

# COMMERCIAL MARKET RESILIENCY INITIATIVE – PLANNING & ZONING STRATEGIES FOR NEW LAND USES

Proposed Work Plan

June 24, 2022

The proposed interdepartmental approach to Commercial Market Resiliency, coordinated by CPHD with AED’s partnership and other departments as appropriate, is intended to create an environment more resilient to the recent and rapid shifts in the commercial market sector. Specifically, this initiative and its various strategies must support Arlington’s

- Robust Commercial Real Estate Market
- Fiscal Balance
- Private Sector Innovation and Entrepreneurship
- Consumer Choice and a Dynamic Housing Market
- Standing as a Great, Sustainable Place

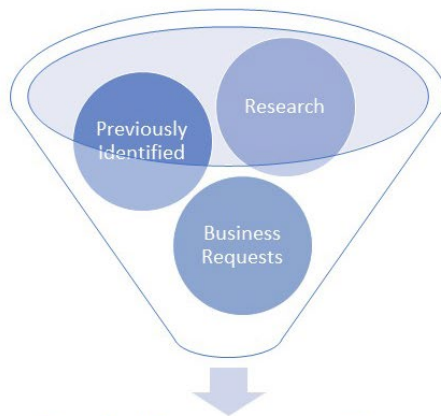
This effort will include planning and zoning strategies designed to more rapidly respond to shifting land uses in commercial spaces driven by shifts and innovations in Arlington’s economic environment.

## STRATEGY OBJECTIVE

The broader strategy of the Commercial Market Resiliency Initiative is to modernize Arlington’s regulations, practices, and processes to ensure we can more nimbly respond to economic shifts.

To achieve this objective, there are four overlapping components: 1) potential new or shifting uses in commercial buildings; 2) the process to consider such uses; 3) the types of entitlement for such uses, and; 4) other required process changes related to regulation of and amendments to site plan approved buildings. This document focuses primarily on the first three elements. The fourth element is on-going and part of the Planning Division work plan and includes, among other things review of site plan conditions, defining major and minor site plan amendments, etc.

To better understand and, possibly, permit these emerging or expanding uses, three primary pieces are required: research and lead generation, a Rapid Response Team (RRT), and the actual amendments and policy changes. The adjacent graphic indicates the relationship between these components.



## Commercial Market Resiliency Initiative Process Overview

### RESEARCH AND LEAD GENERATION

In its efforts to reduce commercial vacancy, staff from **AED’s Business Investment Group (BIG)** will be engaging with businesses and entrepreneurs interested in locating or expanding into Arlington. Some of these conversations may indicate shifts into new models and ways of conducting business. This early intelligence will ensure that Arlington stays in front of any emerging uses or needs within the business community.

### Rapid Response Team

-  Preliminary Review & Initial Analysis
-  Zoning Check-in
-  Application of Criteria



Staff from **AED Real Estate Development Group, CPHD Planning and CPHD Zoning** will also identify past or current land use/tenancy requests that have been or are challenging to accommodate within the current zoning ordinance. These staff may also at times conduct proactive research on emerging uses of identified examples of use modernization in other jurisdictions.

The RRT will also communicate the proposed process to Department and Division leads in other relevant departments to capture other potential new uses that arise from other areas of County operations.

Emerging new or amended use types will be brought to the RRT on an as needed basis, in addition to **quarterly meetings** of the staff from AED BIG, AED REDG, CPHD Planning, CPHD Zoning, and other departments as identified. This could also become an agenda item of the standing quarterly AED – CPHD meeting, and then relayed to the RRT.

### **RAPID RESPONSE TEAM (RRT)**

The Rapid Response Team (RRT) is the core decision-making team of the planning and zoning strategies for the Commercial Resiliency Initiative. The primary membership will include the following staff representing AED and CPHD.

AED	CPHD – Directors Office	CPHD - Planning	CPHD - Zoning
•Marc McCauley •(new hires)	•Jill Hunger*	•Nick Rogers •Aaron Shriber	•Cliff Hogan

Initially, this team will meet **monthly**, but will communicate or meet on an as-needed basis depending on the pace of work. Jill Hunger will coordinate and facilitate these meetings, track the overall workplan of the RRT and manage established processes associated with any Arlington County Zoning Ordinance (ACZO) Amendments or Adopted Policy Changes.

Complexity of topics, the need for specific expertise, and general workload capacities of the primary members will require additional staff to assist the RRT. For example, the RRT will require assistance from DES staff if topics include parking, loading, right-of-way use or other transportation-related items.

The RRT will prioritize the regulations, practices and processes that require modernization of the ACZO and Adopted Policies to accommodate new or expanded uses and practices that reflect the rapid shifts within the commercial sector.

It is the purpose of the RRT to streamline use of staff resources by delegating specific staff to clear workstreams, with the broader RRT also playing a review and consult role through the process.

**Use Determination** - Currently, to determine if a new or expanded use is permitted by the ACZO, a property owner or potential tenant informally asks or officially submits a determination request, which includes detailed information and specifics about the proposed use, to the Zoning Office. The Zoning Administrator reviews the request and makes an official determination. Due to the complexity of the requests, the amount of research required and limited staff resources, the process is often time consuming.

Using the RRT as a resource, the Zoning Administrator will be able to quickly triage requests. Requests which are not straightforward will be referred to the RRT. The RRT will research the proposed use and provide documentation to the Zoning Administrator. This documentation will also include the RRT's opinion on whether such a use is defined, and/or permitted and, if permitted, how through the ACZO. The Zoning Administrator will review the findings of the RRT, and work with the RRT in determining how best to accommodate the use.

If the use is not permitted by the ACZO, the RRT will prioritize the need for an ACZO amendment and apply its criteria in how to process the amendment.

## ZONING AMENDMENT OR POLICY CHANGE PROCESS

The Planning and Zoning Strategies will primarily focus on those changes requiring a Zoning Ordinance Amendment or an adopted policy change. Staff has already identified a three-pronged approach for which to manage this process. Two of the processes, Quick and Nimble, propose a different order for the timing of the Request to Advertise (RTA) than in recent years.

**Quick** – This is a proposed amendment or policy change that does not require significant research and will have limited to no impact to the community. The process will entail focused staff research, a Request to Advertise (RTA) in front of the County Board, targeted engagement with respective stakeholders and commissions, and a County Board public hearing within four to six months.

**Nimble** – This is a proposed amendment or policy change that requires a bit more research and may have some to limited impact to the community. Like the Quick process, this process will entail staff research, a Request to Advertise (RTA) in front of the County Board, targeted engagement with respective stakeholders and commissions, and a County Board public hearing within six to nine months.

**Nuanced** – This is a proposed amendment or policy change that will require significant research and will have some impact to the community. The process will entail staff research, an enhanced engagement with stakeholders and commissions, a Request to Advertise (RTA), and a County Board public hearing, with all associated commission hearings. It is anticipated this process will take over nine months.

### DELIVERABLES

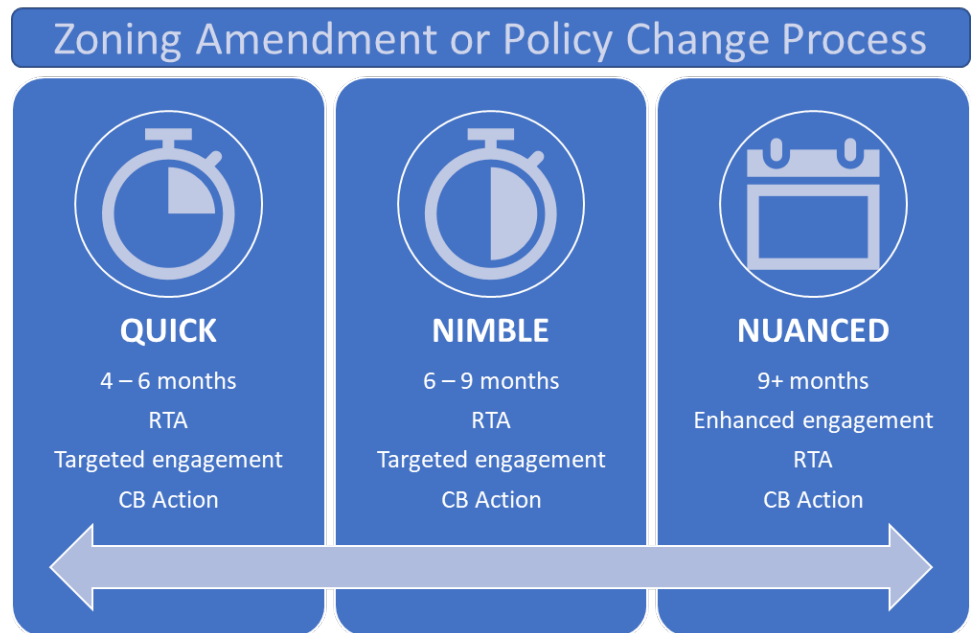
**Criteria** – The RRT will be responsible for establishing criteria to determine which process, Quick, Nimble, Nuanced or combination thereof, will be applied to any Zoning Ordinance Amendment or Adopted Policy Change.

**Engagement Strategy** – Although each individual process will require some modification, the RRT will develop an engagement strategy for each type of process: Quick, Nimble and Nuanced. The strategy and level of engagement will be consistent with Arlington’s Six-Step Public Engagement Guide.

**Initial Work Plan Topics** – There was a strong desire expressed by the County Board and the County Manager to identify some initial “low-hanging fruit” to move forward with in 2022 as Quick processes, even prior to criteria for such determination is fully developed and vetted. Staff has identified several uses for early consideration of an initial, “pilot” Quick process.

**Micro-Fulfillment Use** – In this initial review, staff will analyze and bring forth ACZO amendment to accommodate micro-fulfillment uses where the activity is associated with the last-mile delivery but at a scale smaller than larger fulfillment operations. (Staff: Jill Hunger (CPHD), Marc McCauley (AED))

**Edge Data Centers** – Providing off-site data centers are necessary to address the increasing shift to cloud computing and development of low-latency 5G wireless service. An edge data center is a smaller version of a larger data center and located proximate to a robust network serving a defined area. While this was initially



envisioned as a quickly-emerging need, subsequent staff research and discussion has suggested the use, as currently proposed, can be accommodated within the ACZO.

Ground Floor Uses – In late 2021, the County Board adopted several amendments to the Columbia Pike Form Based Codes (Commercial and Neighborhood Codes) to implement increased flexibility for ground story uses. The Board’s action added breweries, distilleries, animal boarding, urban agriculture, and shared commercial kitchens as new, permitted land uses for the ground stories of Form Based Code projects. Uses which were already permitted by County Board use permit approval along the FBC’s main street frontages, such as art galleries and offices, are now permitted by-right. Similar considerations should be made, to increase flexibility for ground story uses as they evolve, in other areas of the County. (Staff: Nick Rogers (CPHD))

The following table is an overview of the timeline for each ACZO amendment. This will continue to be populated as new or expanded uses are considered by the RRT.

<b>Pilot Process Requests</b>	<b>County Board (PC) Meetings</b>	<b>Agenda Items Posted</b>	<b>Reports to CAO</b>	<b>Reports to CMO</b>	<b>Agenda Review</b>	<b>Reports Posted</b>
Micro-Fulfillment RTA	July 16	June 16	June 23	July 1	July 5	July 8
Micro-Fulfillment Action	October 15 (October 3)	September 15	September 22	September 30	October 4	October 7
Ground Floor Uses RTA						
Ground Floor Uses Action						
Others...						