with respect to the performance of CCBID, Inc.’s obligations under this Agreement. In no event shall CCBID, Inc. use District funds to satisfy such indemnification obligation.

13. **TERMINATION OF AGREEMENT.** Prior to the expiration of the initial or any renewal term of this Agreement, the following shall be the basis for early termination of the Agreement:

A. *Failure to approve work program, budget, or tax levy.* In the event that the County Board has not approved an annual work program, budget, or tax levy for the District for the next Fiscal Year by May 1 of the current Fiscal Year, which date is sixty (60) days prior to the beginning of the Fiscal Year for which such work program and budget applies, either party may terminate this Agreement by written notice to the other.

B. *Default of performance.* The County Board may terminate this Agreement if the County Manager provides written notice to CCBID, Inc. of a default by CCBID, Inc. in the performance of its duties hereunder, as a result of the failure by CCBID, Inc., where CCBID, Inc. has otherwise been provided with funding by the County Board pursuant to an approved budget, to fulfill in a timely and proper manner its obligations under this Agreement, or if CCBID, Inc. violates any of the terms of this Agreement, and such default is not cured to the satisfaction of the County Manager within ninety (90) days after the date of receipt such notice.

C. *Vote by CCBID, Inc. membership to dissolve.* CCBID, Inc. may notify the County Board of CCBID, Inc.'s members' intent to dissolve the Corporation and terminate the Agreement at any time, effective at the end of current Agreement term, provided at least 120 days prior notice is provided to the County Manager by CCBID, Inc.

D. *Termination related to termination of the District.* If the County Board elects to terminate the District, then the County Board may terminate this Agreement, provided at least 120 days notice is provided to CCBID, Inc. by the County Manager.

14. **DISPOSITION OF DISTRICT FUNDS UPON EXPIRATION OR TERMINATION.** Upon termination or expiration of this Agreement, CCBID, Inc. shall proceed expeditiously to wind up its activities funded pursuant to this Agreement, perform or pay all obligations and costs of administration incurred on behalf of or in conjunction with the District and return all remaining District funds in CCBID, Inc.'s control to the County. Notwithstanding the termination of this Agreement, the County will transfer to CCBID, Inc. the funds necessary to allow CCBID, Inc. to pay all costs properly incurred up to the date of termination pursuant to an approved work plan and budget and, subject to approval by the County Manager, the costs reasonably required for CCBID, Inc. to wind up its activities, provided that such costs do not exceed the budget for the applicable Fiscal Year. All remaining funds will be returned to the County for purposes of the District authorized by law.

15. **INDEPENDENT CONTRACTOR STATUS.** The parties acknowledge that CCBID, Inc. is providing services under this Agreement as an independent contractor and will be responsible for any federal, state and local taxes and fees applicable to payments made to CCBID, Inc. hereunder and will also be responsible for compliance with all applicable federal, state and local laws and regulations. Neither CCBID, Inc. nor any officer, employee or agent of CCBID, Inc. shall be, represent, act, purport to act nor be deemed the employee, agent or representative of the County for any purpose whatsoever.

16. **NO DISCRIMINATION.** In performing its obligations under this Agreement, CCBID, Inc. shall not discriminate against any contractor, employee or applicant because of race, color, age, religion, sex, sexual orientation, or national origin, including, but not limited to, actions related to procurement, contract administration, employment, promotion, demotion, termination, rates of pay, other compensation, and selection for training.

17. **LIMITATIONS ON COUNTY'S OBLIGATIONS.** Notwithstanding anything in this Agreement to the contrary, the County's obligations under this Agreement shall be subject to and dependent upon appropriations being made from time to time by the County Board for such purpose. While recognizing that it is not empowered to make any binding commitment beyond the current Fiscal Year, the County Board hereby expresses its intention to make annual

appropriations during the term of this Agreement, and any renewals thereof, in the full amounts necessary to fund the District Services as outlined annually in work programs and District budgets, that are approved by the County Board, the same being incorporated in this Agreement.

18. **AMENDMENT**. Except as otherwise expressly provided herein, this Agreement may be amended, modified or supplemented only by written agreement of the parties.

19. **ASSIGNMENT**. This Agreement may not be assigned without the prior written consent of the other party.

20. **NOTICES**. All notices and other communications required or permitted by this Agreement shall be in writing and shall be deemed sufficiently given for all purposes when delivered by hand, transmitted by telecopy or sent by mail, postage prepaid, to the following address (or to such other persons or addresses as any party shall otherwise designate by like notice):

a) If to the County, to:

County Manager  
Arlington County, VA  
2100 Clarendon Boulevard  
Suite 302  
Arlington, VA 22201

b) If to CCBID, Inc., to:

CCBID, Inc. Board of Directors  
Attn: Executive Director  
2001 Jefferson Davis Hwy, Suite 505  
Arlington, VA 22202

21. **ENTIRE AGREEMENT, SEVERABILITY**. This Agreement, including the Exhibits attached hereto, constitutes the entire agreement and understanding of the parties in respect of the transactions contemplated by this Agreement. If any provision of this Agreement shall be held illegal, unenforceable or in conflict with any laws governing this Agreement, it shall be severed and the remaining portions of this Agreement shall remain in full force and effect.

22. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

COUNTY BOARD OF ARLINGTON COUNTY,  
VIRGINIA, as the governing body of Arlington, Virginia  
and the Crystal City Business Improvement Service  
District

By: \_\_\_\_\_

Chairman \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
County Attorney

CRYSTAL CITY BUSINESS IMPROVEMENT DISTRICT, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

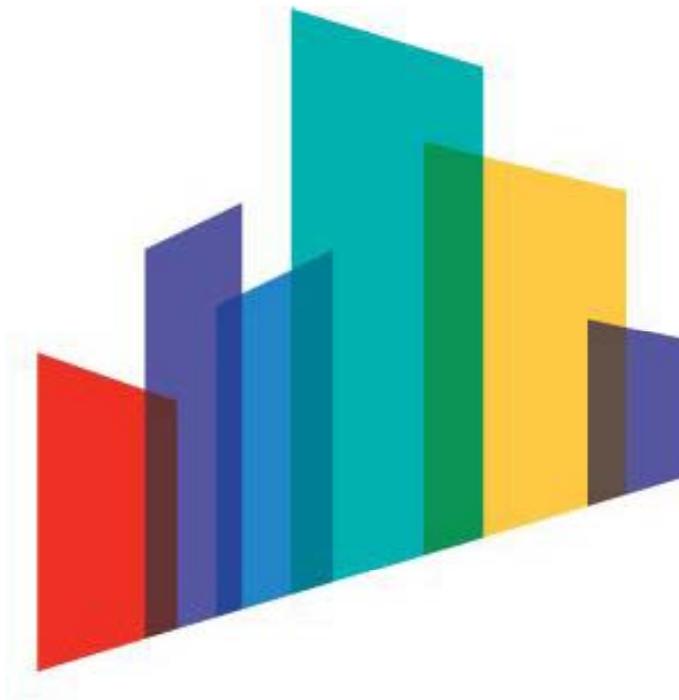
Title: \_\_\_\_\_

## APPENDIX I

### LIST OF SIGNIFICANT DATES

CCBID Program and Budget due	December 1	Section 4
CCBID Yearly Accounting due	November 1	Section 8
Fiscal Year	July 1 – June 30	Section 4
CCBID Request for Funds	no later than June 10 and December 11 of each calendar year	Section 6
Disbursement of Funds	no later than July 10 and December 27 of each calendar year	Section 6

***DRAFT***



# **CRYSTAL CITY**

**Business Improvement District**

# OVERVIEW

For a long time, Crystal City was considered a “concrete canyon” that no one would visit without an appointment. Thanks to the commitment the business owners have made in forming an organization to serve their collective business interests, the area has shed this negative image for one more worthy of Arlington County’s largest downtown and hotel district. That organization, the Crystal City Business Improvement District (BID), was created to make a measurable difference in the way that Crystal City is seen, perceived, and experienced.

In four years the BID has made significant progress and created momentum for more successes in the future. The BID is driving transformational success through creative partnerships, projects, and opportunities that continue its leadership position and define the area’s competitive advantage. But, the work is not done. Maintaining the momentum is critical to the on-going success of the Crystal City area - as a collective.

The Crystal City BID is a public-private partnership between commercial businesses located within the BID district and Arlington County. Funded solely by and for the businesses within the BID boundary, the BID is tasked to provide a higher level of service to visitors, workers and residents in Crystal City, making it a world-class destination in both Arlington and the greater DC region. The goals for the BID, as outlined in the Business Plan and listed below, govern these activities and plans:

**Create measurable value for the stakeholders** through higher occupancy levels for apartment and office owners, more “quality of life” appeal for office tenants, residents and hotel guests, and higher sales for retail and restaurants by virtue of being in a popular, high-demand neighborhood.

**Ensure a regional image** through creative marketing and image-building, special events and busy sidewalks, Crystal City will be known as a first-class, friendly and lively place for residents, workers, and visitors.

**Establish unique benefits for residents, office-workers, and visitors** with special services and amenities that help attract and retain users.

**Present an attractive and user-friendly face** whether from I-395, Route 1, Metro or its sidewalks, the BID will work to make the physical gateways and spaces inside Crystal City easy to navigate, appealing and memorable.

**Stay connected, convenient and accessible** for all properties within the district through enhanced transportation systems and pedestrian routes.

**Provide sufficient parking for** the varied needs and different groups in Crystal City plus attractive, clear signs to parking facilities, starting at its gateways.

**Expand shopping and dining options by** attracting more diverse range of restaurants and both convenience and destination shops.

**Ensure effective management and governance** from the Board of Directors and staff that are in continual touch with the stakeholders and with opportunities for growth. The BID will work with County partners and will provide abundant opportunities for all stakeholders to help shape and monitor BID programs.

To achieve these goals, the Crystal City BID has created four key program areas -- ACTIVE, ARTFUL, ACCESSIBLE, and GREEN. This Work Plan details each area for FY2012.

Whatever age or ability, Crystal City offers everyone a chance to get active. There are weekly outdoor Zumba and yoga classes, competitive racquetball tournaments, pickup volleyball, and basketball games. From Bike to Work Day to the Air Force Cycling Classic, enthusiasts of all abilities can easily enjoy a great ride. The area hosts numerous running events throughout the year including the Marine Corps Marathon, 5K Fridays, and the Crystal City Twiligher.

#### *Run – Twiligher*

The Crystal City Twiligher is one of the area’s premier evening races with a flat course, great runner premiums and perks, and a fabulous after party. With over 2,500 participants, and hundreds of spectators, the race fills the streets of Crystal City, and its restaurants and bars.

#### *Run –Marine Corps Marathon*

Hundreds of bright colorful flags line the streets of Crystal City as the runners pass miles 22 and 23 of the Marine Corps Marathon. The area hosts a family friendly festival at the intersection of 18th and Crystal Drive, conveniently located near the Metro. The kid-tastic celebration features music, moon bounces, face paintings, balloon art, arts and crafts with the National Children's Museum, and circus activities.

#### *Run – 5K Fridays*

For five weeks in April, runners from across the DC region come to Crystal City to get fit, healthy, and ready for spring. The course is always the same; which allows racers to challenge themselves to better their time over the five weeks and evaluate their progress.

#### *Ride – Bike to Work Week*

The Crystal City BID is expanding its support of car-free initiatives and, instead of Bike To Work Day, will host Bike to Work Week. Riders are able to enjoy a light healthy breakfast, learn about commuter shower membership options at Sport & Health Club, and get their bike safety checks and repairs by Revolution Cycles.

#### *Ride – U.S. Air Force Cycling Classic*

The U.S. Air Force Cycling Classic begins with a community ride on a 12.5 kilometer circuit course. Participants are challenged to complete as many laps as they can in 3.5 hours. After the community ride, the professionals race on a criterium course, where the riders raced around a 1km circuit in the heart of Crystal City. In addition to the men’s race, the event also features a women’s pro-am, and a men’s amateur race.

#### *Ride – Bike DC*

Bike DC is a bicycle ride that begins in Washington, DC and finishes in Crystal City. Riders are able to enjoy car-free streets as tour the region. The finish festival in Crystal City features children’s activities, music, snacks to refuel after the ride, and a bike museum. A complementary bike valet allows participants to enjoy brunch in one of the local restaurants.

#### *Fit - Outdoor Classes*

From May through October, the Crystal City BID and Sport & Health Club host free outdoor Zumba and Yoga classes. These classes give residents and employees an easy way to get outside and active. Participants can shower for free in any of the Sport & Health Clubs after the class.

# ARTFUL

Home to nationally recognized theater, stunning street art, designer cuisine, unique shopping, a fashion extravaganza, an international wine festival, and an outdoor arts market, Crystal City provides a cultural destination that is uniquely accessible and entertaining for all ages. The Crystal City BID has transformed the area's appeal by turning an underpass into a gallery, launching an outdoor statue project, making creative use of available retail space, and decorating and deepening the area's artful side.

## *Art Walls*

In the Art Walls program, the BID takes works from local artists, prints them on dibond aluminum, and mounts them on walls throughout the area. Located throughout the Crystal City, these additions bring color and energy to drab underpasses and building walls - creating stunning views throughout the area.

## *Screen*

The courtyard at 1850 Bell Street serves as a movie theater on Monday evenings in the summer. There is no better place to meet friends, bring a picnic, and enjoy an evening under the stars. Past theme's have included Star Trek, James Bond, Superheroes, Clint Eastwood, and By The Numbers.

## *Vintage*

Held in September, Vintage Crystal is the only "inside the beltway" annual outdoor wine festival. Taking place in the courtyard near 220 20<sup>th</sup> Street, the festival has a "Latin Twist." With wine supplied by Jaleo Wine Shop, Vintage served up the best in Latin wine, jazz, and salsa dancing; showcasing Crystal City's tasty restaurants and beautiful open spaces.

## *Couture*

Every February, Crystal City becomes the region's fashion capital with Crystal Couture. The area is transformed into a fashion hot spot filled with boutiques, free makeovers, body painting, runway shows, and more. Crystal Couture is a fashion lover's dream.

## *Theater*

In June, 2010, Arena Stage finished a successful three year run in Crystal City. Over the course of those three years, Arena brought hundreds of thousands of visitors to Crystal City and enhanced the area's reputation as an art destination. While the BID is sad to see Arena leave, we are looking forward to welcoming Synetic Theater to the area. As the nation's premier physical theater company, Synetic will continue Arena's tradition of excellent theater in Crystal City.

## *FOTOWeek DC*

Starting in November of 2009, Crystal City brought FOTOWeek DC across the river and into the interior walkways. 150 pictures from the FOTObama exhibit, which captured President Obama's historic campaign and election, and FOTOWeek's award winning pictures, lined the interior walkways.

Crystal City is one of the most accessible areas in the region. Whether flying into Washington National Airport, traveling via train on the Virginia Railway Express (VRE), hopping on the vast Metro Rail/Bus system, driving in your car, or pedaling on the trails, all “roads” lead to Crystal City. The Crystal City BID works to maximize these assets while expanding their use and efficiency throughout the area.

#### *Wi-Fi*

Crystal City added another layer of accessibility by offering free internet Wi-Fi Access in its most beautiful courtyards, plazas, and parks. With internet service donated by Atlantech Online, the Crystal City BID installed a wireless network to provide Crystal City residents, tourists, and employees itching to get outside with an opportunity to get online. In 2010, the service was enhanced and made more reliable by Wi-Fi Relativity.

#### *Bike Culture*

Already known as a great area for bicycle commuting and recreational riding, Crystal City is a leader in bike culture for the Washington, DC Metropolitan area. With direct access to the Mount Vernon Trail cyclists of all abilities and ages can enjoy a great ride. Commuters will find their ride comparable to driving or taking Metro. The bicycle lanes and simplified traffic in Crystal City help transport riders safely to their destinations where plentiful and convenient bicycle racks make parking easy and safe.

#### *City Hub*

In partnership with Revolution Cycles, the Revolution Cycles City Hub opened in Crystal City in 2010. The City Hub offers bicycle accessories, repairs and an innovative bicycle lease program, making bicycles available to area residents, employees, and visitors looking for a quick ride.

#### *Bike Share*

In partnership with Arlington County and DDOT, the Crystal City BID helped bring Capital Bikeshare to the region. Capital Bikeshare is a point to point system which allows users to commute to work, run errands, head to a restaurant, etc without the hassles of bike ownership. The system has over 100 stations throughout the Greater Washington DC region, with 14 located in the Crystal City area.

#### *Metro Rail/Bus*

Crystal City is centrally located on the yellow and blue lines of the Metro system. The Crystal City metro station is centrally located within Crystal City. In addition, six Metro bus routes, and three commuter buses also service the area.

#### *Car/Parking*

With connections to every major highway and interstate in the area, getting to Crystal City is easy and parking is even easier. Crystal City contains a number of parking facilities that make finding a space close to your destination simple and convenient. Many of the facilities offer **FREE** parking after 4PM on weekdays and all day on weekends and holidays

#### *Virginia Railway Express*

The Virginia Railway Express (VRE) represents one of the most popular non-Metro systems for Crystal City employees. Located next to the Water Park, the VRE station provides convenient access to suburban Virginia communities, and Washington, D.C.

Crystal City is a transit-oriented, eco-conscious area. The Crystal City BID enhances the area's green assets with environmentally responsible and sustainable landscaping programs, waste-free events, composting, street recycling, and more.

### *Landscaping*

The Crystal City BID manages the central medians that represent the "front door" to the area's businesses, residences, and restaurants. By tending to the medians on Route 1, enhancing the landscaping under the Airport overpass, adding hanging baskets to 23<sup>rd</sup> Street, and upgrading an existing pocket park at 23rd Street South and South Eads Street, the BID has made the area greener, cleaner, and more user-friendly. All plantings are low-to-no mow and water and environmentally friendly.

### *Street Recycling*

In August, 2009 the BID placed 50 street recycling bins on the streets of Crystal City. Managed by the property owners, these bins bring a much needed service to the area.

### *Power Purge*

The Crystal City BID gives offices, workers, and residents a free opportunity to recycle their electronics and sensitive documents safely and securely at the annual Power Purge & Shred.

### *Floral Frenzy*

At the Floral Frenzy, residents and workers to grab, dig up and take home flowers, bulbs, and other plants from Crystal City's gorgeous landscaping. This model of reuse creates a win-win while keeping Crystal City beautiful and green!

### *Farms*

Located on the sidewalk along Crystal Drive between 18th and 20th Streets, Crystal Farms farmers' market takes place every Tuesday from 3PM to 7PM from the spring through the fall. Over 20 local farmers and producers bring together seasonal fruits and vegetables, fresh-cut flowers, container plants and herbs, farm-raised eggs, all-natural meats, artisan baked goods, coffees and teas, specialty foods and much more.

The Crystal City BID is also proud to offer a Community Supported Agriculture (CSA). Available through a partnership with Great Country Farms, the CSA provides high-quality locally-grown fruits and vegetables to registered CSA members.

### *Low-To-No-Waste Event Policy*

To ensure that Crystal City's festivals and events are not contributing to landfills and environmental over-use, the Crystal City BID established a low-to-no-waste policy in the fall of 2008. On-site recycling and compost bins along with recycled and/or biodegradable products are used for all food and drink samples at Crystal City BID sponsored events.

*The BID will continue to meet all of its contract obligations – financial audit, annual report, work plans, disbursement requests, annual meeting, etc – on time and early, operating with the highest standards of work integrity, accountability, professionalism and leadership.*

## Key Accomplishments - FY2011

Topic/Action	Accomplishment/Action/Status
Audit	Selected/Conducted/Submitted on-time
Annual Report	Designed/Printed/Distributed on-time
Evaluations	Reviewed Staff Performance
Enhance benefits	Offered Competitive/Flexible package
Personnel Manual	Reviewed/Signed
Systems	Continued to evaluate and maximize office efficiencies
Baseline	Re-established for 2011
2011 Work Plan	Revised w/County (on-time)
Tax Assessments	Managed w/FMS
2009 Disbursements	Requested/Filed (on-time)
Annual Meeting	Held 6/22/10

The FY2012 budget plans for normal inflationary increases for administrative support costs. An approximate two percent internal contingency fund is provided in order to meet unexpected program or administrative expenses during the year. Administrative expenses include salaries and personnel legal, accounting, office/rent, parking, travel, training, conference, membership and other basic office support expenses.

## HISTORY AND BUDGET

The BID was approved by the Arlington County Board on April 22, 2006 and officially began operations at the beginning of the 2007 Fiscal Year. The organization, which has a five-year term that runs through FY2011, hired its first Executive in 2006 in order to carry out the key mission of the organization and lead the creation and execution of effective programs.

Property tax assessments devoted to the BID are designated to supplement, but not replace, the County's basic public services and property owner responsibilities within the District. The services agreement between Arlington County and the BID provides for supplemental Marketing, Programming, and Operations services to be carried out by the Corporation.

Projects and plans are built based on a short history of operation, by benchmarking with similar organizations, and in consideration of an estimated assessment level for the FY2011 year.

Fiscal Year*	Budget	Tax Rate*
2007	\$1,701,000	.045
2008	\$2,090,055	.045
2009	\$2,173,657	.043
2010	\$2,219,885	.043
2011	\$2,034,115	.043
2012	\$2,407,387	.043

\* Fiscal Year is from July 1 through June 30 and the tax rate is per \$100 of assessed property value

# ACCOUNTABLE

	<u>2011 Budget</u>	<u>2012 Budget</u>
<b>Income</b>		
AC Disbursements (Assessments)	2,034,115.00	2,407,387.00
Sponsorship Income (in-kind/cash)	40,000.00	40,000.00
Event Income	50,000.00	50,000.00
Interest Income	10,000.00	10,000.00
Program Reserve Draw Down	500,000.00	50,000.00
<b>Total Income</b>	<u>2,634,115.00</u>	<u>2,557,387.00</u>
<b>Expense</b>		
<b>Administration Expense</b>		
Personnel Expenses	510,000.00	565,000.00
Professional Fees		
Auditor	7,000.00	7,000.00
Accounting	500.00	500.00
Insurance	3,000.00	3,000.00
Legal Fees	5,000.00	5,000.00
<b>Total Professional Fees</b>	<u>15,500.00</u>	<u>15,500.00</u>
Development/Support	57,000.00	73,000.00
Office Expenses		
Licenses/Subscriptions	500.00	500.00
Office Supplies	5,000.00	7,500.00
Office Equipment/Software	5,000.00	16,000.00
Phone/Internet	15,000.00	15,000.00
Postage/Delivery	1,500.00	1,500.00
Rent/Office Space	69,000.00	69,000.00
Depreciation Expense	6,200.00	6,200.00
<b>Total Office Expenses</b>	<u>102,200.00</u>	<u>115,700.00</u>
<b>Total Administration Expense</b>	<u>684,700.00</u>	<u>769,200.00</u>
<b>Program Expense</b>		
Marketing		
Branding/Design	25,000.00	40,000.00
Advertising	189,000.00	220,000.00
Brochures/Stationery/Printing	50,000.00	65,000.00
Photography/Video	15,000.00	20,000.00
Press/Communications	31,000.00	40,000.00
Website/Newsletter/Calendar	10,000.00	30,000.00
Promotional Items/Giveaways	10,000.00	10,000.00
Research	10,000.00	30,000.00
<b>Total Marketing</b>	<u>340,000.00</u>	<u>455,000.00</u>
Operations		
Sponsorships/Partnerships	200,000.00	220,000.00
Talent/Labor	110,000.00	115,000.00
Equipment Rental	50,000.00	50,000.00
Supplies	45,000.00	45,000.00
Permits/Insurance	21,300.00	22,000.00
Banners/Wayfinding/Signage	200,000.00	150,000.00
Landscaping/Infrastructure	500,000.00	350,000.00
Design/Lighting	73,000.00	100,000.00
Transportation	350,000.00	100,000.00
Green/Cleaning/Recycling/Compost	50,000.00	70,000.00
Security	10,000.00	30,000.00
<b>Total Operations</b>	<u>1,609,300.00</u>	<u>1,252,000.00</u>
<b>Total Program Expense</b>	<u>1,949,300.00</u>	<u>1,707,000.00</u>
County Fee		
1% AC Administration fee	20,341.15	24,073.87
Delinquency Reserve Fund	(11,408.00)	18,663.10
<b>Total Expense</b>	<u>2,642,933.15</u>	<u>2,518,936.97</u>
<b>Net Income/Program Reserve</b>	<u>(8,818.15)</u>	<u>38,450.03</u>