

**City of Alexandria, Virginia**  
**BUDGET AND FISCAL AFFAIRS ADVISORY COMMISSION**  
**Monthly Meeting**  
**Tuesday, February 25, 2020**  
**7 p.m.**  
**Alexandria City Hall**  
**Sister Cities Conference Room #1101**  
**301 King Street**  
**Alexandria, VA 22314**

**Summary Minutes**

**Commission Members:**

Jesse O'Connell (Chair), Janet Blair-Fleetwood (Secretary), Christopher Ferrara, Ben Klein, Skip Maginniss, Robert Rapanut, Deb Roepke, Joe Valenti

*Absent:* Excused: Kathy Stenzel (Vice Chair), Nicholas Lee, Kirk McPike. Unexcused: Paul Igasaki.

*Vacant:* Representative for Alexandria Chamber of Commerce

**OMB Staff:**

Morgan Routt  
Arthur Wicks

**Guest:**

Stephanie Landrum, Alexandria Economic Development Partnership (AEDP)  
Ryan Touhill, AEDP  
Kevin Greenlief, City of Alexandria  
Sean Gallegher, Alexandria citizen

**Agenda:**

- 1. Call to Order: Chair O'Connell** called the meeting to order at 7:02 with a quorum present.
- 2. Approval of the Minutes: Klein** moved to approve the minutes, **Valenti** seconded the motion. The motion carried by unanimous voice vote.
- 3. BPOL and Taxes on Small Machinery and Equipment: Ms Landrum and Mr. Touhill** briefed BFAAC on the work by AEDP efforts to capture regional growth for the City. They explained that Amazon and Virginia Tech are expected to increase city revenue by 3.4%. They also noted that the zoning policy changes made by the City will make it easier to open businesses in the City. Their presentation outlined the economic challenges of the City. City taxes are higher than in other regional areas for Business, Professional and Occupancy, and Business Personal Property, Machinery and Tools. AEDP believes that City tax and business friendliness policies are key barriers to economic growth. AEDP offered ideas to help make the City more competitive in the region-- increased development in the key commercial corridors, such as metro stations;

aggressive business attraction/retention; and enhance City's competitive positions. The City should consider using public/private partnerships and setting up special zones for tax relief so that City rates are more in line with NOVA jurisdictions.

4. **Regional Cooperation on Economic Development: Ms. Landrum and Mr. Touhill** next explained the Northern Virginia Economic Development Alliance, which includes ten jurisdictions in Northern Virginia. They explained about the very strong relationships between jurisdictions. The Amazon bid helped more firmly establish the Northern Virginia area as an economic region that can compete throughout the US. Since the Amazon win, the 10 jurisdictions have signed an MOU to work together and conduct joint marketing efforts. It has opened the door to the region getting access to and support from the State of Virginia Economic Development Partnership. Now that the MOU is signed, the key focus of the Alliance is to determine the structure of the Alliance, organizational support, manpower requirements, and funding. The Alliance has applied for grant funding and initiated talent attraction efforts. AEDP has played a key role in the Alliance because of its strong on-going activities promoting the City and long-standing efforts promoting this region. Further, its strong partnership with the City has helped outline opportunities for incentives for projects. **Rouff** noted the City is reviewing a streamlined fund balance process to identify for City Council approval one-time funding incentives for projects.
5. **Workplans-**
  - a. **Recommendations and Observations on Proposed Budget:** The BFAAC work session is April 13<sup>th</sup> and the Committee will need to approve the Recommendations on the Proposed Budget Memorandum before that work session. **Chair O'Connell** noted that prior memoranda have provided recommendations on policies and processes, but he believes, and other members agreed, BFAAC should stay at higher level. He requested that everyone review the budget and come up with areas our Committee should reflect on in this year's Memorandum. He requested those ideas be sent to him and **Wicks** by Saturday, March 7<sup>th</sup>. Chair O'Connell will consolidate into a first draft. Members agreed that two meetings in March are needed to review proposed topics, assign responsibilities, and then finalize before the April 13<sup>th</sup> work session. **Chair O'Connell** and **Wicks** will provide options for meeting dates to BFAAC members.
  - b. **Capital Projects Reporting Assignment: Blair-Fleetwood** explained the meetings she had with Wicks and with Terry Suehr of the City's Department of Project Implementation. As requested by BFAAC, **Blair-Fleetwood** developed questions that BFAAC members are to ask of the Council members they represent and provide the responses to **Blair-Fleetwood** by March 10<sup>th</sup>. She will consolidate and use in the development of the BFAAC memo to the Council on this topic. She plans to have BFAAC review the draft memo for approval at the April BFAAC meeting.
  - c. **City of Alexandria Civic Engagement: Vice Chair Stenzel** is working with **Wicks** to get information and more fact finding.

- d. **City of Alexandria Economic Resiliency: Rapanut** outlined the approach and strategies that will be included in the paper. The team will meet and flesh out draft to approve in May. Team will ask for feedback as needed.
6. **OMB Update: Routh** noted that revenues grow at 3.5% without tax increase because of identified efficiency reductions and fee increases. The tax increase allows the City to fund the next ten years in CIP re-costing for construction and labor increases. \$240 million dollars would be raised over the coming years to cover school projects, water mitigation. Decisions this year are critical and will impact future decisions over the next 10-20 years.
7. **Adjournment: Roepke** moved that the meeting be adjourned, **Klein** seconded. The motion carried by unanimous voice vote. The meeting was adjourned at 8:50 p.m.
8. **Next Meeting:**
  - a. Regular Monthly Meeting, Tuesday, March 17, 2020.