FY2019 WORKPLAN & BUDGET
OVERVIEW

The Ballston Business Improvement District (BID) began operations in 2011 and provides a range of services, events and activities that are supplemental to those already provided to the neighborhood by Arlington County. The BID is currently funded by a portion of the commercial properties in Ballston that are classified as office/retail.

The BID is a 501(c)(6) organization and is governed by a 23-member Board of Directors who are elected or County-appointed to represent commercial property owners; tenants; cultural and recreational interests; educational, community and science/technology interests. The Board of Directors has also established several standing and ad-hoc committees to accomplish the goals of the organization and deliver the BID services described in this plan. These committees include: Finance; Strategic Planning; Marketing and Branding; Placemaking; Retail; and a Property Managers Group.

In January 2016, the BID created a 501(c)(3) charitable subsidiary, BallstonGives, which serves to support and partner with our local charitable organizations so that together we can have a greater positive impact on our neighborhood and further enrich the lives of the people who live and work here. We seek to create a sense of neighborhood by curating and strengthening strong connections among each other, especially through the experience of volunteering. We believe that supporting our non-profit partners is, quite simply, good for business.

VISION

Our vision for Ballston is to create a leading business district that attracts, supports and connects the most creative, compelling and ambitious minds in the region.

MISSION

The Ballston BID will imagine and implement innovative programs, partnerships and collaborations that bring people together, create a sense of community and strengthen the economic vitality of our businesses and commercial partners.

STRATEGIC PLAN OBJECTIVES

- Increase focus on collecting, managing and sharing data about what makes Ballston unique and how the BID is driving results.

- Place greater emphasis on the various touch-points for each of our customer categories- commercial tenants, retailers, employees, brokers, visitors, and residents.

- Develop programming geared toward tenant retention and targeting Ballston employees to help them learn, connect and grow.

- Revise the operational structure of the BID to maximize staff’s talent, time and attention on the right, high impact, strategic projects.

Please see Attachment A for the FY15-18 Strategic Plan for a detailed outline of our objectives and action steps we are taking to meet the strategic plan objectives.
BUDGET

Please see Attachment B for the FY19 Budget. Arlington County approved a rate for FYs 2011-18 of $0.045 per $100 of assessment value for each non-residential, commercial property located within the District. For the FYs ending June 30, the funding received from commercial property tax assessments within the BID has been declining for the last 4 years. We have experienced this decline in tax revenue due to properties converting to commercial apartments as well as the redevelopment period for Ballston Quarter and several other projects, including the former NSF buildings.

**BID Tax Assessments**

(% change from prior year)

**Ballston BID Tax Revenue History**

<table>
<thead>
<tr>
<th>FY</th>
<th>Tax Revenue</th>
<th>% Inc/(Dec)</th>
<th>Tax Rate*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$1,241,759</td>
<td></td>
<td>0.045</td>
</tr>
<tr>
<td>2013</td>
<td>1,473,351</td>
<td>18.6%</td>
<td>0.045</td>
</tr>
<tr>
<td>2014</td>
<td>1,494,734</td>
<td>1.5%</td>
<td>0.045</td>
</tr>
<tr>
<td>2015</td>
<td>1,572,603</td>
<td>5.2%</td>
<td>0.045</td>
</tr>
<tr>
<td>2016</td>
<td>1,544,770</td>
<td>-1.8%</td>
<td>0.045</td>
</tr>
<tr>
<td>2017</td>
<td>1,540,119</td>
<td>-0.3%</td>
<td>0.045</td>
</tr>
<tr>
<td>2018</td>
<td>1,436,122</td>
<td>-6.8%</td>
<td>0.045</td>
</tr>
<tr>
<td><strong>2019</strong></td>
<td>1,427,433</td>
<td>-0.6%</td>
<td>0.045</td>
</tr>
<tr>
<td>*<strong>2019</strong></td>
<td>1,681,199</td>
<td>17.7%</td>
<td>0.053</td>
</tr>
</tbody>
</table>

* Tax rate is per $100 of assessed value
** Revenue at current tax rate
***Revenue at proposed tax rate
In addition to the tax assessed funding, BID staff raises funds to supplement the budget through cash and in-kind sponsorships and tickets sales for our programs and events which primarily include Taste of Arlington but also include our Farmers Market, Property Managers Group, and other special programs such as the LaunchPad and Restaurant Challenges. The funds raised are detailed below and are estimated for FY18.

<table>
<thead>
<tr>
<th>FY</th>
<th>BID Fundraising Revenue</th>
<th>Total Revenue</th>
<th>% Increase/ Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$ 240,000</td>
<td>$ 1,713,351</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>442,000</td>
<td>1,936,734</td>
<td>13.0%</td>
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<tr>
<td>2015</td>
<td>503,000</td>
<td>2,075,603</td>
<td>7.2%</td>
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<tr>
<td>2016</td>
<td>523,460</td>
<td>2,068,230</td>
<td>-0.4%</td>
</tr>
<tr>
<td>2017</td>
<td>529,025</td>
<td>2,069,144</td>
<td>0.0%</td>
</tr>
<tr>
<td>2018</td>
<td>540,000</td>
<td>1,976,122</td>
<td>-4.5%</td>
</tr>
</tbody>
</table>
PROPOSAL FOR TEMPORARY BID TAX INCREASE

As stated previously, tax assessment revenue for the Ballston BID has declined for the last four years. As the chart above indicates, for the first few years Ballston BID staff was able to steadily grow fundraising revenue as a means to offset the decreases in tax revenue without sacrificing programs and activities. Indeed, the BID has been able to grow and sustain an award-winning organization each year by doing less with more.

FY18 tax revenue was originally projected to be $1,539,333. In December 2017, the BID was informed that tax assessment revenue for the current FY18 as the County adjusted for appeals to be only $1,436,122. This has caused the BID’s delinquency and adjustment fund to be fully depleted and currently underfunded by about $103,000 for this current FY18.

For FY19, we are experiencing a further decline with County tax assessments down nearly 8% overall. This results in the BID’s tax revenue falling to $1,427,433 which is less than what our funding was in our second year of operations in FY13.

A sharp decline in tax revenue such as this may have been absorbed and offset with some program adjustments and the fundraising revenue the BID staff raises. However, compounding the problem of the tax assessment decline is the requirement for the BID to also pay $103,000 back to the county that we “borrowed” for FY18 due to disputed tax assessments. In addition, the BID is facing a 100% increase in our fee for administration, which will rise to 2% of tax assessment revenue or about $15,000 more. In addition to that, another new County fee for FY19 is the requirement that we pay for reserved parking for our farmers to participate in our weekly farmers market from April to November annually, which will cost the BID an additional $11,500.

With these new and additional expenses, the BID will net only $1,259,987 for operations in FY19, which is about what we received in our first year of existence, FY12.

It is with these above concerns in mind that, for the first time, the BID board of directors considered a temporary tax rate increase for FY19.

At the time of this workplan submission, the Ballston BID board has approved a temporary increase to the BID tax rate from .045 to .053 cents per $100 of assessed value for FY19. At a rate of .053, the BID’s revenue would be slightly higher ($64,000 more) from FY18 after the BID pays for the additional expenses above. The BID would collect a total of $1,681,199 - $129,500 (from above) – less county fee of $33,624 and delinquency reserve funding of $42,030 to result in $1,502,334 net cash to the BID. We have outlined both budget scenarios under the .045 and .053 tax rates in Attachment B.

Please see Attachment C for our full proposal to the Arlington County Manager and Arlington County Board. For comparison purposes, this workplan explains what programs and activities the BID will accomplish under both the .045 and .053 tax rates.
PROGRAMS AND OPERATIONS

The Ballston BID has 3 program budget areas that have assigned action steps to ensure each organizational goal will be achieved:
- Branding and Marketing
- Physical Enhancements (Placemaking)
- Management, Finance and Administration

For each area, we have outlined the accomplishments made over the past FYs and ongoing FY18 as well discuss the steps we will take in FY19.

BRANDING & MARKETING

Notable Metrics from January 2012 to February 2018:

**EVENTS METRICS**

- **TASTE OF ARLINGTON**
  - 12,000 → 25,000 Attendees in 2012 vs 2017
  - 500 Volunteers
  - $180,000 Donated to Arlington Charities since 2012

- **FARMERS MARKET**
  - 5,000 → 20,400 Attendees in 2012 vs 2017
  - 3,230 lbs of Food Gleaned for AFAC in 2017

- **Other Events and Programs**
  - 340 Events Hosted or Sponsored from FY12-FY17
  - 500 Presentations from FY12-FY17
  - 20,000 Ballston Tenants Touched Through Other Events and Programs
We will remain focused on making closer connections among the commercial tenants and the employees who work here in Ballston.

- For FY18, we are hand delivering “Welcome Kits” to all BID member tenants. This is giving us the opportunity to reach over 800 businesses and further expand the number of people with whom we are connected.

- Ballston Tenant/Employee Events – We are continuing to build this program with a successful series of events targeting Ballston employees to help them learn, connect and grow.
  - Touched 20,000 Ballston employees in FY17 through this program
  - Continued Quarterly Networking Happy Hours- Ballston Sip ‘N’ Mingle
  - Maintained 2-3 Monthly presentations to Ballston office tenants
  - FY19-.045 rate – no new programs
FY19 - .053 rate - we will be able to include new programs such as pop-up art galleries, music in the park, or a neighborhood block party in the Fall.

**Ballston Quarter** - The opening of Ballston Quarter presents a great opportunity to host new programs and events in partnership with Forest City.

- FY19 .045 budget – the BID will have very limited capacity to fund new events here. We will be able to lend some staff support only.
- FY19 .053 budget – the BID will have the ability to fund some new programs here and lend more staff time to create, promote and manage new events.

**Membership Database** – FY18- To better support our BID members, businesses and employees of Ballston, we have implemented a new membership database to house all our member information, board management, program tracking and event management, ticketing, etc.

- FY19 .045 budget- maintenance of membership database and website only.
- FY19 .053 budget- enhancements and maintenance for the website and database.

- **Pilot BallstonConnect Podcast** – Podcasts are ever increasing in popularity with over 112 Million Americans having listened to a podcast in 2017- that’s up 11% in one year. 42 million people listen to podcasts weekly and these people are primarily aged 25-54 (Edison Research). We have recently launched a monthly Ballston podcast where we focus on hyperlocal news, events, history, business and of course, the people of Ballston.

- FY19- .045 and .053 rates – Since this is a low operating cost we will continue this programming depending only it’s success- metrics for playing the podcast and downloading.

**Customer Focused Programs & Events** – In addition to the above programs for Ballston employees, we design and implement programs tailored for our other customers, including retailers, brokers, visitors, and residents.

- In FY17, we introduced “Best of Ballston Awards” to acknowledge the extraordinary people who are the foundation of our great community. We will continue the awards for property managers, brokers and businesses in Ballston as a part of the BID’s annual meeting.
- Also in FY17, we created, presented and/or sponsored programs with Arlington Real Estate Group, BisNow, Washington Business Journal, Commercial Real Estate Women, Arlington Chamber of Commerce, Arlington Economic Development, George Mason University, and more.
- For FY18 we are maintaining these programs and sponsorships.
- For FY19 at .053 rate, these programs will be maintained. Under the .045 rate, this outreach will be significantly reduced.

**Success Criteria, Variables and Data Project** - This program area clarifies success criteria for the BID and tracking, managing and sharing data around key variables.
In FY16, we launched Ballston360 which is housed on our website and is now the resource for all things Ballston - businesses, parking, amenities, vacant space, demographics, programs, and even photos and videos of Ballston people, places and events all integrated into one application.

For FY17/18, we entered the next phase for Ballston360, enhancing the on-line portal and launching a pilot project for the deployment of several touchscreen kiosks inside our hotels and select office buildings.

FY19 at .045 rate- all work other than maintenance will be suspended.

FY19 at .053 rate- we will continue the pilot project to BID member buildings and begin pursuing the installation of digital kiosks in the public realm.

- **Organizational Capability & Connections Project** - We continue to conduct market research in Ballston, including user surveys and tenant interviews in order to gain a deeper understanding of what programs our tenants value. This includes analyzing relevant metrics to measure our success and track our event attendance, vacancy rate, sales taxes, demographics, etc.
  
  - In early FY17, we held focus groups for our BallstonConnect Mobile App, our participating restaurants for Taste of Arlington, and our Property Managers Group.
  
  - For FY18, we conducted our bi-annual neighborhood survey with over 1,200 participants who live and/or work in Ballston. The survey acquired demographic data, measured the level of satisfaction with BID programs, identified desired new programs the BID may implement, and gave feedback on what aspects of Ballston need improvement from the community’s perspective. Please see Attachment D for a summary of our survey results.
  
  - FY19 and .045 and .053 rates – we are able to conduct user feedback surveys and targeted focus groups.

- **Digital Content Strategy** – We have developed and implemented strategies and guidelines for all digital content (web, mobile, social, etc.)
  
  - **User Experience Audit** – We will conduct a user audit of Ballston360 as well as a focus group for our wayfinding program in FY18.
  
  - **Social Media** – As noted above, we’ve experienced steady growth of followers and are focused on increasing user engagement.
  
  - FY19 .045 and .053 rates- we will continue our work to expand our reach and user engagement though the effort will be solely produced in house under the .045 rate. Funding for ads, software, etc., will be eliminated under the .045 budget.

- **Taste of Arlington** – Our last Taste, in May 2017, continued to attract 25,000+ attendees and we showcased a record number of restaurants and food trucks with over 60 participating. We again partnered with and made a donation of $25,000 to the Arlington Food Assistance Center. For FY18, we will expand our partnerships for Taste to include additional 501c3 organizations such as
Volunteer Arlington, The Leadership Center for Excellence, AWLA, Arlington Arts Center and more.

- **Taste of Arlington Transition Project** – We created BallstonGives and received our IRS determination letter in April 2016. This entity is responsible for managing Taste of Arlington and has become the charitable arm of the Ballston BID. Ballston BID staff will continue to run the Taste event until, and if at such time, BallstonGives can sustain its own operations.

- **FY19 .045 and .053 rates** – It is our goal to make Taste of Arlington under BallstonGives a sustainable, independent organization. Under the .045 rate, we will have less capacity to commit human resources to Taste, thus possibly making the timeline to success longer.

- **PR/Media Relations** - As shown in the metrics above and the awards we’ve won, this program has been highly successful and has brought consistent, positive attention to Ballston and the BID’s programs, activities and amenities including major, special events. We will continue our media relations program to build on the momentum and exposure we’ve gained over the last five years. The earned media on Taste of Arlington alone is valued at over $100,000.

  - **FY19 both .045 and .053 budgets** – PR will be maintained at current levels. In either case, the need for PR will not be lowered. In fact, under the .045 rate, PR relations becomes even more valuable as a way to further our reach with fewer PR events occurring.

- **Real Estate Challenge/Programming with Virginia Tech/George Mason University**
  We continue to explore a possible “challenge” program series with a regional/national real estate challenge in partnership with our universities located here. We also will continue to support them via partnerships to bring exciting, relevant education programs to our community.

  - **FY19 .045 and .053**- we will continue to explore the possibility of this program. Execution under the .045 budget will be considerably more challenging and will require greater staff resources to raise additional sponsorship funds in order to execute the program.
PHYSICAL ENHANCEMENTS

PLACEMAKING PROJECTS FOR FY18-19

• **BID-Wide Wi-Fi Program** – We implemented gigabyte/second, free, seamless outdoor Wifi throughout the BID achieving about 70% coverage of our total footprint. With this installation, we were the first neighborhood in our region to provide this valuable asset. We are now working to bring the coverage to 90% by adding an additional gigabyte of bandwidth.
  - FY19 .045 and .053 budget - this service has proven to be extremely popular and therefore, we will direct funds to expand the WiFi capability and speed throughout the neighborhood.

• **BallstonConnect Mobile Application** – Our FY17 focus group of 20 users and 130 people surveyed, confirmed that our mobile app is a success. We’ve achieved over 15,000 downloads. We continue to work to improve the app with the goal of increasing user engagement.
  - FY19 .045 – funding for maintenance of the app only
  - FY19 .053 – funding for additional features based on focus group feedback as well as maintenance

• **Farmer’s Market** – Beginning FY17, we extended the season to have the market open every Thursday from April through October with plans to extend through Thanksgiving in FY19. As stated above, our Farmers market has grown steadily to become one of the most successful of FRESHFARM’s managed markets in the DC region. We again involved our community in ways such as showcasing the Arlington Chamber’s Young Entrepreneurs Academy middle and high school startup business finalists and hosting charitable drives with A-SPAN and Doorways for Women & Families.
  - FY19 .045 budget – new parking fees form the county of $11,500 will cause decreases in our amenities. We may also lose vendors due to having to pass through parking expenses.
  - FY19 .053 budget – we may be able to absorb this cost instead of passing it through to the farmers and the funds also help us maintain the high quality of the market.

• **Median Landscaping and Maintenance** – In early FY17, we received approval to implement improvements to the medians on Fairfax Drive. We completed the work in FY18 which included median hardscape repairs, installing gateway signage and a new decorative fence.
  - FY19 .045 budget - basic maintenance only, no semi-annual flowers and replacement plants.
  - FY19 .053 budget - we will continue maintaining the median and install additional plants and flowers semi-annually.
  - Also for FY19 .053 budget - we will develop plans for installing the Ballston orange “dots” on the remaining Fairfax Drive medians at the junction of Route 66 as well as Glebe Road. Finally, we will develop a landscaping and signage proposal for our major gateway at Route 66.
• **Ballston Metro Canopy Temporary Light-Art Installation** – We continue to work with WMATA, Arlington Public Art and the Arts Commission with the planning and design stages for an interactive light art installation with LEDs and motion sensors installed in the canopy. Installation is planned in conjunction with Arlington County’s redesign and construction work of the Ballston Metro Plaza, which is moving forward with construction. Work is planned to begin in the Spring 2018.
  - FY19 .045 budget - this project will be put on hold or discontinued
  - FY19 .053 budget - we will still need another funding source but we can proceed with plans to install the art project near the end of the plaza construction, which is expected to take about 18 months.

• **Banners** – We completed the research, design, and cost analysis for fabricating, installing and maintaining light-box and digital banners for Ballston. We received approval from Dominion to install our custom banners on their poles along Fairfax Drive. We are in the process of fabricating 20 banners to be installed this fiscal year.
  - FY19 .045 budget - no additional banners to be installed
  - FY19 .053 budget - we will continue installation of the banners with phase 2 on Glebe Road and then throughout the BID over FY19+.

• **Smart Wayfinding** – In FY17, we installed new wayfinding signs throughout Ballston. These static signs show the map of Ballston as well as direct people to use the BallstonConnect Mobile App for the most recent information, in case of changes.
  - FY19 .045 budget - this project will be postponed.
  - FY19 .053 budget - we will continue our research and pilot the installation of Ballston360 - our interactive wayfinding system – in the public realm.

• **Greenspine** – Beginning this fiscal year and continuing in FY19, we would like to work with Arlington County staff on the implementation of our “Greenspine” that winds through Ballston and connects our pocket parks via system of smart poles that also function as electric car charging stations, provide ambient light in the evening (lighting for safety was noted a top concern on both our FY16 and FY18 neighborhood surveys as an area needing improvement), and other technology that we identify with County staff as beneficial to the County and the community.

• **Streetlight Poles** – Ballston currently has 5 different types of pedestrian street lights with many poles not functioning to current standards and many so old that replacement parts may not be available. We are beginning to work with Arlington County staff with planning for the replacement of the older lights to the Carlyle poles in order to de-clutter the Ballston sidewalks and gain a consistent look for all of Ballston. This effort will be ongoing over FY18/19.
MANAGEMENT, FINANCE & ADMINISTRATION

- Strategic Plan – During FY19, we will create a new plan to commence for FY19. We are currently continuing our work under the strategic plan for FYs 16-18 (see Attachment A). The programs described in this workplan document were formulated in support of the strategic plan. Under the .045 budget, this effort may need to be postponed.

- MFA Expenses Cuts - Under the .045 budget MFA expenses will need to be significantly reduced. Such reduction will include staff salary freezes, reduction in community outreach and staff professional development expenses. Under the .053 budget, we will still cut these expenses although the reduction will be less severe.

- BID Expansion/Commercial Apartment Property Integration Project
We continue to work with apartment property owners to determine the best way to bring their tenants into the BID. We are currently exploring an expansion of our existing sponsorship model under which we will create a new suite of programs and events that focus on lifestyle enhancement.

AWARDS RECEIVED

- 2017 MarCom Award- Platinum Level, November 2016. For achievements in media placements and public relations.


- 2016 MarCom Award- Platinum Level, November 2016. For achievements in media placements and public relations.


- 2015 Merit Award, International Downtown Association; October 2015. For our public art series, “Public Displays of Innovation.”

- 2015, 2014 and 2013 Winner- Best Festivals of Northern Virginia, Virginia Living Magazine

- Chairman’s Award, Arlington Chamber of Commerce; December 2014. For outstanding support of the Chamber and business community.

- 2014 MarCom Award- Gold Level, MarCom Awards; November 2014. For achievements in media placements and public relations.