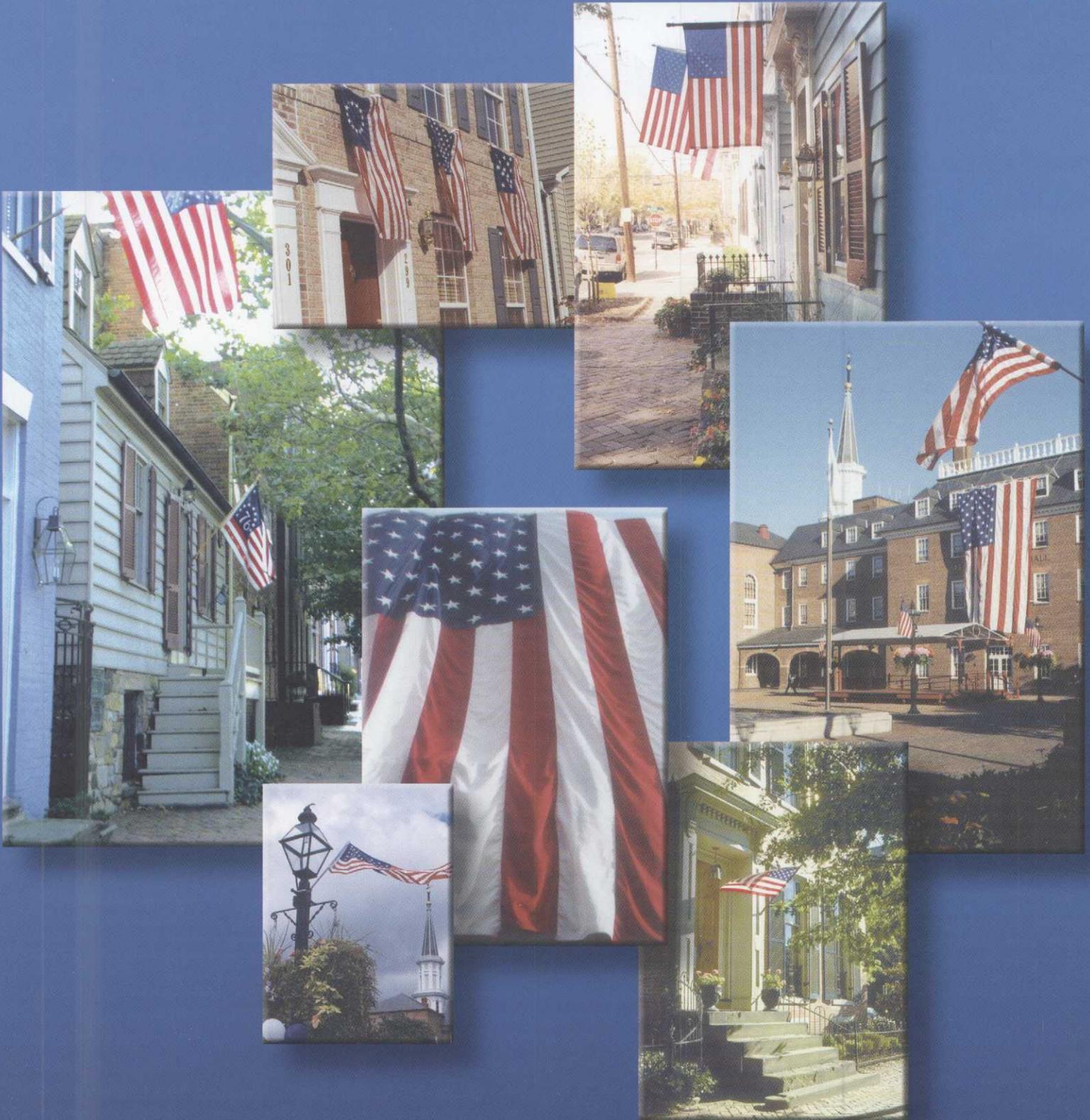


Alexandria, Virginia • Annual Report 2002

EXHIBIT NO. 1

9
1-14-03



ALEXANDRIA

CONTENTS

Message from the Mayor	1
City Council	2
Neighborhoods	4
Community Development	6
Environment	9
Traffic & Transportation	10
Services to Citizens	12
Public Safety	14
Homeland Security	16
Fiscal Condition	18
City Schools	20
Major Challenges	22
Helpful Numbers	24
Statistical Snapshot	25

Dear Alexandria Resident.



Not since perhaps the late 1960s has the resiliency of the City government been tested as it was last year. The events of September 11, the anthrax scare, and the closing of Reagan National Airport significantly damaged the local economy. In addition, the Commonwealth's budget crunch and resulting reductions in state assistance to the City, and the federal government's decision to prosecute an alleged accomplice in the September 11 hijackings in Alexandria, all seriously impacted Alexandria.

Overall, I believe the City government responded well to these matters. The public safety response to the September 11 attack on the Pentagon was quick, competent and professional, as police, fire and sheriff personnel provided immediate assistance in a variety of forms to Arlington County. The response to the subsequent anthrax-related events was also solid.

On the economic front, the City developed a novel marketing plan by the Alexandria Convention and Visitors Association to regain lost tourists, provided federal disaster loan assistance to businesses injured by September 11 and the airport closure, immediately expanded financial aid and social services to individuals and families harmed by these events, offered free parking in the Old Town area to assist local merchants, and imposed a freeze on City hiring with spending reductions.

There are several critical challenges ahead this year. These are described in the Major Challenges section of this report. Most of the decisions will be made in the context of the City's operating and capital improvement program budgets, both of which are discussed and debated in the early months of 2003 and adopted by Council in May. I urge all citizens interested in the major challenges facing the City to become involved in the budget process.

I hope that you enjoy this Annual Report, and that it encourages you to become an active participant in our community.

Sincerely,

A handwritten signature in blue ink that reads "Philip Sunderland". The signature is fluid and cursive.

Philip Sunderland
City Manager

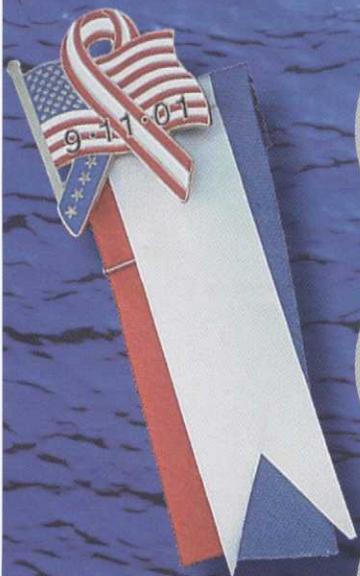
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Message from the Mayor

9
11-03

Welcome to the City's 2002 Annual Report to the community, which has been prepared by the City Manager and his staff. This report provides our citizens with important information on matters facing the city. I encourage you to read the report so you are well-informed on issues important to all Alexandrians.

On the heels of the devastating events of September 11, the City Council has been focused on dealing with the after-effects and the new climate of government in the post-September 11 era. Whether relating to the reconstruction of the Woodrow Wilson Bridge, enhancing security at our Public Safety Center and the Federal Courthouse, or working with regional officials on our emergency response plans, we continue to place a high priority on public safety. Part of this responsibility involves working with you, our citizens, about enhancements to public safety, and we will continue to keep you informed to the best of our abilities.

We have also worked tirelessly to overcome the economic effects of September 11. Tourism and its associated activities are important to the City's economy and I feel confident that we have regained much of the tourism base which was lost last fall. Hotel occupancy and retail spending have improved, and unemployment has stabilized, and, although higher than in previous years, unemployment remains lower than the state and national averages. With the lingering national recession, we must continue to strategically market Alexandria to ensure the highest return on our investment.

In the coming months, the condition of the state's finances will be a primary concern to Alexandria and all local governments. The Commonwealth of Virginia continues to suffer significant revenue shortfalls and this ultimately leads to reductions in state aid to localities. Last year, we were able to fill many of the gaps due to the loss of state aid, but we will not be able to continue to do so in the future.

This fall, the City Council began working with our School Board on plans to reconstruct T.C. Williams High School. More than thirty years old and faced with expanding enrollments, the reconstruction of T.C. Williams will be a high priority capital project. Obviously, we will need to balance the important land use decisions with the essential delivery of educational programming, and our goal must be to have a top flight high school integrated with an important community resource – the Chinquapin Park and Recreation Center.

Transportation and traffic safety will also occupy much of the City Council's attention over the next year. Increased traffic calming measures, pedestrian Safety promotion of mass transit at Potomac Yard, and a possible connection from Eisenhower Avenue to Duke Street will be important debates and decisions.

I hope you find this Annual Report informative and useful. Our community is stronger when our citizens are informed about the important issues which affect all of us.

Kerry J. Donley



MAYOR
KERRY J. DONLEY

(e-mail: mayoralx@aol.com)

Elected Mayor in a February 1996 special election, Mayor Kerry J. Donley has served on City Council since 1988, after many years of community service. He was re-elected in May 2000 for a three-year term. He is employed by Virginia Commerce Bank as a Senior Vice President. As the City's Mayor, he is very involved in efforts to promote economic development, meeting regularly with business leaders as part of the Mayor's Local Business Outreach Program. He also chairs the Alexandria Economic Development Partnership, Inc. Board of Directors. Mayor Donley is active in transportation issues, serving on the Northern Virginia Transportation Commission and is a member of the Northern Virginia Transportation Authority. He serves on the Metropolitan Washington Council of Governments' Transportation Planning Board and chairs the Washington Area Housing Partnership. He is a member of the Virginia Municipal League's Executive Committee. Mayor Donley also chairs the Alexandria Youth Policy Commission and the Alexandria Campaign on Adolescent Pregnancy. In the community, he serves on the boards of the Alexandria United Way, the Alexandria Volunteer Bureau, and the Eisenhower Avenue Partnership. A graduate of Marquette University, Mayor Donley resides in the Seminary Valley section of Alexandria's West End with his wife, Eva, and their five daughters.



City Council

VICE MAYOR

WILLIAM C. "BILL" CLEVELAND

(e-mail: billclev@comcast.net)

A member of City Council since 1988, Vice Mayor Cleveland served as Vice Mayor from 1991 to 1994 and was re-elected to the position in 2000. Employed by the United States Capitol Police Department, Vice Mayor Cleveland and his wife, Ruth, reside at Carlyle Towers. He serves on the Alexandria Carr/Norfolk Southern Design Review Board, the Alexandria Community Policy and Management Team, the Alexandria Taxicab Task Force, the Woodrow Wilson Bridge Task Force, Christmas in April, and the Alexandria Economic Opportunities Commission. Vice Mayor Cleveland, an advocate for Alexandrians on several grassroots initiatives, serves on the Alexandria Campaign on Adolescent Pregnancy with the Mayor and mentors the youth group, the Untouchables. He established Alexandria's first Neighborhood Watch program and led the City in establishing the Alexandria Enterprise Zone (Mount Vernon Avenue). Vice Mayor Cleveland serves on several State Boards, including most recently, the Martin Luther King, Jr. Memorial Task Force.



COUNCILMAN WILLIAM D. EUILLE

(e-mail: wmeuille@wdeuille.com)

Elected to City Council in 1994, Councilman Euille was re-elected in 1997 and again in 2000. Councilman Euille is co-chair of the Alexandria Welfare Reform Committee (Alexandria Works!), the Call to Community initiative on racial and ethnic diversity and the Affordable Housing Task Force. He serves on the Alexandria Economic Development and Tourism Board, City Council's Human Services Committee, the Economic Opportunities Commission and the Local Emergency Planning Committee. Councilman Euille represents the City on the Washington Metropolitan Area Transportation Authority (WMATA) Board of Directors. In the community, he serves on the boards of the Eisenhower Avenue Partnership, Hopkins House Association, the Inova Alexandria Hospital Foundation, the Northern Virginia Urban League, and the Alexandria Scholarship Foundation. He served on the Alexandria School Board from 1974 to 1984. As President/CEO of William D. Euille and Associates, Inc., Councilman Euille was honored by the Alexandria Chamber of Commerce as Business Leader of the Year for 2001.



COUNCILMAN DAVID G. SPECK

(e-mail: dspeck@aol.com)

Councilman Speck has served on the City Council from 1991 to 1994, and from 1996 to present. He also served in the Virginia House of Delegates from 1980 to 1982. As a member of City Council, he serves on the Alexandria Convention and Visitors Association Board of Governors, the City's Facilities Naming Committee, the Metropolitan Washington Council of Governments' Regional Transportation Board, the Transportation Coordinating Council of the Northern Virginia Transportation Commission, and the Transportation Safety Commission. In the community, Councilman Speck serves on the boards of the Robert S. Rixse Foundation, the Alexandria Education Partnership, Stop Child Abuse Now and



Carpenter's Shelter. In addition, Councilman Speck is a member of the Finance Committee of the Virginia Municipal League. He also serves as chairman of the Northern Virginia Regional Board of The Sorensen Institute for Political Leadership at the University of Virginia. Professionally, Councilman Speck is a Managing Director-Investments for Wachovia Securities. He holds a doctoral degree from The George Washington University. Councilman Speck is married to Marcia Neuhaus Speck, who is president and co-founder of Capital City Opera, and they live in the Seminary Ridge area of Alexandria. He has two children, Elizabeth (31) a social worker in New York City and Jonathan (29), a commercial fisherman in Florida.

COUNCILWOMAN

CLAIRE M. EBERWEIN

(e-mail: eberweincouncil@comcast.net)

Councilwoman Claire M. Eberwein was elected to serve on City Council in May 2000. She serves on the Alexandria Task Force on the Waste-To-Energy Plant, the Metropolitan Washington Council of Governments' Chesapeake Bay Policy Committee, the Metropolitan Council of Governments' Policy Development Task Force, and the City's Sister Cities Committee and Waterfront Committee. Councilwoman Eberwein was first elected to the Alexandria School Board in 1994, serving as its chairman from 1996 to 1997, and as its vice-chairman from 1998 to 2000. In addition, she has served on the Alexandria Board of Zoning Appeals and the Alexandria Economic Opportunities Commission. Councilwoman Eberwein has lived in the Parkfairfax neighborhood of Alexandria for 17 years with her husband, Greg Vogt, daughter Amara, 10, and son Caleb, 9. Her children attend Alexandria City Public Schools. Councilwoman Eberwein served on the Parkfairfax Board of Directors from 1991 to 1996, and on its Architecture and Planning Board from 1987 to 1991. She worked for the Department of Architecture and Urban Design for the City of Cincinnati, Ohio, from 1979 to 1984. She received Bachelor of Science degrees in Architecture and in Natural Resources from the University of Michigan. Councilwoman Eberwein earned her juris doctorate from Georgetown University Law School in 1987.





The Honorable Mayor and Members of City Council: Standing, left to right: Councilwoman Redella S. "Del" Pepper, Councilman William D. Euille, Councilwoman Joyce Woodson, Councilman David G. Speck, Councilwoman Claire M. Eberwein; Seated, left to right: Vice Mayor William C. Cleveland and Mayor Kerry J. Donley.

**COUNCILWOMAN
REDELLA S. "DEL" PEPPER**

(e-mail: delpepper@aol.com)

First elected to City Council in 1985, Mrs. Pepper served as Vice Mayor from February 1996 through June 1997. Councilwoman Pepper co-chairs the Welfare Reform Committee (Alexandria Works!), the Beauregard Street Corridor Task Force, and Alexandria-Arlington Task Force on the Waste-To-Energy Plant. She also serves on the Commission on Information Technology, the Commission on Aging, the City Facilities Naming Committee and the Alexandria Council of Governments' Board of Directors and on COG's Air Quality Committee (MWAQC). She is a member of the Northern Virginia Regional Commission (formerly NVPDC), where she also chairs the Regional Resources Committee. In the community, Councilwoman Pepper serves on the boards of the YMCA, the T.C. Williams PTSA, the Alexandria Arts Forum, Bienvenidos and RSVP (Retired Senior Volunteer Program). She received her bachelor of science degree from Grinnell College and did her graduate work at the University of Wisconsin. She is married to F.J. Pepper, M.D. She has a married son, Murphy.



COUNCILWOMAN JOYCE WOODSON

(e-mail: council@joycewoodson.net)

Joyce Woodson, elected City Councilwoman in 2000, is President of The Woodson Group, an Alexandria-based marketing and training firm. She attended Columbia University, Barnard College, graduating early with a degree in American Studies. Councilwoman Woodson serves as the Vice Chairman of the Virginia Municipal League's Transportation Steering Committee. She also serves on the Alexandria Commission of Information Technology, the City's Economic Opportunities Commission and the Alexandria Library Board. She previously served as an Alexandria Redevelopment and Housing Authority Commissioner, and as a member of the Fair Housing Testing Program Advisory Committee Task Force and the Affordable Housing Advisory Committee. Other community service commitments include serving as Chairman of the Board for Project Discovery, on the Executive Board of the Coalition for Fairness in Education, the Executive Board of the Alexandria Chapter of the National Association for the Advancement of Colored People (NAACP), and the Board of Community Lodgings. Councilwoman Woodson has been married for 27 years to Howard Woodson, Esq., and they have three children who attended Alexandria City Public Schools.



Neighborhoods

WOODROW WILSON BRIDGE NEIGHBORHOOD TASK FORCE

The 10-member City Council-appointed Alexandria Woodrow Wilson Bridge Neighborhood Task Force developed guidelines to assure that the bridge construction project respects the integrity of the community and minimizes its impact on neighborhood residents. In May, the City distributed a brochure that described the project and contact information for filing comments and complaints. The Task Force provides a check on project activity, impacts and citizen concerns.

UPPER POTOMAC WEST/ARLANDRIA

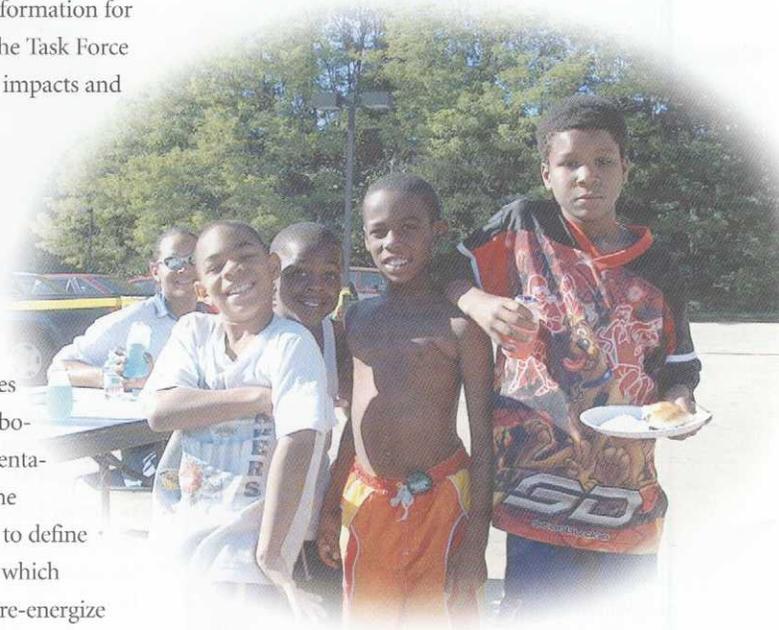
City Council initiated an innovative program designed to attract new investment to the Potomac West/Arlandria area and resolve issues raised by the neighborhood. A collaborative effort between business representatives, citizens, and staff resulted in the development of a revitalization plan to define the community's vision for the area, which includes a business/retail strategy to re-energize the area through incentives and promotions.

The City purchased the Datatel building located at 3700 Mount Vernon Avenue, a blighting influence in the neighborhood for over a decade. The City demolished the building in September 2002 to create a new opportunity for public/private redevelopment in the area.

TRAFFIC CALMING

Last winter City transportation staff formalized the Neighborhood Traffic Calming Program and published and distributed to civic associations a traffic-calming guide, which explains how neighborhoods with traffic concerns can participate in the program.

The Traffic and Parking Board acted on 12 applications for traffic calming projects this fall. The City has implemented traffic calming projects on Commonwealth Avenue, Russell Road, Monroe Avenue, Cambridge Road, West Taylor Run Parkway, S. Gordon Street, Vermont Avenue and near the MacArthur Elementary School.



ALEXANDRIA HERITAGE TRAIL

The Alexandria Heritage Trail, a 23-mile loop off the Mount Vernon Trail, was launched in June. The trail links Alexandria's many stream valleys, parks, historic museums and charming neighborhoods to provide a continuous system for exploring Alexandria history.

SCHOOL BOARD REDISTRICTING

Since 1993, the nine-member City of Alexandria School Board has been elected from three election districts (A, B and C), each of which has three members. The 2000 Census results required the City to "redistrict," or redraw the three school board election district boundaries, so that each



DID YOU KNOW?

In the 1850's, stoneware was manufactured in the Wilkes Street Pottery. Today, many examples of the pottery are preserved in the collections of the Alexandria Archaeology Museum, The Lyceum, and in private collections.

There are four historic districts in Alexandria, which are listed on the National Register of Historic Places - the Old & Historic District, Rosemont, Town of Potomac and Parkfairfax.

The railroad car used to carry President Lincoln's body to Illinois for burial was made during the Civil War at the United States Military Railroad compound, now Old Town Village (Duke and Route 1).





district would be roughly equal in population. A series of public meetings involving City Council, the Alexandria School Board, Alexandria Electoral Board, and interested citizens and civic community groups, discussed alternative redistricting scenarios and criteria. City Council selected a redistricting option which made the least change to the existing school board electoral scheme, by moving James K. Polk School Precinct from District C to District B. The three resulting districts continue to elect three school board members each, and are approximately equal in population. The plan has been submitted to the United States Justice Department for approval, and once approved, will be used for School Board elections in May 2003.



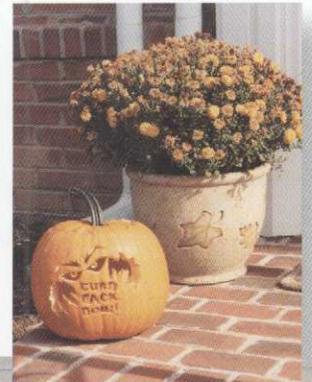
SCHLESINGER CENTER/METROSTAGE

The Rachel M. Schlesinger Concert Hall and Art Center, located at the Northern Virginia Community College, was dedicated on October 19, 2001. This regional 50,700 square foot cultural center includes a thousand seat concert hall, an open meeting space, an art gallery, and other meeting rooms. Organizations producing the 2001-2002 season at the Center include the Alexandria Symphony Orchestra, the Kathy Harty Gray Dance Theatre, and the Alexandria Harmonizers.

Metrostage, a professional equity theatre company, moved into a new fully-equipped, state of the art theatre in north Old Town. A capital campaign challenge grant from the City of Alexandria aided in raising the funds needed for this theatre.

DID YOU KNOW?

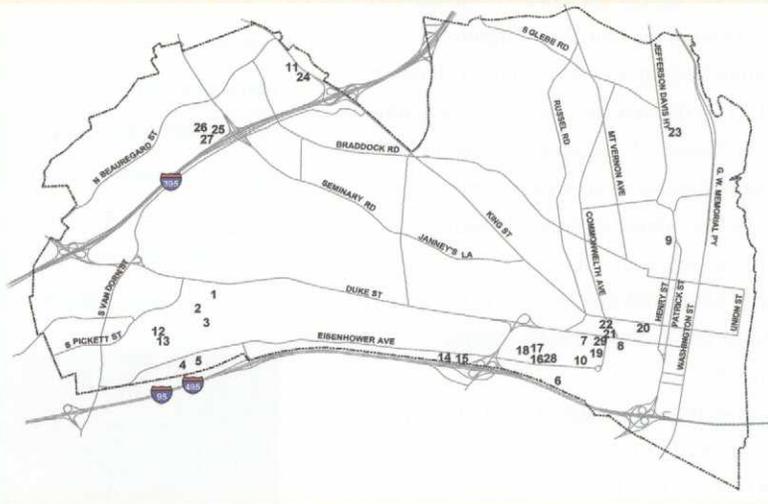
Citizens can contribute to the Alexandria Living Landscape Fund to help plant a tree or install a bench in memory of an individual or a group. Call the Department of Recreation, Parks and Cultural Activities at (703) 838-5041.



The Captain Rocky Versace Plaza and Vietnam Veterans Memorial was dedicated on July 6.

Community Development

MAJOR NEW DEVELOPMENT PROJECTS



Map Project Name Key	Office (Sq. Ft.)	Hotel (Sq. Ft.)	Retail (Sq. Ft.)	Housing (Units)
Major Projects Under Construction				
1			10,500	341
2			10,500	317
3				191
4				266
5				404
6				315
7	215,286		4,700	
8		163,182		
9				297
10	2,468,466			
Subtotal	2,683,752	163,182	25,700	2,131

Projects with Approved Site Plans, Special Use Permits or Concept Plans

11				550
12				261
13				309
14	125,000			
15	125,000		2,700	
16	438,000		13,400	
17			33,512	
18	3,883,470	270,000	20,000	492
19	760,441	300,000	179,378	609
20	30,630			
21	36,539		4,044	
22	32,282		1,245	
23	1,900,000	500,000	135,000	1,927
24		87,776		
25	521,250			
26	521,250			
27	325,000			
28	223,000			695
29			43,500	114
Subtotal	8,921,862	1,157,776	432,779	4,957
TOTALS	11,605,614	1,320,958	458,479	7,088

Notes: Projects as of June 30, 2002. Smaller Projects not included, for instance only housing developments of over a hundred units and office projects of over 30,000 sq. ft. gross are included. Projects marked by an * are concept plans.

AFFORDABLE HOUSING OPPORTUNITIES FUND

In February, City Council established the Housing Opportunities Fund to encourage the development or rehabilitation of affordable rental or sales housing, and appropriated \$1 million per year in General Fund, Housing Trust Fund and federal HOME monies for fiscal years 2002 and 2003.

EMPLOYER ASSISTED HOUSING

During FY 2002, two employers developed programs to provide home purchase assistance to their employees, with City assistance to income-eligible employees who purchase in Alexandria. The program, which is a partnership with the Alexandria Chamber of Commerce, the Alexandria Economic Development Partnership, and the Fannie Mae Northern Virginia Partnership Office, will be opened to all City employers in the fall.



PUBLIC HOUSING REDEVELOPMENT

The Alexandria Redevelopment and Housing Authority (ARHA) Board selected Eakin and Youngentob to redevelop the 100-unit Samuel Madden Homes (Downtown) site with a 152-unit townhouse and multi-family development (52 replacement housing units and 100 market units). The ARHA Board also approved three scattered sites for the remaining 48 replacement housing units (1706 West Braddock Road, 423 South Reynolds Street and 325 South Whiting Street).



ECONOMIC DEVELOPMENT AND TOURISM

Tourism grew through the end of FY 2002, in spite of a slowing economy due to the September 11 terrorist attack on the Pentagon. City hotel occupancy rates surpassed those in the Metropolitan Washington area (66% compared to 64.7%).

The number of available hotel rooms in Alexandria increased with the addition of the 80-room Hampton Inn on King Street in fall 2001. The City's occupancy rate dropped 11% from the previous year, and the Metropolitan Washington area's occupancy rate dropped 8%. Although the Metropolitan Washington area dropped its room rates in order to maintain its occupancy, City hotels did not have to drop their rates as drastically. Alexandria's revenue per available room was down 13% for the year, compared to the 16% for the Metropolitan Washington area.

City Council authorized ARHA to acquire the South Whiting Street site (the other two sites are publicly owned) and proceed with the construction of the 48 replacement units. Plans for these on-site and off-site developments were approved by the Planning Commission and City Council in December 2002.

EISENHOWER VALLEY EAST

Significant new investment has been committed to the East Eisenhower Valley. The 220,000 square foot Carlyle Crescent building is almost complete and construction is starting on another 140,000 square foot building with office and retail uses on Jamieson Avenue. The Planning Commission and City Council discussed this plan in late fall.

EISENHOWER-DUKE CONNECTOR

A City Council appointed task force reviewed transportation/traffic alternatives to connect Eisenhower Avenue and Duke Street in the area bound by Telegraph Road, Van Dorn Street, Duke Street and Eisenhower Avenue. City Council held work sessions on the project this fall, and they agreed to address this in the revised small area plan for Eisenhower West and a comprehensive Transportation plan for the entire Eisenhower valley.

DID YOU KNOW?

Del Ray was chosen by AOL DigitalCity.com as the suburban neighborhood to watch in the Washington metropolitan area.

The City processed a record number of new construction permits and inspections in FY 2001 - 6,324 permits and 57,356 inspections - compared to FY 2000 - 4,066 permits and 35,519 inspections.

Community Development

ECONOMIC INDICATORS

- Alexandria's unemployment rate was 3.3% in August 2002 (compared to 2.9% in August 2001), below the unemployment rates for both Virginia and the United States.
- The City's number of jobs was 91,183 in the third quarter of calendar 2002. This represented a decrease of 3% over the same quarter in 2001.
- The office vacancy rate for Alexandria was 11% for the second quarter in calendar 2002, below the second quarter vacancy rate of 12.2% for the D.C. Metropolitan region.
- Local sales tax revenues for FY 2002 were 2% lower than collections for FY 2001.

STRATEGIC MASTER PLAN FOR OPEN SPACE AND PARKS AND RECREATION

City Council discussed the strategic Master Plan for Open Space and Parks and Recreation at its October 26 Retreat. The plan establishes a framework for addressing Alexandria's short and long term open space and recreational needs.



Environment

INFLOW AND INFILTRATION PROGRAM

City staff completed surveys of sanitary sewer conditions in the Four Mile Run and Commonwealth sewer service areas (including the Arlandria, Beverly Hills, Del Ray, Warwick Village, Lynhaven and Hume Springs neighborhoods) looking for storm and ground water intrusion and assessing the condition of the aging sewer system. Remediation construction is expected to begin in the Four Mile Run area at the end of calendar 2003.

The field survey of the Commonwealth sewer service area is ongoing and will be completed by the end of 2002.



and federal regulations; 4) thin vegetation as needed; and 5) include environmental mitigation where impacts are unavoidable.

In FY 2001 this plan was implemented for Cameron Run. Approximately 26,000 tons of sediment and debris were

removed from the stream. Additional

mitigation and restoration plans for Cameron

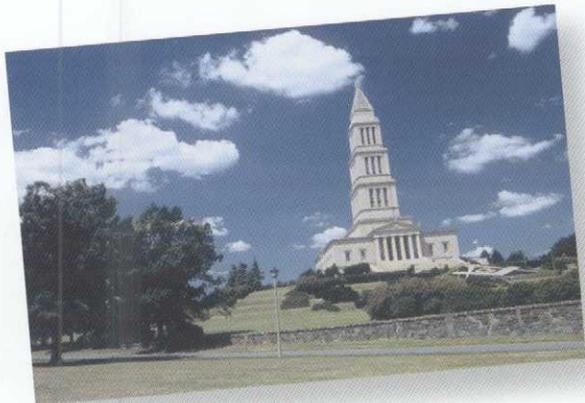
Run include planting more trees and vegetation in the riparian areas next to the stream.

The first phase of work for Holmes Run is scheduled for winter 2002-2003.



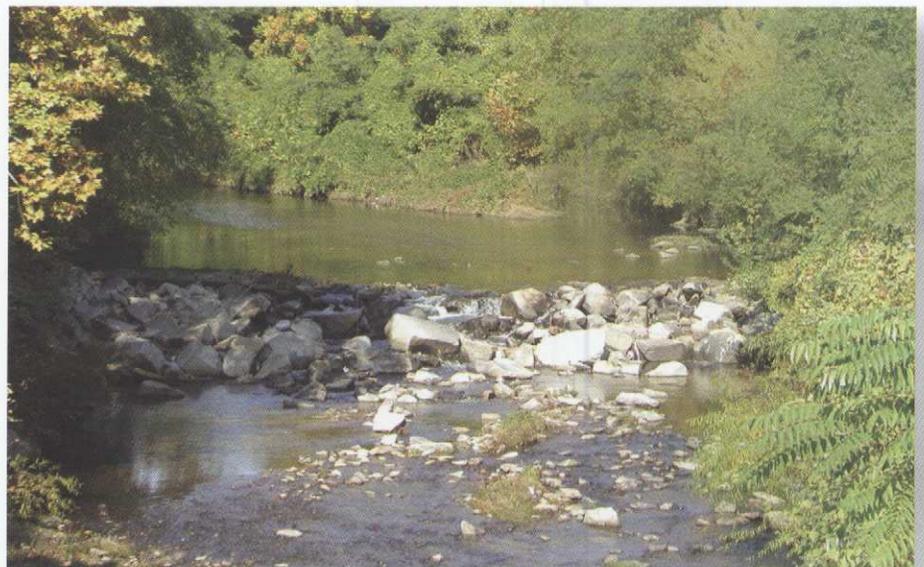
FOUR MILE RUN STUDY WITH ARLINGTON

The City of Alexandria and Arlington County received a joint \$997,800 grant from the U.S. Environmental Policy Agency to prepare a design and engineering study for the restoration of the Lower Four Mile Run stream to make it more user friendly.



CAMERON RUN AND HOLMES RUN STREAM MAINTENANCE

In the 1970's, Cameron Run and Holmes Run were rebuilt as flood control projects. In response to requests from environmental groups and citizens to stop removing vegetation by "clear cutting," the Department of Transportation and Environmental Services has developed new maintenance plans that: 1) acknowledge that Cameron Run and Holmes Run have multiple functions as floodways, parks and natural resources; 2) describe the need to protect the public and reduce the risk of flooding; 3) minimize the impact on the environment while complying with all State



DID YOU KNOW?

A Girl Scout Troop painted patriotic themes in red, white and blue on six City trash cans in front of businesses along Mt. Vernon Avenue, while residents in the Hume Springs and Lynhaven neighborhoods also have had trash can painting projects.

Alexandria was one of only a few WasteWise partners selected, nationally, as a "Program Champion" for the WasteWise "Electronics Challenge" program, in recognition of the City's efforts to recycle electronics both internally and through a residential recycling program.

The City has initiated an "Adopt a Block" litter control program that is open to business, government and community organizations. Call the Solid Waste Division at (703) 751-5130 or the Office of Recycling at (703) 751-5875 for further information.

Traffic & Transportation

DID YOU KNOW?

New white on blue street name signs were installed in the lower King Street area.

The City received a \$12,322 State Rehabilitative Services Incentive Fund Grant to install audible pedestrian signals to assist the hearing impaired cross streets near the Foxchase Shopping Center, INOVA Alexandria Hospital, and the Burke Library.

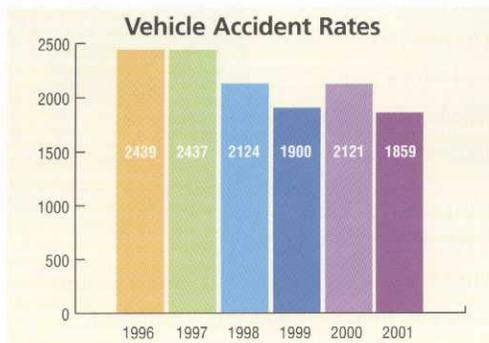
The City has begun replacing its 18-20 year-old parking meters with new digital meters. The first 500 meters between Washington Street and the Potomac River will be replaced by the end of the year, and the remaining meters will be replaced in spring of 2003.

The Office of Recycling collected more than 155 bicycles to be donated for reuse to Pedals for Progress, a program that ships bicycles abroad to needy individuals for transportation.

SAFETY INITIATIVES

To increase pedestrian safety, a number of City crosswalks have been widened and paved. The City is using signs, including variable message boards, to alert motorists and pedestrians to upcoming projects, such as construction, alternate routing and special events. Along the King Street corridor, new blue and white signs help visitors identify the downtown area as a continuous pedestrian shopping and business area.

New pedestrian crossing countdown clocks have been installed at many City intersections to help pedestrians cross busy streets.



WOODROW WILSON BRIDGE CONSTRUCTION

In May, Woodrow Wilson Bridge construction began in Jones Point Park with clearing of the area for the footprint of the new replacement bridge and the driving of piles, which were completed in Jones Point Park in the fall. Work on the new Route 1 Interchange and the demolition of nearby buildings started in late 2002. The

outer loop bridge is expected to open in December 2005. Demolition of the existing bridge and opening of the new inner loop bridge is scheduled for December 2007, with the Route 1 Interchange reconstruction proceeding at the same time.

Telegraph Road Interchange work is expected to begin in 2007 with completion in 2011, about 18 months later than in earlier projections.



TRANSIT

In 2001, the Alexandria Transit Company, operator of the City's DASH bus system, transported over 2.7 million passengers, 3.6% more than in 2000. Average weekday DASH ridership grew 1.8% to 9,308 passengers. In the last ten years, the fleet of 17 DASH buses purchased in 1984 has increased threefold, while total ridership is up by 88% overall.

OLD TOWN TRANSIT STORE

Alexandria's Old Town transit store, located on Diagonal Road across from the King Street Metro station, opened in March. The transit store sells transit passes and tokens as well as Smart Trip cards and provides bus and commuter rail schedules for all of the transit providers that serve Alexandria and neighboring areas.



EISENHOWER AVENUE MULTI-USE TRAIL

Last summer, the City was awarded \$372,000 in Federal funding from the Transportation Enhancement Program, for the first phase of the Eisenhower Avenue multi-use trail. Early in 2002 the City submitted a Federal grant for additional funding to complete the second phase of the Eisenhower Avenue Multi-use trail project. The first segment of this project is projected to begin in spring 2003.



DID YOU KNOW?

Alexandria's Transportation and Environmental Services Department has replaced the old metal street signs hanging over intersections on Duke Street west beginning at Callahan Drive with new 4-foot easy to see illuminated signs suspended from traffic signal arms. A photo-electric cell turns on the lights at sunset. Additional signs on Duke Street and Van Dorn Street will be replaced with illuminated signs in 2003.

POTOMAC YARD CORRIDOR TRANSIT STUDY

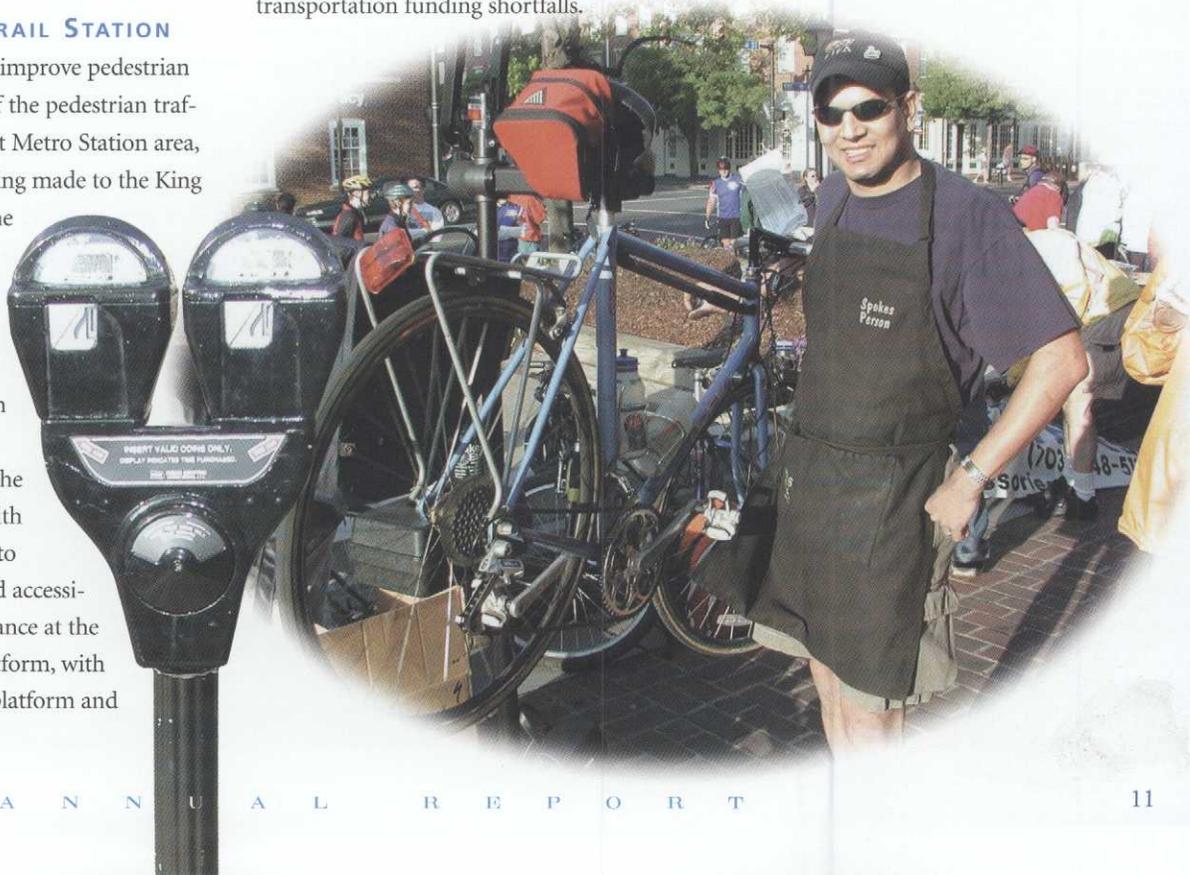
The Virginia Department of Rail and Public Transportation is conducting a study of transit alternatives in the five-mile corridor that begins in Arlington County near the Pentagon, continues south through Crystal City and the Potomac Yard development, and ends in the vicinity of the Braddock Road Metrorail Station in the City. The study is evaluating several transit and alignment options for the corridor.

KING STREET METRORAIL STATION

To reduce traffic congestion, improve pedestrian access and eliminate many of the pedestrian traffic conflicts in the King Street Metro Station area, several improvements are being made to the King Street Metrorail Station by the Washington Metropolitan Area Transit Authority (WMATA). A new entrance to the existing mezzanine on King Street, was completed in June. Other improvements include a new mezzanine at the intersection of Commonwealth Avenue and Cameron Street to increase pedestrian safety and accessibility, and a new station entrance at the north end of the existing platform, with an extension of the existing platform and canopy.

TRANSPORTATION FUNDING

On November 5, voters in the Northern Virginia region did not approve the proposed 1/2 cent increase in the sales tax for transportation initiatives. As a result, proposed mass transit projects and other transportation improvements in the City and throughout the region will not occur, or will be significantly delayed, unless new transportation funding sources are established by the Virginia General Assembly. The reauthorization of federal transportation programs, including funding to state and local governments, by Congress next year may address some of the transportation funding shortfalls.



Services to Citizens

DID YOU KNOW?

On December 15, community members gathered at the Vola Lawson Animal Shelter to create 400 hand and pet paw prints in the sidewalk as part of the most successful fundraiser in the Animal Welfare League history, raising more than \$40,000 for shelter construction.

For the first time, Fort Ward Museum offered a summer camp for kids that featured marching and drilling, arts and crafts activities, period reenactors, 19th century games, music and songs. During the week the children made a quilt, learned about the underground railroad, wrote in their soldier journals and made models of the fort.

Fort Ward Museum received a \$28,371 State grant for costs of conservation of the fort walls, which require stabilization to preserve the northwest bastion.

JobLink continued to expand and improve services to persons with disabilities who are seeking employment by conducting an accessibility study and being designated as the resource for the City and all its departments for obtaining Braille and other alternative formats.

MULTICULTURAL SERVICES INITIATIVE

In September 2000, the City launched a Multicultural Services Initiative to ensure that Alexandria's culturally diverse residents have access to City services and resources and become active participants in government. The City published the first edition of its Quick Guide to City Services (in Spanish) and began distributing it to the community in August 2002.

ENGLISH-AS-A-SECOND LANGUAGE (ESL)

Last year, more than 2,000 people enrolled in ESL day and evening classes at five locations - T.C. Williams High School, Francis Hammond Middle School, the Stonewall Jackson Building, William Ramsay Recreation Center and the Mount Vernon Recreation Center.

YOUTH NIGHTS

The Department of Recreation, Parks and Cultural Activities continued to sponsor Saturday night events for students in grades 6 through 8 and 9 through 12 because of their popularity during FY 2001. Over 1,600 students attended these events at recreation centers throughout the City, which included splash parties, roller skating parties, comedy nights and a teen talent show. During January, 225 youth in grades 9 through 12 worked with Recreation staff to plan "2002 Live," which featured youth bands and deejays and was held at the Mount Vernon Recreation Center.

CHILD CARE FEE SYSTEM

In FY 2002, City Council set aside an additional \$1 million in the budget for the Child Day Care Fee System. As a result, the fee system waiting list was completely eliminated and all eligible families were served as they applied.

TAX RELIEF FOR ELDERLY AND DISABLED

In February, City Council approved a substantial increase in benefits in this program, which targets low income renters age 65 and over or persons with total disabilities. Beginning in FY 2003, households with incomes up to \$25,600 per year can qualify for monthly rental assistance on a sliding scale ranging from a maximum of \$200 per month (\$2,400 per year) for households earning under \$12,800 per year down to \$100 per month (\$1,200 per year) for households earning between \$21,000 and \$25,600 per year. Previously, households with incomes below \$18,000 per year received a lump sum payment of \$1,500 per year to help offset their rental expenses.

City Council increased the real estate tax exemption from \$2,358 to \$2,684 for qualified elderly and disabled residents, an amount equal to the City's average residential real estate tax bill for 2002. Household income limitations for citizens wishing to obtain a deferral of real estate taxes on their homes have been increased from \$40,000 to \$62,000. The interest rate on real





estate taxes deferred under the program has been reduced from 8% to 5%.

TEEN PREGNANCY

Using \$100,000 in funding provided by City Council, the Alexandria Campaign on Adolescent Pregnancy (ACAP) began an aggressive advertising and media campaign to promote public awareness about teen pregnancy prevention. The first edition of the biannual ACAP magazine for youth was published and distributed in fall 2002.

VOLA LAWSON ANIMAL SHELTER

The City's new animal shelter, approved by Council in 1999 and located at 4101 Eisenhower Avenue, was dedicated on May 18, 2002. The shelter is named after Alexandria's former City Manager, Vola Lawson.



NEW HEALTH DEPARTMENT FACILITY

Following a City-funded facilities needs assessment in April 2001, and City Council approval of funds in the FY 2001-2006 Capital Improvement Program, the Alexandria Health Department will relocate its main health facility from its site at 517 N. St. Asaph Street to a six-story office building located in the West End of the City at 4480 King Street. The proposed renovation and relocation, which will provide ample parking, and a convenient location to serve the majority of its customer base, will be completed by mid 2004. The

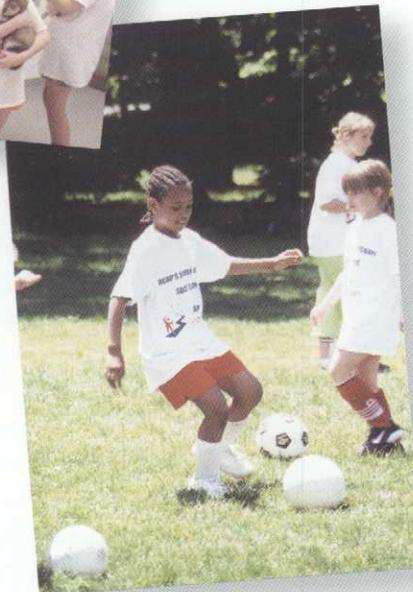
Community Services Board's day programs for persons with mental illness (the Clubhouse) and persons with substance dependence will be co-located at this site.

SKATEBOARD PARK

During the past year an area at Lockett Stadium was identified as the location for the new 10,000 square foot City skate park. In September, the Planning Commission and City Council approved the special use permit for the park. Over the next few months staff will be working with interested citizens to determine the skating amenities and park layout which will be completed by spring 2003.

TEEN CENTER WORK GROUP

A City group is looking at the needs of teenagers in Alexandria and reviewing the possibilities of a teen club, run by a not-for-profit group and/or a private enterprise. A survey conducted at Minnie Howard and T.C. Williams High School and responses from 500 students identified specific activities that are of interest to the teens in a club setting.



DID YOU KNOW?

The Youth Employment Program partnered with the Virginia Department of Rehabilitative Services (DRS) and T.C. Williams High School to develop a pilot summer work experience program for 12 youth with disabilities who will have a job coach and DRS supportive services.

Nearly 70% of childcare centers in Alexandria are accredited through the National Association for the Education of Young Children, while the average nationally is about 7%. For this reason, Alexandria was named recently by the *Ladies Home Journal* as the number one City for childcare in the country.

The 2002 Successful Aging Expo welcomed 200 guests with workshop session topics such as Maintaining Memory, Managing Stress, Travel, Stroke and Cosmetic Make-overs.

City Council approved the expansion of the Duncan Branch Library in the Del Ray neighborhood, completing a ten-year cycle which included building the new Charles E. Beatley Central Library, and expanding and renovating the Barrett and Burke branches.

The Alexandria Library now has a Spanish Internet public access terminal in all four Libraries.

Public Safety

DID YOU KNOW?

May 2002 marked the tenth anniversary of the City's Residential Police Officer program in which officers live and work in their neighborhood. The City currently has six officer assignments in Arlandria, Samuel Madden Homes, Andrew Adkins, James Bland, Crestview Gardens and Hampton Court Apartments.

The Crime Prevention Unit of the Police Department held two Citizen Police Academies. To date 165 citizens have graduated from the program.

Last year, the Office of Sheriff served approximately 800 court issued domestic dispute Protective Orders.

The Fire Department put a fifth medic unit in service last year, staffed 24 hours, 7 days a week by eleven additional emergency rescue technicians.

CRIME RATE

Serious crime rose 10.9% in calendar year 2001 after six years of decline, yet per capita crime, while higher in 2001 than 2002, was still 6% lower than it was in 2000. Adult arrests dropped 4.3% from 5,581 in 2000 to 5,341 in 2001, and juvenile arrests dropped by 8.4% from 598 to 548. In the first nine months of 2002, crime was down 9.9% compared to the same period in 2001. Calls for police service increased 4.8% from 74,256 in 2000 to 77,810 in 2001, with the greatest increases in Bomb Threats, 911 Hang Ups and Traffic Problems.

The Police Department's Domestic Violence Unit (DVU) has been expanded and police handled more than 3,500 domestic calls for service in 2001 and two cases of spousal homicide in the past two years. Last year, the DVU investigated 855 cases and provided training to recruit officers, Battered Women's Shelter volunteers, and INOVA Alexandria Hospital staff. The DVU and the Office on Women, established a victims' support group that meets weekly. Other counseling sessions give domestic violence and stalking victims a greater understanding of the protective orders, custody issues and other aspects of the justice system.

Gang violence continued to be an issue in 2002. To address gang issues, two full-time gang detectives in the Criminal Investigations Section work closely with the Department's Community Support and School Resource Officers to prevent gang violence. Two recent anti-gang laws proved critical to police in 2002. All four suspects arrested for a shooting that injured four young people in June were charged with Felonious Assault as well as with Participating in a Crime for the Benefit of a Gang. In a differ-

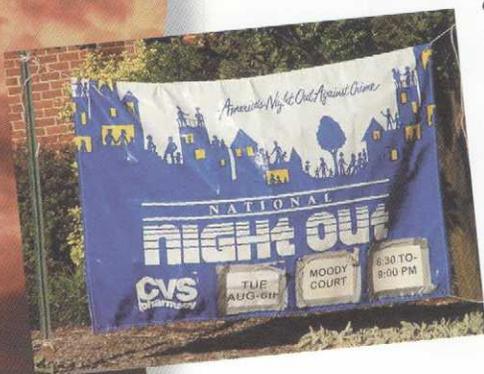


ent case, a 22-year-old Alexandria man was the first in the City to be charged with Recruiting Juveniles for Gangs.

SHERIFF'S OFFICE

Last year, Alexandria Criminal Justice Services, a part of the Office of Sheriff, implemented a Pretrial Services Program for the Alexandria General District Court. Program staff provide supervision of defendants released to custody of the program while on bond awaiting trial and assist in doing background checks on newly arrested defendants to assist in release decisions.

This fall, City Council approved an intergovernmental cooperative agreement between the City and the United States Marshals Service for the housing and transport of federal inmates held at the Alexandria Detention Center. The new agreement, negotiated by the Sheriff and the City, provides the City with \$2 million in capital assistance to pay for some of the recent security improvements at the Public Safety Center which were necessitated by the high security federal prisoners held at the Detention Center. In exchange, the City will increase the number of spaces in the jail allocated for federal prisoners from 100 to 140.



FIRE DEPARTMENT EMERGENCY CALLS

The Fire Department responded to 32 emergency medical service (EMS) calls per day (11,662 total) and 5,939 fire calls in FY 2002, compared to 33 EMS calls per day (12,210 total) and 4,924 fire calls in FY 2001.



DID YOU KNOW?

The Alexandria Fire Department received a Gold Medal from *Fire Chief* magazine in the Renovated Design category for the renovation of Fire Station #54 (now designated #204). The renovation of the nearly 40-year-old building was completed in approximately 18 months.

The Alexandria Police Department's tactical computer system was a finalist in the International Association of Chiefs of Police 2002 Webber Seavey Award, which recognizes innovative programs that can be models for other law enforcement agencies. The tactical computer system enables police officers to produce and submit over 76 percent of their 26,000 yearly police reports by computer and to send instant messages from their patrol cars thereby reducing radio traffic.

ANNUAL PART ONE CRIME - 1997-2002

		2002*	2001	2000	1999	1998	1997
VIOLENT CRIMES	Homicide	2	3	4	2	7	5
	Rape	16	27	16	22	39	46
	Robbery	144	173	153	158	202	267
	Aggravated Assault	144	185	151	206	241	288
PROPERTY CRIMES	Burglary	382	578	536	556	790	819
	Larceny	2,715	4,157	3,724	4,036	4,038	4,363
	Auto Theft	569	772	733	702	743	813
	Total	3,972	5,895	5,317	5,682	6,060	6,601
	Percent Change	n/a	+10.9%	-6.4%	-6.2%	-8.2%	7.6%

*The 2002 column reflects the time period of January 1-September 30, 2002. As a result the percent change is not applicable for the year 2002.

Homeland Security

In the year following the tragic September 11, 2001 events at the Pentagon and World Trade Center, the City of Alexandria enhanced its emergency management and response capabilities and initiated programs to help Alexandria citizens affected by these events.

EFFECTS OF ATTACK IN ALEXANDRIA

In the wake of the terrorist attack on the Pentagon, the volume of Department of Human Services requests for emergency services and financial assistance increased significantly. New emergency services cases opened from September through November 2001 were 25% higher than cases in the same period in 2000. Public assistance, Temporary Assistance to Needy Families, and Food Stamp caseloads all experienced the first significant increases since the start of welfare reform in 1996. Soon after September 11, the Human Services Department developed a disaster relief brochure in four languages listing available resources, and assisted hundreds of families in need by directing them to non-profit agencies providing special financial assistance.

COMMUNITY SUPPORT FUND

In September 2001, the Community Support Fund created by City Council to enable Alexandrians to contribute monies for local disaster relief, raised over \$16,000 in corporate and individual donations. The Community Support Fund helped victims of the September 11 terrorist attacks who lost their jobs at Reagan Washington National Airport or those who had exhausted other assistance and still had outstanding needs.

By spring of 2002, Reagan Washington

National Airport was slowly returning to pre-September 11 operations level, and families in Alexandria continued to face financial difficulties due to the downturn of the economy. The slow economic rebound led to ongoing problems with rent, mortgage payments, utility bills, food, insurance premiums and other basic needs. The Human Services Department received additional state funds and redirected local funds to provide long-term assistance with housing costs.

EMPLOYMENT ASSISTANCE

Since September 2001, the Human Services JobLink Division has assisted over 585 new customers and placed over 100 individuals in skills training or alternative employment following the temporary closure of the airport. JobLink received a two year, \$1.9 million National Emergency Grant for re-training and job placement.

MARKETING ASSISTANCE

In fall 2002, the U.S. Department of Commerce provided grant funds to the Northern Virginia Region for a campaign to assist tourism-related businesses recover from the post September 11 slump in travel.

PUBLIC SAFETY

Following September 11, the Police Department established an Office of Intelligence and Internal Security which develops and shares intelligence



information in the Police Department and with federal agencies. The Police Department also has a representative on the Metropolitan Area Joint Terrorism Task Force. In October 2002, during the tragic series of sniper attacks in the Washington area, the unit participated in regional conference calls and meetings with local, state and federal law enforcement agencies, to link City law enforcement officials with the regional task force effort in Montgomery County, Maryland.

The Police Department has five K-9 teams trained in certified explosive detection, and the Special Operations Team regularly provides security at certain large scale public events. Officers have been issued new personal protective gear. As a result of a federal Byrne Grant the City is acquiring new vehicles, safety and tactical equipment, and specialized training for Police, Fire and Sheriff Department staff.

PUBLIC SAFETY CENTER EXTERIOR SECURITY ENHANCEMENTS

The interior and exterior security at the Alexandria Detention Center and the Alexandria Public Safety Center has been enhanced to keep inmates secure and to protect staff and citizens who visit the center. Alexandria Deputy Sheriffs screen pedestrians and vehicles 24-hours a day at two posts near the facility. Beginning in Fiscal Year 2002-2003, the City approved nine additional Deputy Sheriff positions to support this enhanced Public Safety Center exterior security.

The Police Department and Office of Sheriff work closely with the U.S. Marshal and the Federal Protective Service to secure, hold and transport federal prisoners held in Alexandria and tried at the federal courthouse in Alexandria.

In summer and fall 2002, the City provided a site near the federal courthouse and coordinated a location for worldwide media coverage of court hearings for two of the alleged terrorists involved in the September 11 terrorists attacks.

City Police, Sheriff and Fire employees have

received training in explosive, chemical and biological hazards and will be better equipped to respond to such incidents in the future. The Health Department has received state/federal funds to hire a bio terrorism coordinator.

INFORMATION TECHNOLOGY SECURITY

In order to secure its information infrastructure, the City government has strengthened its internal data back-up and recovery operations by installing an off-site data back-up system.

COMMUNITY SUPPORT

The Alexandria Community Services Board's Community Resilience Project provided a team of 15 multi-cultural outreach workers to provide counseling, information and referral, and to make community presentations on emergency issues. From November 2001 through July 2002, over 22,000 persons attended educational presentations, 1,274 individuals were counseled, and over 800 referrals were made for other services.



Alexandria resident Governor Mark Warner was joined by Mayor Kerry Donley and the members of City Council, U.S. Senator John Warner, and Congressman James Moran, at a September 10, 2002 ceremony in Market Square for citizens to commemorate the events of September 11, 2001.

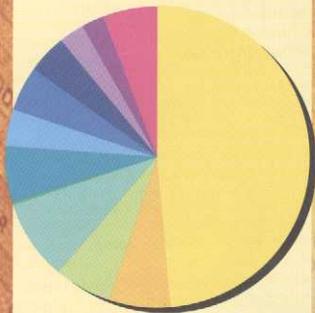


Fiscal Condition

DID YOU KNOW

This year Alexandria's Burke and Herbert Bank is celebrating its 150th birthday. The bank, founded on August 14, 1852, is the oldest existing bank in Virginia

General Fund Revenue



REVENUE

The slowdown in the regional economy and the City that began near the end of fiscal year 2001 continued into fiscal year 2002, and was exacerbated by the events of September 11. As a result, some local City tax revenues declined. The closure of National Airport and its phased reopening over much of FY 2002 caused a substantial drop in business and tourism related taxes. The number of City hotel and motel rooms increased from 3,984 to 4,064, where as the City's hotel occupancy rate dropped from 74% in FY 2001 to 66% in FY 2002.

The overall real estate tax base for 2002 increased \$1.64 billion or by 11.2%, largely because of higher single-family and multi-family residential property values. This increase enabled the City Council to reduce the real estate tax rate by 3 cents from \$1.11 to \$1.08, and expand the real estate tax relief program for the elderly and disabled. Real property tax revenue accounts for 48.6% of General Fund revenues and remains the City's primary source for funding programs and services. Tax revenues from sales, restaurant meals, personal property and business license taxes account for almost 22.9% of the General Fund revenues.

City intergovernmental revenues are down as State support to localities was reduced due to state income tax, sales tax and transportation-related revenue shortfalls, and the increasing cost of providing car tax relief. State budget problems will continue for the foreseeable future, causing additional reductions in intergovernmental revenue aid to the City in FY 2003 and FY 2004, and reduced state-funded investments in street, highway and transit systems.

MARKETING EFFORTS

To lessen the loss in tourism and business travel to the City and improve revenues, the City partnered with the Alexandria Convention and Visitors Association, the Alexandria Hotel Association, the Old Town Business Association,

and increased marketing efforts to entice groups, families and individuals, particularly tourists living within driving distance of the City, to visit, shop and dine in Alexandria. City Council authorized the continuation of the King Street based DASH About free shuttle, on an ongoing basis on Friday nights and on weekends.

In tandem with these promotions, the City provided free parking at meters on City streets and in City parking garages and lots in the evenings, on weekends and holidays from mid-October through the end of December. Many local businesses noted an increase in customers derived from these free parking efforts. Free parking was provided again for the 2002 holiday season.

In an effort to recover more of the costs associated with new development, the City Council approved increases in development related fees such as sewer connection, planning and new building fire inspection fees. Voluntary developer contributions to the City's Housing Trust Fund substantially increased in order to help the City preserve as well as create additional affordable housing opportunities for its residents.

EXPENDITURES

After September 11 and in light of the uncertainty in the economy and the losses of tourism-based revenue, City departments developed contingency plans to freeze and then not spend 2% of their overall operating budgets. Capital budget savings were also identified, and a selective hiring freeze was put in place resulting in a savings of nearly \$6 million. The cost saving measures implemented by departments in the fiscal year provided an offset for revenue losses, and helped to keep the



City's budget in balance. The Alexandria City Public Schools also undertook cost saving measures during FY 2002 which resulted in keeping its budget in balance in FY 2002 in spite of state education aid losses.

The approved FY 2003 General Fund operating budget totals \$373.2 million, which is an increase of 6.6% compared to FY 2002. This budget contains only a few major areas of expenditure increases, primarily in employee compensation, public safety initiatives and cash capital funding of the first year of the six-year Capital Improvement Program (CIP).

The budget includes funding for nine additional police officer positions to improve the Police Department's capacity to respond to calls for service, as well as nine deputy sheriff positions to address the post-September 11 need for improved security at the Public Safety Center.

To increase the protection of City residents as well as to enhance the City's ability to respond to emergency calls and incidents, the federal government agreed to provide \$8 million in one-time funding primarily to purchase new equipment and to provide training for City first responders.

Using a combination of general fund, Housing Trust Fund, and HUD money, a new \$1 million annual fund was established to implement new affordable housing initiatives. Also \$3.5 million has been committed to assist with the funding of offsite housing units of the Samuel Madden Homes (Downtown) redevelopment project.

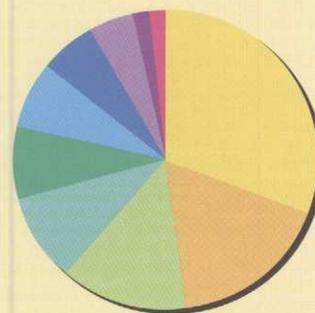
The City's funding of its six-year Capital Improvement Program of \$183.8 million includes \$54.7 million in local funding for projects in FY 2003, including \$19.6 million for School capital projects such as expansion and renovation of the George Washington Middle School, and other school expansion and improvement projects. Funding is also included (\$1.2 million) for the expansion of the Duncan Library, as well as \$0.2

million for the construction of the first skateboard park for City youth at Luckett Park. There is \$3.0 million for a portion of the purchase and outfitting of a new Health Department facility in the West End, as well as funds which were used to purchase the long-boarded up Datatel office building on Mt. Vernon Avenue.

For the upcoming FY 2004 operating budget and CIP, the City will be faced with the probable slow growth of many business and consumer tax revenues, as well as commercial property tax revenues. State reductions will continue to be a problem for both the Schools and the City. Rising employee health insurance costs and the need to keep City and School employee compensation competitive also will create budget pressures, as will the need for funding of expanded public safety programs and facilities. The capital needs of the City School system, including T.C. Williams High School and Minnie Howard 9th Grade Center will have a significant impact on the City's CIP in FY 2004 and beyond, as will increasing City obligations of its share of the increasing transit capital projects of the regional Metrorail and Metrobus system. These growing capital needs when funded, unless alternate sources of capital funding become available, will likely result in the delay or cancellation of many otherwise meritorious City and School capital projects.



General Fund Operating Expenditures



Education	30.9%
Public Safety	17.3%
General Government	13.73%
Health and Welfare	9.5%
Public Works	7.8%
Courts/Constitutional	7.26%
Parks & Recreation	6.0%
Debt Service	4.8%
Community Development	1.8%
Legislative and Executive	1.1%

FY 2003-FY 2008 CIP



Schools & Other Education	47.6%
Storm & Sanitary Sewers	12.7%
Traffic, Transit, Streets and Bridges	12.5%
Public Buildings	9.8%
Information Technology Plan	9.4%
Recreation & Parks	4.8%
Community Development	2.4%
Libraries	0.3%
Regional Public Safety	0.6%

City Schools

DID YOU KNOW?

Last year, more than 4,000 residents enrolled in Alexandria City Public Schools adult and community education courses. More than 100 day and evening courses are offered. For more information, call the ACPS Adult and Community Education Office at (703)824-6845 or visit www.acps.k12.va.us.

Alexandria school buses travel nearly 4,000 miles every day as they pick up and discharge students throughout the City.

Last year, the City's library patron count topped 750,000. Annual circulation missed 1 million by less than 12.5 thousand, with circulation up 13% from last year. Over the past two years, the Library's circulation has increased 49% with the opening of Beatley Central and the reopening of the Ellen Coolidge Burke Branch Libraries.

Last year, the Friends of the Alexandria Library raised over \$10,000 for Library equipment, materials, and children programs.

THREE MORE SCHOOLS BECAME ACCREDITED

Five schools reached the state accreditation benchmark this year and division-wide scores continued their upward trend with increases in 22 of the 27 tested areas. George Mason Elementary, Samuel W. Tucker Elementary, and Minnie Howard Ninth Grade School received the accreditation ranking for the first time, while Charles Barrett Elementary and Douglas MacArthur Elementary were accredited for the second year in a row. Early estimates from the 2002 spring testing cycle indicate that more schools will show much improved scores. Other schools received accreditation status this fall.

FACILITY IMPROVEMENTS FOR EDUCATIONAL EXCELLENCE

In September 2001, 10,979 students were enrolled at the City's 18 public schools. School enrollment is projected to increase over the next five years to 10,501 students by September 2006. Major renovations and expansions were launched at both George Washington Middle and Francis C. Hammond Middle Schools. Hammond's expansion, which was substantially completed by the opening of school in September, entails \$16.5 million in renovations and new construction that will serve up to 1,500 students in grades six through eight. George Washington's \$17.8 million renovation and expansion began this past spring with a scheduled completion date of fall 2003.

In May, Lyles-Crouch Traditional Academy formally celebrated its new \$1.8 million, 12,000-square-foot addition, which includes a new media center with a television production studio, extra classrooms, a larger computer lab, a renovated lobby, and front office.



SECONDARY EXPANSION PLANNING UNDER WAY

Anticipating ongoing student population growth, Superintendent Rebecca Perry, staff, faculty, and the community began planning for significant changes at T.C. Williams High and Minnie Howard Ninth Grade Schools. This spring, two committees met extensively for intense brainstorming on how these two schools should serve their students over the next 20 to 30 years. Some exciting and innovative ideas have been generated by educators and community leaders that will result in an architectural design some time in 2003, with construction beginning shortly thereafter.



EDUCATION DAY CELEBRATION

In May, more than 500 public and private school employees gathered in Market Square to hear words of praise and appreciation at the first-ever celebration to honor their work on behalf of Alexandria's children. Sponsored by the Alexandria Education Partnership, the event was held on National Teacher Appreciation Day and was broadened to all others who are employed by public and private schools. Mayor Donley, Superintendent Perry, and Partnership Chairman Andrew Blair personally delivered thanks to the cheering crowd.

SCHOOLS EARN PUBLIC ACCOLADES

John Adams Elementary and Francis C. Hammond Middle Schools received the Governor's Award for Outstanding Improvement after exceeding the State Board of Education's provisional accreditation benchmarks by at least 10 percentage points on the 2001 SOL test results. This award, announced in June, was given to schools across the state that made significant progress toward reaching the goal of full accreditation before the state deadline of 2006-07.



In December, Charles Barrett Elementary, James K. Polk Elementary, and Minnie Howard Ninth Grade School were selected as "high flying" by the national non-profit, non-partisan organization Education Trust. These Alexandria schools were among the 48 identified in the Washington metropolitan area and 4,577 nationwide that had high test scores as well as high numbers of low-income or minority students.

DID YOU KNOW?

The Alexandria Library Talking Books Division received a \$5000 LSTA EZ mini-grant and was hand-picked by the Library of Congress to engage in a promotional initiative.

The John Alexander Chapter, National Society Daughters of the American Revolution funded a Local History/Special Collections preservation microfilming project.



The Beatley Central Library issued more than 30,000 new cards and hosted nearly 600 meetings in its meeting and conference rooms.

The City's recycling program generated over 34,000 tons of newspaper, plastic, aluminum, metal, glass, leaves and trees last year. During the City's annual spring clean-up 705 tons of dirt, rocks, whitegoods and refuse was collected. Recycling delivered more than 400 loads of leaf mulch to residents and distributed more than 4,000 tons of leaf mulch to residents visiting the leaf mulch site. Three hundred fifteen drums of household hazardous waste was disposed of safely.

ALEXANDRIA CITY PUBLIC SCHOOLS AT A GLANCE

SCHOOL YEAR 2001-02

Enrollment:10,979
 Per pupil expenditure: \$11,158
 Operating budget:\$131,623,186
 Capital improvement budget:\$17,784,000

Number of schools:

18 (13 elementary, 2 middle, 1 ninth grade, 1 high school, 1 alternative high school)

Average class size:

Elementary-20, Middle-21, High-23
 Percentage of students eligible for free or reduced price meals:50%

GRADUATES

Graduates (June 2002):570
 Students to post-secondary education:86%

AP and honor courses offered

at T.C. Williams High:19
 National Merit Scholarship semi-finalists:6
 National Achievement Scholarship semi-finalist:1
 AP exams taken:501
 AP scores of 3 or higher:340
 SAT scores:
 Mean Verbal=.....478
 Mean Math=.....485

STUDENTS

Black:44.2%
 Hispanic:26.6%
 White:22.5%
 Asian Pacific:6.4%
 Native American:0.3%
 Countries of birth:86
 Native languages:65

FACULTY

Number of teachers:1,237
 Number of support staff:761
 Advanced degrees:68%
 Starting salary:\$33,000
 Average salary:\$49,875

VOLUNTEERS

Business & community partnerships:145
 School volunteers:2,500

MORE INFORMATION

Website:www.acps.k12.va.us
 Information:703-824-6600
 Informacion:703-461-6550 (ESL)
 TDD:703-824-6666
 Job Hotline:703-824-6600
 Public Information:703-824-6635
 Attendance Zones:703-824-6635

Major Challenges

NEIGHBORHOODS

- To continue the City's neighborhood traffic calming efforts to reduce cut-through traffic in residential neighborhoods.
- To monitor construction activities associated with the Woodrow Wilson Bridge and PTO projects, and minimize truck traffic noise and other impacts on adjacent residential neighborhoods.
- To implement the City's strategic master plan for open space and recreation which defines City actions over the next 15 years to improve and expand parks, recreation facilities and programs, and open space.
- To improve the City's communication efforts to better inform citizens about programs, services, and the major issues facing City Council.

COMMUNITY DEVELOPMENT

- To begin redevelopment of Samuel Madden downtown property which will include the construction of 52 public housing units, as well as the development of three other properties on Braddock Road, South Whiting Street, and South Reynolds Street with a total of 48 public housing units.
- To implement the Plan for Planning by preparing land use plans, based on community consensus, which will guide development in the eastern end of Eisenhower valley and redevelopment in Upper Potomac West/Arlandria and along Mount Vernon Avenue.



- To develop a partnership with local businesses to enhance the King Street commercial corridor to make it more attractive for commercial tenants, visitors and shoppers.
- To maintain the City as an attractive place to do business for technology firms, trade associations, and similar businesses.
- To begin implementation of the plan for Upper Potomac West/Arlandria by making infrastructure improvements along Mount Vernon Avenue and working with merchants to define and carry out a retail marketing program for the area.



TRAFFIC AND TRANSPORTATION

- To develop a comprehensive transportation policy and program which will define the City's major transportation projects and activities over the next decade.
- To define a long-term program for the expansion of DASH bus service, the requisition of new DASH buses and the construction of a new DASH facility off of South Quaker Lane.
- To complete, in collaboration with adjacent neighborhoods, a preliminary design for the realignment of the Monroe Avenue bridge and to secure funding for the project.
- To define, for the Potomac Yard corridor in Alexandria and Arlington, the provision of transit services that will best reduce reliance on the single occupant vehicle.

SERVICES TO CITIZENS

- To preserve and expand the supply of affordable rental and ownership housing units throughout the City.
- To strengthen communications with, and provide outreach services to, the City's immigrant population to improve their knowledge of and access to City services.
- To implement improvements in the City's child welfare programs to ensure the protection of City children.
- To make significant progress on the City goal of reducing teen pregnancy by 25% by 2005.

PUBLIC SAFETY

- To ensure that the City is prepared to respond, immediately and effectively, to emergency situations that threaten the safety and health of citizens.
- To continue the Police Department's program of community policing and enhance the department's partnership with neighborhoods in the fight against crime and nuisance activities.
- To meet the need for expanded police, fire and emergency medical services and related facilities due to the City's increasing population and commercial development.
- To educate citizens about the West Nile Virus, and to undertake effective protective measures.

ENVIRONMENT

- To implement the plan to address inflow and infiltration problems in the sanitary sewer system in the City's older neighborhoods.
- To enhance efforts to protect the Chesapeake Bay and its tributaries and other City water resources.

TECHNOLOGY

- To expand citizens' opportunities to access City services, learn about City activities and programs, and conduct business with the City through the Internet and the City's website.

SCHOOLS

- To fund the capital and operating needs of the Alexandria public schools based on increased student population and facility requirements.
- To enhance collaboration between the City government and the City schools on jointly-used facilities and programs.
- To define, with the schools, a feasible program for the reconstruction and expansion of T.C. Williams High School.



Helpful Numbers

Abandoned & Junk Cars		Economic Development	739-3820	Rats	
(Private Property)	838-4360	Employment		• Residential Property	838-4360
(Public Property)	838-4444	Resource Center	838-0940	• Commercial Property	838-4400,
Aging Services	838-0920	Farmers Market	370-8723		ext.266
Air Pollution	838-4334	Fire Emergency	911	Real Estate Assessments	838-4646
Ambulance	911	Non-emergency	838-4600	Real Estate Tax	
Animal Control	838-4775	Food Stamps	838-0700	(Payments & Billing)	838-4777
Auto (City Decal)	838-4560	General Information	838-4000	Recreation	838-4343
*Auto Tags (DMV)	1-800-435-5137	Gypsy Moths	838-5040	Recycling	751-5872
*Birth Certificates	(804) 225-5000	Head Start	549-8685	Ride Sharing/Car Pooling	838-3800
Building Permits		Health Services	838-4400, ext.200	Schools, Alexandria City	824-6600
& Inspections	838-4360	Historic Alexandria	838-4554	• Adult Education	824-6845
Bus System/DASH	370-3274	Home Improvements	838-4360	• School Buses	461-4169
*Metrobus/Metrorail	(202) 637-7000	Homeless Services	838-0901	• Registering Child	824-6616
Business Licenses	838-4680	Housing, Emergency	838-0901	• Special Education	824-6650
Cable TV Complaints	838-4533	Immunizations	838-4414	School Board Information	824-6614
*Comcast of Alexandria	823-3000	Jail (Detention Center)	838-4017	Senior Citizen Services	838-0920
Child Abuse/Neglect	838-0800	Land Records	838-4066	*Sewer Service	
Child Care	838-0750	Landlord-Tenant Issues	838-4545	(Sanitation Authority)	549-3381
Citizen Assistance/Public		Leaf Collection Service	751-5872	Sexual Assault	683-7273
Information	838-4800	Library Services	519-5900	Sheriff's Office	838-4111
City Attorney	838-4433	Litter	838-4360	Sidewalk/Repairs	838-4488
City Clerk and Clerk		Lost Pets	838-4775	Snow Removal	838-4488
of Council	838-4550	Magistrate	838-4515	Social Services	838-0700
City Council	838-4500	Marriage Licenses	838-5046	Street Lights	838-4721
City Manager	838-4300	Mayor's Office	838-4500	Street Repair/Potholes	838-4488
Code Enforcement	838-4360	Medicaid	838-0700	Taxpayer Assistance(Relief)	838-4570
Commonwealth's Attorney	838-4100	Mental Health Counseling	838-6400	Tax Payments	838-4777
Consumer Complaints	838-4350	Mental Health/Mental		Tax - Personal Property	838-4560
Courts		Retardation Services	838-4455	Tourist Information	838-4200
• Circuit	838-4123	Neighborhood Watch	838-4520	Traffic Signals	838-4747
• Circuit Court Clerk	838-4044	Noise Complaints	838-4334	Trash Collection	751-5130
• Juvenile and		Open Burning	838-4360	Tree Removal	838-4999
Domestic Relations	838-4141	Parking Permits	838-4949	Victim/Witness Assistance	838-4100
• General District	838-4010	Parking Tickets	838-4949	Volunteer Programs	836-2176
• Federal	299-2100	Parks	838-4340	Voter Registration	
Crime Solvers	838-4858	Planning and Land Use	838-4666	Information	838-4050
Death Certificates	838-4400	Police Emergency	911	*Water Service	
Discrimination		• Non-emergency	838-4444	(Virginia-American)	549-7080
Complaints	838-6390	*Public Housing		Weeds	838-4360
Dog and Cat Licenses	838-4774	(Housing Authority)	549-7115	Welfare	838-0700
Domestic Violence		Purchasing	838-4944	Women's Programs	838-5030
and Spouse Abuse	838-4911	Rabies	838-4853	Youth Services	838-0990
Drug and Alcohol				Zoning	838-4688
Abuse Treatment	329-2000			*Non-City Agency	

Statistical Snapshot

POPULATION PROFILE RACE AND ETHNICITY

	2000 Population* (U.S. Census)	Percent
White	68,889	53.7%
African American	28,463	22.2%
Asian & Pacific Islander	7,299	5.7%
Native American	255	0.2%
Other & Multiple Races	4,495	3.5%
Hispanic (All Races)	18,882	14.7%
Total Population	128,283	100.0%

* The population figures by race exclude people of Hispanic origin. Hispanic people of all races are counted as Hispanic.

REGISTERED VOTERS

2002	69,642
2001	72,939
2000	68,336

PUBLIC SCHOOL MEMBERSHIP

June 2002	10,737
June 2001	11,165
June 2000	10,814
June 1990	9,237

Source: U.S. Census Bureau; Alexandria Registrar of Voters, and Alexandria Public Schools

LAND AREA

Square Miles	15.75
Acres of Public Parks & Open Space	946.7*
Total Acres of Public Parks & Open Space per 1,000 population	7.1

* Net Park Area includes parks at Cameron Station.

HOUSING

HOUSING UNITS

2000 U.S. Census	64,251
1990 U.S. Census	58,252
1980 U.S. Census	52,041

HOUSING UNITS - JUNE 2002

Single-family Homes	21,344
Condominiums*	14,556
Rental Apartments(est.)	31,439
Total	67,339

*Townhouse condos are counted as single family homes.

HOUSING UNITS BY OCCUPANCY

	Owner	Renter
2000 U.S. Census	40%	60%

AVERAGE ASSESSED VALUE (2002)*

All Residential Units**	\$249,231
Single-Family Homes	\$328,418
Condominiums***	\$130,529

*Includes new construction

**Does not include rental apartments

***Townhouse condos are counted as single family homes.

MEDIAN ASSESSED VALUE OF HOMES AND CONDOMINIUMS (2002)

Assessed Value	Units	Total Value	Median
Less than \$100,000	6,942	\$511,573,800	\$75,500
\$100,000-\$149,999	6,170	\$764,538,000	\$124,400
\$150,000-\$199,999	4,337	\$748,436,800	\$170,100
\$200,000-\$249,999	4,445	\$1,001,656,700	\$225,600
more than \$250,000	13,970	\$5,867,220,400	\$354,600

Source: Real Estate Assessor

LOCAL ECONOMY

	June '00	June '01	June '02
Employment			
Employed Residents	76,896	78,504	79,512
Unemployed Residents	1,298	2,178	2,883
Jobless Rate	1.7%	2.7%	3.5%

PERSONS EMPLOYED ON ALEXANDRIA

JOB SITES*

4th Quarter Average 2001	91,183
4th Quarter Average 2000	94,195
4th Quarter Average 1999	90,093

* Includes workers covered by State unemployment insurance.

LARGEST PRIVATE EMPLOYERS (JULY 2001)

Alexandria Hospital	1,750
Institute for Defense Analysis	900
Boat Owners Assoc.	600
Center for Naval Analysis	600
Public Broadcasting	550

LARGEST PUBLIC EMPLOYERS (JULY 2001)

U.S. Department of Defense*	8,102
Civilian	4,624
Military	3,478
City of Alexandria	2,276
Alexandria Public Schools	2,070
WMATA (Metro)	1,162
Northern Virginia Community College	952
U.S. Department of Agriculture**	659
U.S. Postal Service	414

* Sept., 1999

** Dec. 1999

MEDIAN HOUSEHOLD INCOME

2001 Est. - Alexandria	\$74,091
Northern Virginia	\$90,129
Virginia	\$51,305
2000 U.S. Census - Alexandria	\$56,054

PER CAPITA INCOME

2000 - Alexandria	\$49,395
Washington Region*	\$40,046
Virginia	\$31,120
U.S.	\$29,469
1990 - Alexandria	\$31,725

* Wash. D.C.-MD-VA-WV PMSA.

MEDIAN FAMILY INCOME

2001 Estimate - Alexandria	\$82,781
Virginia	\$53,655

NEW CONSTRUCTION*

	FY '00	FY '01	FY '02
Residential	1,590	1,525	1,536
Commercial/Public**	14	7	9

* Residential starts are number of housing units.

Commercial and public starts refer to building permits issued.

** Buildings valued at \$50,000 or more.

Sources: Virginia Employment Commission; Alexandria Economic Development Partnership; National Capital Planning Commission; Alexandria Department of Planning and Zoning; Virginia Department of Taxation; Virginia Housing Development Authority; U.S. Bureau of Economic Analysis and Alexandria Fire Dept., Bureau of Code Enforcement.

CITY FINANCES

BOND RATINGS

Moody's Investors Service, Inc.	Aaa
Standard & Poor's	AAA

ASSESSED VALUE OF REAL PROPERTY

2002	\$16,272,679,700
2001	\$14,632,349,200
2000	\$13,295,307,700
1999	\$12,187,519,600
1998	\$11,605,290,200
1997	\$11,170,803,462
1996	\$10,942,274,132
1995	\$10,837,313,680
1994	\$10,818,324,153
1993	\$11,026,977,871
1992	\$11,243,910,950
1991	\$12,141,931,798

BUDGETS

FY '03 Total	
Operating Budget	\$454,351,119
General Fund Budget	\$373,171,224
Special Revenue Fund*	\$ 74,993,653
Other Funds	\$ 6,186,242
FY '03 Total Schools Budget	\$148,147,167
Expenditures per Pupil Enrolled**	\$ 15,075

*Includes Federal and State Grants.

**Includes both Operating and Capital Costs.

Sources: Real Estate Assessor; and Alexandria Office of Management and Budget.

TAXES

Real Property Tax Rate

2002	\$1.08 per \$100 assessed value
Personal Property Tax Rate	
2002	\$4.50 per \$100 assessed value



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