

March 15, 2017

Chairman Jay Fisette  
Members of the County Board  
2100 Clarendon Boulevard, Suite 300  
Arlington, Virginia 22201



Re: SineWave Ventures EDI Grant Fund

Dear Mr. Chair and Members of the Arlington County Board:

On behalf of its stakeholders, the Crystal City Business Improvement District (BID) offers the following comments in support of the award of Economic Development Incentive (EDI) grant funds to SineWave Ventures, LLC.

Over the past several years, Crystal City has evolved into the region's innovation hub featuring not only small, start-up technology companies, but also conventional technology and innovation giants such as Boeing, Lockheed, and Northrop Grumman. Various formats of co-working spaces and incubators such as 1776, WeWork, Eastern Foundry, and TechShop support this ecosystem by fostering collisions of ideas, offering mentorships and networking, and by facilitating the search for capital investment all within the walkable environment of Crystal City.

None of these initiatives have happened by accident, rather they were part of a larger strategy by property owners, the County, the Crystal City BID, and the Governor's Office to reposition Crystal City and tackle stubbornly high commercial vacancy rates. The proposed EDI grant to facilitate SineWave Ventures' location and growth in Crystal City represents another such effort. By providing a local source of venture capital funds, SineWave Ventures fills a critical component of building a comprehensive ecosystem of innovation within Crystal City.

The relatively modest and low-risk capital investment of \$250,000 will earn a worthwhile return through increased tax revenues directly attributed to SineWave Ventures' activities outlined in the agreement. Additionally, SineWave's presence and educational activities in Arlington will also attract interest from other businesses and entrepreneurs seeking access to their networks and inclusion within the innovation ecosystem.

The Crystal City BID recognizes the difficulty in choosing between competing funding priorities, but fully supports the EID grant as well as similar economic development strategies that treat such expenditures as investments that yield dividends to be used to support other priorities. Without such creative approaches, Arlington County will find it difficult to compete with neighboring jurisdictions.

Arlington County is certainly faced with a challenging economic climate. A new perspective on economic development combined with bold action, and strategic investments, however, will ensure that Arlington County will continue to prosper.

Respectfully,

Angela Fox  
President / CEO  
Crystal City Business Improvement District