

Question 2: Commercial Office Vacancies

What do you think the county should be doing to address the historically high (22.8% as of September 2024) level of commercial office vacancies? Is the county taking appropriate steps now? Do you believe the additional revenue to offset loss of commercial office revenue requires the county to emphasize substantial new rental development? If so, what would be the impact on county services, budgets and quality of Life?

Candidate Granger Response to Question 2:

Commercial office spaces that have had prolonged vacancies should either... 1) be renovated to accommodate changes to the nature of office work and to demand—what businesses are looking for in an office space. Local markets have seen a “flight to quality,” where newer buildings with nice amenities and convenient transportation options have much more success securing tenants than older buildings with less exciting features and in less connected locations. Or 2) be redeveloped to suit other uses with higher demand (housing, fitness, education, etc.). The county should help facilitate and encourage these renovations or conversions through its tax policy and potentially through grants. We should strive to continue having businesses take up a significant portion of these spaces because it helps us have a more diversified, healthier tax base. If done well, this would have a high return on investment because it would allow us to renew inflowing tax dollars that have been missing for too long.

The county’s Commercial Market Resiliency Initiative (CMRI), which increases flexibility of requirements that can be hurdles to filling these spaces, is a step in the right direction that we should continue.

Candidate Clement Response to Question 2:

To reduce Arlington’s office vacancy rate, I will encourage the Board to mandate that federal agencies in the DC area comply with Executive Order 12072, issued by Jimmy Carter in 1978 to revitalize and strengthen the nation's central cities. The Order stipulates that whenever a federal agency relocates, it must give priority to an available space located in a city’s central business district rather than in a suburb.

Enforcement of EO 12072 would reduce Arlington’s office vacancy rate.

Yet most federal agencies have ignored it. For example, GSA has announced plans to relocate FBI headquarters to Greenbelt, Md. over the objections of Virginia elected officials. Virginia might have had a better shot at the deal had Arlington or Alexandria invoked EO 12072 to get it.

Likewise, the County refuses to investigate the possibility of utilizing EO 12072 for repurposing vacant office buildings. A case in point is the currently vacant Air and Space Force Association Building at 1501 Langston Blvd., which is a poster child for adaptive reuse by a federal government agency. Instead of promoting that objective, the County is negotiating with a Taiwan developer to tear down the existing structure and building a 12-story luxury apartment tower as part of a densification scheme for the Palisades Park neighborhood along Langston Boulevard.

If elected I am going to call for adaptive reuse of existing vacant office buildings using EO 12072 and other vehicles like office to residential conversions.

Candidate Spain Response to Question 2:

The County needs to take more decisive actions to address the high percentage of commercial office vacancies so that the undue financial burden doesn't fall on Arlington's residents. This is one of the reasons why economic security is among my top three priorities, and within that, reducing commercial property vacancy rates is a critical tactic. In partnership with the Commercial Vacancy Working Group, identifying incentives to attract in-person heavy industries (e.g., scientific laboratories) will be vital for preparing Arlington for a sound economic future.

We need to critically examine the rules governing what kinds of businesses can be located within our commercial properties and remove any barriers that may stifle innovation and access. This is a crucial step in empowering our community and positioning the Arlington market to be more competitive, fostering a climate of growth and opportunity.

No, emphasizing new rental development is not required to offset the loss of commercial office revenue. It may be one approach, but many tools at the County's disposal can help address this. I suggest exploring all allowable alternatives and ultimately pursuing what is most effective and feasible so as not to significantly impact county services, budgets, and quality of life.

Candidate Fierro Response to Question 2:

Given the excess of office space in the County, the County Board should consider a moratorium on non-residential high rise building construction. This also gives the Board time to reconsider establishing urban planning policies which include looking at the long-term development impacts of new projects. Given our need to fill office buildings with workers I would encourage the County to set an example for all businesses by requiring Arlington County employees to return to the office as soon as possible.

The county has been very hesitant in considering alternate uses for commercial space. One possibility is taking a more aggressive stance on promoting conversion of commercial space to multifamily apartment buildings. By using new building technologies, and possibly modifying existing building and zoning codes the County can be more proactive in converting commercial space to apartments

Another option for using commercial space is encouraging non-traditional use of commercial space such as vertical farming where food can be grown and sold to Arlingtonians. Vertical

farming has the advantage of not requiring much in the way of building modifications, and space is heated and cooled year-round.

The EHO ruling brought into focus that the County's planning priorities need to be changed. For the County Board, instead of staff promoting and focusing on questionable land use practices such as densification in single family neighborhoods, priority number one should be more extensive exploration of alternate uses of commercial office space so the vacancy rate can be lowered. By lowering the vacancy rate, tax revenues will increase for the County.

Implementing some the ideas mentioned above should bring in more revenue from these commercial spaces negating the need to identify other revenue streams.