



## ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item  
Meeting of September 17, 2011**

**DATE:** August 15, 2011

**SUBJECT:** Approve a Service Agreement with the Ballston Business Improvement Corporation and authorize advertisement of an amendment to the boundary of the Ballston Business Improvement Service District.

**C. M. RECOMMENDATIONS:**

1. Approve a Service Agreement (Attachment I) between the County and the Ballston Business Improvement Corporation, and authorize the County Manager to execute it on behalf of the County Board.
2. Authorize advertisement of a public hearing to be held on October 15, 2011, to consider adoption of a proposed ordinance (Attachment II) to amend the boundaries of the Ballston Business Improvement Service District effective January 1, 2012.

**ISSUES:** Approve the Service Agreement with the Ballston Business Improvement Corporation and authorize advertisement of a public hearing on the proposed ordinance which amends the boundaries of the Ballston Business Improvement Service District to exclude a residential parcel. No issues have been identified.

**SUMMARY:** The Ballston Business Service Improvement Service District (the "District") was established by Ordinance by the County Board in December 2010. The Ballston Business Improvement Corporation ("BBID Corp.") is the County's non-profit partner that, by the terms of the proposed Service Agreement with the County Board, is responsible for providing a range of approved services in the District in accordance with the budget and work plan incorporated in the Service Agreement. The proposed Agreement will be effective July 1, 2011, and continue through June 30, 2016 (the same length term as the establishment of the District) unless earlier terminated by the parties or the County Board terminates the District.

The request to advertise is to amend the boundaries of the District. The District boundaries are proposed to be amended to exclude a parcel which has changed uses from commercial to residential. The parcel was formerly the WMATA Bus Garage in Ballston and is now being

County Manager:

*BMD/mjs*

County Attorney:

*[Signature]*

Staff: Krista Bourgon (DMF); George Parr (AED)

41.

redeveloped into residential condominiums. This boundary change will be effective January 1, 2012.

**BACKGROUND:** At its December 11, 2010 meeting, the County Board adopted an ordinance establishing the Ballston Business Improvement Service District to provide a range of services, events, and activities that promote and enhance the commercial properties in the Ballston area --- these services, events, and activities are in addition to those already provided by Arlington County government. Enhanced services to be provided for the benefit of commercial properties include: 1) marketing, branding and promotion; 2) physical enhancements; 3) transportation enhancements; 4) supplemental beautification; and any other services deemed desirable by the Board of Directors and approved by Arlington County.

A revised Fiscal Year 2012 budget for BBID Corp. to conduct activities within the District is attached (Exhibit A to Attachment I). The revised budget supports the goals of the District as laid out in the business plan (dated September 2010), originally submitted to the County Board as part of the Service District establishment in December 2010 (Exhibit B to Attachment I).

The District is funded from an additional real estate tax levy on commercial properties located within the Ballston Business Improvement Service District. The County Board approved rate for CY 2011 is \$0.045 per \$100 of assessment. Residential properties are excluded from the District.

The BBID Corp. is the County's non-profit partner which will be responsible for the provision of services in the District. This is the first service agreement with BBID Corp. and authorizes the BBID Corp. to provide services within the District in accordance with the annually approved budget and work plan incorporated in the Service Agreement. The County remains the governing authority of the District, and provides financial and administrative oversight for BBID Corp. operations.

**DISCUSSION:** The District is in its first year of operation and its current authorization expires June 30, 2016. Once the proposed services agreement is executed, the County and the BBID Corp. will be bound by a Services Agreement, which provides for an annual process for the County to approve or deny an annual work program, budget, and tax levy proposed by BBID Corp. for the District. This Services Agreement provides for further oversight of the BBID Corp. 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 Service Agreement with BBID Corp., the County Manager will conduct an administrative review of the District every five years to determine the future viability of the District.

Service District Boundary Amendment: The ordinance establishing the District states that the District shall only encompass commercial properties and exclude residential parcels. The District comprises 130 parcels in the Rosslyn-Ballston Metro corridor. By amending the boundaries (Exhibit IIA Map), this would exclude a property which has changed use from commercial to residential since the District's establishment on January 1, 2011. The property, RPC# 14-060-069, is located at the southwest corner of Wilson Boulevard and North Quincy Street and is part of the Founders Square site plan project. The District boundary line is proposed to be modified to exclude this parcel from the District. In order to exclude residential property RPC # 14-060-069 from the District, the boundary line is being extended south across Wilson

Boulevard so that it runs along the western and southern property lines of RPC # 14-060-009. From there the boundary line returns north along Quincy Street and back across to the north side of Wilson Boulevard where it includes commercial property RPC # 14-043-028. A revised listing of commercial properties which will be subject to the additional real estate tax levy is included as part of the proposed Ordinance as Exhibit IIB. The District only contains commercial properties and excludes residential condominiums and high rise apartment buildings. This change will be effective as of January 1, 2012 for the 2012 tax year.

**FISCAL IMPACT:** The County receives 1% of the District's supplemental tax rate revenue to off-set the costs of administering the Ballston Business Improvement Service District. These funds are included in the annual General Fund appropriation by the County Board. The boundary change in the District will not affect real estate tax revenue for the 2011 tax year; the change will be effective as of January 1, 2012.

**Attachment I**

**AGREEMENT FOR THE PROVISION OF  
SERVICES IN THE BALLSTON BUSINESS IMPROVEMENT SERVICE DISTRICT**

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 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 Ballston Business Improvement Service District, (the “County Board”) and BALLSTON BUSINESS IMPROVEMENT CORPORATION (the “BBID Corp.”), a non-profit Virginia corporation, with offices located at \_\_\_\_\_.

WHEREAS, pursuant to Section 15.2-2400 et seq., VA. Code Ann. (the “Service District Law”), the County Board has established by ordinance the Ballston Business Improvement Service District (the “District” or “BID”), adopted at the meeting of the County Board held on December 11, 2010 (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, Ballston Business Improvement Corporation (“BBID Corp.”) 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 BBID Corp. 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 BBID Corp. for delivery of the services within the District, including management of such District funds as may be appropriated annually by the County Board; and

WHEREAS, the County and BBID Corp. desire to enter into this Agreement which is intended to describe the responsibilities of each of the County and BBID Corp. 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 BBID Corp.** The County Board hereby enters into this Agreement with BBID Corp., and BBID Corp. hereby accepts the duties and responsibility it is assigned within 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. BBID Corp. shall establish an effective management plan at the corporate board level and the executive management level to ensure that the obligations of BBID Corp., 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 BBID Corp. and shall continue until June 30, 2016, in accordance with Paragraph 13 of this Agreement. This term of this Agreement may be extended annually by mutual agreement of the BBID and the County Board. However, in no event shall this Agreement extend beyond the term of the District.

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

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

- A. Marketing, Promotion, Events, Branding;
- B. Transportation Enhancements;
- C. Physical Enhancements (signage, wayfinding, beautification)
- D. Supplemental Beautification

E. 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 District Services shall be provided by BBID Corp. within the District only in accordance with the approved work program and budget; BBID Corp.'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 a work program and budget for District Services to be provided by BBID Corp. in that Fiscal Year 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 BBID Corp. (i) an estimate of the tax revenues that can be projected to be generated by various District tax levies, including at the then existing District tax rate, if such rates 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, BBID Corp. 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 BBID Corp.'s proposal for the District Services to be provided by BBID Corp. during such forthcoming Fiscal Year, assuming the then existing District tax rate in effect. The proposed budget shall be provided by the BBID Corp. to the County Manager in a format approved by the County Manager. 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. BBID Corp. 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, BBID Corp. 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 District funds the amount equal to one percent (1%) of actual District tax revenue received for this County administrative fee at the end of each Fiscal Year. The County shall make every reasonable effort to complete this transfer of funds and notify BBID Corp. of the amount transferred by June 1<sup>st</sup>.

C. BBID Corp. 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 BBID Corp. 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 BBID Corp. 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, BBID Corp. shall submit to the County Manager a notice of intent of BBID Corp. to make such transfer. BBID Corp. shall provide a summary statement in support or justification for such transfer with its notice. If the County Manager does not notify BBID Corp. of his/her objection within ten (10) days after receipt of such notice, then such transfer maybe made by BBID Corp.. If the County Manager does object then the County Manager shall submit a notice of objection to BBID Corp. with reason(s), and BBID Corp. 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 BBID Corp. and the County Manager cannot resolve the matters, BBID Corp. may appeal the matter to the County Board whose determination shall be final.

D. The County Manager and BBID Corp. agree to work diligently and in good faith to resolve any differences that may arise in conjunction with the County Manager's review

of BBID Corp.'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 BBID Corp. 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 BBID Corp. agree that BBID Corp. 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 BBID Corp. 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 BBID Corp. 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 BBID Corp. 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 BBID Corp. budget at the five percent (5%) Reserve level; in no case will BBID Corp. 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 BBID Corp., request that BBID Corp. 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. BBID Corp. 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, BBID Corp. must submit to the County Manager a request for the transfer of those District funds to BBID Corp. Any request made by BBID Corp. shall be for an amount that BBID Corp. expects would be required by it to cover the costs and expenses that BBID Corp. estimates would be incurred

during that forthcoming two (2) quarters of the Fiscal Year to provide District Services consistent with the approved work plan. BBID Corp. 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 BBID, Corp. work program and budget then in effect, the requested amount shall be transferred to the BBID Corp. 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 BBID Corp.'s request, the County Manager reasonably determines that the BBID, Corp. request is not consistent with the approved BBID, Corp. work program or the budget then in effect, then BBID Corp. and the County Manager shall promptly meet to resolve any differences related to the BBID Corp. request.

The County Manager shall thereafter transfer to BBID Corp. 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 BBID Corp. request for a disbursement of funds shall be for an amount that, combined with previous payments to BBID Corp. by the County from District tax levy funds for the Fiscal Year in question, would cause BBID Corp. to exceed the approved annual District budget for that Fiscal Year, unless the same is covered by BBID Corp. funds separate and apart from those funded from District tax levies.

B. During each Fiscal Year BBID Corp. 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 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 BBID, Corp. 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 BBID Corp. 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 BBID Corp. 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 BBID Corp. and the County Board, rather than having such funds first transferred to BBID Corp. and then transferred back to the appropriate County department. The County shall maintain and provide to BBID Corp. 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 BBID Corp. 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 BBID Corp. 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 BBID Corp. and the County Board.

D. The County shall make available to BBID Corp. 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. BBID Corp. 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 BBID Corp. 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 BBID Corp. and always be available for use by BBID Corp. for District Services as BBID Corp. deems appropriate from time to time. An accounting thereof shall be provided to the County by BBID Corp. 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 BBID Corp. 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 BBID CORP. ACTIVITIES.** On or before November 1 annually, BBID Corp. 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, BBID Corp. shall submit to the County Manager a written report on BBID Corp.'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.** BBID Corp. shall keep accurate books and records of all District Funds received and disbursed by BBID Corp. 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, BBID Corp. shall maintain complete files of all contracts, transactions, and other matters relating to the District and BBID Corp.'s activities. BBID Corp. 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 BBID Corp. files, books and records inspected in the office of the BBID Corp. during regular business hours and upon reasonable notice to BBID Corp., and to conduct an internal or independent audit of those books at such times as the County Board may deem necessary.

10. **CONTRACTING.** BBID Corp. may employ only such personnel as is consistent with the administrative line items of the approval budget of BBID Corp. in a Fiscal Year. BBID Corp. shall, prior to the start of each fiscal year, provide to the County Manager a list of all personnel employed by BBID Corp. The County Manager shall immediately notify BBID Inc. if the personnel create concerns for proper management of District funds or the delivery of District Services in which case BBID Corp. 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 BBID Corp., other than those funds necessary to pay for obligations previously incurred pursuant to this Agreement. BBID Corp. 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. BBID Corp. will adopt procurement procedures for contracting that reflect "best practices" for effective delivery of District Services at cost advantageous to BBID Corp. and affording the "best value" to BBID Corp. 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 Ballston based businesses if the cost to BBID Corp. 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.** BBID Corp. 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 Two-Hundred Fifty Thousand Dollars (\$250,000.00) 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. BBID Corp. shall submit to the County a certificate evidencing that BBID Corp. has obtained and is maintaining the above insurance.

12. **INDEMNIFICATION.** BBID Corp. 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 BBID Corp. or its officers, employees, contractors, or agents with respect to the performance of BBID Corp.’s obligations under this Agreement. In no event shall BBID Corp. 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 BBID Corp. of a default by BBID Corp. in the performance of its duties hereunder, as a result of the failure by BBID Corp., where BBID, Corp. 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 BBID Corp. 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 BBID Corp. membership to dissolve.* BBID Corp. may notify the County Board of BBID Corp. '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 BBID Corp..

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 BBID Corp. by the County Manager.

14. **DISPOSITION OF DISTRICT FUNDS UPON EXPIRATION OR TERMINATION.** Upon termination or expiration of this Agreement, BBID Corp. 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 BBID Corp. 's control to the County.

Notwithstanding the termination of this Agreement, the County will transfer to BBID the funds necessary to allow BBID Corp. 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 BBID Corp. 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 BBID 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 BBID Corp. hereunder and will also be responsible for compliance with all applicable federal, state and local laws and regulations. Neither BBID Corp. nor any officer, employee or agent of BBID Corp. 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, BBID Corp. 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, email, 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  
Bdonnellan@arlingtonva.us

b) If to BBID, Corp., to:

Ballston Business Improvement Corporation  
Attn: Executive Director

\_\_\_\_\_  
Arlington, VA \_\_\_\_\_

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.

23. **TERM LIMITS.** The parties acknowledge and agree that those persons appointed to the BBID Corp. Board of Directors by the County Board (“County Board Appointees”) shall serve in an At-Large capacity for a term of two years. Commencing with the effective date of this Agreement, the initial term of the two (2) County Board Appointees shall be two (2) years with subsequent terms being equal to two (2) years. There shall also be one (1) non-voting Board Member serving in an At-Large capacity as designated by the County Manager and shall be an Arlington County employee. The terms of all County Appointees shall have an end date on June 30.

24. **FIRST FISCAL YEAR.** The dates and deadlines for scope and specifics of the work program, dates for any requests and/or transfers of funding and disbursements from the County, and other time sensitive issues and/or deadlines set forth herein, may be modified by the County Manager, in her sole discretion, where good cause is shown by BBID Corp., to accommodate and facilitate start-up operations of BBID Corp. during the first Fiscal Year.

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 Ballston Business Improvement Service District

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

Chairman \_\_\_\_\_

APPROVED AS TO FORM:

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

BALLSTON BUSINESS IMPROVEMENT CORPORATION

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

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

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

## APPENDIX I

### LIST OF SIGNIFICANT DATES

BBID Program and Budget due	December 1	Section 4
BBID Yearly Accounting due	November 1	Section 8
Fiscal Year	July 1– June 30	Section 4
BBID 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

**Ballston Business Improvement District Budget  
2011 - 2012  
(Revised)**

**Branding & Marketing**

1. Identity & Branding Campaign
2. Marketing & Communications
3. Events

**Total Branding & Marketing** **\$447,557**

**Physical Enhancements**

1. Wayfinding design, fabrication & installation
2. Banner design
3. Gateway design

**Total Physical Enhancements** **\$282,245**

**BID Administration**

1. Salaries & overhead
2. Professional Fees
3. Office Rent, equipment and fit-out

**Total BID Administration** **\$319,495**

**Contingency (5%)** **\$59,000**

**Reimbursements of start-up costs** **\$90,000**

**County fee**

1% of assessment **\$12,418**

**Delinquency Reserve Fund**

2.5% of assessment **\$31,044**

**TOTAL ASSESSMENT** **\$1,241,759**

Exhibit B

# **BALLSTON/BID**

Proposed Business Plan  
**SEPTEMBER 2010**

# BALLSTON/BID

## BALLSTON BUSINESS IMPROVEMENT SERVICE DISTRICT PROPOSED BUSINESS PLAN

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### ***Table of Contents***

Letter from the Steering Committee Chair(s)	3
Executive Summary	5
Background – Why a BID is good for Ballston	8
The Planning Process	9
Goals	11
Ballston BID Boundary	13
Proposed Programs and Services	14
Assessment Formula and Budget	19
Governance and Management	20
Looking Forward	20
Timetable	21
Conclusion	22

### ***Attachments***

- Attachment 1 – Ballston BID District Map (not included)
- Attachment 2 – Ballston BID Steering Committee Roster
- Attachment 3 – BID Survey Document (not included)
- Attachment 4 – List of Taxable Properties (not included)
- Attachment 5 – Ballston BID Draft By-Laws (not included)
- Attachment 6 – Sample of Petition Letter (not included)



Ú^] ç{ à^! 2010

M. ÓaàaáÖ[ ] } ^||æ  
County Manager  
County of Arlington  
2100 Clarendon Blvd., Suite 302  
Arlington, VA 22201

RE: Ballston Business Improvement Service District Draft Business Plan

Dear T. Ó[ ] } ^||æ :

The Ballston Business Improvement District Steering Committee is pleased to submit to your offices a proposal to establish the Ballston Business Improvement Service District for the commercial core of Ballston. To that end, we have attached a Draft Business Plan ("Plan") for presentation to the Arlington County Board. The proposed formation of the Ballston Business Improvement Service District ("Ballston BID") is pursuant to the statutory provisions set forth in the Va. Code Ann. § 15.2-2400 *et. seq.*, regarding formation and use by localities of service districts.

This Plan is the result of a great deal of effort and investigation by this Steering Committee and other business leaders, consultant Betsy Jackson, president of The Urban Agenda, Inc., (Ann Arbor, Michigan), and the legal counsel of David W. Briggs, Esq. and Alice Haase, Esq., of Holland & Knight, LLP.

Since our original submission to request a public hearing, we have continued to engage the community in the BID development process. We distributed petitions of support to all commercial property owners and we conducted a publicly noticed informational meeting in conjunction with the Partnership Annual Meeting in 2008. At our March 2010 Board of Directors meeting, the Board of the Ballston Virginia Square Partnership voted to support the BID proposal as we gained additional support from key stakeholders.

The common view is that Ballston is a "good" place but, it is not yet a "great" community – a goal all urban mixed-use communities need to achieve in order to remain competitive, attractive, and sustainable. The Ballston BID Draft Business Plan is designed to help the District become just such a "great" place, by focusing on improving the business climate through branding, marketing and events, wayfinding, and enhancements to public space and transportation. This focus will accomplish the four key goals described in the Plan:

- Move the perception of Ballston from a 'good' place to a 'great' community.
- Enhance the commercial District's competitive advantages in an increasingly competitive region and establish its identity as the area's "Hub of Science and Technology".
- Build on the current investment – both public and private – within the District, and help to *protect* that investment.
- Help the District's commercial stakeholders deliver the highest quality urban, mixed-use experience and help *maintain* that quality.

We believe that a Ballston Business Improvement Service District built on this foundation will enhance and sustain Ballston's image as a premier live-work-play community.

As commercial and community stakeholders, we share a common interest in protecting and enhancing the development of Ballston. We have been hard at work over the past three years and, as you will see in the Proposed Plan, we are committed to doing everything it takes to make the Ballston BID a reality in 2011.

A business improvement district for Ballston is the best vehicle for building on Ballston's assets, positioning it for the future, and managing the process. We believe the County will agree, and we look forward to working

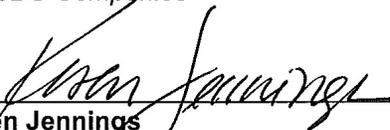
with you and others to make the Ballston Business Improvement Service District a reality.

Sincerely,



**Jill Goubeaux**

Ballston Business Improvement District Steering Committee  
*The JBG Companies*



**Karen Jennings**

Ballston Business Improvement District Steering Committee  
*Gates, Hudson & Associates, Inc.*



**Kelly Shooshan**

Ballston Business Improvement District Steering Committee  
*The Shooshan Company, LLC*

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Enclosures

cc: David W. Briggs, Esq.  
Alice G. Haase, Esq.

**EXECUTIVE SUMMARY**

## District Boundary

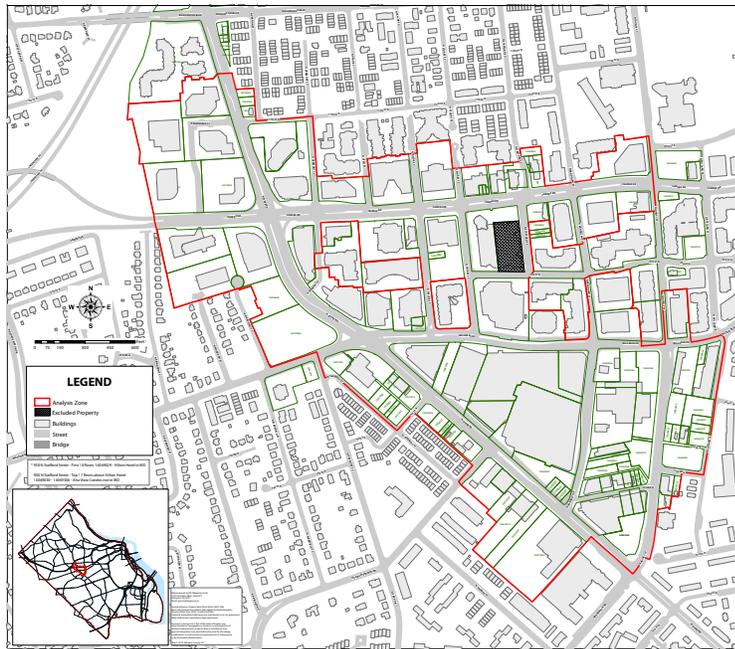


Figure 1 – Proposed Ballston BID Boundary

The Ballston sector of Arlington County ("Ballston") consists of more than twenty five blocks of a mixture of commercial and residential properties, with the residential properties consisting of single-family dwellings and multiple family dwellings, such as condominiums and rental apartments. Within Ballston there is a commercial core, which includes office properties, properties housing retail activities, residential properties, both ownership and rental, and properties owned by non-profit and governmental bodies.

The provisions of Va. Code Annotated, Sec. 15.2-2400 et seq. related to the establishment and operation of service districts in the Commonwealth (the "Service District Statute") permits localities to establish a service district to undertake economic development services, promote business and retail development services, and undertake beautification and landscaping activities within defined boundaries within a locality and directly assess individual property owners that benefit from those enhanced community services.

The commercial core of Ballston is uniquely suited to be recognized as the location of a service district, just so these types of enhanced services can be provided.

The Ballston Business Improvement District Steering Committee (the "Steering Committee") having carefully evaluated the characteristics and current status of Ballston, believe that formation of a business improvement district for the commercial core of Ballston is essential to retaining Ballston's position as a critical and vibrant bookend for the Rosslyn-Ballston Corridor.

The boundary of the proposed Ballston Business Improvement Service District (the "Ballston BID") is illustrated in Figure 1 above (the geographic area within the boundary shall be referred to as the "District") and essentially captures this commercial core of Ballston. This proposed boundary was

adopted by the Ballston BID Steering Committee in August 2008 and recently amended to exclude all residential properties. Within the proposed District are commercial properties as well as those identified on the Arlington County tax rolls as residential condominiums and rental properties, those identified as tax-exempt nonprofit properties, and those owned by local, Commonwealth, or federal government. Only commercial properties will be subject to the Ballston BID assessment levied by Arlington County for Ballston BID activities and operations

## **Goals**

- **Promote Ballston as the hub of Science and Technology in the DC metropolitan area**
- Maintain and enhance Ballston's competitive advantages in an increasingly competitive regional marketplace
- Protect and enhance investment – public and private sector
- Improve on the existing quality of life offered in Ballston
- Strengthen Ballston's performance as the western anchor of the Rosslyn-Ballston Corridor
- Serve as the research and data center for all things Ballston

## **BID Services and Programs**

The Ballston BID will focus on the following:

- *Marketing and Branding* that will better position Ballston within the region
- *Physical Enhancements* that build on the District's sense of place while helping shoppers, visitors, and employees make better use of Ballston's offerings
- *Transportation Enhancements* that improve on the District's strength as an intermodal transportation hub
- *Management* that will help to tie the activities together and create opportunities for further collaboration
- *Supplemental Beautification* that sets the highest standards for the appearance and function of the public realm in Ballston

## **Method of Financing and Cost**

Arlington County will fix an assessment rate for Ballston BID activities for each fiscal year, and then levy an assessment for those activities (the "BID Assessment") based upon the applicable assessed value of each non-residential, commercial properties located within the District. The BID Assessment will be an ad valorem tax against each property. The BID may accept voluntary contributions from tax-exempt properties to show support of the Ballston BID activities and programs. It is expected that the initial assessment rate for Ballston BID activities for the fiscal year commencing July 2011 will be at the rate \$.045 per \$100 of assessed value of each non-residential, commercial property.

## **Estimated BID Budget**

For the first year of Ballston BID operations, the budget is expected to be \$1,€JGI JJ based upon current 2010 assessments of Ballston BID taxable property.

## **Governance and Management**

The Ballston BID will be governed and managed by an independent 501(c)(6) non-profit corporation. Arlington County will enter into a servicing agreement with this corporation for that purpose. This independent corporation, the Ballston Business Improvement Corporation (the "Ballston Corporation") will be governed by a board of directors of no fewer than 19 and no more than 21 members, whose members will be elected by and represent the commercial property owners and various business constituencies located within the District. The board of directors of the Ballston Corporation will oversee all Ballston BID activities and will provide guidance to the Ballston BID's professional and administrative staff. Ballston Corporation will (i) prepare an annual work plan and associated budget for submittal to the Arlington County Board (the "County Board") for consideration and approval, (ii) implement annually the approved work plan, (iii) publish an annual report on its activities, (iv) convene an annual meeting of member property owners, and (v) keep Arlington County, the commercial property owners, and the tenants of properties within the District of Ballston informed about the Ballston BID activities.

## **Formation Threshold**

The Ballston BID Steering Committee recommends that BID formation be approved by County Board based on the support of ~~at least~~ of the assessed value of all ~~the~~ ~~properties~~ ~~within~~ ~~the~~ ~~District~~ as of January 2010, as evidenced by signed petitions to be submitted with this Business Plan.

## **Duration**

If established by the County Board, the Ballston BID would become approved the date of County Board action. The Ballston BID would then prepare and submit a detailed work plan and proposed budget for funding in FY 2012. The Ballston BID will have an initial effective period of five (5) fiscal years subsequent to its initial funding in July 2011. The Ballston BID may be re-registered for an additional five (5) years upon the completion of its first five-year operating period.

## **BACKGROUND – WHY A BID IS GOOD FOR BALLSTON**

For much of the past quarter century, Ballston has been in a stage of development. Beginning with the Ballston Sector Plan in 1980 – a plan which created a vision for the District and established clear standards for development – and continuing with the opening of Ballston Common in the mid-1980s, Ballston has evolved from a suburban commercial crossroads to a dynamic, high-density, mixed-use community. With Arlington County’s commitment to the development of the Rosslyn-Ballston corridor, and the leadership provided by the Ballston-Virginia Square Partnership (the "Partnership"), developers have transformed the area in ways that continue to reflect the vision of the community. Indeed, for over 20 years the Partnership has helped shape Ballston into the "good place" that it is. But the Partnership has been and is strongly dependent upon volunteer initiatives – including funding - and lacks the financial resources to help make Ballston the "great place" that it can be.

Ballston exists today because the public and private sectors articulated a vision and remained committed to it. Commercial space exceeds 1.5 million square feet. Eight thousand housing units have been built or are approved. The residential population is estimated to be more than 12,400 persons, with the employee base swelling to 32,500 in the next 12-18 months. One-third of all adult Ballstonians hold post-graduate degrees and 74 percent work in professional, management, financial, or business fields. Such a high level of attainment explains Ballston’s estimated average household income of just over \$100,000 per year. In short, the significant investment in Ballston is not in bricks and mortar alone: Ballston has become an economically advantaged community of high achievers. And high achievers have equally high expectations.

As is true with every successful investment, Ballston needs some care and attention. High-density districts, especially popular destinations like Ballston, suffer a lot of wear and tear. Maintenance can slip, and newer commercial and entertainment options can siphon off consumer interest. While Ballston was the first district along the Rosslyn-Ballston Corridor to create a truly mixed-use community, it has been followed by others, including Rosslyn and Clarendon. And with the proposed extension of the Metro transit system to Tyson’s Corner, **Ballston is confronting a future where its distinctiveness may be eroded by newer, better-marketed areas that will also feature Metrorail service.**

Business improvement districts have been in operation in the United States and Canada for more than thirty years and now number more than 1000. Always based on local needs and opportunities, business improvement districts have been instrumental in:

- Increasing customer traffic
- Growing tourism and visitation
- Encouraging downtown residential development
- Increasing property values
- Improving investor confidence
- Helping attract new uses, including education, recreation, and sustainable development

- Creating 'one voice' for the business community in its partnerships with government and community
- Retaining tenants and residents

While no two business improvement districts are exactly the same, most districts share one characteristic in common: they are all created locally, by private-sector leaders, for the benefit of the district as a whole.

The provisions of Va. Code Annotated, Sec. 15.2-2400 et seq. related to the establishment and operation of service districts in the Commonwealth (the "Service District Statute") permits localities to establish a service district to undertake economic development services, promote business and retail development services, and undertake beautification and landscaping activities within defined boundaries within a locality and directly assess individual property owners that benefit from those enhanced community services.

To its credit, the Ballston business community identified a number of years ago the need for Ballston to have available to it many of the types of services permitted to be undertaken by business improvement districts generally and service districts specifically in the Commonwealth, as they engaged in discussions looking for ways to improve Ballston. As business improvement districts were formed in Washington, DC and elsewhere, leaders began to look at the BID model as a tool for Ballston's future. And with the formation in of the business improvement districts for portions of Rosslyn and Crystal City, Ballston's business leaders have refined their priorities that could be appropriately served by the creation of a BID within Ballston.

## THE PLANNING PROCESS

In an on-going effort to engage the Ballston community in the possibilities of a business improvement district for the commercial core of Ballston, several business leaders in Ballston have communicated with stakeholders for nearly three years. In one-on-one conversations and articles in "The Buzz" – the Partnership newsletter – these leaders have listened to the concerns of property owners, residents, employees, and local businesses. Their goal is to create a common vision and identify the services that a business improvement district could provide to make that vision a reality.

Three key Ballston property owners – The JBG Companies, The Shooshan Company, and Gates, Hudson & Associates (representing Dweck Properties, Inc.) – pooled their resources to form the Steering Committee, and then to hire consulting and legal assistance to move the BID process forward. Accordingly, The Urban Agenda, Inc., an urban development consulting firm based in Ann Arbor, Michigan, and Holland & Knight, LLP, a law firm well-known to the County, were retained to assist in fine-tuning the work to date into a submission to the County Board and County Manager.

Since January 2007, the Steering Committee and its consultants have focused on refining the goals and services of the proposed BID. By listening to the community through a series of interviews, roundtable discussions, and survey research, the Steering Committee has identified the goals and services of the proposed BID. Along the way, hundreds of stakeholders engaged in the process by offering their views about Ballston's strengths, problems, while identifying ways to capitalize on its assets.

In short, the Ballston business community and the Steering Committee have made great progress:

#### Summer 2006

- The Partnership voted to research potential for a Business Improvement District for Ballston.

#### Winter 2007

- Ballston Steering Committee was formed and a monthly meeting schedule established.

#### Winter-Spring 2008

- Steering Committee members conducted one-on-one meetings with key stakeholders.

#### Summer 2008

- The Steering Committee retained The Urban Agenda, Inc. for BID consulting services.
- The Steering Committee hosted kick-off stakeholder interviews.

#### Fall 2008

- Steering Committee hosted stakeholder roundtables and discussions with County officials.
- "Request for Formation of the Ballston Business Improvement Service District" was submitted to the County Board.
- Petitions of support were distributed to all commercial property owners.
- BID presentation was made during Ballston-Virginia Square Partnership Annual Meeting.

#### Winter 2008

- "Draft Ballston BID Business Plan" was submitted to the County Board.
- A presentation was made to the Ballston-Virginia Square Civic Association.
- Presentation to the Virginia Square Civic Association.
- Request the County Board to set down for advertisement for a public hearing the BID Steering Committee's request for establishment of the Ballston BID.

#### Spring 2009

- County Manager declines to submit the request to the County Board to approve advertisement for a public hearing regarding establishment of the Ballston BID due to the current economic environment and economic uncertainty.

#### Spring 2010

- Redefined BID boundaries to include only commercial, non-residential properties.
- Contacted owners and agents of commercial properties within proposed BID boundary and confirmed BID support.
- Gained support from additional key stakeholders within revised BID boundary.

## GOALS FOR THE BALLSTON BID

From their interaction with stakeholders, the Ballston community, and Arlington County, the Steering Committee and the BID consultants have identified the following four goals for the Ballston BID:

### 1. **Move the perception of Ballston from a ‘good place’ to a ‘great community.’**

Live-work-play is the mantra for many urban revitalization efforts. Ballston delivers attractive live and work options, but needs to strengthen its “play” – entertainment, shopping, dining, open spaces, access to recreation, and the like. Helping to create activity – and create a cohesion within the District for its community – is essential to Ballston’s sustainability as a high-quality, preferred destination in the region. To become a ‘great place,’ the Ballston BID will focus on a standard for the District’s environment, its programming, and its management.

### 2. **Enhance and communicate Ballston's commercial advantages in an increasingly competitive county and region and establish its identity as the area’s hub for science and technology.**

The Ballston BID’s competitive advantages include:

#### **Presence of National Science Foundation (NSF), DARPA, Virginia Tech/IBM’s Center for Community Security & Resilience and the Ballston Science & Technology Alliance.**

*Arlington has the highest concentration of workers in the science and technology, or creative positions in the Washington, D.C. region, with Ballston as the epicenter of science and technology research. In addition to the National Science Foundation, Ballston is also home to major extramural research agencies such as the Office of Naval Research (ONR), the Air Force Office of Scientific Research (AFOSR), and the Homeland Security Advanced Research Projects Agency (HSARPA). These government agencies attract many nonprofit organizations, think tanks and private sector companies that are engaged in science and technology.*

Convenience and access – Ballston is minutes from everywhere, including downtown DC and the growing Northern Virginia suburbs.

Transit options – Ballston is a key stop along the Metro Orange Line, is a bus transit hub, and serves as the commercial intersection of many of Northern Virginia’s major arterials and highways.

Office densities – Ballston is composed of high-rise, high density office uses.

Residential options – The BID boasts nearly 8,000 residential units, both rental and owner occupied, representing a range of market-rate options necessary for a vibrant live-work community. These include rental apartments, mid-price and luxury condominiums, retirement living, and nearby single-family homes.

Access to recreation - Recreation opportunities in the Ballston area include Quincy Park, Arlington Arts Center, and Kettler Capitals Iceplex. Other entertainment venues are The Comedy Spot and a 12-screen Regal Cinema, both located at the Ballston Common Mall.

Upper-middle-class incomes and a professional workforce – Ballston delivers the quality of lifestyle and work environment to attract top corporations and is the preferred location by many of their employees.

But even the most dynamic community needs continual improvement. Ballston finds itself at the intersection of greater commercial competition and a high-density, highly developed district that is beginning to show its age.

The services and programs of the Ballston BID will (1) promote and increase the performance of the Ballston's assets; (2) identify and address issues of wear and tear; and (3) better serve existing consumer groups and attract more customers – residents, visitors, workers, and shoppers – to the District.

### **3. Increase and protect private and public investment in Ballston.**

Hundreds of millions of dollars have been invested in Ballston over the past 25 years to create the community we have today. In the absence of a comprehensive marketing, services, and management strategy, deterioration in the environment will negatively affect those investments. And as properties change ownership, standards of performance need to be in place to insure that Ballston remains a dynamic, engaging place.

### **4. Create, manage, and sustain Ballston as the premier mixed-use urban environment in the County.**

No successful shopping center or mixed-use urban district exists without professional management. To sustain the type of progress envisioned for Ballston, the BID must take a page from the shopping center management play book and create a program of work – and the board and staff support needed to see it through.

## BALLSTON BID BOUNDARY

The boundaries of the District can be generally described as: (AED)

- The intersection of North Glebe Road and Washington Boulevard 66 on the north;
- the intersection of North Glebe, Henderson, and North Quincy on the south;
- portions of South Pollard, connecting back to the north via Fairfax Drive on the east; and,
- North Glebe and North Wakefield Street on the west generally form the western boundary (Figure 2).

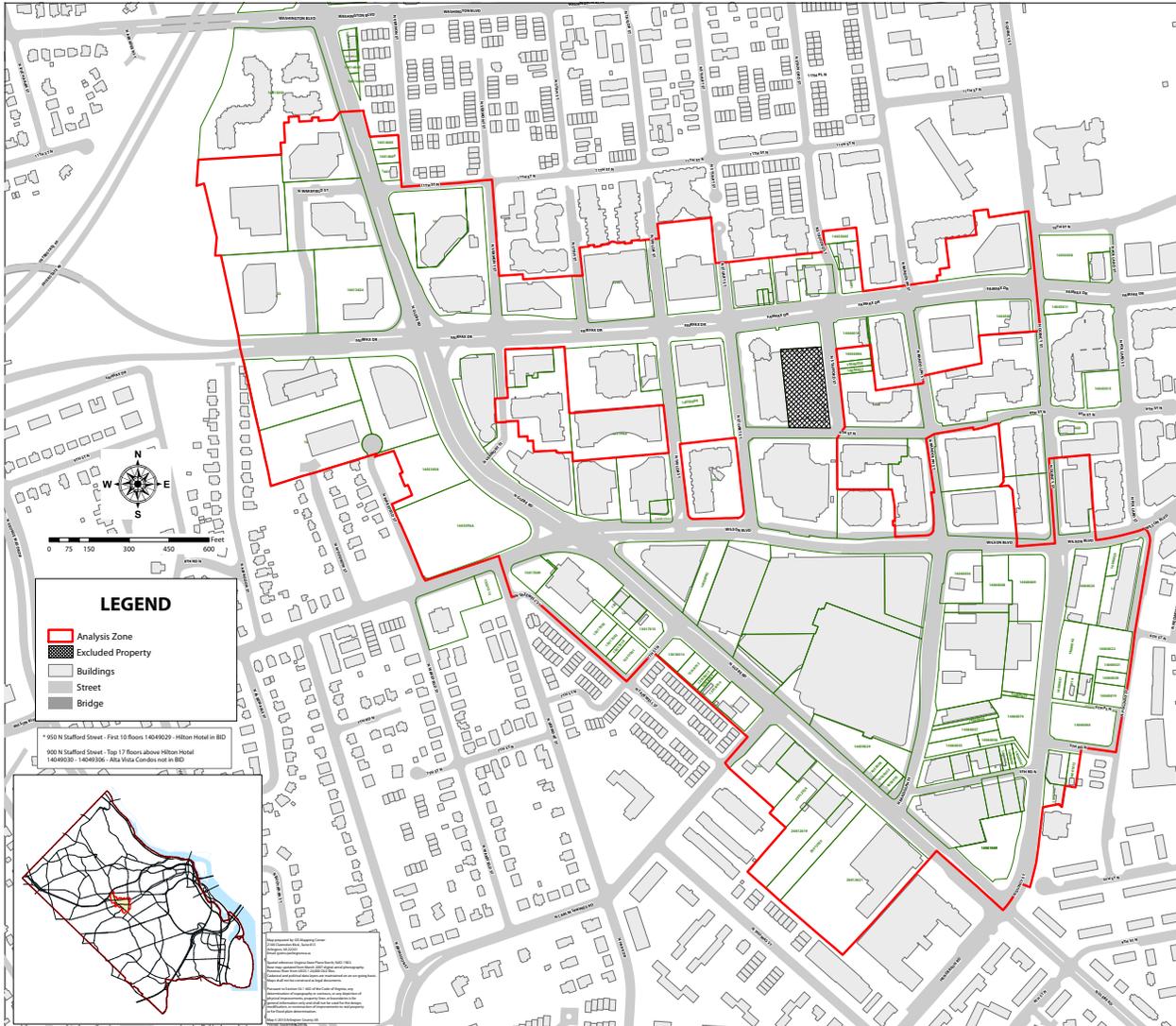


Figure 2 – Proposed Ballston BID Boundary

Within the District the following types of properties will be excluded from assessment: (1) all current and future properties identified on the Arlington County tax rolls as residential, whether single family dwellings or multiple dwellings, such as rental apartments or condominium units; (2) parcels exempt from imposition of real property taxes, and (3) parcels owned by local, Commonwealth, and federal governments and not currently subject to the real property tax.

## PROPOSED PROGRAMS AND SERVICES

The Ballston BID, through the activities of the Ballston Business Improvement Corporation, will likely provide the following types of activities:

### A. **Branding and Marketing**

To establish, re-establish, or reposition Ballston in an increasingly competitive market place, Ballston needs its own compelling and distinct identity and a brand that explains – day in and day out – what Ballston has to offer.

While choices for *branding and identity* are limitless, the Ballston Business Improvement Corporation will select the best tools based on careful market analysis, consumer research, and asset identification. Branding and identity services are reserved for the promotion of businesses within the Ballston BID; however, individual businesses and property interests are known to incorporate elements of the brand into their corporate marketing.

*Marketing and communications* products and activities do two key things: (1) they extend Ballston's brand by repeating it in dozens of ways to dozens of target audiences, over time, and (2) they communicate important information about the 'backstage' activities and management of the BID. The BID's *marketing services* and events will focus Ballston's message on the varied needs and interests of its different consumer groups – shoppers, diners, visitors, tenants, employees, residents, etc. And the BID's *communications programs* will keep stakeholders informed about everything from street closings and security measures, to upcoming events and ways for businesses to participate.

Key elements the Ballston Corporation's marketing activities for the Ballston BID's will include:

- A dynamic and flexible *brand strategy* for the Ballston BID.
- An *image campaign* to promote the brand to stakeholders and consumer groups.
- Detailed *market analysis* to pinpoint Ballston's commercial strengths and identify new consumer groups.
- A *public relations/media relations* program.
- A fully *interactive website* that extends the brand and provides opportunities for Ballston BID businesses to link with.
- *Periodicals* (newsletter, calendar, retail guide, etc.) that keep the Ballston BID's offerings in front of its key target markets – district residents, employees, and visitors.
- An *Annual Meeting* to (1) review the progress of the Ballston Business Improvement Corporation and the Ballston BID and (2) solicit ideas for the future.
- Events that synergize the community.

### Short-term Goals

1. Hire a brand identity firm to assist in research and development of the Ballston BID brand.
2. Launch the image campaign. The campaign will run in phases over multiple years.
3. Conduct market analysis to direct marketing, communications, and events to strategic target audiences.
4. Design and launch Ballston BID website. The website will be updated regularly and redesigned as necessary.
5. Create events package and launch initial events within the District. Events will also run over multiple years.
6. Create internal communications systems and media relations program, including a quarterly publication.
7. Establish baselines and benchmarks for analyzing program performance.

### Long-term Goals

1. Increased participation by key target audiences in Ballston events.
2. Increased patronage of Ballston BID businesses.
3. More retail operations thriving within the District.
4. Increased – and more positive – coverage of Ballston in the media.
5. Universal recognition of the Ballston BID brand in Arlington, Fairfax, and the DC metro region.

## **B. Physical Enhancements**

Physical, visual improvements are needed to help Ballston’s shoppers, visitors, and employees (1) find their way around the District; (2) know when they have entered and exited the District; (3) increase their sense of safety, particularly at night; and (4) direct them to and from public transit and parking.

Ballston BID services will include:

- Design a *wayfinding plan* for the District that enhances, not substitutes for, the program offered by the Arlington County. The plan will include the fabrication and installation of the County-approved identity signs within the District.
- Banners and/or other graphic identity programs to extend the Ballston BID brand throughout the District.
- *Supplemental landscaping*, including the creation of entryways to the District.
- Improvements to the *pedestrian and intermodal areas* around the Ballston Metro entrance.

### Short-term Goals

1. Analyze areas of greatest need within the District and create appropriate plans for improvement.
2. Design a wayfinding program in the District. Production and installation of County-approved signs is anticipated to begin in Year Two.

3. Establish landscaping standards for property within the District.
4. Implement first phases of landscaping plans.
5. Create maintenance component.

#### Long-term Goals

1. Create a physical environment within the Ballston BID.
2. Make navigation and wayfinding seamless throughout the District.
3. Assure that the physical environment reflects the brand identity of the District.
4. Increase and maintain users' sense of safety and ease of use in the Ballston BID, day and night.
5. Increase customer satisfaction with the Ballston shopping experience.

*In all cases, the Ballston BID will work with the County to supplement current County activities and build upon plans underway within the County's capital budget. The goal will be to leverage the County's objectives for physical improvements while establishing and communicating Ballston's distinct identity.*

#### **C. Transportation Enhancements**

One of Ballston's signature strengths is its transportation alternatives. Metro, Metrobus, Zipcar, taxi cabs, lunch shuttle, bike racks – all contribute to Ballston's reputation as an accessible, multi-modal, pedestrian-friendly area.

But these assets need on-going planning, management, maintenance and promotion – all geared to the needs of a dynamic, mixed-use commercial district. The Ballston BID will work with transit operators and other stakeholders to help improve the appearance, function, and management of the District's transportation assets, and will incorporate these improvements into the Ballston BID's marketing and promotion products.

Proposed BID services include:

- Analysis of all modes of transit – identify strengths, weaknesses, and potential for improvement.
- Enhancement plan with buy-in of transit partners.
- Installation of elements in the enhancement plan. Installation is anticipated to begin in Year Two.
- Public relations tools and events that promote the plan and educate the public to transportation improvements.

### Short-term Goals

1. Complete market research of transportation users' needs.
2. Assess current strengths, weaknesses, and opportunities for improvement.
3. Create enhancement plan and secure buy-in.
4. Implement the plan in achievable, strategic phases. Communications programs will begin in Year One; physical improvements are expected to begin in Year Two.
5. Keep the public informed throughout the process.

### Long-Term Goals

1. Establish District as a safe and efficient transit-oriented community in Virginia.
2. Continue to look for improvements that meet future transportation-related needs.
3. Promote the link between Ballston's transportation enhancements and its shopping, dining, employment, residential, and development opportunities.
4. Educate the community about transit options.

#### **D. Supplemental Beautification**

Ballston must maintain the highest possible levels of cleanliness and appearance in order to remain competitive. And the more that the Ballston BID creates visible change, the greater the need to protect those investments with regularly scheduled maintenance. The goal for the Ballston BID is to provide services that create and maintain a consistently high level of cleanliness and safety throughout the District.

Supplemental beautification services will include:

- Analysis of maintenance needs and creation of a maintenance plan for the District.
- Implementation of the beautification plan, including maintenance needs arising from Ballston BID programs (events, Metro plaza improvements, transportation enhancements, and landscaping improvements).
- On-going coordination with County services and private-sector maintenance commitments to avoid duplication and extend the impact of the Ballston BID's supplemental service.

### Short-term Goals

1. Assess the current level of maintenance commitments (public and private sector) within the District.
2. Identify areas of need and create supplemental maintenance plan.
3. Create strategy for securing materials, equipment, and labor for the plan.
4. Inaugurate the maintenance plan
5. Promote the plan to Ballston BID stakeholders

### Long-term Goals

1. Create a seamless system (County-private sector-BID) that delivers, within the District, the cleanest, safest streets, sidewalks, crosswalks, and parks in Northern Virginia.
2. Monitor future needs and adjust the maintenance plan to meet them.
3. Use the improved quality of public space as a business development and recruitment tool.

*Again, the Ballston BID will supplement – not replace – the County’s maintenance responsibilities, as well as those of the private sector, based on a thorough analysis of use patterns, maintenance issues, and current levels of service.*

For the Ballston BID to be successful, every program and activity must be designed and executed with the highest level of quality. With each and every service, the Ballston BID will:

- *Establish the baseline of performance* – Knowing where we start is just as important as knowing how well we do in accomplishing our goals. Without baselines, we can not know for sure how well the Ballston BID has performed. The first order of business for the Ballston BID will be to create these baselines with the County and property owners within the District.
- *Create the benchmarks for success* – With baselines identified, each service will require its own set of benchmarks – measurements that will be used to assess progress. The Ballston Business Improvement Corporation will establish benchmarks and optimum deadlines for each service element.
- *Identify partners* – Successful business improvement districts attract the attention and support of partners who see their goals reflected within a business improvement district’s work program. Whether it is a sponsor for an event, a transit operator, a group of restaurateurs, or County government, each of the BID’s services will be designed with an eye toward building partnerships that last.
- *Seek cost efficiency* – Partnerships, competitive bidding, and sponsorships all help keep Ballston BID costs down and will be used to move the Ballston BID work plan forward in the most cost-effective way.
- *Communicate and educate* – Every Ballston BID activity, no matter how mundane, needs to be shared with BID stakeholders and target audiences. Using the Ballston Corporation’s communications, marketing, and events programming, every Ballston BID service will be explained and promoted to the public...and its impact communicated on a regular basis.
- *Evaluate performance* – Baselines and benchmarks are the front-end activities required to assess the effectiveness of the Ballston BID’s activities down the road. Performance measures, timelines, and reporting structure will be an element of planning for every Ballston BID service.
- *Continue to innovate* – We cannot rest on our laurels. The Ballston Business Improvement Corporation will seek to continually understand new challenges to its program of work and enhance its services to capitalize on future opportunities.

## ASSESSMENT FORMULA AND BUDGET

Arlington County will assess all non-residential, commercial properties (excluding the real property tax exempt properties) within the District. This BID Assessment will be inclusive, multi-year, and mandatory for all non-residential commercial property owners, thereby making the cost to each property reasonable. For the first year of BID operations, beginning in July 2011, it is anticipated that the BID Assessment rate will be approximately \$.045 per \$100 of assessed valuation. The Arlington County will levy and collect the assessment as an ad valorem tax with its normal property tax levy on a property and all funds will be dedicated to operation of the Ballston BID and its programs. The proposed assessment will produce revenue totaling approximately \$1,105,000 in the first year, based upon the 2011 real property tax assessments of the non-residential commercial properties within the District.

Ballston BID revenue will be applied to the costs of the following programs and management:

Branding & Marketing	
Identity & Branding Campaign	125,000
Marketing & Communication	80,000
Events	<u>186,500</u>
<b>Total Branding &amp; Marketing</b>	<b>391,500</b>
Signage	
Wayfinding design, fabrication & installation	150,000
Banner fabrication, installation & maintenance	100,000
Gateway design, fabrication & installation	<u>50,000</u>
<b>Total Signage</b>	<b>300,000</b>
BID Administration	
Salaries & overhead	210,000
Office rent & equipment	<u>60,000</u>
<b>Total BID Administration</b>	<b>270,000</b>
Reimbursement of start-up costs	90,000
County Fee	12,000
<i>1% of actual assessment</i>	
Delinquency Reserve Fund	28,000
<i>2.5% of assessment</i>	
<b>TOTAL ASSESSMENT</b>	<b>1,092,500</b>

## GOVERNANCE AND MANAGEMENT

The services of the Ballston BID will be delivered by a non-profit organization, the Ballston Business Improvement Corporation (aka the "Ballston Corporation"), formed as an IRS 501(c)(6) entity. It will be governed by a board of directors of between 19 and 21 individuals (the "Board of Directors") with the following representation:

- At least 13 of the members will be elected/appointed from the ranks of commercial property owners within the District (also known as the "BID rate-payers").
- Two members will be elected/appointed from the ranks of commercial tenants within the District.
- One member will be appointed by the Board of Directors to represent cultural and/or recreational interests within the District.
- One member will be appointed by the Board of Directors to represent the educational, science, and/or technology interests within the District.
- Two 'at-large' members will be appointed by the County Board.

In addition to the Board of Directors, the Ballston Corporation will establish a Citizen's Advisory Committee that will provide input and recommendations to the Board of Directors regarding various BID activities and services. The Citizen's Advisory Committee will include no fewer than five and no more than nine members, will be appointed by the Board of Directors and will represent (1) residential interests and immediately adjacent to the BID boundary, (2) civic associations from the Ballston community, and (3) non-profit organizations with a mission-related interest in the BID District. The Citizen's Advisory Committee will have no voting authority on the Board of Directors or fiduciary responsibility for the Ballston BID and its operations.

The Board of Directors will also establish various standing and ad hoc committees as needed to accomplish the goals of the organization and deliver the BID services described in this plan.

A set of draft By-Laws of the Ballston Corporation, as the operator and manager of the Ballston BID, appear in Attachment 6.

## LOOKING FORWARD

The full potential of a business improvement district is not felt immediately. Business improvement districts are not short-term endeavors; rather, they are management efforts, similar to the management commitments made by shopping centers, condominium and neighborhood associations, and commercial property interests. As a result, it takes time to establish a well-run, effective business improvement district.

The challenge for any business improvement district – and the commitment being made by the Ballston BID in this business plan – is to create immediate, visible change, while the longer-term infrastructure for management is being put into place. The initial Ballston BID efforts have been outlined in “Programs and Services” section of this Business Plan, but what should the community expect from the Ballston BID in the next five years? What will Ballston *be* in the future?

Ballston will be:

- A more vibrant commercial and residential neighborhood with more evening events and commercial offerings
- A safe, well-lit nighttime environment
- A pedestrian-friendly district that is easy to navigate and connects areas on the edges of the District to the core
- A place where visitors and employees will stay longer and enjoy the BID’s after-work and weekend energy
- Reporting increased patronage and sales in the District’s restaurants
- Boasting an increase in both the quantity and quality of retail offerings, as sales increase in existing shops and the Ballston BID’s ‘buying power’ is better understood
- Experiencing increasing occupancy in office, hotel and commercial properties, as well as decreasing rates of turnover
- A less traffic-congested place, with increased transit use, based on better transportation integration, management, and promotion
- A more pleasant destination for the remaining drivers, as congestion is reduced and parking options are better managed, promoted, and signed
- Managed by an organization that is acknowledged as an excellent source for data, information, guidance, and ideas, and that will perform as a superlative, transparent, and inclusive nonprofit management corporation

## TIMETABLE

The BID Steering Committee will complete the following items for delivery to the County Manager, the County Board, and the Ballston community in a timely manner that reflects the decision-making calendar of the County Board:

- Update and submit the business for the Ballston BID for the County Board review and approval
- Submit signed petitions of support from affected property owners within the proposed District boundary
- Provide information to and solicit feedback from stakeholders in the community, through e-newsletters, direct mail, public forums and other means of communication
- Enter into a services agreement with Arlington County regarding administration and

operation of the Ballston BID by the Ballston Corporations the County's agent

## CONCLUSION

The history of Ballston over the past 25 years is characterized by vision, cooperation, partnerships, and planning. And the results are impressive:

- Ballston is a mixed-use community with 8,000 housing units and 1.5 million square feet of commercial space.
- Ballston is an employment center for more than 30,000 people.
- Ballston is a high-density environment with excellent transit *and* highway access.
- Ballston serves as the western anchor of Arlington's Rosslyn-Ballston corridor.
- Ballston is fast approaching 'build out.'

But as Ballston reaches build out, the rest of the region continues to develop and expand:

- Business improvement districts have been established in each of Rosslyn and Crystal City that are creating strong identities and new opportunities for these communities.
- The model of mixed-use, transit-friendly development is firmly established and is moving further into the outer suburbs and beyond.
- Already strong competitors, like Tyson's Corner, will become stronger as they emulate the Ballston mixed-use model and benefit from planned extension of the Metro system.

For Ballston to (1) remain competitive, (2) protect its private-sector investment and its public-sector infrastructure, and (3) further capitalize on the high-quality, easy-access character of Ballston, a business improvement district should be created. The Ballston BID will:

- Effectively manage the multiple assets that give Ballston its distinct character and quality
- Create an identity for Ballston and the messages required to connect Ballston to its best customers
- Provide the 'big tent' under which many stakeholders can gather and seek consensus

There may be no better time for the Ballston BID than right now. Economic uncertainty makes protection and enhancement of the existing investment critical. And with Ballston approaching build out, it is essential to maximize Ballston's *existing* assets. To go from 'newest' – which Ballston no longer is – to 'best' – which Ballston *can be* – requires the leadership, professional attention, and day-to-day management that the Ballston BID can supply.

## **ATTACHMENT 2**

### **Ballston BID Steering Committee Roster**

**Jill Goubeaux**

Senior Vice President  
The JBG Companies  
4445 Willard Avenue, Suite 310  
Chevy Chase, MD 20815

**Karen A. Jennings**

Real Estate Manager  
Gates, Hudson & Associates, Inc.  
3020 Hamaker Court, Suite 301  
Fairfax, VA 22031

**Kelly Shooshan**

Vice President for Development  
The Shooshan Company, Inc.  
4075 Wilson Boulevard, Suite 440  
Arlington, VA 22203

ATTACHMENT II

ORDINANCE **AMENDING AND RE-ESTABLISHING THE  
BALLSTON BUSINESS IMPROVEMENT SERVICE DISTRICT**

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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 commercial property owners affected thereby, the County Board ~~has~~ determined a need exists to provide some of the services authorized by law for service districts that promote economic development and benefit commercial properties through the establishment of a service district within the area of Arlington County known as Ballston, such service district to be called the Ballston Business Improvement Service District (the "Ballston BID"); and

WHEREAS, the County Board approved the establishment of the Ballston Business Improvement Service District on December 11, 2010, with an effective date of establishment of January 1, 2011; and

WHEREAS, an amendment to the Ballston BID boundaries has become necessary to remove a residential parcel.

NOW, THEREFORE, be it ordained as follows:

1. The Ballston BID ~~is hereby reestablished and its boundary~~ is hereby ~~amended-established, the~~ which amended boundaries ~~of which~~ shall be as depicted on the map attached hereto and incorporated herein as Exhibit IIA, and ~~which~~ shall encompass those parcels included on the list attached hereto and incorporated herein as Exhibit IIB, and which shall exclude all residential properties.

2. The purposes of the Ballston BID are to promote the competitive success of the commercial properties in the district by providing services and facilities that enhance the economic activities and services of those properties. The services and facilities provided in the Ballston BID are those authorized by law that facilitate the aforesaid purposes including, but not limited to, economic development services, promotion of business and retail development services, marketing, sponsorship and promotion of recreational and cultural activities, signage (e.g., banners, wayfinding), beautification and landscaping, public parking, street and sidewalk cleaning, snow removal, and public transportation system related improvements (e.g., bus shelters), transportation management services, and transportation related enhancements (e.g., bike racks).

3. The plan for providing facilities and services within the Ballston BID is either or both for the County Board to provide the services and facilities directly using County personnel and contractors, and/or for the County Board to contract with a nonprofit corporation which shall be responsible for the provision of specific services and facilities within the Ballston BID identified in an annual work plan subject to annual approval and funding by the County Board, and 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 Ballston BID include economic development within the Ballston BID, competitive commercial success of existing and future commercial properties, increased employment, and generally the preservation and enhancement of the Ballston 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 Ballston BID ~~re~~established hereby shall be effective as of January 1, 201~~4~~<sup>2</sup> and shall remain in effect until June 30, 2016.

EXHIBIT IIA

**Ballston BID Assessment Area Properties and Boundaries**

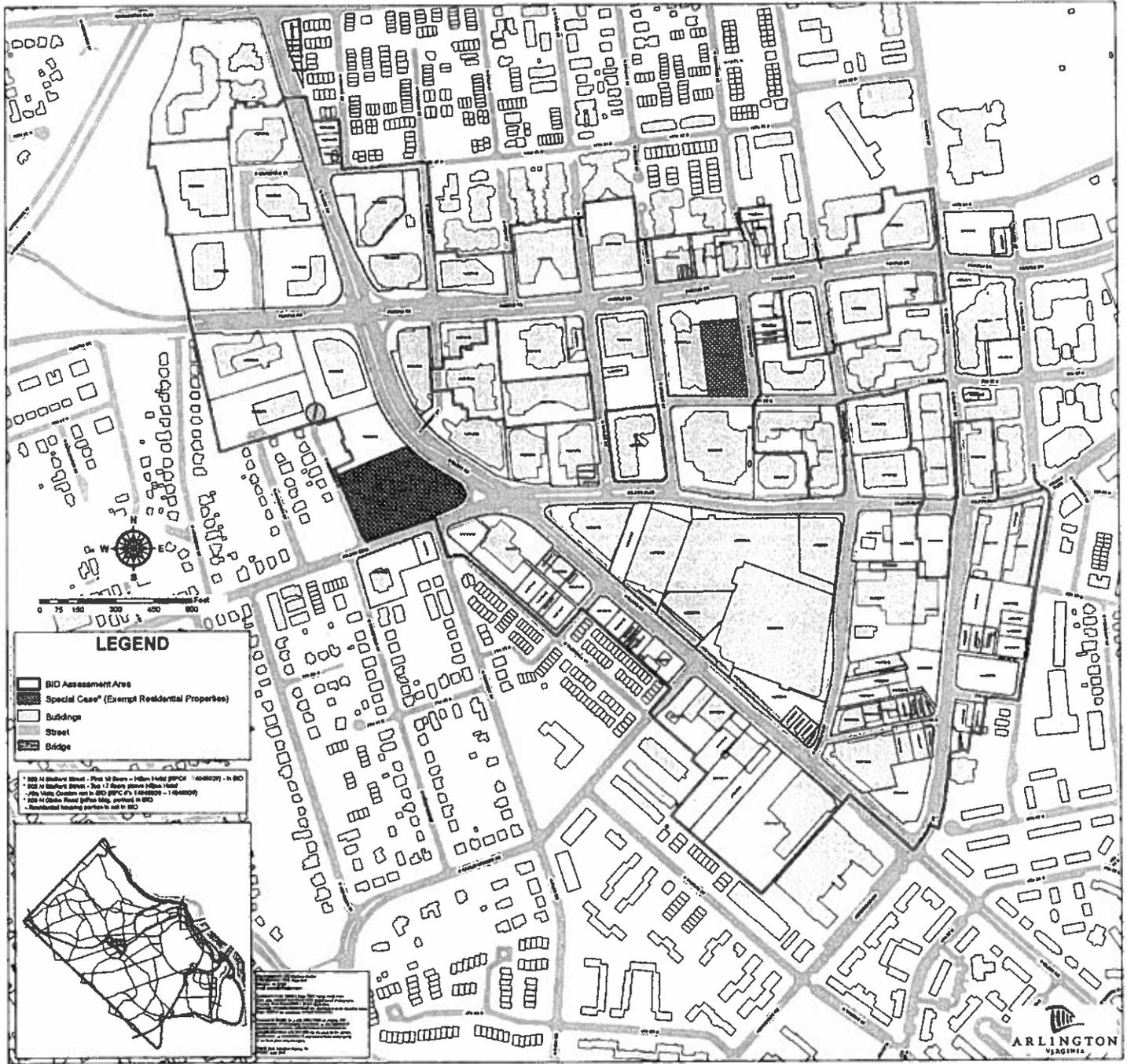


EXHIBIT IIB (Ballston BID)

BALLSTON BUSINESS IMPROVEMENT DISTRICT - June 2011 - Commerical Properties located within BID boundaries - RPC #, Address, Owner, Tax Map, Type of Property

RPC Web Link	Notes	Property Address	Owner Line 1	Owner Line 2	Map	Property Class
13017001		N TAZEWELL ST	CAPITAL AUTOMOTIVE LP		052-16	201-GenCom VacLand-siteplan
13017002		N TAZEWELL ST	CARS-DB1 LLC		052-16	201-GenCom VacLand-siteplan
13017003		N TAZEWELL ST	CARS-DB1 LLC		052-16	210-General Comm Parking
13017009		4444 WILSON BLVD	ROSENTHAL ROBERT M TR		052-16	201-GenCom VacLand-siteplan
13017010		750 N GLEBE RD	CARS-DB1 LLC		052-16	254-Auto dealership
13017012		730 N GLEBE RD	MILLAR PROPERTIES LLC	David Shurtz bought property	052-16	211-Retail strip
13017014		726 N GLEBE RD	COLLINS STORE ASSOC	LIMITED PARTNERSHIP %KINCO LC	052-16	211-Retail strip
13017015		700 N GLEBE RD	BUCKINGHAM JENCO LP	%THE JENCO GROUP	052-16	200-GenCom VacLand-no siteplan
13017016		N TAZEWELL ST	CAPITAL AUTOMOTIVE LP		052-16	200-GenCom VacLand-no siteplan
13017017		N TAZEWELL ST	CARS-DB1 LLC		052-16	200-GenCom VacLand-no siteplan
13018009		660 N GLEBE RD	MOUNT VERNON PETROLEUM	REALTY LLC	052-16	253-Service station
13018012		N GLEBE RD	THE MAY DEPARTMENT STORES	MACY'S % TAX DEPT	052-16	210-General Comm Parking
13018013		N GLEBE RD	THE MAY DEPARTMENT STORES	MACY'S % TAX DEPT	052-16	210-General Comm Parking
13018014		N GLEBE RD	THE MAY DEPARTMENT STORES	MACY'S % TAX DEPT	052-16	210-General Comm Parking
13018016		670 N GLEBE RD	NEZAM ALISINA		052-16	215-Gen Comm - other
13018017		N GLEBE RD	THE MAY DEPARTMENT STORES	MACY'S % TAX DEPT	052-16	210-General Comm Parking
14013022		4601 FAIRFAX DR	4601 NORTH FAIRFAX DRIVE	INVESTORS LLC %UBS REALTY LLC	052-11	112-Off bldg 7+ stories
14013024	exempt parcel	1000 N GLEBE RD	MARYMOUNT UNIVERSITY		052-11	112-Off bldg 7+ stories
14013046		1010 N GLEBE RD	TAWESTERN LLC	%CUSHMAN & WAKEFIELD	052-07	112-Off bldg 7+ stories
14013048		1110 N GLEBE RD	TRIZECHAHN BALLSTON PLAZA II LLC	%ePROPERTY TAX-DEPT 113	052-07	112-Off bldg 7+ stories
14013049		1100 N GLEBE RD	CPT FAIRFAX GLEBE LLC	%AEW CAPITAL MGMT LP	052-07	112-Off bldg 7+ stories
14014003		1100 N VERNON ST	K-F ASSOCIATES		052-07	253-Service station
14014004		1105 N GLEBE RD	K-F ASSOCIATES		052-07	201-GenCom VacLand-siteplan
14014005		1110 N VERNON ST	K F ASSOCIATES		052-07	201-GenCom VacLand-siteplan
14016018		4501 FAIRFAX DR	JOHN HANCOCK LIFE INSURANCE CO	% MANULIFE FINANCIAL CORP	052-12	112-Off bldg 7+ stories
14016019		1005 N GLEBE RD	REALTY ASSOCIATES FUND VIII LP	% JONES LONGLASALLE	052-12	112-Off bldg 7+ stories
14017016		4401 FAIRFAX DR	FAP-ARLINGTON SQUARE LLC	% JONES LANG LASALLE	052-12	112-Off bldg 7+ stories
14020019		4301 FAIRFAX DR	OTR	%DELOITTE & TOUCHE	052-12	112-Off bldg 7+ stories
14021022		4245 FAIRFAX DR	NATURE CONSERVANCY	%FOULGER PRATT MGMT INC ATTN C STEVE	052-12	112-Off bldg 7+ stories
14024001		4213 FAIRFAX DR	KVALE PAUL ARTHUR	ARMSTRONG SUSANNA	052-12	211-Retail strip
14024004		4223 FAIRFAX DR	MONTICELLO PARTNERS LLC	% WINFIELD GROUP	052-12	211-Retail strip
14024017		4201 FAIRFAX DR	LADIES AID METHODIST	EPISCOPAL CHURCH ATTN WM CLEVELAND E	052-12	215-Gen Comm - other
14024018		4219 FAIRFAX DR	MONTICELLO PARTNERS LLC	C/O WINFIELD GROUP	052-12	212-Restaurant/eating facility
14024019		4215 FAIRFAX DR	PETROSKY JOSEPH F	PETROSKY ANDREW ET AL	052-12	212-Restaurant/eating facility
14025001		4117 FAIRFAX DR	FIRST AMERICAN BANK OF VA	% WACHOVIA BANK	053-09	210-General Comm Parking
14025003		N STAFFORD ST	LONG MILDRED R TRUSTEE		052-12	210-General Comm Parking
14025019		1011 N STAFFORD ST	LONG MILDRED R TRUSTEE		053-09	217-Bank
14025020		N STAFFORD ST	LONG MILDRED R TRUSTEE		052-12	200-GenCom VacLand-no siteplan
14029014		4001 FAIRFAX DR	QUINCY STREET STATION	ASSOCIATES LTD PRTRNSHP	053-09	112-Off bldg 7+ stories
14043011	exempt parcel	FAIRFAX DR	WMATA	ATTN: PROPERTY MANG	053-09	215-Gen Comm - other
14043028		801 N QUINCY ST	GUARDIAN QUINCY LLC	%GUARDIAN LIFE INSURANCE CO	053-13	112-Off bldg 7+ stories
14044018		875 N RANDOLPH ST	BALLSTON INVESTOR GROUP I	LLC %MARTIN SCHNIDER	053-09	112-Off bldg 7+ stories
14044022		4075 WILSON BLVD	BALLSTON INVESTOR GROUP IV	LLC	053-09	112-Off bldg 7+ stories
14045002		4040 FAIRFAX DR	JJ&M SPEC LLC		053-09	112-Off bldg 7+ stories
14045003		4000 FAIRFAX DR	CARPOOL INVESTORS LP		053-09	254-Auto dealership
14046018		935 N STAFFORD ST	SMITH RICHARD S TR		053-09	212-Restaurant/eating facility
14046021		N STAFFORD ST	SMITH RICHARD S TR		053-09	200-GenCom VacLand-no siteplan
14046025		4100 FAIRFAX DR	JAMES CAMPBELL COMPANY LLC		053-09	112-Off bldg 7+ stories
14047017		4121 WILSON BLVD	STAFFORD CIRCLE ASSOCIATES, LLC	C/O GATES HUDSON & ASSOCIATES	053-13	112-Off bldg 7+ stories
14048012		4201 WILSON BLVD	STAFFORD EQUITY STRATFORD LLC	STAFFORD DATA LLC ET AL	052-12	112-Off bldg 7+ stories
14050009		909 N TAYLOR ST	4250 N FAIRFAX OWNER LLC	%THOMSON REUTERS	052-12	101-Off Bldg-VacLand-site plan
14050031		4250 FAIRFAX DR	4250 N FAIRFAX OWNER LLC	%THOMAS REUTERS PROP TAX SERV	052-12	112-Off bldg 7+ stories
14051004		920 N TAYLOR ST	FIRST VIRGINIA BANK	% BB&T PROP TAX DEPT	052-12	217-Bank
14051016		4350 FAIRFAX DR	TEACHERS INSURANCE AND	ANNUITY ASSOCIATION OF AMERICA	052-12	112-Off bldg 7+ stories

EXHIBIT IIB (Ballston BID)

BALLSTON BUSINESS IMPROVEMENT DISTRICT - June 2011 - Commerical Properties located within BID boundaries - RPC #, Address, Owner, Tax Map, Type of Property

RPC Web Link	Notes	Property Address	Owner Line 1	Owner Line 2	Map	Property Class
14051019		4420 FAIRFAX DR	JBG/FAIRFAX DR LLC		052-12	112-Off bldg 7+ stories
14051351		4401 WILSON BLVD	NATIONAL RURAL ELECTRIC	COOPERATIVE ASSOC	052-12	112-Off bldg 7+ stories
14051352		4301 WILSON BLVD	NATIONAL RURAL ELECTRIC	COOPERATIVE ASSOC	052-12	112-Off bldg 7+ stories
14051353		N TAYLOR ST	NATIONAL RURAL ELECTRIC	COOPERATIVE ASSOC	052-16	101-Off Bldg-VacLand-site plan
14051354	exempt parcel	WILSON BLVD	ARLINGTON COUNTY BOARD		052-16	200-GenCom VacLand-no siteplan
14051356		801 N GLEBE RD	ARLINGTON GATEWAY HOTEL LLC	%JBG COMPANIES	052-12	411-Hotel - Full service
14051358		901 N GLEBE RD	ARLINGTON GATEWAY INVESTORS LLC	C/O GATES HUDSON & ASSOCIATES	052-12	112-Off bldg 7+ stories
14053023		N WAKEFIELD ST	CARUTHERS STEPHEN P &	CARUTHERS PRESTON C TR ET %VA MGMT I	052-11	200-GenCom VacLand-no siteplan
14053055		4600 FAIRFAX DR	CARUTHERS INVESTMENT	ASSOCIATES ET AL %VA MGMT INC #1002	052-11	112-Off bldg 7+ stories
14053056		4610 FAIRFAX DR	BALLSTON HOTEL ASSOCIATES		052-11	412-Hotel - Limited Service
14053057		950 N GLEBE RD	PPF OFF 950 N GLEBE ROAD LLC	%MORGAN STANLEY RE ADVISOR INC	052-11	112-Off bldg 7+ stories
14053058		900 N GLEBE RD	VIRGINIA TECH RESEARCH	INSTITUTE LLC	052-11	101-Off Bldg-VacLand-site plan
14059001	exempt parcel	603 N GLEBE RD	COUNTY BOARD OF ARLINGTON		063-01	200-GenCom VacLand-no siteplan
14059002	exempt parcel	N GLEBE RD	COUNTY BOARD OF ARLINGTON	1400 N COURT HOUSE RD	063-01	210-General Comm Parking
14059003	exempt parcel	615 N GLEBE RD	COUNTY BOARD OF ARLINGTON	COUNTY VIRGINIA THE	063-01	200-GenCom VacLand-no siteplan
14059004	exempt parcel	625 N GLEBE RD	COUNTY BOARD OF ARLINGTON		063-01	200-GenCom VacLand-no siteplan
14059028		4100 WILSON BLVD	THE MAY DEPARTMENT STORES CO	MACY'S % TAX DEPT	053-13	215-Gen Comm - other
14059029		N GLEBE RD	THE MAY DEPARTMENT STORES	MACY'S %PROP TAX	052-16	200-GenCom VacLand-no siteplan
14059030		701 N GLEBE RD	THE MAY DEPARTMENT STORES	MACY'S % TAX DEPT	052-16	215-Gen Comm - other
14059040		4300 WILSON BLVD	NDH II POINT LLC	7TH FLOOR	052-16	112-Off bldg 7+ stories
14060001		501 N RANDOLPH ST	ESPOSITO SALVATORE & JOAN M	% TUTTO BENE RISTORANTE	063-01	212-Restaurant/eating facility
14060002		4019 5th RD N	THE 4019 LLC		063-01	251-Warehouse
14060003		4013 5th RD N	LAVEZZO DAVID J JR AND	JEAN M TRUSTEES	063-01	251-Warehouse
14060004		4011 5th RD N	LAVEZZO DAVID J JR AND	JEAN M TRUSTEES	063-01	251-Warehouse
14060005		4011 5th RD N	THE 2501 LLC		063-01	210-General Comm Parking
14060012		601 N RANDOLPH ST	ASC-ARLINGTON	REAL ESTATE LLC	053-13	251-Warehouse
14060016	exempt parcel	5th PL N	COUNTY BOARD OF ARLINGTON		053-13	210-General Comm Parking
14060017		3929 5th PL N	MARSHALL AL	GINIUNANS JUAN TR	053-13	253-Service station
14060021		N POLLARD ST	AL'S MOTORS INC	HEALTH CLUB INVESTORS LLC	053-13	210-General Comm Parking
14060022		N POLLARD ST	AL'S MOTORS INC	HEALTH CLUB INVESTORS LLC	053-13	215-Gen Comm - other
14060023		WILSON BLVD	AL'S MOTORS INC	HEALTH CLUB INVESTORS LLC	053-13	210-General Comm Parking
14060024		3924 WILSON BLVD	AL'S MOTORS INC	HEALTH CLUB INVESTORS LLC	053-13	215-Gen Comm - other
14060028		3910 WILSON BLVD	AL'S MOTORS INC	HEALTH CLUB INVESTORS LLC	053-13	215-Gen Comm - other
14060036		4030 WILSON BLVD	NEHOSO INC		053-13	101-Off Bldg-VacLand-site plan
14060037	exempt parcel	5th PL N	ARLINGTON COUNTY BOARD		053-13	210-General Comm Parking
14060040		5th RD N	THE 2501 LLC		063-01	210-General Comm Parking
14060041		5th RD N	THE 2501 LLC		063-01	210-General Comm Parking
14060042	exempt parcel	WILSON BLVD	ARLINGTON COUNTY BOARD		053-13	210-General Comm Parking
14060054		N RANDOLPH ST	AMERICAN SERVICE CENTER	ASSOCIATES	053-13	200-GenCom VacLand-no siteplan
14060055		505 N RANDOLPH ST	AMERICAN SERVICE CENTER	ASSOCIATES	053-13	200-GenCom VacLand-no siteplan
14060056		5th RD N	AMERICAN SERVICE CENTER	ASSOCIATES	053-13	200-GenCom VacLand-no siteplan
14060057		N RANDOLPH ST	AMERICAN SERVICE CENTER	ASSOCIATES	053-13	200-GenCom VacLand-no siteplan
14060060	exempt parcel	538 N POLLARD ST	ARLINGTON COUNTY BOARD		053-13	200-GenCom VacLand-no siteplan
14061006		4012 5th RD N	AMERICAN SERVICE CENTER	ASSOCIATES	063-01	253-Service station
14061007		5th RD N	AMERICAN SERVICE CENTER	ASSOCIATES A VA LTD PARTNERSHIP	063-01	254-Auto dealership
14061008		4004 5th RD N	AMERICAN SERVICE CENTER	ASSOCIATES A VA LTD PARTNERSHIP	063-01	253-Service station
14061011		3912 5th RD N	KINNEY DAVID B TR ET AL	% KINCO LC	063-01	251-Warehouse
14061012		5th RD N	KINNEY DAVID B TR ET AL	% KINCO LC	063-01	251-Warehouse
14061024		585 N GLEBE RD	ASC-ARLINGTON	REAL ESTATE LLC	063-01	253-Service station
14061064		4000 A 5th RD N	KCF LLC		063-01	200-GenCom VacLand-no siteplan
14061069		N GLEBE RD	ASC-ARLINGTON	REAL ESTATE LLC	063-01	200-GenCom VacLand-no siteplan
20012018		640 N GLEBE RD	ASC-ARLINGTON	REAL ESTATE LLC	062-04	254-Auto dealership
20012019		624 N GLEBE RD	AMERICAN SERVICE CENTER	ASSOCIATES	062-04	254-Auto dealership

EXHIBIT IIB (Ballston BID)

**BALLSTON BUSINESS IMPROVEMENT DISTRICT - June 2011 - Commerical Properties located within BID boundaries - RPC #, Address, Owner, Tax Map, Type of Property**

RPC Web Link	Notes	Property Address	Owner Line 1	Owner Line 2	Map	Property Class
20012020		616 N GLEBE RD	ASC-ARLINGTON	REAL ESTATE LLC	062-04	254-Auto dealership
20012021		600 N GLEBE RD	RUDDICK CORPORATION	% HARRIS TEETER INC/RELST DPT	063-01	215-Gen Comm - other
20012024		N GLEBE RD	AMERICAN SERVICE CENTER	ASSOCIATES	062-04	210-General Comm Parking
20012359		650 N GLEBE RD	NORTH CARLIN PROPERTIES	INC % PAUL GLEIBERMAN	062-04	254-Auto dealership
14049014		901 N STUART ST	BALLSTON METRO INVESTORS LLC	(LESSEE) %GATES HUDSON & ASSOC INC	052-12	112-Off bldg 7+ stories
14049026	exempt parcel	4200 FAIRFAX DR	WMATA	ATTN: PROPERTY MANG	052-12	201-GenCom VacLand-siteplan
14049307		901 N STUART ST	BALLSTON PARKING	ASSOCIATES % MR FEKADU COMPTRROLLER	052-12	215-Gen Comm - other
14053062		800 N GLEBE RD	NORTH GLEBE RESIDENTIAL LLC	%JBG COMPANIES	052-16	101-Off Bldg-VacLand-site plan
14059034		4200 WILSON BLVD	BALLSTON OFFICE CENTER LLC	% FOREST CITY RE TAX DEPT	052-16	112-Off bldg 7+ stories
14059035		4238 WILSON BLVD	FC BALLSTON COMMON LLC	% SHARED SERVICES	052-16	215-Gen Comm - other
14059036		671 N GLEBE RD	FC BALLSTON COMMON LLC	% FOREST CITY RE TAX DEPT	052-16	215-Gen Comm - other
14059037		671 N GLEBE RD	CONSORTIUM BALLSTON LLC	%THE BERNSTEIN CO	052-16	112-Off bldg 7+ stories
14059038		N GLEBE RD	MAY DEPARTMENT STORES CO	MACY'S %PROP TAX	052-16	112-Off bldg 7+ stories
14059039		N GLEBE RD	NDH II POINT LLC	7TH FLOOR	052-16	112-Off bldg 7+ stories
14059041		627 N GLEBE RD	MAY DEPARTMENT STORES CO	% IDA ARLINGTON COUNTY	052-16	215-Gen Comm - other
14059042		627 N GLEBE RD	MAY DEPARTMENT STORES CO	% IDA ARLINGTON COUNTY	052-16	215-Gen Comm - other
14059043		627 N GLEBE RD	MAY DEPARTMENT STORES CO	% IDA ARLINGTON COUNTY	052-16	215-Gen Comm - other
14049029		950 N. STAFFORD ST.	HILTON ARLINGTON-BALLSTON	CHIEF ARLINGTON HOTEL LLC	052-16	411-Hotel - Full service
14060036		4030 WILSON BLVD	ASHTON PARK ASSOC. IV LLC	c/o Shooshan Co. LLC	053-13	101-Off Bldg-VacLand-site plan
14060068		4040 WILSON BLVD	ASHTON PARK ASSOC. IV LLC	c/o Shooshan Co. LLC	053-13	101-Off Bldg-VacLand-site plan
14060074		N QUINCY ST	ASHLAWN HILL LLC	c/o Shooshan Co. LLC	053-13	201-GenCom VacLand-siteplan
14060077		675 N RANDOLPH ST	ASHTON PARK ASSOCIATES I LLC	c/o Shooshan Co. LLC	053-13	101-Off Bldg-VacLand-site plan
14060078		650 N QUINCY ST	THE DONOHOE CO.		053-13	414-Hotel - land/other