

## AMAZON: POTENTIAL FOR MAJOR BENEFITS BUT ALSO FOR SOME CHALLENGES

Finally, we have gone from speculation to certainty! In a nutshell, we should expect Amazon to bring 25,000 workers to Crystal City and surroundings gradually over the next ten years, with a possible second trench of 12,000 jobs beyond that. Clearly, this will have a major impact on our area. We have already heard indications of apprehension and concern, both here in Crystal City and elsewhere in Arlington, but there are many reasons to approach this huge endeavor with a positive mindset.

To put things in perspective, the current financial situation in Arlington is more fragile than many have understood from the County's statements so far. And we are all aware of the very high vacancy rate in the Crystal City office buildings and elsewhere in the County. Good efforts have led to an influx of smaller, high-tech business entities, but this is really far from the huge boost that we have needed and now seem to be getting, both for Crystal City to thrive and for Arlington to regain strength.

The County has not been in a financial position to do much to incentivize new development, directly or through investment in infrastructure and other basic features. We were pleased to see that County incentives for bringing Amazon were very limited in comparison with the burden absorbed at the State level (and in New York). But now Crystal City must get strong County support in order to make the Amazon arrival the success it can be. Not everything we need will be provided by Amazon or JBGS.

Indeed, one would hope that such a substantial increase in our day-time population will lead to a new surge in both amenities and facilities, and in the offering of retail and restaurants. Entertainment options should also have increased demand, as would open space for relaxation. Much of this would not be viable without Amazon and related development. But it will then be important to ensure that also our residents weigh in with ideas and preferences, instead of just passively waiting.

But there will also be challenges. For instance, Amazon has lauded the access to transportation and public transit options in our area. And what we have today may be adequate for current needs. But major improvements will be needed to absorb a large influx of commuters. If not, the pressure on our road and street network could easily become a problem. And it is important to be ahead of the game, rather than responding to mounting problems. Pedestrian and bike connections are not enough.

While the initial focus is on using space in existing, old buildings, a gradual demand for large, modern buildings will create a zero sum game in relation to the demand for retaining or creating parks and other forms of open space. So we hope Amazon and JBGS will recognize the importance of the public realm.

Understandably, there will initially be a strong emphasis on office space. But our Sector Plan intends for Crystal City to move from being an 'office park' to a more equal mix of offices and residences. That objective must be retained, also so as to ensure that there would still be opportunities for those with more modest resources to live near their workplaces, also when price levels respond to excess demand.

Finally, it would be critical to avoid seeing the Amazon decision as a panacea to the removal of existing and future problems for Crystal City and Arlington. We cannot afford complacency or euphoria. So the County must still tackle the key issue of the large suburban parts of Arlington being heavily subsidized by Crystal City and other urban areas, through a provision of generous County services at tax rates which are not commensurate. We cannot afford this drain on the new revenues which Amazon will provide.

Bottom line: embrace the changes which will come and use the opportunity to influence them!