

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 16, 2005

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: ADOPTION OF CITY LEGISLATIVE PACKAGE FOR THE 2006 GENERAL ASSEMBLY SESSION

ISSUE: Adoption of City Legislative Package for the 2006 General Assembly Session.

RECOMMENDATION: That City Council adopt items 1.A through 1.H, 2.A through 2.T, and 3.A through 3.G as positions in the City's Legislative Package for the 2006 General Assembly Session. Note that items 2.S and 2.T have been added to the Package since it was originally proposed.

1.A. Use of Earmarked City Revenues for Operations (Charter Change)

Propose a Charter amendment that will allow Council to use a portion of the property tax revenues earmarked for open space for the maintenance and repair of open space which has been acquired with these funds.

1.B. Condominium Conversions—Sales to Non-profits

Allow any tenant in a condominium conversion who is disabled or elderly, and eligible for a 3-year lease or lease extension under current law and ordinance, the ability to assign the right to purchase his unit to a government agency, housing authority or nonprofit housing corporation for the purpose of leasing that unit back to the tenant and keeping the unit as affordable housing.

1.C. Psychiatric Bed Crisis in Northern Virginia (This position has been modified slightly since it was included in the proposed City Package, as the region's CSB Directors refined their costs estimates.)

Propose or support the following proposals developed by the Northern Virginia Community Services Boards to help deal with the psychiatric bed crisis in the region:

- Increase the daily rate paid to hospitals for Temporary Detention Order (TDO) beds by at least \$150, and provide funding for this increase.

- Amend the current (FY06) state budget by adding \$614,535 for the purchase of psychiatric beds, including TDO beds, in Northern Virginia.
- Include \$965,000 in ongoing funding (beginning in FY 2007) in the state budget to provide the community services needed to successfully discharge 25 patients who are on the Extraordinary Barriers to Discharge List at Northern Virginia Mental Health Institute (NVMHI); and fully fund the LIPOS (Local Inpatient Purchase of Service) program.

1.D. Payments to Foster Care Parents

Propose or support sufficient additional funding to increase to the national average the rates paid to foster parents (\$423 to \$497 monthly, depending on age).

1.E. Gadsby’s Tavern Museum

Provide \$100,000 toward the cost of replacing the current HVAC system at Gadsby’s Tavern Museum (the total cost is estimated to be \$645,000, the remainder of which will be covered by the City and a \$50,000 federal grant).

1.F. Fort Ward

Provide \$50,000 toward the cost of rebuilding Fort Ward’s entrance gate; replacing existing gun carriages and gun platforms; and replacing deteriorated decorative trim on the Museum and Officers’ Hut (the total cost is estimated to be \$100,000, the remainder of which will be covered by the City).

1.G. Tax Credit for Low-income Renters

Propose legislation that will provide a tax credit for renters with a household annual income of \$35,000 or less. Such relief could be refundable if it exceeds a person’s state income tax liability.

1.H. Funding for the Rehabilitative Services Incentive Fund

Propose sufficient state funding for the Rehabilitative Services Incentive Fund (RSIF) to restore it to \$912,500 (the same level of funding as in FY 02) for each year of the upcoming biennium.

2. Requests for Legislation to Be Supported

2.A. Northern Virginia Healthforce Alliance Action Plan

Support the NoVaHealth Force initiatives that seek to address the growing shortage of health care workers in the region by expanding the region’s health care education and training programs.

2.B. Pedestrian safety

Support pedestrian safety legislation that will either (1) require drivers to stop, not just yield, at any clearly marked crosswalk where the speed limit does not exceed 35 miles per hour; or (2) allow localities by ordinance to require vehicles to stop, not yield, at marked crosswalks in Northern Virginia which are specially signed and have enhanced penalties for failure to yield (a special Code provision already allows for these enhanced penalties).

2.C. Funding to Clean Up the Chesapeake Bay

Support continued state funding, and any reasonable long-term solution to help pay for the cleanup of the Chesapeake Bay.

2.D. Smoking in Restaurants

Support legislation, if introduced, to give any locality the authority to prohibit smoking in restaurants within its jurisdiction, or otherwise limit smoking in public.

2.E. Housing Discrimination Based on Source of Income

Support legislation that will make it illegal to discriminate in housing based on source of income (e.g., Section 8 vouchers).

2.F. Dedicated Revenue for the Washington Metropolitan Area Transit Authority

Support legislation to authorize an appropriate dedicated funding source for the Washington Metropolitan Area Transit Authority (WMATA).

2.G. Statewide Transportation Funding

Support any reasonable proposals by the General Assembly to increase statewide transportation funding.

2.H. Tax Credits and Other Incentives for the Use of Renewable and Alternative Energy

Support legislation that would give incentives to local governments and others in the State to use technologies that use less energy and reduce pollution (e.g., solar or other alternative energy, "green" roofs, etc.) when constructing new buildings or rehabilitating old ones.

2.I. Birmingham Green

Support a \$1.75 million appropriation toward the construction costs of new facilities at Birmingham Green, the adult care residence jointly owned by the City of Alexandria and the counties of Fairfax, Fauquier, Loudoun, and Prince William.

2.J. Design-Build Construction Management

Support legislation that will allow large localities to approve design/build contracts without getting approval from the State Design-Build/Construction Management Review Board.

2.K. Condominium Conversions–State Notification of Localities

Support legislation to require the state Real Estate Board to notify a locality as soon as it receives an application for a condominium conversion within the locality.

2.L. Increased State Funding for Certain Court System Employees

Support increased state pay for magistrates, district court employees, public defenders, and staff for probation offices.

2.M. Telecommunications Taxes

Support telecommunications tax reform legislation in 2006 if it will provide the same (or at least a proportional) level of revenue that the City has received from telecommunication taxes in FY 2005.

2.N. Community Action Agencies (Economic Opportunities Commission)

Support additional funding for the state's Community Action Agencies (CAA), so that they can continue existing services and expand their services to all localities in the Commonwealth.

2.O. Offender Reentry Services Coalition [formerly known as PAPIS]

Support additional funding so that Virginia Cares can expand coverage and provide additional services at existing program sites.

2.P. Issues Endorsed by the Alexandria Commission on Aging

Support the legislative platform of the Northern Virginia Aging Network (NVAN), which seeks additional state funding for home-delivered meals, transportation services for seniors, and intensive mental health services for older adults.

2.Q. Increase Virginia's Minimum Wage

Support legislation to increase the minimum wage in Virginia by \$1 in each of the next three years, and index it to inflation in years thereafter.

2.R. Restoration of Civil Rights for Felons

Support appropriate legislation for the restoration of civil rights for felons if it is introduced in 2006.

2.S. Lower VRS Contribution Rate Increase for Alexandria City Public Schools

Support a contribution rate lower than that recommended by the VRS Board, and shift any contributions necessary to fully fund future retirement benefits to the next biennium, when VRS is otherwise likely to propose lower rates. In addition, oppose any shifting of these costs from the state to localities.

2.T. Issues Endorsed by the Virginia Association of Community Services Boards

Support the legislative platform of the Virginia Association of Community Services Boards, which seeks additional state funding for services provided to people with mental illness and mental retardation.

3. Requests for Legislation to Be Opposed

3.A. Alexandria Jail Federal Prisoner Per Diems

Oppose any efforts to remove the City's exemption from the State's cost recovery requirements for federal jail per diem payments to localities.

3.B. Affordable Housing

Oppose any legislation that will prohibit the City from receiving voluntary developer contributions for affordable housing.

3.C. Restrictions on Services to Immigrants and Related Issues

Oppose legislation that would place additional restrictions on the ways local governments deal with illegal immigrants, or that would require local law enforcement officials to enforce federal immigration laws.

3.D. Living Wage

Oppose any legislation that would repeal the City's authority to adopt a living wage ordinance.

3.E. Virginia Housing Development Authority Loan Eligibility

Oppose any legislation that seeks to reinstate the earlier VHDA requirement that borrowers be related by blood, marriage, adoption, or legal custody.

3.F. Undocumented Students

Oppose any legislative proposals in the 2006 Session that would restrict access to higher education by undocumented aliens, unless it includes safeguards such as those proposed by Governor Warner for similar 2003 legislation.

3.G. Constitutional Amendment Restricting Marriage; Affirmation of Marriage Act

Oppose the proposed state constitutional amendment that would define marriage as only between a man and a woman, and support any efforts to repeal the Affirmation of Marriage Act.

DISCUSSION: On October 25, staff presented to Council the City's 2005 Legislative Package proposals. On November 12, Council held a public hearing on this Package. Since the Package was first presented, the following items, described below, have been added to the Package:

- a proposal to support efforts to reduce the proposed Virginia Retirement System rate for the Alexandria City Public Schools; and
- support for the legislative program of the Virginia Association of Community Services Boards.

Virginia Retirement System (VRS) Contribution Rate Increase for Alexandria City Public Schools (ACPS). VRS sets contribution rates (the percentage of payroll that member governments must pay to VRS) for its member governments, including school systems throughout the State, every other year. These rates are then submitted to the governor, who includes them (or alternative contribution rates) in his proposed biennial budget. The governor's proposal is then considered by the General Assembly, which can modify these rates before it passes its budget bill.

At its October meeting, the VRS Board set a contribution rate of 11.18 percent for retirement benefits (which increases to 13.38 percent if health and life insurance contributions are included) for public school systems, beginning July 1, 2006. The current contribution rate for public school systems for retirement alone is approximately 6.6 percent; when required contributions for retirees' health and life insurance are included, the contribution rate is 7.17 percent. If the VRS rate proposal (which raises the overall rate by 6.2 percent) is approved by the Governor and General Assembly, ACPS will need an additional \$5.8 million in the next fiscal year just for increased VRS contributions. The City recommends that the General Assembly look at all generally accepted actuarial calculation methodologies and set a contribution rate lower than that recommended by the VRS Board, to smooth out contributions necessary to fully fund future retirement benefits during the next and future biennia, when VRS is otherwise likely to propose lower rates.

A related issue that warrants attention is cost-shifting of VRS contributions by the State. When the current biennial budget was being developed in the 2004 Session, the House Appropriations Committee recommended freezing the State contribution rate for teachers (the State funds a portion of VRS for teachers, like it does for all other public education costs) at about 6 percent, and setting the locality contribution rate for teachers at a higher rate – whatever rate was needed to make up the difference. If this or any other cost-shifting methodology is proposed in the 2006 Session, the City will ask its delegation to strongly oppose it.

Legislative Program of the Virginia Association of Community Services Boards. Every year, the Virginia Association of Community Services Boards (VACSB) adopts a list of legislative priorities for the upcoming General Assembly Session. These priorities include programs that will improve the delivery of services to persons who are mentally ill, mentally retarded, or suffer from substance abuse.

At the public hearing on the City's proposed 2006 Legislative Package, Mary Riley, Chair of the Alexandria CSB, asked the City to support the VACSB priorities (attachment 1). This will allow Commission members to testify and work in support of the priorities during the General Assembly Session. Council has followed this process since 1997 for the Commission on Aging, allowing it to support the Northern Virginia Aging Network's platform.

This year VACSB asks that the General Assembly support the following priorities:

- Additional funding to provide the services and support needed to move people with mental illness and mental retardation out of institutions and back into the Community;
- Funding for additional early intervention services for infants and toddlers with disabilities, to help avoid more disabling conditions in the future;
- Funding for additional programs to prevent high-risk behaviors among children and youth that lead to substance abuse and addiction, crime, and dropping out of school;
- Additional funding for public guardianship programs;
- Replacement funds for Medicaid, should changes in federal law reduce Federal Medicaid funding for rehabilitative services or case management services;
- Legislation to allow two or more CSBs to provide services jointly; and
- Legislation to resolve the TDO (temporary detention order) crisis in Virginia (this is already addressed in item 1.C. of the City's proposed Legislative Package).

Staff recommends that the City support the VACSB priorities for the 2006 Session.

SUMMARY OF PROPOSALS: Attachment 2 consists of a chart summarizing all the proposals under consideration for the 2005 Legislative Package.

STAFF: Bernard Caton, Legislative Director

ATTACHMENTS:

Attachment 1 - Legislative Program of the Virginia Association of Community Services Boards

Attachment 2 - Summary Chart entitled "City of Alexandria 2006 Legislative Package Proposals"
(revised November 14, 2005)

**City Council Public Hearing on the FY06 Legislative Package – November 12, 2005
Docket Item #6**

Comments of Mary Riley, Chair, Alexandria Community Services Board

Mr. Mayor, Council members. I'm Mary Riley, Chair of the *Alexandria Community Services Board*, which oversees the Department of Mental Health, Mental Retardation, and Substance Abuse. I appreciate the opportunity to provide comments on the proposed City Legislative Package for the 2006 General Assembly Session.

Our Board thanks you for including in your legislative package support for proposed legislation to address the psychiatric bed crisis in Northern Virginia. All the CSBs in Northern Virginia are deeply concerned about the increasingly dangerous situation resulting from the lack of inpatient psychiatric treatment. The problem in Northern Virginia is exacerbated by our increasing population, the growing number of persons without health insurance, the closing of private hospitals, and a chronic under funding of community-based mental health services. While the solution to this problem will require a coordinated effort among public and private providers and the persons who use these services, we think the immediate legislative actions you have included in your proposed package can provide relief. We value your commitment to helping us solve this problem.

The lack of psychiatric beds is not the only problem facing our Board. As I noted last month at the Public Hearing on the 2007 Budget, at the CSB we have innumerable areas in which the need exceeds the current level of services provided. All forty CSBs face these needs. Every year, the Virginia Association of Community Services Boards (VACSB) adopts a list of legislative priorities for the upcoming General Assembly Session. These priorities address the most significant needs we face in attempting to deliver comprehensive services to persons who are mentally ill, mentally retarded, or suffer from substance abuse. We ask your additional support for the priorities in the VACSB list which include:

1. Creation of a MHMRSAS System Transformation Initiative, which will provide funding to move people with mental illness and mental retardation out of institutions and back into the Community.
2. Funding for additional early intervention services for infants and toddlers with disabilities, to help avoid more disabling conditions in the future;
3. Funding for additional programs to prevent high-risk behaviors among children and youth that lead to substance abuse and addiction, crime, and dropping out of school;
4. Additional funding for guardianship programs to serve consumers with mental retardation, mental illness, and substance abuse.

As you know, Medicaid is a major source of community support and health care for individuals with mental disabilities and those who abuse substances. We are growing increasingly concerned, however, over proposed Medicaid cuts at the Federal level. In addition to asking for Medicaid expansion, the VACSB is seeking replacement funds for Medicaid, should changes in Federal law reduce Federal Medicaid funding for rehabilitative services or case management services.

Our Board urges your support for the for the proposed City Legislative proposals and for VACSB legislative package (which I have attached to the copy of my comments). Your support will allow our Board members to testify and work in support of the priorities during the General Assembly Session.

Thank you.

Virginia Association of Community Services Boards

BUDGET AND LEGISLATIVE PRIORITIES 2006-08

Budget Priorities

Priority I

Creation of a MHMRSAS System Transformation Initiative:

- 2000 consumers with severe mental illness and co-occurring disorders participate in community living;
- 1260 more consumers with mental retardation have access to MR Waiver and Day Support slots;
- Rate increases for a stabilized provider network in place to support consumers with mental retardation;
- Twelve (12) systems of care projects (6 per year) to serve 1500 youth with severe and co-occurring disorders providing services that mean they will stay in their communities with their families;

Priority II

Part C/Early Intervention Services for Infants and Toddlers with Disabilities or Delays:

- 2231 MORE infants and toddlers with disabilities receive Early Intervention Services to eliminate and/or avoid more disabling conditions in the future;

Priority III

Fifteen (15) Programs to Prevent High-Risk Behavior among Children & Youth:

- 1500 youth avoid high risk behaviors that lead to addiction, crime, and school drop-out.

Priority IV

Guardianship:

- Establishment of 3 additional public guardianship programs to serve consumers with mental retardation, mental illness and substance use disorders and inclusion of additional, less restrictive guardianship models. (\$150,000 - ongoing)
- Coverage of medical and legal expenses related to obtaining a guardian for up to 60 consumers (\$120,000 - one time).

Priority V

Budget amendment to replace funds for Medicaid federal match should changes occur in the Federal Medicaid law that curtail or reduce Rehabilitative Services or Case Management services for consumers currently eligible for Medicaid.

Transformation Principles

- Consumer choice, recovery and independence integrated into flexible services based on best practices, new technologies and effective accountability/outcomes;
- Effective and efficient use of all resources to maintain public stewardship and public trust.
- Multiple stakeholders are involved in service design:
- Significant Investment must occur for the system to move forward with transformation.

Legislative Priorities

- Joint Agreement legislation, which permits CSB/BHAs to form agreements with other CSB/BHAs to implement and improve service delivery systems for consumers through shared responsibilities and a lead management administrator.
- Legislation to address and help resolve the TDO crisis in Virginia. Specific measures to be addressed by the VACSB Public Policy Committee through the VACSB/DMHMRSAS TDO Workgroup in conjunction with the Interagency Civil Admissions Advisory Council (ICAAC) and the Supreme Court workgroup.

Attachment 2

City of Alexandria 2006 Proposed Legislative Package Proposals

1. Requests for Legislation to Be Proposed

- 1.A. Use of Earmarked City Revenues for Operations
- 1.B. Use of Earmarked City Revenues for Operations Condominium Conversions–Sales to Non-profits
- 1.C. Psychiatric Bed Crisis in Northern Virginia (Regional Position)
- 1.D. Payments to Foster Care Parents
- 1.E. Gadsby’s Tavern Museum
- 1.F. Fort Ward
- 1.G. Tax Credit for Low-income Renters
- 1.H. Funding for the Rehabilitative Services Incentive Fund

2. Requests for Legislation to Be Supported

- 2.A. Northern Virginia Healthforce Alliance Action Plan (Mayor Euille)
- 2.B. Pedestrian safety
- 2.C. Funding to Clean Up the Chesapeake Bay
- 2.D. Smoking in Restaurants
- 2.E. Housing Discrimination Based on Source of Income
- 2.F. Dedicated Revenue for WMATA (Washington Area Metropolitan Transit Authority)
- 2.G. Statewide Transportation Funding
- 2.H. Tax Credits and Other Incentives for the Use of Renewable and Alternative Energy
- 2.I. Birmingham Green
- 2.J. Design-Build

- 2K. Condominium Conversions–State Notification of Localities
- 2.L. Increased State Funding for Certain Court System Employees
- 2.M. Telecommunications Taxes
- 2.N. Community Action Agencies
- 2.O. Pre and Post-Incarceration Services (PAPIS)
- 2.P. Issues Endorsed by the Alexandria Commission on Aging
- 2.Q. Increase Virginia's Minimum Wage
- 2.R. Restoration of Civil Rights for Felons
- 2.S. Virginia Retirement System (VRS) Contribution Rate Increase for Alexandria City Public Schools (ACPS)
- 2.T. Issues Endorsed by the Virginia Association of Community Services Boards

3. Requests for Legislation to Be Opposed

- 3.A. Alexandria Jail Federal Prisoner Per Diems
- 3.B. Affordable Housing
- 3.C. Restrictions on Services to Immigrants and Related Issues
- 3.D. Living Wage
- 3.E. Virginia Housing Development Authority Loan Eligibility .
- 3.F. Undocumented Students
- 3.G. Constitutional Amendment Restricting Marriage; Affirmation of Marriage Act

EXHIBIT NO.

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City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 18, 2005

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER *J*

SUBJECT: RECEIPT OF PROPOSED CITY LEGISLATIVE PACKAGE FOR THE 2006 GENERAL ASSEMBLY SESSION

ISSUE: Receipt of proposed City Legislative Package for the 2006 General Assembly Session.

RECOMMENDATION: That City Council:

- (1) Receive the proposals for the City's 2006 Legislative Package;
- (2) Schedule the legislative package proposals for public hearing on Saturday, November 12; and
- (3) Schedule adoption of the Legislative Package for Tuesday, November 22, following Council's work session with the General Assembly delegation that evening.

DISCUSSION: For the past several months, staff has been working with Council members, City departments, and boards and commissions to develop legislative and funding proposals for the City's 2006 Legislative Package. Thirty-three such proposals are described below for your consideration as 2006 legislative package proposals. Section 1 contains legislative proposals that staff recommends the City seek to have introduced by our delegation; Section 2 contains legislative proposals that staff recommends that the City support; and Section 3 includes proposals that staff recommends that the City oppose. All the proposals are also summarized in the list entitled "City of Alexandria 2006 Legislative Package Proposals" (Attachment 1).

The 2006 General Assembly Session will be a "long" 60-day Session, beginning January 11, and ending March 11. On December 16, 2005, Governor Mark Warner will submit his final budget proposal, which will recommend appropriation levels for the upcoming biennium that begins July 1, 2006. On January 14, Governor Warner will leave office, to be replaced by the individual elected next month.

Unlike some recent years, it is difficult to predict what many of the major issues are likely to be, although it is certain that a number of proposals will be introduced to rewrite the state's eminent domain laws in response to this year's Supreme Court decision (*Kelo v. City of New London*).

There will also be attempts to provide new money for transportation, and it is likely that some legislators will attempt to place limits on local authority to assess and tax real property.

Legislative Director Bernard Caton will represent the City in Richmond again this year, and we will report to you regularly on the status of legislative and budget issues that arise during the 2006 General Assembly Session.

1. Requests for Legislation to Be Proposed

1.A. Use of Earmarked City Revenues for Operations (Charter Change)

Section 6.15 of the City Charter authorizes Council to earmark a specified portion of the real estate tax for “permanent public improvements” included in the capital budget. Since FY 2004, Council has used this provision to reserve the revenue from one cent of the property tax for open space. Under the current Charter language, none of this revenue can be used to maintain the open space once it is acquired.

Staff recommends that the City seek a Charter amendment that will allow Council to use a portion of the property tax revenues earmarked for open space for the maintenance and repair of open space which has been acquired with these funds.

1.B. Condominium Conversions—Sales to Non-profits (Landlord-Tenant Relations Board, supported by Human Rights Commission)

The Landlord-Tenant Relations Board recommends that the delegation introduce legislation that would give a tenant in a condominium conversion who is disabled or elderly, and eligible for a 3-year lease or lease extension under current law and ordinance, the ability to assign the right to purchase his unit to a government agency, housing authority or nonprofit housing corporation for the purpose of leasing that unit back to the tenant and keeping the unit as affordable housing. Tenants in condominium conversions already have the right to purchase their units for 60 days after the owner registers the conversion with the State. The Landlord-Tenant Relations Board believes that such legislation will help the City preserve existing affordable housing.

1.C. Psychiatric Bed Crisis in Northern Virginia (Community Services Board and Northern Virginia Regional Position)

The lack of access to psychiatric beds in private hospitals is causing Northern Virginia public safety and Community Services Board staff to devote increasing resources to finding beds for, and holding and transporting, persons who are under an Emergency Custody, Temporary Detention, or Commitment Order. The region’s CSBs have proposed a series of solutions to this problem, which include the following budget proposals:

- *Increase the daily rate paid to hospitals for Temporary Detention Order (TDO) beds by at least \$150, and provide funding for this increase.* In the last year, Northern Virginia lost about 14 percent of the total number of available TDO beds. Although there is sufficient licensed capacity in Northern Virginia if all beds are operating and fully staffed, many facilities are not using their licensed bed capacity. Staff believes that private hospitals would open more licensed beds for TDO patients if the rate were increased.
- *Amend the current (FY06) state budget by adding \$614,535 for the purchase of psychiatric beds, including TDO beds, in Northern Virginia.* The FY 2006 budget for Local Inpatient Purchase of Services in Northern Virginia is \$2,335,679, while projected expenditures are \$2,950,214. This leaves a deficit of \$614,535.
- *Include \$1.5 million in the state's FY 2007 budget to provide the community services needed to successfully discharge 25 patients who are on the Extraordinary Barriers to Discharge List at Northern Virginia Mental Health Institute (NVMHI).* The NVMHI, with 129 beds, routinely operates at full capacity and often cannot accommodate additional patients who need inpatient psychiatric services. A number of the NVMHI beds are filled by persons who are ready for discharge and could be served in the community if alternative services were available. These freed-up beds could then be used as TDO beds.

1.D. Payments to Foster Care Parents (Social Services Advisory Board)

The state provides funding to cover some of the costs incurred by foster parents. This ranges from \$312 monthly for a child 4 years old or younger, to \$463 for a child 13 or older. This covers far less than the foster parents' actual costs (the federal government estimates that it costs \$908 a month to raise a child), and is lower than the rates in neighboring states or the national average. The City has asked the Governor's staff to increase these rates in the upcoming budget to the national average (\$423 to \$497, depending on age), and the City's Social Services Advisory Board recommends that the delegation support such an increase if included in the budget, or propose an amendment if it is not. The City has asked in the past to have these rates increased.

1.E. Gadsby's Tavern Museum

Gadsby's Tavern Museum consists of two Old Town buildings, a tavern and a hotel, both built in the late 18th century. The buildings are named for Englishman John Gadsby who operated them from 1796 to 1808. Mr. Gadsby's establishment was a center of political, business, and social life in early Alexandria. The tavern was the setting for dancing assemblies, theatrical and musical performances, and meetings of local organizations. George Washington enjoyed the hospitality provided by tavern keepers and twice attended the annual Birthnight Ball held in his honor. Other prominent patrons included John Adams, Thomas Jefferson, James Madison, and the Marquis de Lafayette.

Like any building of its age, Gadsby's is in constant need of repair and improvements. The current HVAC system is in need of replacement, at a total cost of \$645,000. The City recently received a \$50,000 federal grant to pay a portion of these costs.

The City requests \$100,000 from the 2006 General Assembly to partially pay for this project.

1.F. Fort Ward

Fort Ward is the best preserved of the few remaining Civil War forts in the Defenses of Washington, and the only one to feature a fully restored bastion and museum to interpret the site. Several important components of the historic site are severely deteriorating due to age and weather exposure, and must be replaced to preserve the authentic period appearance and interpretation of the site, and to ensure public safety in areas frequented by visitors. This project specifically focuses on:

- rebuilding the fort's reconstructed entrance gate which is becoming unstable due to progressive interior rot
- replacing two gun carriages in the restored bastion due to wood rot and cracking
- replacing six deteriorated gun platforms in the restored bastion due to wood rot and warping
- replacing deteriorated decorative trim on the Museum and Officers' Hut, which are patterned after period buildings in the Defenses of Washington.

Staff estimates the total cost of this work will be over \$100,000. The City requests \$50,000 from the 2006 General Assembly to partially pay for this project.

1.G. Tax Credit for Low-income Renters (Economic Opportunity Commission)

According to the The Institute on Taxation and Economic Policy (ITEP), a non-profit, non-partisan research and education organization that analyzes government taxation and spending policy issues, owners of rental real estate generally pass some of their property tax burden on to renters in the form of higher rents. Some states have implemented programs to give tax credits to renters when the "imputed" property tax they pay exceeds a percentage of their income. Illinois, for instance, assumes that 25 percent of a person's rent is used to pay property tax, and allows renters to claim a tax credit when this portion of their rent exceeds 3.5 percent of their income. The Economic Opportunities Commission believes that the State should help renters, many of whom live in affordable housing, by providing them with additional tax relief. The EOC recommends that the City seek the passage of legislation that will provide a tax credit for renters with a household annual income of \$35,000 or less. Such relief could be refundable if it exceeds a person's state income tax liability.

1.H. Funding for the Rehabilitative Services Incentive Fund (Alexandria Commission on Persons with Disabilities)

The Alexandria Commission on Persons with Disabilities has asked that the City seek increased state funding (\$732,500) for the Rehabilitative Services Incentive Fund (RSIF). The General Assembly created the RSIF in 1994 to promote investment in meeting the needs of individuals with physical or sensory disabilities, by expanding existing or creating new services for disabled persons. Appropriations to the Fund were reduced as part of the State's response to general fund revenue shortfalls several years ago. The City of Alexandria has used RSIF grants for a variety of programs, including an improved reservation system for the DOT Paratransit service, housing grants, talking buses, and a pilot test of audible pedestrian traffic signals. An RSIF-funded assistive technology project at JobLink was recognized by the Department of Labor as a national model.

The Commission recommends that appropriations to the RSIF be restored to \$912,500 (the same level of funding as in FY 02) for each year of the upcoming biennium.

2. Requests for Legislation to Be Supported

2.A. Northern Virginia Healthforce Alliance Action Plan (Mayor Euille)

INOVA Alexandria Hospital has asked the City to support a regional plan to increase the supply of health care workers in Northern Virginia. NoVaHealth Force is an alliance of health care providers and educators, and community and business leaders that is promoting a series of initiatives to address the growing shortage of health care workers in the region (see Attachment 2).

According to a study undertaken by PriceWaterhouseCoopers for NoVaHealth Force, Northern Virginia has a shortage of nearly 2,800 health care workers, 1,000 of which are nurses. The projected demand for new health care workers is estimated at 1,300 annually, and 800 of these are nurses. Regional education institutions are producing about 440 nurses a year, and nearly 300 other health care workers. If nothing is done to increase the number of health care graduates, the region will be short over 16,000 health care workers (6,350 of them nurses) by 2020.

NoVaHealth Force is seeking state funding to assist the region in expanding its health care education and training programs. Mayor Euille has recommended that the City support this initiative.

2.B. Pedestrian safety (Councilmen Krupicka and Macdonald and Northern Virginia Regional Position)

Pedestrian safety is a major issue for Northern Virginia localities. The high volume of traffic often makes it difficult for pedestrians to cross roads, even at crosswalks. Current law (Va. Code §

46.2-924) requires drivers to yield, but not stop, at any clearly marked crosswalk where the speed limit does not exceed 35 miles per hour. Many Northern Virginia elected officials and residents believe that pedestrian safety would be enhanced if drivers were required to stop for pedestrians at crosswalks. Legislation to require drivers to stop for pedestrians in crosswalks throughout Northern Virginia was pursued unsuccessfully in the 2003 and 2004 Sessions. Since pedestrian safety continues to be an issue in the region, Councilmen Krupicka and Macdonald recommend that “stop instead of yield” legislation be pursued again in the 2006 Session.

Staff from the various Northern Virginia localities are looking at two alternative approaches for 2006. The first would require all drivers statewide to stop, not yield, at all marked crosswalks; this would be the preferred alternative. If it appears that such an approach is unlikely to succeed, the alternative is to allow localities by ordinance to require vehicles to stop, not yield, at marked crosswalks in Northern Virginia which are specially signed and have enhanced penalties for failure to yield (a special Code provision already allows for these enhanced penalties).

2.C. Funding to Clean Up the Chesapeake Bay (Councilman Macdonald)

The General Assembly in past years has proposed a dedicated fee (commonly referred to as a “flush tax”) on Virginia households and industries to help pay for the cleanup of the Chesapeake Bay. The fee would be levied primarily on local government sewer bills. The Virginia Municipal League supports new state funding to help pay for cleaning up the Bay, but it opposes the imposition of any state fee or tax on local government services. The “flush tax” has not been enacted. In lieu of it, the 2005 Session provided \$50 million in new general fund money to help pay for upgrades to sewage treatment plants that will reduce discharges of nutrients to the Bay. It also approved a legislative study committee that is seeking to identify a long-term funding source to address this problem.

Councilman Macdonald recommends that the City support continued state funding, and any reasonable long-term solution recommended by the study committee. If Council concurs, staff will closely monitor the study, and bring specific recommendations to Council for its consideration.

2.D. Smoking in Restaurants (Councilman Macdonald)

The Alexandria Health Department has initiated a voluntary program with City restaurants, encouraging them to voluntarily adopt a 100 percent smoke-free policy for all seating, both indoors and out. The purpose of this program is to provide healthier air quality for all patrons and restaurant employees, and protect them from the dangers of second-hand smoke. Although many restaurants have signed up for the program, large numbers of restaurants still allow smoking in their facilities.

Councilman Macdonald has asked that the City’s legislative delegation support legislation to give any locality the authority to prohibit smoking in restaurants within its jurisdiction, or otherwise

limit smoking in public. In the 2005 Session, Senator Bill Mims introduced legislation that would have prohibited smoking in most public places (including restaurants) throughout Virginia. The bill was approved in committee but died on the Senate floor.

2.E. Housing Discrimination Based on Source of Income (Human Rights Commission)

In 1968 the federal government passed the Fair Housing Act, which prohibits housing discrimination based on factors such as race, color, religion, national origin, sex, elderliness, or familial status. Virginia enacted similar legislation in 1972.

In recent years a number of states have added source of income to the list of discriminatory factors which are prohibited under their fair housing laws. Source of income is generally defined as any lawful source of income paid directly or indirectly to a renter or purchaser of housing, including wages, pensions, alimony, child support, or government assistance. States have made this change in response to renters especially, who say that landlords will not rent to them because a portion of their income is from government assistance, such as Section 8; or because landlords set higher security deposits or higher minimum incomes for them.

Prince William plans to have its delegation introduce legislation that would make it illegal to discriminate in housing based on source of income, and is asking other Northern Virginia jurisdictions to support the proposal. The City's Human Rights Commission has recommended that the City support this proposal.

2.F. Dedicated Revenue for the Washington Metropolitan Area Transit Authority (WMATA)

The WMATA transit system provides subway and bus service to the entire Washington area. A recent study by the Brookings Institution¹ found that WMATA's lack of a dedicated funding source has made it vulnerable to recurring financial crises. The study noted that "unlike virtually every other major transit system in the nation, WMATA receives no dedicated stream of revenue each year for capital or operational costs." Instead, it relies on voluntary annual operating subsidies from its member jurisdictions to pay for costs not covered by its fares, parking fees, and advertising revenues. While revenues from the sales tax on motor fuels levied in Northern Virginia are used to support WMATA, they only cover a small portion (approximately 12 to 15 percent) of the subsidy owed by Virginia localities. The State of Maryland fully funds the WMATA capital and operating costs for Montgomery and Prince George Counties.

In response to concerns about WMATA revenues and budget shortfalls, the Metropolitan Washington Council of Governments (COG) appointed a blue ribbon panel (formally known as the Panel on Analysis of and Potential for Alternate Dedicated Revenue Sources for the Washington Metropolitan Area Transit Authority) to research alternative funding options for

¹Robert Puentes, *Washington's Metro: Deficits by Design*, The Brookings Institution, June, 2004.

WMATA. The Panel, in its report last December, agreed that there is, and will continue to be, an expanding shortfall of revenues available to address both capital needs and operational subsidies of the Metrorail and Metrobus systems, and that a dedicated revenue source is needed to address these shortfalls.

Earlier this year, Congressman Tom Davis introduced legislation (H.R. 3496) that would authorize the federal government to assist with WMATA's revenue shortfalls by authorizing \$1.5 billion in federal appropriations to WMATA over a 10-year period. In return, WMATA's member localities must develop a dedicated revenue source.

On October 3, a regional summit of transportation leaders, including Mayor Euille, was held to discuss the Davis bill and WMATA funding. Summit participants pledged to work cooperatively on funding options, including dedicated funding.

The City requests the General Assembly to authorize an appropriate dedicated funding source for WMATA.

2.G. Statewide Transportation Funding (Northern Virginia Regional Position)

Prior to and during the 2004 General Assembly Session, a number of proposals were made to increase funding for transportation throughout the Commonwealth. Among these were increases to the state motor fuels tax (currently 17.5 cents/gallon), increases to other transportation related taxes or fees (e.g., titling tax and registration fees), and the transfer of other transportation-related general fund revenues (from insurance taxes) to the Commonwealth's Transportation Trust Fund. Unfortunately, none of these efforts was successful. Transportation is seen as the one area that was not addressed in a year that the General Assembly provided significant new money for education, social services, and other needs.

Staff cannot predict what measures will be introduced to provide additional revenue for transportation in the 2006 Session, but there is still a great deal of interest from both local officials and General Assembly members in increasing revenues available for transportation projects. Staff will follow transportation legislation closely during the 2006 Session, and highlight these bills and budget proposals in any reports to Council. Staff recommends that the City support any reasonable proposals by the General Assembly to increase statewide transportation funding.

2.H. Tax Credits and Other Incentives for the Use of Renewable and Alternative Energy (Councilman Krupicka)

Delegate Adam Ebbin hopes to introduce legislation that would give incentives to local governments and others in the State to use technologies that use less energy and reduce pollution (e.g., solar or other alternative energy, "green" roofs, etc.) when constructing new buildings or rehabilitating old ones. The City is now incorporating technologies such as these into new capital projects, such as the renovation of the Duncan Library and the construction of the new T.C. Williams High School.

Councilman Krupicka has recommended that the City support such legislation.

2.I. Birmingham Green (Northern Virginia Regional position)

Birmingham Green is an adult care residence jointly owned by the City of Alexandria and the counties of Fairfax, Fauquier, Loudoun and Prince William. It opened in 1927 as a "District Home" serving "indigent, aged, or incapacitated persons." In 1991, a healthcare center was established there. Today, Birmingham Green consists of an Assisted Living Unit, which serves 60 residents, and a nursing healthcare center, which serves 180 residents. Birmingham Green's buildings are old and in need of replacement. The facility has worked for several years to put together the financing needed for new buildings. Most of the funds will be provided through federal grants.

Last Session, the General Assembly provided \$250,000 toward the construction costs at Birmingham Green. The member localities had requested \$2 million, and plan to return to the 2006 Session with a request for the remaining \$1.75 million.

2.J. Design-Build Construction Management

In 1996, the General Assembly created a Design-Build/Construction Management Review Board to review and approve requests by local governing bodies and other non-State public entities that wish to enter into design-build or construction management contracts. Such contracts allow governments to procure both the design and construction services through one bidding process, rather than go out to bid twice. Prior to this legislation, local governments had to get specific General Assembly approval prior to signing any design-build contracts. While local governments viewed the 1996 law as an improvement over the one it replaced, it still required a specific State sign-off (by the State Design-Build/Construction Management Review Board) for any proposed project. This process has not been used often; the last time the Review Board received a request for review was 1999. Many jurisdictions are apparently instead using the Public-Private Education Facilities & Infrastructure Act of 2002 in place of the Design-Build statute. Although the City has not used the Design-Build process thus far, it is doing so for the new Dash facility.

Loudoun County plans to introduce legislation that will allow the state's larger localities (with a population over 80,000) to approve design/build contracts without getting approval from the State Design-Build/Construction Management Review Board. Staff recommends that the City support this legislation.

2.K. Condominium Conversions--State Notification of Localities (Northern Virginia Regional Position)

The Code of Virginia (§55-79.89) requires the owner of a building being converted to a condominium to notify the Virginia Real Estate Board prior to initiating such a conversion. Although some localities also requires such notification, Fairfax County believes that localities

may receive earlier notification if State law is amended to require the Real Estate Board to notify a locality as soon as it receives an application for a conversion within the locality. Staff recommends that the City support this legislation, which Fairfax County plans to have introduced.

2.L. Increased State Funding for Certain Court System Employees (Northern Virginia Regional Position)

Fairfax County is also asking the region to support increased state pay for magistrates, district court employees, public defenders, and staff for probation offices in the upcoming Session. The County believes that higher than normal turnover in some of these positions is indicative of inadequate pay. Since these are state employees, it is appropriate for the State to address any pay inadequacies. Staff recommends that the City support this legislation.

2.M. Telecommunications Taxes

As a part of its efforts to restructure state and local tax policy, a General Assembly subcommittee has spent the last several years reviewing existing state and local telecommunications taxes. At the subcommittee's request, local government representatives have been meeting with industry representatives and General Assembly staff for three years to discuss ways the current telecommunications tax structure might be changed. A proper restructuring of telecommunications taxes could be helpful to local governments by allowing their tax policies to better respond to changes within the telecommunications industry (e.g., the trend toward wireless and internet phone service and away from land line phones).

The industry, with the concurrence of the legislative subcommittee, has proposed a new tax structure based on the following principles:

- Local government telecommunication tax revenues (for each locality) immediately following a restructuring of the tax system should be equal to what the revenues were prior to the restructuring (at this time, the base year that is being used is revenues for FY 2005 from any tax in place on July 1, 2004);
- All telecommunications services (including long distance) should be taxed at the same rate, and at a rate approximately equal to the state sales tax;
- E-911 taxes (land line and wireless) should be levied at a rate estimated at \$.75 monthly; and
- All existing local telecommunications taxes, including the consumer utility tax, an "extra" license (BPOL) tax, and existing E-911 taxes and fees should be repealed in lieu of the new taxes described above.

Local government representatives have told the industry and the legislative subcommittee that localities would be willing to consider a restructuring proposal, but that certain local government principles must be addressed in any proposal:

- Local governments must be ensured that any new telecommunications tax and revenue distribution system will not result in a decrease in revenues for local governments;
- A third party audit of FY 2005 data must be undertaken (the State Auditor is doing this); and
- The General Assembly must not be able to “capture” a portion of the revenues to make up for shortfalls in state general fund revenues.

Staff recommends that the City support telecommunications tax reform legislation in 2006 if it will provide the same (or at least a proportional) level of revenue that the City has received from telecommunication taxes in FY 2005.

2.N. Community Action Agencies (Economic Opportunities Commission)

The Economic Opportunities Commission has asked the City to support additional funding (\$1 million in FY 2007 and \$2 million in FY 2008) for the state’s Community Action Agencies (CAA). This new money will be used to expand CAA community and economic development services to all localities in the Commonwealth (CAAs now serve approximately two-thirds of Virginia); and to replace anticipated reductions in federal funding.

2.O. Offender Reentry Services Coalition [formerly known as PAPIS] (Economic Opportunities Commission)

Since 1977, the Virginia CARES Network has provided services to help over 50,000 prisoners make the transition back into society, and prevent them from returning to prison. Virginia CARES estimates that it costs over \$20,000 a year to keep a person in prison, but only \$300 (a one-time cost) for this organization to provide the assistance that helps to keep a person from returning to prison. Virginia CARES provides pre-release and post-incarceration services (housing, shelter, transportation, emergency assistance, and support groups) to persons who are ready to be released, or have recently been released, from prison. This includes general counseling, assistance with job placement, and substance abuse counseling.

The state has provided funding for Virginia CARES for a number of years. Virginia Cares and other PAPIS supporters will seek a \$3.2 million budget amendment to expand coverage and provide additional funding for existing program sites. The Economic Opportunities Commission recommends that the City support this proposal.

2.P. Issues Endorsed by the Alexandria Commission on Aging

The Alexandria Commission on Aging regularly asks Council to endorse the legislative platform of the Northern Virginia Aging Network (NVAN). The Commission then testifies in support of the platform during the General Assembly Session. Council has followed this process since 1997 (authorizing the Commission to support the NVAN platform).

This year NVAN's platform (Attachment 3) asks that the General Assembly provide funding and legislation that will assist older Virginians in a number of areas, including:

- Additional state funding for home-delivered meals;
- Additional state funding for transportation services for seniors;
- Additional state funding for intensive mental health services for older adults.

The Commission recommends that the City support the NVAN legislative platform.

2.Q. Increase Virginia's Minimum Wage (Economic Opportunities Commission)

The federal minimum wage has been set at \$5.15 per hour since 1997. According to the Center on Budget and Policy Priorities (CBPP is a research organization that regularly analyzes the effects of government fiscal policy on those with low and moderate incomes), the purchasing power of the minimum wage has now declined to its second lowest level since 1955 (only in 1989 was it lower) after adjusting for inflation. During the 1950s and the 1960s, the minimum wage averaged 50 percent, or half the average wage of workers in non-supervisory positions. It has now fallen to 32 percent, or less than one-third of the average wage for nonsupervisory workers.

The Virginia Coalition for the Homeless, Social Action Linking Together (SALT) and other organizations throughout Virginia are working together to encourage the General Assembly to increase the minimum wage in Virginia by \$1 in each of the next three years, and index it to inflation in years thereafter. The Economic Opportunities Commission has asked the City to support this proposal.

2.R. Restoration of Civil Rights for Felons (Human Rights Commission)

Under Virginia law, any person convicted of a felony forfeits certain civil rights for life, including the right to vote. The Virginia Constitution reserves to the Governor the power to restore these rights. Virginia's process for restoring rights is one of the most restrictive in the country. In recent years, there have been increased complaints about the difficulties felons in Virginia face if they try to have their rights restored. They often have no idea how the process works, and have found it difficult to determine the status of their requests to have their rights restored.

Legislation (HB 1080) passed by the 2000 General Assembly addressed some of these problems. It required the Virginia Department of Corrections to explain to felons, at the completion of their prison sentence, the state process for restoring civil rights. HB 1080 also directed the Secretary of the Commonwealth (who prepares, for the Governor, the paperwork on the restoration of rights) to notify felons once a completed application for the restoration of rights has been received. Finally, the bill required the Secretary of the Commonwealth to notify an applicant of the Governor's decision (whether or not voting rights will be restored) no later than 90 days after that decision had been made.

Governor Mark Warner has made further changes to streamline the process by which those convicted of non-violent felonies, other than drug distribution offenses and voting fraud, may regain their civil rights (including the right to vote, to hold public office, to serve on a jury and to serve as a notary public). Under the Governor's policy, these offenders may apply for a restoration of rights three years (as opposed to the existing policy of five years) after completing their sentence, as well as any suspended sentence, probation, parole or supervised release. The application has been reduced to a single page. The Commonwealth will continue to perform a criminal background check on all applicants. Those applicants who have not been convicted of any offense since the conviction which caused them to forfeit their civil rights, and have no pending criminal charges, will have their voting rights restored. The policy also provides for all applicants to receive a decision from the Governor within six months of submitting a completed application.

In the 2003 Session, a Task Force of the Virginia State Crime Commission, chaired by Delegate Brian Moran, recommended that the state Constitution be amended to authorize the General Assembly to provide by statute for the restoration of a felon's rights. If such an amendment is enacted, the General Assembly could provide by statute for the continuation of Governor's Warner revised policies or similar ones. Without such an amendment, a future Governor could retract the Warner process and return to the earlier slower, more cumbersome one. The City of Alexandria supported the Crime Commission proposal. The Crime Commission's legislation was passed in 2003, but defeated in 2004 (like all Constitutional amendments, it had to be enacted in two separate General Assembly Sessions). The Human Rights Commission recommends that the City support appropriate legislation for the restoration of civil rights if it is introduced in 2006.

3. Requests for Legislation to Be Opposed

3.A. Alexandria Jail Federal Prisoner Per Diems

Several years ago the General Assembly began requiring most localities to remit to the State a portion of the federal payments they receive for housing federal prisoners. The rationale for this initiative is that the State pays a portion of the salaries of deputy sheriffs, and so the State is entitled to a portion of the per diems. Several jails, including the Alexandria jail, were exempted from this requirement because the federal government had paid a larger share of the jails' capital costs than the State had. The State receives over \$7 million annually from these local federal per diems.

As part of this year's budget bill, the State Compensation Board (the state agency that deals with local jails, sheriffs, and other constitutional officers) was told to develop options for a methodology that would allow the State to recover all costs it incurs with respect to the housing of federal prisoners in local jails. The Board has completed its report, which it submitted to the General Assembly last month. It sets out 5 options for State cost recovery of expenses it incurs with respect to federal inmates:

- **Option 1** retains the current recovery methodology, but applies it to several costs that it has not applied to in the past: state grants, office and vehicle reimbursements, construction reimbursements, and recovery of state-funded insurance premiums. If the General Assembly were to implement Option 1, it would provide the State with about \$355,000 or so annually in new money.
- **Option 2** would eliminate the current cost recovery methodology and require localities to pay the state \$14 per day for each federal prisoner. This is the same amount that the state now pays localities for holding state responsible inmates. This option would yield approximately \$4.5 million annually for the State.
- **Option 3** also would eliminate the current cost recovery methodology, and replace it with a complicated formula to recover a portion of the federal payments, with a credit for locally funded personnel costs. It could provide the State with three times the revenue it now receives.
- **Option 4** would apply to regional jails only, and would recover a portion of the difference between their operating revenues and their operating costs. It would result in \$68,500 in new State revenue.
- **Option 5**, which would most directly affect the City, would remove the present exemption for those jails where the federal government paid more of the capital costs than the State. It could be implemented together with one of the other options described above. Depending on which of the other options (1 to 4) is chosen, it would cost the City between \$695,000 and \$1.04 million annually.

Mayor Euille sent the Compensation Board a letter (based on an earlier draft of the report) objecting to any proposal that would remove the City's exemption. In the letter, the Mayor noted that not only has the State paid very little of the jail's capital cost, but the City pays far more than either the State or the federal government of the jail's operating costs (Attachment 4).

Staff recommends that the City ask its delegation to strongly oppose any efforts to remove the City's exemption from the State's cost recovery requirements for federal jail per diem payments to localities.

3.B. Affordable Housing

During the 2005 Session, legislation was introduced that would have significantly affected the City's ability to accept developer contributions for affordable housing. These bills (SB 1206 and HB 2167), as introduced, would have prohibited any locality from requesting or receiving contributions for affordable housing unless the contribution was made as a part of a program established by an ordinance that authorizes bonus density or bonus height in exchange for such a contribution. The City successfully worked to modify this legislation so that localities are still

allowed to accept voluntary developer donations for affordable housing. In addition, the General Assembly's Housing Commission agreed to study this issue prior to the 2006 Session.

At this time, the Commission has not completed its study, so staff does not know whether it will recommend any legislation. Staff does recommend, however, that the City ask its legislative delegation to strongly oppose any legislation in 2006 that will prohibit the City from receiving voluntary developer contributions for affordable housing.

3.C. Restrictions on Services to Immigrants and Related Issues (Mayor Euille)

Immigration policy and enforcement of federal immigration laws is increasingly becoming an issue in Virginia and other states. Estimates by the Pew Hispanic Center and other researchers place the number of illegal immigrants in the United States in excess of 10 million. While many would characterize these people as integral to the ongoing economic prosperity of the country, others complain that illegal immigrants make use of government resources that should go to citizens and legal immigrants. Dealing with the issue of illegal immigration is a very complex matter. Legislation passed overwhelmingly by the 2005 General Assembly prohibits state or local governments from giving illegal immigrants any public services, yet even that legislation provided for exceptions that allowed public services to continue for some illegal immigrants, such as children. It is also unlikely that anyone would object to extending benefits to illegal immigrants that would also benefit the public at large (e.g., treatment of communicable diseases).

Some local governments, especially in Northern Virginia, have recently funded day labor centers, where employers can hire day laborers, some of whom may be illegal immigrants. In these cases, the local governments are trying to deal with issues that have nothing to do with illegal immigration, such as day laborers congregating outside small businesses. The construction of day labor centers in these cases gives the day laborers a place to gather and wait for jobs where they are not blocking store or other business entrances. Local governments are best-suited to determine whether a day labor center helps the locality deal with a community problem.

Some state officials have also proposed that local law enforcement officers should help enforce federal immigration laws. Local governments oppose this proposal, at least in part because no money is being provided to reimburse local governments for these costs (this would be an unfunded mandate). Illegal immigration is a federal problem and a federal crime that should be addressed by the federal government.

Mayor Euille has asked that the City ask its legislative delegation to oppose further restrictions on the ways local governments deal with illegal immigrants (each local government should be able to determine the best policy to address its needs), and to oppose any legislation that would seek to have local law enforcement officials enforce federal immigration laws.

3.D. Living Wage

In June 2000, Alexandria adopted a living wage ordinance. This ordinance requires those firms that are awarded certain City service contracts to pay their workers a wage that meets or exceeds the federally established poverty guidelines (currently \$18,850 for a family of four). The purpose of the living wage ordinance is to help these private sector employees who furnish services to the City, so that they can better provide for themselves and their families while contributing to society as productive workers.

The living wage ordinance is also helpful in furthering the goals of welfare reform. One of the problems that individuals here face when they enter the work force and leave government subsidies is that their wages are insufficient to pay for the bare necessities—food, shelter, transportation, child care, and medical care. The City’s living wage ordinance is an attempt to help workers afford these necessities. Since the City’s action, Charlottesville and Arlington have also adopted living wage ordinances.

In the 2001 and 2004 Sessions, legislation was introduced to repeal the City’s authority to adopt a living wage ordinance. After considerable work by the City and other living wage supporters, this legislation was defeated. Staff recommends that the City oppose any such legislation if it is introduced in 2006.

3.E. Virginia Housing Development Authority Loan Eligibility (Human Rights Commission)

The Virginia Housing Development Authority makes loans for affordable housing to first-time home buyers with low and moderate incomes. VHDA loans are more attractive to home buyers because they generally require a lower down payment, a lower interest rate, or both.

For many years, a VHDA regulation required that persons borrowing jointly for a single residence must be “related by blood, marriage, adoption or legal custodial relationship.” This precluded unrelated couples, including engaged couples and same-sex couples, from receiving VHDA assistance. On July 25, 2003, VHDA repealed this provision. Now, anyone, or any couple, who satisfies its standard criteria and requirements (e.g., a satisfactory credit report and sufficient income) will be eligible for its loans. The City has endorsed this VHDA action in past legislative packages.

During the 2004 Session, legislation was introduced to reinstate the earlier VHDA requirements for a relationship by blood, marriage, adoption, or legal custody; this legislation (HB 187) was defeated. The Human Rights Commission has asked the City to oppose such legislation if it is reintroduced in 2006. Staff supports the Commission recommendation.

3.F. Undocumented Students (Human Rights Commission)

Some members of the General Assembly attempted to enact legislation in the 2003 and 2004 Sessions that would have explicitly prohibited any alien who is unlawfully present in the United

States from being eligible for in-state tuition at Virginia's colleges and universities. The 2003 legislation passed both the House and Senate with substantial majorities, but was returned to the General Assembly by the Governor, who proposed to amend it so that it would not apply to students who:

1. resided with their parents or guardians in Virginia during high school;
2. graduated from a Virginia high school;
3. had resided in Virginia for at least 5 years prior to high school graduation;
4. had filed for and were pursuing permanent residency in the United States; and
5. had paid (or had at least one parent or guardian who had paid) Virginia income taxes for at least three years prior to the date of enrollment.

The General Assembly rejected the Governor's amendment, so he vetoed the legislation, noting that his amendment "would have allowed a small but deserving group of students to receive the benefit of in-state tuition." He went on to explain that these students "were brought to this country by their parents through no fault of their own . . . are now - and . . . in all likelihood will continue to be - a part of our communities," and that the amendment was "fully consistent with federal law."

Similar legislation (HB 156), to restrict illegal aliens from enrolling in state colleges and universities, was considered by the 2004 Session. It passed the House but was defeated in the Senate. The Human Rights Commission recommends that the City oppose any legislative proposals in the 2006 Session that would restrict access to higher education by undocumented aliens, unless it includes safeguards such as those proposed by Governor Warner for the 2003 legislation. Staff concurs with the Commission's recommendation.

3.G. Constitutional Amendment Restricting Marriage; Affirmation of Marriage Act (Human Rights Commission)

The 2004 General Assembly enacted legislation titled The Affirmation of Marriage Act, which prohibits any "civil union, partnership contract or other arrangement between persons of the same sex purporting to bestow the privileges or obligations of marriage." Although the patron of the legislation portrayed it as a statute aimed at ensuring that Virginia is not required to recognize civil unions that were legally entered into in other states, many others fear that it will have other significant, far-reaching effects. The City opposed this legislation, noting the potential it has to cause serious unintended consequences such as the voiding of existing contractual rights, the prohibition of certain contracts between two people of the same sex (regardless of their sexual orientation), the inability of business partners of the same gender to enter into a partnership agreement outlining the division of property if the partnership dissolves, and the voiding of medical directives designating a close friend of the same sex to make necessary medical decisions. While the City's 2005 Legislative Package sought the law's repeal, the 2005 General Assembly did not seriously consider doing so.

Not only did the 2005 General Assembly fail to repeal the Affirmation of Marriage Act, it also passed on first reading a proposed constitutional amendment that, if enacted, will prohibit marriage by anyone other than "one man and one woman," as well as any legal status for unmarried individuals that "approximate" marriage. Amendments to the Virginia Constitution must be approved by two General Assembly Sessions separated by a general election for the House of Delegates, then ratified by a majority of Virginia voters. Consequently, this legislation will again be before the 2006 General Assembly.

The Human Rights Commission has noted that state law already prohibits marriage between individuals of the same sex, and makes any contractual rights created by any marriage entered into by persons of the same sex in another state or jurisdiction void and unenforceable. The Commission believes that the proposed amendment is mean-spirited and unnecessary given the state laws that have already been enacted.

The Commission has asked the City to specifically oppose the proposed state constitutional amendment, and to continue to support any efforts to repeal the Affirmation of Marriage Act. City Council Resolution No. 2142, passed on March 8, 2005, states that City Council opposes any state legislation, including constitutional amendments, that would define marriage as only between a man and a woman (Attachment 5).

ATTACHMENTS:

Attachment 1 – City of Alexandria 2006 Legislative Package Proposals

Attachment 2 – NovaHealthFORCE, Northern Virginia Health Force Alliance Action Plan, 2005-2009

Attachment 3 – 2006 NVAN (Northern Virginia Aging Network) State Legislative Platform

Attachment 4 – Letter from Mayor William D. Euille to the Virginia Compensation Board, Regarding Federal Prisoner Per Diems

Attachment 5 – Resolution No. 2142, Alexandria City Council, Resolution on the Proposed State Constitutional Amendments Defining Marriage and Reaffirming the City's Human Rights Ordinance

STAFF: Bernard Caton, Legislative Director

Attachment 1

City of Alexandria 2006 Proposed Legislative Package Proposals

1. Requests for Legislation to Be Proposed

- 1.A. Use of Earmarked City Revenues for Operations
- 1.B. Condominium Conversions–Sales to Non-profits
- 1.C. Psychiatric Bed Crisis in Northern Virginia (Regional Position)
- 1.D. Payments to Foster Care Parents
- 1.E. Gadsby’s Tavern Museum
- 1.F. Fort Ward
- 1.G. Tax Credit for Low-income Renters
- 1.H. Funding for the Rehabilitative Services Incentive Fund

2. Requests for Legislation to Be Supported

- 2.A. Northern Virginia Healthforce Alliance Action Plan (Mayor Euille)
- 2.B. Pedestrian safety
- 2.C. Funding to Clean Up the Chesapeake Bay
- 2.D. Smoking in Restaurants
- 2.E. Housing Discrimination Based on Source of Income
- 2.F. Dedicated Revenue for WMATA (Washington Area Metropolitan Transit Authority)
- 2.G. Statewide Transportation Funding
- 2.H. Tax Credits and Other Incentives for the Use of Renewable and Alternative Energy
- 2.I. Birmingham Green
- 2.J. Design-Build

- 2K. Condominium Conversions–State Notification of Localities
- 2.L. Increased State Funding for Certain Court System Employees
- 2.M. Telecommunications Taxes
- 2.N. Community Action Agencies
- 2.O. Pre and Post-Incarceration Services (PAPIS)
- 2.P. Issues Endorsed by the Alexandria Commission on Aging
- 2.Q. Increase Virginia's Minimum Wage
- 2.R. Restoration of Civil Rights for Felons

3. Requests for Legislation to Be Opposed

- 3.A. Alexandria Jail Federal Prisoner Per Diems
- 3.B. Affordable Housing
- 3.C. Restrictions on Services to Immigrants and Related Issues
- 3.D. Living Wage
- 3.E. Virginia Housing Development Authority Loan Eligibility .
- 3.F. Undocumented Students
- 3.G. Constitutional Amendment Restricting Marriage; Affirmation of Marriage Act



NoVaHealthFORCE

NORTHERN VIRGINIA HEALTHFORCE ALLIANCE ACTION PLAN 2005-2009

NEED

Today, Northern Virginia has a shortage of nearly 2,800 health care workers in 24 job categories. Of these, approximately 1,000 vacancies are RN's.

Currently, educational institutions are providing the region about 750 trained graduates annually; 440 of these are RN's. The projected annual demand is estimated to be 1300 graduates per year with 800 new RN's needed annually. At current rates, the region's colleges and universities will not be able to replace the health care personnel who are retiring. They have little or no capacity to respond to projected employment growth requirements in the health care system

At current rates over the next 15 years, the region will be short over 16,000 skilled health care workers; 6,350 of these will be RN's unless steps are taken to change the supply of available workers.

The region's health care training facilities either have or soon will reach their maximum physical capacity and are concentrated in the northern and eastern parts of the region while the fastest growing portion of the region is in the south and west.

The region must find a way to increase its supply of nursing graduates by eighty percent and increase by half or more its supply of Allied Health graduates in targeted specializations if it is to meet the health care workforce challenge it faces. Efforts directed at the retention and development of incumbent health care workers need to be stepped up.

RECOMMENDATIONS

Increase Health care Training Capacity in Northern Virginia

- Increase by 350 the annual number of RN's and increase by 50% the number of BSN's/MSN's graduating annually in the region.
- Increase by 50% or more the number of graduates in selected allied health occupations such as health information technology, diagnostic imaging, respiratory therapy, and physical therapy assistant.
- Educational institutions should work together as a system of coordinated resources rather than isolated entities.
- Health care training resources should be established in Loudoun and/or Prince William Counties where population growth is projected to be highest.

Create A Pipeline Strategy for New & Incumbent Workers in Health care Jobs

- Create a health care careers outreach strategy to middle and high schools.
- Establish magnet high schools with an emphasis upon life sciences and health care disciplines that are closely linked with college and university programs.
- Create health care worker intake programs for immigrant and low-income communities.
- Develop career ladders from entry-level positions to high-skill jobs within the health care system working with the higher education system.
- Create an incumbent worker training and development system that retains & develops existing health care workers and increases their productivity.

Nurture Innovation

- Increase the use of technology to improve worker productivity.
- Empower health care consumers to reduce demands on the health care system.
- Design and test health care jobs of the future in fields such as health information technology, long-term care and assisted living, and pharmacogenomics.

SPECIFIC ACTIONS PLANNED

Health Care Training Capacity

- Northern Virginia Community College will increase by 135 the number of Registered Nurses and by 200 the number of targeted allied health graduates by 2009. \$2.5 million annually from Commonwealth of Virginia will be required to complete the program funding of NOVA's Medical Education Campus in Springfield. NOVA will begin planning with George Mason University to extend health care training resources to Prince William and Loudoun Counties. An estimated \$1.5 million annually will be needed by NOVA for this expansion.
- George Mason University will plan to expand its baccalaureate nursing program in Prince William and Loudoun Counties, establish a graduate Nursing educator program to train new Nursing faculty, and expand its teaching and research programs in health information systems management. \$3.4 million annually will be required from state funds to implement these programs. If funded, Mason will increase graduates up to 60 new RN-to-BSN graduates, 140 new nurses with BSN's and 36 MSN nurse educators annually beginning in 2009.
- Shenandoah University will be expanding its baccalaureate nursing and certain allied health programs to Loudoun County. The university is planning next fall to have over 30 students enrolled in a "second degree" nursing program and 14 students in its respiratory therapy program, both at its new Leesburg campus. If sufficient facilities are found, Shenandoah could provide over 120 graduates annually by 2009.
- Marymount University will participate in the soon to be created HealthFORCE Education Consortium and will continue to support its Nursing program at least at current levels for the foreseeable future.
- Old Dominion University and Northern Virginia Community College will develop and implement an on-line RN-to-BSN program next fall, resulting in an additional 50 BSN's being graduated annually in Northern Virginia by 2009. ODU plans to initiate an on-line MSN program as well.
- A feasibility study and plan for establishing a western regional health care training and education facility will be initiated.
- A HealthFORCE Alliance Education Consortium including the region's colleges, universities, and schools will be created to expand the region's health care training and educational capacity as a system and develop educational innovations designed to increase the number of nursing and health care workers in the region.

Pipeline Strategy

- \$1 million will be raised for scholarships, low-interest loans, and vouchers to attract and train additional students into health-related career programs offered by Northern Virginia HealthFORCE Alliance Education Consortium colleges and universities.
- Working in cooperation with the region's colleges, universities, and health care employers, the HealthFORCE Alliance will encourage and support Northern Virginia school divisions to study the feasibility of establishing one or more magnet high schools having an emphasis upon life sciences and health care disciplines.
- A communications, marketing and outreach program will be established under the HealthFORCE Alliance that coordinates the efforts of the health care industry and colleges & universities in educating middle and high school students, counselors, and parents regarding health careers and educational opportunities in Northern Virginia.
- Working with Northern Virginia Family Services' Training Futures program, the HealthFORCE Alliance will help to initiate an entry-level health care worker intake program targeting persons from immigrant and low-income communities.
- Working with one of the region's health care employers, NOVA will develop a comprehensive nursing career lattice by designing and launching CNA-to-RN and LPN-to-RN apprenticeship programs.
- Working with the region's health care employers, colleges and universities, the HealthFORCE Alliance will explore the feasibility of establishing "HealthFORCE 2.0", an incumbent worker learning and career development system designed to maintain and develop the skills required by the increasing complexity of health care fields. A focal point of HealthFORCE 2.0 study will be technology training that increases front-line health care worker productivity.

Innovation

- Northern Virginia Technology Council will establish a working group to identify and showcase promising technologies for application to the health care sector where there may be the potential for improving worker productivity and/or improvements in health care services.
- George Mason University and Northern Virginia Community will collaborate to develop and expand programs in health information technology and health systems management.
- The Northern Virginia HealthFORCE Alliance will identify new and emerging technical and professional roles leading to new types of health care positions so as to advise educational institutions on new education and training requirements.

Organizational Strategy

- The HealthFORCE Alliance will commit to raising \$3.3 million over four years to create incentives for persons to enter health careers and to use as leverage and matching funds to secure additional federal, state, local and foundation funds in support of the Alliance's initiatives:
 - \$1 million for HealthFORCE vouchers, loans, & scholarships
 - \$500,000 for Mason & NOVA faculty endowments
 - \$500,000 for school outreach into low-income & immigrant communities
 - \$500,000 for operating expenses of the Alliance
 - \$500,000 for matching funds for federal & foundation grants
 - \$200,000 for feasibility study for Western training facility
 - \$100,000 for feasibility study for magnet high schools
- The Northern Virginia Health care Workforce Alliance currently hosted by NOVA will transition to become the Northern Virginia HealthFORCE Alliance hosted by the Northern Virginia Workforce Investment Board for a four-year term, beginning in 2005.
- The Fairfax County Chamber of Commerce will team with the Northern Virginia HealthFORCE Alliance by using the Chamber's advocacy capacity to support the policy agenda of the HealthFORCE Alliance in Richmond and with local governments in Northern Virginia.
- The Northern Virginia Workforce Investment Board will maintain a data base on the region's health care worker employment & demand statistics.

Northern Virginia Aging Network

Support Home-Delivered Meals

- Nutritious home-delivered meals help to keep frail older Virginians independent and in the home of their choice, strengthen family support, and save state funds.
- Unmet needs for home-delivered meals rose by 9% to 1,815,036 in FY 2004 (JLARC & Virginia Department for the Aging).
- Program costs of gas, insurance and workers compensation are up drastically.
- An additional \$7.3 million at \$4 per meal is required to meet the needs.
- Aging services already have sustained over \$2 million in cuts, with only half restored.

Support Transportation Options for Seniors

- In FY 2003, Virginia seniors needed an additional 192,465 trips (JLARC).
- The two funding sources dedicated to senior transportation make up only 1% of Virginia's federal & state transportation funding (JLARC).
- Transportation needs of seniors must be addressed in all transportation planning.
- NVTC study recommendations on senior transportation need support.

Fund Intensive Older Adult Mental Health Services

- Pilot at \$4.3 million (as recommended in 2005 Northern Virginia Regional Strategic Plan) to:
- Integrate new and existing community resources to better serve older adults with serious mental illness;
- Reduce number of psychiatric hospital bed days needed for adults 65+;
- Provide essential hospital psychiatric services in N. Va. rather than at Eastern State (Williamsburg). ▶

Northern Virginia Aging Network

2006 State Legislative Platform

Attachment 3, page 2

Address Continuing Challenges.
NVAN continues to support the need to:

- ◆ Appropriate funds for Congregate Housing + Services in pilot sites;
- ◆ Increase Nursing Home Personal Needs Allowance from \$30 to \$60 per month;
- ◆ Increase Medicaid Waiver Personal Maintenance Allowance, as recommended by JCHC & Olmstead Initiative Oversight Advisory Committee;
- ◆ Require Nursing Homes to Hold the Bed for a hospitalized Medicaid resident at the Medicaid rate minus board & care costs;
- ◆ Appropriate funds for Long-Term Care Ombudsman Staffing (Va. Code 2.2-703(A)(10));
- ◆ Set Requirements for Minimum Nursing Home Staffing Level;
- ◆ Expand the Public Guardianship Program;
- ◆ Increase the monthly Assisted Living Auxiliary Grant from \$944 to \$1200 (\$1380 in N. Va.) & make it a state-funded program, eliminating local 20% share; and
- ◆ Establish Visitability (basic accessibility) Measures for new single family homes; & increase Home Modification opportunities.

NVAN includes the Commissions on Aging and Area Agencies on Aging of Alexandria, Arlington, Fairfax, Falls Church, Loudoun and Prince William, as well as a number of regional service and advocacy organizations. Contact NVAN c/o Northern Virginia Regional Commission 703-642-0700 www.Novaregion.org



City of Alexandria, Virginia

301 King Street, Suite 2300

Alexandria, Virginia 22314



William D. Euille

Mayor

City Hall (703) 838-4500

Home (703) 836-2680

Fax (703) 838-6433

alexiamayor@aol.com

September 12, 2005

Richard A. Lampman Ph.D.
Policy and Planning Manager
Compensation Board
P.O. Box 710
Richmond, VA 23218-0710

Dear Dr. Lampman:

I am writing in response to the Compensation Board's August 24 release of its exposure draft of the Federal Inmate Cost Recovery Options Report.

I realize that the Board and its staff have developed this draft report in response to a directive of the 2005 General Assembly, included in the Appropriations Act for that Session. I am appreciative of the Board's inclusion of a comment period for local officials before it finalizes its report.

As I understand the directive, the Compensation Board was told to "develop options for a revised cost recovery methodology to recover all costs reimbursed by the Commonwealth, including capital costs, associated with housing federal inmates, District of Columbia inmates or inmates from other states."

Staff for the City of Alexandria has reviewed the draft report, and believe that only one of the options presented in the draft, Option 1, actually responds to the General Assembly directive. The draft itself notes that the task force of local officials and employees assembled by the Compensation Board staff to review the staff draft of this report "felt that this option, and this option alone, was responsive to the directive set out in" the Appropriations Act. The City of Alexandria continues to view Option 1 (and its sub-options 1A, 1B, and 1C) as the only option that actually responds to the General Assembly directive.

In addition, the City is pleased that the Compensation Board and its staff noted in its report that three jails in the Commonwealth are exempted from the current revenue recovery procedure because the federal share of capital expenses for these jails exceeded any state capital funding.

"Home Town of George Washington and Robert E. Lee"

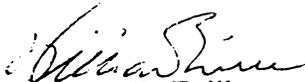
Robert A. Lampman, Ph.D.
September 12, 2005
Page 2

I would also add that in the case of Alexandria, the City and the federal government have paid far more than the state in jail construction costs. When the jail was built in 1987 at an approximate cost of \$20 million, the City paid \$17.1 million, the federal government \$2.6 million, and the state \$300,000. Since 9-11, the City has made major, expensive improvements to the perimeter security of the jail property, since the jail is holding a number of convicted or alleged terrorists, such as Zacarias Moussaoui, who were involved in the September 11, 2001, attacks. The cost of these improvements was approximately \$5.1 million, all of which was paid for by the City (\$2.2 million) and the federal government (\$2.9 million).

Finally, the City of Alexandria pays a far greater share of the Alexandria Sheriff's Office operating costs than either the State or the federal government. The Compensation Board's most recent Jail Cost Report, indicates that in FY 2003 the City provided 45 percent; the federal government, 33 percent, and the State 21 percent of the funding for Alexandria jail expenditures.

In view of the tremendous City and federal resources, both capital and operating, that go to the Alexandria jail, I ask that your report recommend that the City's exemption from the federal per diem revenue recovery procedure be continued.

Sincerely yours,


William D. Euille
Mayor

cc: The Honorable Members of City Council
James K. Hartmann, City Manager
James H. Dunning, Sheriff
Bernard Caton

RESOLUTION NO. 2142

WHEREAS, the City of Alexandria Human Rights Ordinance was passed by City Council thirty years ago on March 25, 1975; and

WHEREAS, the City of Alexandria passed an ordinance in 1988 amending the Human Rights Code to protect people from discrimination on the basis of sexual orientation; and

WHEREAS, the City of Alexandria has consistently adopted policies that reflect its commitment to diversity, include all members of the community in city government and protect the civil liberties of all citizens; and

WHEREAS, constitutional amendments at the federal and state level defining marriage as only between a man and a woman intentionally discriminate against lesbians and gay men by denying them access to the protections, benefits and responsibilities extended through civil marriage, such as pensions, social security benefits, tax provisions, health insurance, hospital visitation, inheritance and other family law provisions; and

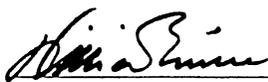
WHEREAS, such proposed constitutional amendments appeal to Americans' prejudices and fears rather than to their higher values of equality and justice; and

WHEREAS, the long and honorable history of the United States Constitution, and its role in expanding and protecting human rights through the first ten amendments known collectively as the Bill of Rights and through later amendments, would be tarnished by any amendment that restricts the civil rights of any group of Americans;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Alexandria:

1. The Alexandria City Council declares its opposition to any proposed federal constitutional amendment defining marriage as only between a man and a woman; and
2. The Alexandria City Council opposes any attempts by Virginia elected officials to pass similar discriminatory legislation; and
3. The Alexandria City Council reaffirms the City's Human Rights Ordinance; and
4. The Alexandria City Council urges members of Virginia's congressional delegation to pursue policies that affirm individual and family rights for all citizens, support local efforts to create inclusive and diverse communities, and create the federal legal atmosphere necessary for equality in civil rights.

ADOPTED: March 8, 2005



WILLIAM D. EUILLE

MAYOR

ATTEST:



Jacqueline M. Henderson, CMC City Clerk

2U

15 1/16
11-22-05

----- Original Message -----

Subject: Alexandria Legislative Packet

From:

Date: Tue, 22 Nov 2005 11:54:57 -0500

From: Peggy Sand <psand@wahtf.org>

:

To: alexvamayor@aol.com

CC: Kerry Donley <kerry.donley@acps.k12.va.us>, Councilwoman Joyce Woodson <council@joycewoodson.net>, Peggy Sand <psand@wahtf.org>

November 22, 2005

◇ Mayor William D. Euille

City of Alexandria

106 East Nelson Avenue

Alexandria, VA 22301-2036

Dear Mayor Euille:

I am writing to ask that you include support for a \$500,000 earmark for the Washington Area Housing Trust Fund (WAHTF) in the City of Alexandria's legislative packet that is submitted for the Commonwealth's next biennial budget. All of the requested funding would go to low-interest loans to help preserve or create affordable homes in Northern Virginia. Not one penny would be used for administrative expenses.

WAHTF is a three year old regional loan fund started by the Metropolitan Washington Council of Government and was founded on the premise that the Washington metropolitan region needs a collective concerted way to address the shortage of housing for its workers. The housing shortage impacts businesses and this region by: making it difficult to attract and retain employees, forcing people to live on the fringes of the region where prices are more affordable leading to increased congestion on the roads and poor air quality, making it impossible for the teachers and firefighters that serve our communities to live in them, and forcing people who clean our offices and work in our stores to work two jobs and live in overcrowded housing.

Since its inception WAHTF has closed on nine loans helping to preserve or create 825 homes throughout the Washington metropolitan region. In Northern Virginia, WAHTF has made loans to the nonprofit developers of Island Walk (102 units), Woodbury North (108 units), and Gates of Clarendon (116 units). The attached information provides additional information about each of these loans. WAHTF has successfully leveraged seed federal support of nearly \$1 million with private sector support including a \$500,000 low-interest loan from Bank of America and \$300,000 line of credit from Virginia Commerce Bank. Smaller grants from Bank of America, Wachovia, Citibank and the Fannie Mae foundations have been used to grow WAHTF's dedicated loan loss reserve and lending capital. Operating

support from area local governments allow WAHTF to make loans at substantially below-market interest rates, currently 2 percent.

I have attached additional information about WAHTF's Northern Virginia loans, board members and a letter of support from Governors Warner and Ehrlich and Mayor Williams. Unless I hear from you to the contrary, I will forward this letter to your legislative liaison on Wednesday.

Hope you have a happy Thanksgiving. I would be happy to answer any questions you may have about this request. I can be reached at (301) 920-0443 or by emailing psand@wahtf.org.

Sincerely,

◇Peggy Sand



President boardlist.doc governor.pdf Virginia loan description.doc psand.vcf



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Councilmember
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John Wall
Vice Chair, Loan Committee
Mid-City Financial Corporation

Joyce Woodson
Councilmember
City of Alexandria

Peggy Sand
President

National Capital Region

June 25, 2004

George W. Bush
President
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20001

Dear President Bush:

First, we want to thank you for the federal support provided to the Washington Area Housing Trust Fund. The FY-2004 federal budget included \$400,000 to support the Trust Fund and in FY 2003 the fund received \$500,000.

We are writing to ask your support of \$600,000 in continued funding for the Trust Fund in the FY 2005 federal budget. Not only are we presenting a bipartisan front on this matter, we are joining the bipartisan effort demonstrated by the District of Columbia, Maryland, and Virginia congressional delegations. Our congressional representatives – both House and Senate – have indicated past and present support to their appropriations committee for this effort. They noted the need for federal government involvement as the region's largest employer and due to its tax-exempt status.

“...The salaries of federal workers have a dramatic impact on the region's economy and, therefore, on the cost of housing. The tax-exempt status of the federal government has a major impact on the amount of tax revenue generated by local governments in this region.”

We support the fundamental reason for the Washington Area Housing Trust Fund. We believe that this region needs a coordinated, collective way for all of the sectors and jurisdictions to raise resources to help solve the affordable housing shortage. The need for more affordable housing in this region is borne out in study after study. The 2004 homeless enumeration report, coordinated by the Metropolitan Washington Council of Governments, found that the number of homeless in the region had risen for the fourth year in a row. On average, home prices have risen a staggering 55% over the last five years. Individual jurisdictions have experienced five-year appreciation rates as high as 174%. Clearly something needs to be done to make sure that all of our residents can find a place to call home.

President Bush

6/24/2004

Page 2

Since its inception in 2002, the Washington Area Housing Trust Fund has provided a below-market rate loan to a project in Reston, Virginia; is currently considering a loan to a District of Columbia tenant group; and is reviewing proposals from Maryland. The \$600,000 continued federal funding being requested for FY 2005 will be coupled with local government contributions and contributions from the foundation and corporate communities in order to seriously address the shortage of affordable housing in the Washington metropolitan area.

We look forward to your favorable consideration of this request.

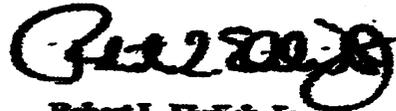
Sincerely,



Anthony A. Williams
Mayor of the District of Columbia

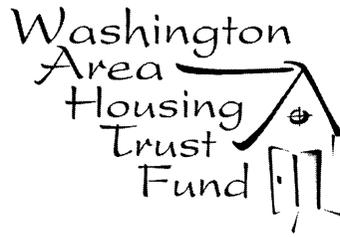


Mark R. Warner
Governor of Virginia



Robert L. Ehrlich, Jr.
Governor of Maryland

cc: The Honorable Ted Stevens, Chairman, Senate Appropriations Committee
The Honorable Robert C. Byrd, Ranking Member, Senate Appropriations Committee
The Honorable Bill Young, Chairman, House Appropriations Committee
The Honorable David R. Obey, Ranking Member, House Appropriations Committee



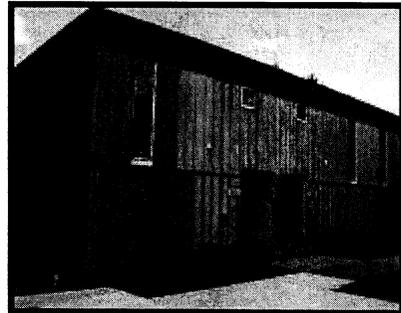
Loans Made in Northern Virginia as of December 2005

1701 Torrey Pines Court Reston, VA

The Washington Area Housing Trust Fund's first loan provided predevelopment support to the nonprofit Community Preservation and Development Corporation (CPDC) in its efforts to purchase and rehabilitate Island Walk, a 102-unit townhouse community located in Reston, Virginia. WAHTF's predevelopment loan was made in concert with two national loan funds as well as the Fairfax County Department of Housing and Community Development. This unsecured loan has been repaid.

Island Walk was originally developed in the late 1970's by the Fairfax County Redevelopment and Housing Authority as a limited-equity cooperative. The design of the buildings (plywood siding and flat roofs with no overhang – see picture) allowed the property to deteriorate significantly. Although the community is located in a very attractive neighborhood with many nearby amenities, because of the nature of the cooperative ownership structure, the residents lacked access to funds necessary to address the capital needs.

CPDC won a Request for Proposals competition with a proposal to thoroughly renovate the units without displacing any residents and to give the co-op the right to purchase the property at the end of the 15-year tax credit compliance period. CPDC worked with the co-op to develop a scope of work that would ensure that the asset would endure well past the time that the co-op would have the right to purchase it.



The work, which has been completed, includes replacement of all of the major systems. With dedicated space in the renovated community center, CPDC has partnered with

the residents of Island Walk, local officials, and corporations to bring its award-winning programs to the community. As a part of this vision, CPDC will be laying the groundwork for an electronic village and a Neighborhood Network Center at Island Walk.

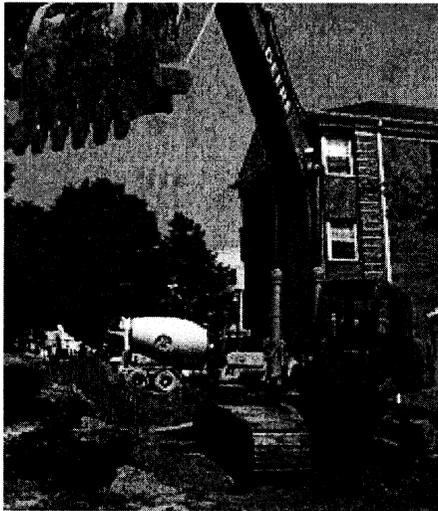
Woodbury North Arlington, VA

The Washington Area Housing Trust Fund provided a \$150,000 loan to AHC to help the project move forward while awaiting funding from the Low Income Housing Tax Credit. This unsecured loan, with a 2% interest rate, has been repaid.

AHC was incorporated in 1975 as a 501(c)(3) Virginia non-profit corporation. AHC's mission is to provide secure, sound affordable housing with supportive services. AHC provides housing rehab services, home ownership programs and acquires, develops and owns multifamily projects. To date, AHC owns more than 2,500 units and provides supportive services including after-school programs, GED classes, computer training, and wellness programs for its residents and the community.

AHC refinanced its Woodbury Park Apartment complex in March 2005 and began construction on 108 new affordable apartments on an adjoining vacant parking lot and 99 market-rate condominiums in two nine-story buildings. AHC, Inc., (AHC) through an affiliate, owns a 365-unit garden-style apartment complex called Woodbury Park. AHC acquired this family complex, which has 204 project-based section 8 units and 114 market-rate units, in 1987. The property is 97% occupied.

AHC's objective with Woodbury North is to redevelop an underutilized, 1.5 acre parking lot currently serving the existing Woodbury Park apartment complex. Woodbury Park consists of 364 units – 204 units reserved for persons with Housing Choice Vouchers or with household incomes at or below 60% of the area median income for the Washington area and 160 market rate apartments. The project is an excellent example of successful mixed-income housing.



As part of the project, AHC will build a community center and improve site amenities for the current complex. The supplemental financial support requested in this application will enable be used to fund the architecture, engineering and other project costs that AHC will incur prior to closing on the construction loan.

WAHTF's loan helped the nonprofit continue to move forward with the project while it was awaiting its Low Income Housing Tax Credit award. A new community center will serve residents of the new apartments as well as AHC's adjacent Woodbury Park Apartments.

Woodbury North Arlington, VA

WAHTF has provided the First Baptist Church was a \$150,000 loan at 2% interest. This predevelopment loan was made in partnership with two national loan funds as part of a \$750,000 predevelopment loan package. The loan is current.

With a declining congregation and mounting deferred maintenance and facility-related operating costs over the past few years, the First Baptist Church of Clarendon (FBCC) began a process in 2003 of deciding how best to continue operating. The Church enjoys a prime location in the Clarendon sector of Arlington—occupying a whole block adjacent to a metro station and within a corridor that is experiencing tremendous commercial revitalization.

Because of the Church's desire to remain rooted in the Clarendon community, and its willingness to explore new ways to serve emergent local needs, the Church has embraced a creative redevelopment concept. The decision was made in 2003 to demolish most of the existing sanctuary building, preserving the landmark steeple at the front of the site.



The redeveloped site will provide a new structure that will include a smaller sanctuary, new mixed-income apartments in the middle with underground parking and preserving the operating child care center housed in a separate building at the rear of the site.

The subject loan will help fund a planned \$36 million 116-unit new construction mixed-income apartment project on the church's site that will include new sanctuary and office space for the existing church. Since last April, the development corporation and the church have legally incorporated and the project has garnered the approval of the Arlington County Board of Commissioners.

The project will now have 70 affordable rental housing units (60% of the total) at Low-Income Housing Tax Credit rent levels and will meet green development standards that meet or exceed Green Communities Criteria.