

CITY COUNCIL OF ALEXANDRIA, VIRGINIA

**Regular Meeting
Tuesday, November 23, 2010 - - 7:00 p.m.**

Present: Mayor William D. Euille, Vice Mayor Donley, Members of Council Frank H. Fannon, Alicia R. Hughes, K. Rob Krupicka, and Redella S. Pepper.

Absent: Member of Council Paul C. Smedberg.

Also Present: Mr. Hartmann, City Manager; Mr. Banks, City Attorney; Ms. Evans, Deputy City Manager; Mr. Jinks, Deputy City Manager; Mr. Castrilli, Communications Director, City Manager's Office; Mr. Gates, Assistant City Manager, City Manager's Office; Mr. Trobridge, Director, Information Technology; Mr. Johnson, Chief Financial Officer; Mr. Stewart, Office of Management and Budget; Ms. Taylor, Office of Management and Budget; Ms. Triggs, Director, Finance Office; Fire Chief Thiel; Police Captain Ogden; Mr. Baier, Director, Transportation and Environmental Services; Mr. Lerner, Deputy Director, Transportation and Environmental Services; Mr. Grover, Transportation and Environmental Services; and Mr. Lloyd.

Recorded by: Jacqueline M. Henderson, City Clerk and Clerk of Council.

City Council held a work session from 5:30 to 7:00 p.m. to discuss Land Use and Planning Work Plans for Planning and Zoning, the Department of Transportation and Environmental Services and other City departments.

1. Calling the Roll.

The meeting was called to order by Mayor Euille, and the City Clerk called the roll; all the members of Council were present, with the exception of Councilman Smedberg, who was absent.

2. Moment of Silence and Pledge of Allegiance.

City Council observed a moment of silence and recited the Pledge of Allegiance.

3. Reading and Acting Upon the Minutes of the Following Meetings of City Council:

- (a) The Regular Meeting Minutes of November 9, 2010; and
- (b) The Public Hearing Meeting Minutes of November 13, 2010.

WHEREUPON, upon motion by Vice Mayor Donley, seconded by Councilwoman Pepper and carried unanimously, City Council approved the regular meeting minutes of November 9, 2010 and the public hearing meeting minutes of November 13, 2010. The voting was as follows:

Donley	"aye"	Fannon	"aye"
Pepper	"aye"	Hughes	"aye"
Euille	"aye"	Krupicka	"aye"
	Smedberg	absent	

RECOGNITION OF YOUTH BY MEMBERS OF CITY COUNCIL

None.

PROCLAMATIONS

- 4. Presentation of a Proclamation Declaring December 4, 2010 as the 40th Anniversary of the Campagna Center's Scottish Christmas Walk.

(A copy of the proclamation is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 4; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, upon motion by Councilman Krupicka, seconded by Councilwoman Pepper and carried unanimously, City Council endorsed the proclamation. The voting was as follows:

Krupicka	"aye"	Donley	"aye"
Pepper	"aye"	Fannon	"aye"
Euille	"aye"	Hughes	"aye"
	Smedberg	absent	

- 4a. Presentation of a Proclamation Recognizing the Alexandria Jaycees.

(A copy of the proclamation is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 4a; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Vice Mayor Donley and carried unanimously, City Council endorsed the proclamation. The voting was as follows:

Hughes	"aye"	Fannon	"aye"
Donley	"aye"	Krupicka	"aye"
Euille	"aye"	Pepper	"aye"
	Smedberg	absent	

- 4b. Presentation of a Proclamation Recognizing Lt. Commander Michael Files For Receiving the Jaycees Virginian of the Year.

(A copy of the proclamation is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 4b; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Councilwoman Pepper and carried unanimously, City Council endorsed the proclamation. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Pepper	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
	Smedberg	absent	

REPORTS AND RECOMMENDATIONS OF THE CITY MANAGER

CONSENT CALENDAR (5-9)

(Resignations and Uncontested Appointments)

5. Receipt of the Following Resignations From Members of Boards, Commissions and Committees:
- (a) Alexandria-Caen Sister City Committee
Steven Rich
 - (b) Budget and Fiscal Affairs Advisory Committee
Matthew Tallmer
 - (c) Commission for the Arts
David Livingston
 - (d) Commission for Women
Christine Jordan
 - (e) Commission on Aging
Jermaine Mincey
 - (f) Commission on HIV/AIDS

Amy Olson
Tony DiCesare

- (g) Local Emergency Planning Committee
Timothy Dickinson
- (h) Potomac Yard Design Advisory Committee
Charlotte Landis
- (i) Public Records Advisory Commission
Sammye Collins

(A copy of the above resignations is on file in the Office of the City Clerk and Clerk of Council, marked collectively as Exhibit No. 1 of Item No. 5 (a-i); 11/23/10, and is incorporated as part of this record by reference.)

6. Uncontested Appointments to Boards, Commissions and Committees:

- (a) Budget and Fiscal Affairs Advisory Committee
1 Member Designated By the Alexandria Chamber of Commerce
- (b) Commission on Aging
1 Citizen Member (60 Years of Age or Older)
- (c) Commission on Employment
1 Representative From Among Recognized Area Businesses
Including Minority-Owned and Small Businesses
- (d) Community Services Board
1 Citizen Member
- (e) Emergency Medical Services Council
1 Representative of the Alexandria Red Cross
- (f) Historic Alexandria Resources Commission
1 Member Who Serves as a Volunteer at an Historic Property or
Attraction Which is Open to the Public on a Regularly Scheduled
Basis
1 Representative of the Historical Restoration and Preservation
Commission
- (g) Human Rights Commission
1 Commission on Persons with Disabilities Member

(A copy of the above appointments is on file in the Office of the City Clerk and Clerk of Council, marked collectively as Exhibit No. 1 of Item No. 6 (a-g); 11/23/10, and is incorporated as part of this record by reference.)

(Reports and Recommendations of the City Manager)

7. Consideration of Appointment of a Chief Animal Control Officer.

(A copy of the City Manager's memorandum dated November 17, 2010, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 7; 11/23/10, and is incorporated as part of this record by reference.)

8. Consideration of Authorization of Recommended Capital Project Allocations and Planned Expenditures.

(A copy of the City Manager's memorandum dated November 17, 2010, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 8; 11/23/10, and is incorporated as part of this record by reference.)

9. Receipt of the Annual Report of the Head Start Program Operated by the Campagna Center.

(A copy of the City Manager's memorandum dated November 11, 2010, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 9; 11/23/10, and is incorporated as part of this record by reference.)

END OF CONSENT CALENDAR

WHEREUPON, upon motion by Vice Mayor Dorley, seconded by Councilwoman Hughes and carried unanimously, City Council approved the consent calendar. The City Manager's recommendations were as follows:

5. City Council accepted the following resignations with regret: (a) Steven Rich, Alexandria-Caen Sister City Committee; (b) Matthew Tallmer, Budget and Fiscal Affairs Advisory Committee; (c) David Livingston, Commission for the Arts; (d) Christine Jordan, Commission for Women; (d) Jermaine Mincey, Commission on Aging; (f) Amy Olson and Tony DiCesare, Commission on HIV/AIDS; (g) Timothy Dickinson, Local Emergency Planning Committee; (h) Charlotte Landis, Potomac Yard Design Advisory Committee; and (i) Sammye Collins, Public Records Advisory Commission.

6. City Council made the following appointments: (a) reappointed Margaret Gullen as the one member designated by the Alexandria Chamber of Commerce to the Budget and Fiscal Affairs Advisory Committee; (b) reappointed Donald Fowler as the one citizen member 60 years of age or older to the Commission on Aging; (c) reappointed Florence King as the one representative from among recognized area businesses including minority-owned and small businesses, to the Commission on Employment; (d) reappointed Thomas Craig as the one citizen member to the Community Services Board; (e) appointed Ellen McHugh as the one representative of the Alexandria Red Cross to the Emergency Medical Services Council; (f) appointed

William Schreiner as the one member who serves as a volunteer at a historic property or attraction which is open to the public on a regularly scheduled basis, and reappointed John Sprinkle as the one representative of the Historical Restoration and Preservation Commission to the Historic Alexandria Resources Commission; and (g) appointed Tom Sachs as the one Commission on Persons with Disabilities member to the Human Rights Commission.

7. City Council approved the appointment of Ms. Joy Wilson as chief animal control officer pursuant to City Code Section 5-7-44, which includes the requirement that Council appoint the City's chief animal control officer.

8. City Council authorized \$5,832,400 for capital project allocations and planned expenditures for the capital projects as detailed in the Capital Improvement Expenditure Summary.

9. City Council received the Alexandria Head Start annual report as submitted by the Campagna Center.

The voting was as follows:

Donley	"aye"	Fannon	"aye"
Hughes	"aye"	Krupicka	"aye"
Euille	"aye"	Pepper	"aye"
	Smedberg	absent	

CONTESTED APPOINTMENTS

10. Alexandria-Caen Sister City Committee
1 Citizen Member

(The following persons volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Kathleen Barnett
Terry Haines

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 10; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council reappointed Kathleen Barnett as the one citizen member to the Alexandria-Caen Sister City Committee. The voting was as follows:

Euille	-	Barnett
Donley	-	Barnett
Fannon	-	Barnett
Hughes	-	Barnett
Krupicka	-	Barnett
Pepper	-	Barnett
Smedberg	-	absent

11. Alexandria-Gyumri Sister City Committee
1 Citizen Member

(The following persons volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Dean Shahinian

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 11; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council waived the residency requirement and reappointed Dean Shahinian as the one citizen member to the Alexandria-Gyumri Sister City Committee. The voting was as follows:

Euille	-	Shahinian
Donley	-	Shahinian
Fannon	-	Shahinian
Hughes	-	Shahinian
Krupicka	-	Shahinian
Pepper	-	Shahinian
Smedberg	-	absent

12. Alexandria Marketing Committee

3 Members With Experience or Expertise in the Following Areas:
Marketing/Communications, Advertising Agency/Public Relations, Media Buyer, Graphic Design/Production, and Media Relations/Media Outlet

(The following persons volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Beth Brummel
Shenise Foster
Carol Godwin

Carl Lee
Laura Machanic
Richard Yates

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 12; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council reappointed Beth Brummel, Carol Godwin, and Laura Machanic as the three members with experience or expertise in the following areas: marketing/communications; advertising agency/public relations/ media buyer; graphic design/production/ and media relations/media outlet to the Alexandria Marketing Committee. The voting was as follows:

Euille	-	Brummel, Godwin, Machanic
Donley	-	Foster, Godwin, Machanic
Fannon	-	Brummel, Godwin, Machanic
Hughes	-	Foster, Godwin, Machanic
Krupicka	-	Brummel, Godwin, Machanic
Pepper	-	Brummel, Godwin, Machanic
Smedberg	-	absent

13. Commission for the Arts
1 Member Who Has Expertise in the Arts, Either as Practitioners of Various Art Disciplines or as Professional Administrators Working in the Field

(The following persons volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Sydney-Chanele Dawkins
Alison McNeil

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 13; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council reappointed Sydney-Chanele Dawkins as the one member who has expertise in the arts, either as practitioners of various art disciplines or as professional administrators working in the field, to the Commission for the Arts. The voting was as follows:

Euille	-	Dawkins
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Donley	-	Dawkins
Fannon	-	Dawkins
Hughes	-	Dawkins
Krupicka	-	Dawkins
Pepper	-	Dawkins
Smedberg	-	absent

14. Environmental Policy Commission

1 Member From the Field of Environmental Sciences (e.g., Environmental/Sanitary Engineering, Ecology, Geology, Botany, Hydrology, Chemistry) or Who Have Alexandria Waterfront Expertise)

(The following persons volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Patrick Fischer
 Geoffrey Goode
 Kristen Nelson

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 14; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council appointed Geoffrey Goode as the one member from the field of environmental sciences (e.g., environmental/sanitary engineering, ecology, geology, botany, hydrology, chemistry) or who have Alexandria waterfront expertise, provided that at least four members shall have scientific expertise, to the Environmental Policy Commission. The voting was as follows:

Euille	-	Goode
Donley	-	Goode
Fannon	-	Goode
Hughes	-	Nelson
Krupicka	-	Goode
Pepper	-	Goode
Smedberg	-	absent

15. Historical Restoration and Preservation Commission

1 Citizen Member

(The following persons volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Katie Blakesley
Patricia Higgins

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 15; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council reappointed Katie Blakesley as the one citizen member to the Historical Restoration and Preservation Commission. The voting was as follows:

Euille	-	Blakesley
Donley	-	Blakesley
Fannon	-	Blakesley
Hughes	-	Higgins
Krupicka	-	Blakesley
Pepper	-	Blakesley
Smedberg	-	absent

16. Local Emergency Planning Committee
1 Representative From Law Enforcement and Firefighting Personnel

(The following person volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Russell Furr

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 16; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council waived the residency requirement and appointed Russell Furr as the representative from law enforcement and firefighting personnel to the Local Emergency Planning Committee. The voting was as follows:

Euille	-	Furr
Donley	-	Furr
Fannon	-	Furr
Hughes	-	Furr
Krupicka	-	Furr
Pepper	-	Furr
Smedberg	-	absent

- 17. Torpedo Factory Art Center Board
 - 4 Representatives of the Community At-Large
 - 5 Representatives of the Torpedo Factory Artists Association
 - 1 Representative of the Art League
 - 1 Representative of the Alexandria Commission for the Arts
 - 1 Representative of the Alexandria Convention and Visitors Association (Ex-Officio)
 - 1 Representative of the City Manager (Ex-Officio)

(The following persons volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

4 representatives of the community at-large

Dina Biblin
 Karen Brigham
 Susan Corrigan
 Ann Dorman
 Carol Dupre
 James Ewalt
 Michael Hart
 Maria Hopper
 Vicki McGill
 Kim Putens
 Eileen Rivera
 Franchot Scarver
 Jaye Smith

4 representatives of the Torpedo Factory Artists Association

Penelope Barringer
 Dawn Benedetto
 Susan Sanders
 Lisa Schumaier
 Marian Van Landingham

1 representative of the Art League

Betsy Anderson

1 representative of the Alexandria Commission for the Arts

Donna Fowler

1 representative of the Alexandria Convention and Visitors Association (ex-officio)

Stephanie Brown

1 representative of the City Manager (ex-officio)

Tom Gates

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 17; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council made the following appointments: five representatives of the Torpedo Factory Artists Association, endorsed by the TFAA governing body: waived the residency requirement for Penelope Barringer, waived the residency requirement for Dawn Benedetto, Susan Sanders, Lisa Schumaier and Marian Van Landingham; waived the residency requirement and appointed Betsy Anderson as the Art League representative; appointed Donna Fowler as the Alexandria Commission for the Arts representative; waived the residency requirement and appointed Stephanie Brown as the ex-officio Alexandria Convention and Visitors Association representative; appointed Tom Gates as the ex-officio City Manager representative; and appointed four representatives of the community at-large as follows: waived the residency requirement for Susan Corrigan, Michael Hart, Maria Hopper, and Ann Dorman to the Torpedo Factory Art Center Board. The voting was as follows:

Euille - Barringer, Benedetto, Sanders, Schumaier, Van Landingham, Anderson, Fowler, Brown, Gates, Dorman, Hart, Hopper, Putens

Donley - Barringer, Benedetto, Sanders, Schumaier, Van Landingham, Anderson, Fowler, Brown, Gates, Corrigan, Dorman, Hart, Hopper

Fannon - Barringer, Benedetto, Sanders, Schumaier, Van Landingham, Anderson, Fowler, Brown, Gates, Brigham, Corrigan, Hopper, Putens

Hughes - Barringer, Benedetto, Sanders, Schumaier, Van Landingham, Anderson, Fowler, Brown, Gates, Corrigan, Ewalt, Hart, Hopper

Krupicka - Barringer, Benedetto, Sanders, Schumaier, Van Landingham, Anderson, Fowler, Brown, Gates, Corrigan, Hart, Hopper, Rivera

Pepper - Barringer, Benedetto, Sanders, Schumaier, Van Landingham, Anderson, Fowler, Brown, Gates, Dorman, Putens, Scarver, Pepper

Smedberg - absent

REPORTS AND RECOMMENDATIONS OF THE CITY MANAGER FOR DISCUSSION

- 18. Presentation of the Comprehensive Annual Financial Report for the Fiscal Year Ending June 30, 2010.

(A copy of the City Manager's memorandum dated November 9, 2010, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 18; 11/23/10, and is incorporated as part of this record by reference.)

Chief Financial Officer Johnson made a presentation of the staff report and responded to questions of City Council.

WHEREUPON, upon motion by Councilwoman Pepper, seconded by Vice Mayor Donley and carried 5-0, City Council received the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. The voting was as follows:

Pepper	"aye"	Fannon	"aye"
Donley	"aye"	Hughes	absent
Euille	"aye"	Krupicka	"aye"
	Smedberg	absent	

- 19. Oral Report on Base Realignment and Closure (BRAC-133) Project at Mark Center.

Deputy Director of Transportation and Environmental Services Lerner, along with BRAC Coordinator Grover, made a presentation on the BRAC-133 project at Mark Center and they responded to questions of City Council.

REPORTS AND RECOMMENDATIONS FROM BOARDS, COMMISSIONS AND COMMITTEES

None

ORAL REPORTS BY MEMBERS OF CITY COUNCIL

and

ORAL PRESENTATIONS BY MEMBERS OF CITY COUNCIL

(a) Mayor Euille said the City was a recipient of a 2010 Digital Cities Award, where the City ranked #6 of the top 100 cities that were evaluated.

(b) Councilman Fannon said the annual Turkey Trot five mile road race will be this Thursday at Cora Kelly Elementary School. Canned food will be collected to be donated to the ALIVE! shelter.

(c) Councilman Fannon said that this past Saturday at City Hall, 34 foster children were adopted by families in Alexandria.

(d) Councilwoman Pepper said the grand marshals this year for the Turkey Trot will be Mike and Linda Oliver, and she said the Turkey Trot is one of the largest donators of food to ALIVE!.

(e) Councilwoman Pepper said the Del Ray Business Association has reminded everyone that December 3 is the annual Del Ray Holiday Tree Lighting, luminaries and a visit with Santa.

(f) Vice Mayor Donley thanked William Ramsey School and Janet Denris for hosting them for the Thanksgiving lunch at the school today.

(g) Vice Mayor Donley said the City Manager sent Council a response in regard to a request regarding Jones Point Park construction and citizens wanting a monitoring group. He said they have done a lot of good work to keep the park open and they will phase in the construction, but there is concern about how it will progress. He asked staff to talk with VDOT and see if they can have regular meetings, and maybe it can be done by the Park and Recreation Commission with citizens invited, so there is proper information going on about what is going to happen and when.

City Manager Hartmann said the Parks and Recreation Commission will get a monthly update on that, and they are attending regular meetings with VDOT and the contractor.

(h) Councilwoman Hughes said she attended the Ramsey School luncheon today and they are doing wonderful things there. The PTA, faculty and staff did a great job hosting. She said she ran into a chef who will be meeting with Councilman Krupicka next week on what can be done to provide more nutritious lunches to students and what the community can do to aide that process. She said she was escorted around the school today by Buddy Norman, Dianicia McClindon, Esra, Melanie and Isabel.

(i) Councilwoman Hughes said that on Sunday, there was a forum on hunger hosted at Christ Church. Reverend David Beckman, who is the president for Bread for the World, delivered the sermon during the service and spoke at the forum. She said he was awarded the World Food Prize, which is the equivalent of the Nobel Prize for Food and Agriculture, honoring people who have made breakthrough achievements in the quality, quantity and availability of food throughout the world.

ORAL REPORT FROM THE CITY MANAGER

None.

ORDINANCES AND RESOLUTIONS

20. Consideration of a Resolution Authorizing the Issuance of Bonds by the Industrial Development Authority of the City of Alexandria (AIDA) in an Amount Not to Exceed \$7,000,000 to Assist the National Hospice and Palliative Care Organization (NHPCO) in Financing the Purchase of an Office Condominium Near the King Street Metro Station. **[ROLL-CALL VOTE]**

(A copy of the City Manager's memorandum dated November 8, 2010, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 20; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, upon motion by Councilman Krupicka, seconded by Vice Mayor Donley and carried 6-0 by roll-call vote, City Council adopted the resolution as recommended by the AIDA to assist the National Hospice and Palliative Care Organization in financing the purchase of an office condominium near the King Street Metro Station. The voting was as follows:

Krupicka	"aye"	Fannon	"aye"
Donley	"aye"	Hughes	"aye"
Euille	"aye"	Pepper	"aye"
	Smedberg	absent	

The resolution reads as follows:

RESOLUTION 2425

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA WITH RESPECT TO INDUSTRIAL DEVELOPMENT AUTHORITY FINANCING FOR NATIONAL HOSPICE AND PALLIATIVE CARE ORGANIZATION, INCORPORATED

WHEREAS, the Industrial Development Authority of the City of Alexandria (the "Authority") has considered the application of National Hospice and Palliative Care Organization, Incorporated (the "Borrower"), a corporation which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Code"), requesting the issuance of the Authority's revenue bonds in an amount not to exceed \$7,000,000 (the "Bonds") at one time or from time to time in one or more series pursuant to a plan of finance to assist the Borrower in financing or refinancing certain of the costs of the acquisition, development and equipping of its headquarters office building located at 1731 King Street, Suite 100, in the City of Alexandria, Virginia, which is a three-story, 17,359 square foot building, along with costs of issuance and other eligible expenditures (collectively, the "Project") and has held a public hearing in connection therewith on November 8, 2010;

WHEREAS, Section 147(f) of the Code provides that the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve

the issuance of the bonds;

WHEREAS, the Authority issues its bonds on behalf of the City of Alexandria, Virginia (the "City"); the facilities of the Borrower described above are located in the City and the City Council of the City (the "Council") constitutes the highest elected governmental unit of the City;

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds, subject to the terms to be agreed upon, a certificate of the public hearing and a Fiscal Impact Statement have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ALEXANDRIA, VIRGINIA:

1. The Council approves the issuance of the Bonds by the Authority for the benefit of the Borrower, as required by Section 147(f) of the Code and Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code"), to permit the Authority to assist in the financing of the Project.
 2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Bonds or the Borrower.
 3. The issuance of revenue bonds as requested by the Borrower will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or the City of Alexandria, Virginia, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof will be pledged to the payment of such bonds. Neither the City of Alexandria, Virginia nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and money pledged therefore.
 4. This resolution shall take effect immediately upon its adoption.
21. Consideration of a Resolution Establishing FY 2012 Budget Guidance for the Alexandria City Government and the Alexandria City Public Schools.
[ROLL-CALL VOTE]

(A copy of the City Manager's memorandum dated November 19, 2010, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 21; 11/23/10, and is incorporated as part of this record by reference.)

Chief Financial Officer Johnson made a presentation of the report and responded to questions of City Council, noting possible amendments.

WHEREUPON, upon motion by Councilman Krupicka, seconded by Vice Mayor

Donley and carried 6-0 by roll-call vote, City Council adopted the resolution establishing FY 2012 budget guidance for the Alexandria City Government and the Alexandria City Public Schools, with amendments 1, 2 and 3. The voting was as follows:

Krupicka	"aye"	Fannon	"aye"
Donley	"aye"	Hughes	"aye"
Euille	"aye"	Pepper	"aye"
	Smedberg	absent	

The resolution reads as follows:

RESOLUTION 2426

Budget Resolution Setting Guidance for FY 2012 General Fund Operating Budget and Capital Improvement Program for FY 2012-FY 2021

WHEREAS, the City Council of Alexandria passed Resolution 2368 on November 10, 2009, that established the process to be used for formulating the budget during the term of this Council and requires that City Council set budget guidance for the City Manager and the School Board for the FY 2012 budget;

WHEREAS, the City Council held a public hearing on the FY 2010 budget on October 16, 2010; and

WHEREAS, the City Manager and the Alexandria City Public Schools presented to City Council at its October 18, October 19, November 8 and November 16 , budget work sessions their preliminary forecasts of revenues, expenditures and capital needs in lieu of a one-day retreat; and

WHEREAS, the City Council's deliberations on the budget each and every year reflect a balancing of the needs of the community, with the community's ability to afford services to meet those needs; and

WHEREAS, the City Council is committed to continuously improving City government effectiveness and efficiency, and expects the City Manager and City staff to focus on managing for results; and

WHEREAS, the City Council is committed to continue performing fully its obligations to provide the core services expected of a municipal government and to continue to provide quality services and facilities for the residents and businesses of Alexandria; and

WHEREAS, the national economy is slowly and very gradually recovering from the "great" recession experienced in the last few years and there still remains considerable uncertainty about the economic future; and

WHEREAS, real estate assessments in the City are finally expected to increase slightly in CY 2011 and 2012; and

WHEREAS, there are still potential losses in State and Federal revenues for both the City General Fund budget and the Schools operating budget; and

WHEREAS, considering all these factors, the best current estimate is for an increase of 3.6% in the General Fund revenues of the City at current tax rates;

WHEREAS, this amount of increase is expected to be only sufficient approximately to maintain current services in City and School operations and fund the previously approved multi-year Capital Improvement Program; and

WHEREAS, the budget must contain sufficient funds for all contractual commitments, including debt service; and

WHEREAS, the City Council will not make any material changes that may threaten the City's AAA/Aaa bond rating; and

WHEREAS, the City Council has adopted a multi-year strategic plan in June 2010 and understands that City staff have described some 372 action items in support of the 7 goals 22 objectives and 110 initiatives outlined in that strategic plan; and

WHEREAS, the City Council expects the City Manager and City staff to begin or continue implementation of the action items that do not require additional funding to be implemented to accomplish those strategic initiatives, objectives and goals; and

WHEREAS, the City Council understands that it will be a challenge to achieve all the strategic goals, objectives and initiatives in the constrained fiscal environment facing the City; and

WHEREAS, the City Council recognizes the need to prioritize action items in support of the strategic plan, to deemphasize lower priority, low yield programs and activities, to identify efficiencies, and emphasize a multi-year plan to link future budgets to the achievement of strategic goals and objectives;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ALEXANDRIA THE FOLLOWING:

1. No Increase in the Base Real Estate Tax Rate: The City Manager shall propose in the Base Budget a base real estate tax rate in CY 2011 no greater than that levied in CY 2010 (\$97.8 cents per \$100 assessed value).
2. Total Base Budget Limitations: Total General Fund expenditures in the Base Budget shall be no more than General Fund revenues provided under

the various sections of this resolution. These sections provide that the City Manager shall submit a proposed FY 2011 General Fund Operating Base Budget that does not increase any tax rates, provided that a transportation add-on tax may be proposed as described in section 3 below in addition to the Base Budget. (See sections 1, 4, 5, 6 and 7 for additional guidance on sources of revenue.)

3. **Schools Transfer:** The City Manager shall include in the Base Budget a General Fund transfer to the Schools for operating expenses of an amount equal to the transfer provided in the Approved FY 2011 General Fund Operating Budget increased by the same percentage as the percentage increase in General Fund revenues available under the provisions of this resolution and proposed in the City Manager's FY 2012 General Fund Base Operating Budget. (Note that such an increase shall not include any amounts proposed as a Transportation Add-On tax as described in section 4 below.)
4. **Transportation Add-On Tax:** In addition to the Base Budget described in section 1 above, the City Manager shall submit a proposal for Council to consider an add-on tax for transportation purposes on commercial real estate as allowed by the Code of the Commonwealth of Virginia, and the expenditures funded by that tax shall be structured as an option in addition to the Base Budget. As part of this proposal the City Manager shall submit proposed reductions in the Business, Professional and Occupation License (BPOL) tax rates and/or structure as a partial offset to any transportation add-on tax proposed under this section.
5. **Other Dedicated Portions of the Real Estate Tax Rate:** The City Manager shall propose continuation in CY 2011 of the dedication of 0.5 cents per \$100 to Storm Water infrastructure improvements, and sufficient amounts from Real Estate Tax revenues to provide funding for existing debt service payments for the Open Space Trust Fund and for Affordable Housing purposes.
6. **Other Taxes:** The City Manager shall not propose an increase in any other tax rates except as provided in section 4 above.
7. **Fees, Fines and Service Charges:** The City Manager may propose changes to whatever combination of fees, fines and service charges that are equitable, fair and administratively feasible provided that these proposals are within the constraints imposed by the Code of Virginia.
8. **City Staffing Levels:** Except as provided below, the City Manager shall not increase total City employment levels (as measured on a full-time equivalency basis) in the base budget above those estimated in the Approved FY 2011 base operating budget. The City Manager may propose

reallocations of staff between departments as well as programs and activities within departments, and the City Manager may propose a net increase in the base budget staffing levels above those funded last year:

- a. If those increases result in efficiency savings in specific programs and activities (i.e., lower total costs),
 - b. If those increases result in an equivalent or greater increase in General Fund or Special Revenue Fund revenues, or
 - c. If those staffing positions are substantially funded by special revenue fund sources (e.g., State or Federal grants and other dedicated taxes and fees).
9. City Merit/Step Pay: The City Manager shall include in the base budget funding for merit/step increases for eligible employees including one additional step.
10. Market Rate Adjustment: The City Manager shall not include a market rate adjustment for either City or Schools staff.
11. City Benchmark Pay Adjustments: The City Manager shall propose initial funding in FY 2012 as part of a 3 year phase-in of the implementation of benchmark pay adjustments called for by the City's compensation philosophy. The City Manager may propose necessary and appropriate changes in the City's pay schedules as part of a phase-in of benchmark pay adjustments, including additional steps on the pay schedule.
12. City Employee Health Benefits: The City Manager shall continue to implement the multi-year plan to phase in a 20% minimum employee contribution for health care premiums.
13. City Employee Retirement Contributions: The City Manager may propose changes in employee contributions to various retirement programs to the extent allowed by law.
14. Retirement Benefit Advisory Group: The City Council shall, by subsequent resolution, form a Retirement Benefit Advisory Group:
- a. To look at the need for any future changes to defined benefit pension plans created under the authority of the City Council,
 - b. To examine the current financial status of the City's pension funds,
 - c. To advise the City Manager and City Council Pension and Compensation Subcommittee on any options that should be considered to meet the following objectives:
 - i. To protect benefits already earned (accrued) by retirees and current employees,

- ii. To ensure the City remains competitive in competing with neighboring jurisdictions for capable and effective public service employees,
- iii. To provide an opportunity for City employees to save for and have a secure retirement,
- iv. To consider the advantages and disadvantages of defined benefit vs. defined contribution pension plans and make recommendations on the structure of future plans, and
- v. To create a fiscally sustainable plan for funding future benefits whether earned or to be earned in the future.

15. Cost Saving Measures: The City Manager shall continue to identify and implement cost saving measures and efficiencies in all City operations.

16. Capital Improvement Program (CIP): The City Manager's proposed CIP shall include:

- a. Specific estimates for FY 2012 through FY 2017 and preliminary estimates for FY 2018 through FY 2021,
- b. No more General Fund cash capital from current year revenues than that planned for FY 2013 through FY 2020 in the Approved FY 2011 – FY 2020 CIP. Such a limitation does not apply to:
 - i. The cash capital provided by a Transportation Add-On tax as described in section 4 above,
 - ii. Any adjustments for amounts determined by the dedication of 0.5 cents to the Storm Water Special Revenue Fund and the Open Space Trust Fund, the Sanitary Sewer Fund, and available for Affordable Housing purposes, and
 - iii. Cash capital available from the sale of assets as described in section 17 below, or
 - iv. Any increase in cash capital in the FY 2012 General Fund Operating Budget that may be otherwise allowable under the provisions of this resolution.
- c. No more debt issuance than that planned for FY 2012 through FY 2020 in the Approved FY 2011 – FY 2020 CIP; other than debt, if any, to be serviced by revenue provided by a Transportation Add-On tax as described in section 3 above, by revenue provided by the Storm Water Special Revenue Fund, the Sanitary Sewer Fund, the Potomac Yard Metrorail Station fund, and for Affordable Housing Purposes,
- d. The use of additional General Fund operating budget surplus from FY 2010 in the amount of \$11.0 million as a commitment for capital projects in FY 2012 and beyond,
- e. The use of expected additional General Fund operating budget surplus from FY 2011 as commitment for capital projects in FY 2012 and beyond, provided that (1) the first \$2.75 million of any such surplus will be designated for the FY 2012 General Fund operating budget, (2) the

next \$0.8 million will be committed for storm emergencies, and other funds will be committed or assigned as necessary for incomplete projects,

- f. Specific descriptions of projects that can be funded within recommended levels of funding and their costs estimated for all years (FY 2012 – FY 2021), and
- g. Identification of projects that exceed the recommended levels of funding whether or not the estimated costs are identified or remain to be developed. These projects should be shown by year if known or alternatively listed in a general appendix.

17. Sale/Lease of Capital Assets: The City Manager shall propose measures to sell or lease excess City capital assets as appropriate in the base budget and use those proceeds to fund the CIP as additional cash capital.

18. Employee Efficiency Incentive Savings Program: The City Manager shall propose an incentive program which will encourage City employees to develop and implement efficiency savings. A portion of those savings will be made available for employee one-time bonuses or employee training and development opportunities. Such a program will be proposed in detail as part of the FY 2012 budget submitted to City Council. Such details shall include procedures to ensure that such savings are not the result of service level reductions and that such savings are distributed equitably among the workforce. City Council shall review and establish such a program as soon as practicable for possible use in the remainder of FY 2011 and FY 2012.

19. Options for Additional Operating and CIP Expenditures: The City Manager may propose whatever additional staffing levels, operating costs and capital projects deemed appropriate for Council consideration above those specified in the base budget, together with appropriate sources of revenue available within the constraints imposed by the Code of Virginia, so long as those staffing levels, operating costs and capital projects can be demonstrated as necessary to meet strategic goals and objectives, and/or can be demonstrated to diminish risks to community. These additional items, if any, shall be clearly designated as above the base budget and prioritized by the City Manager on an individual operating activity and project basis.

20. Fiscal Year 2013 Special Analysis: The City Manager shall prepare a special analysis that shows the projected expenditures and revenues for FY 2013. That analysis shall contain:

- a. Revenue estimates at the same level of detail as shown in the long range forecast section of the budget document, including three forecast estimates – high, mid and low level,
- b. Revenue estimates that assume the same tax rates as those proposed for FY 2011 in the base budget,

- c. Expenditure estimates in the same level of detail as provided in the long range forecast section of the budget document, and
- d. A detailed estimate of the impact in FY 2013 of any recommended expenditures in the FY 2012 base budget, including:
 - i. The impact on FY 2013 revenues and expenditures of any of the options for additional operating and CIP expenditures proposed under the authority of sections above,
 - ii. A general discussion of the types of actions that might be necessary to balance the FY 2013 budget if there is a projected deficit for that year, and
 - iii. Estimates of the revenue and expenditure impact in FY 2013 of any budget amendment proposed by a Council member for consideration during the FY 2012 budget development process.

21. Multi-year plan linking the Strategic Plan and Future Budgets and Capital Improvement Programs: The City Manager shall submit to City Council, in time for consideration before June 30, 2011, a proposed multi-year plan for linking the Strategic Plan to Operating Budgets and Capital Improvement Programs through FY 2021. Such a plan shall be consistent with the long range financial outlook under current tax rates and policies (including any changes under consideration for FY 2012 as allowed or specified above) and any operational considerations that may require a particular scheduling or sequencing of action items in support of strategic initiatives, objectives and goals.

OTHER

22. Consideration of City Council Schedule.

(A copy of the City Manager's memorandum dated November 19, 2010, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 22; 11/23/10, and is incorporated as part of this record by reference.)

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Councilwoman Pepper and carried unanimously, City Council noted the Mayor's Unity Breakfast will be held on Wednesday, November 24, 2010, at 7:30 a.m. at the Hilton Alexandria Mark Center (5000 Seminary Road); the 34th annual Hanukkah Celebration will be held at Inova Alexandria Hospital on Monday, December 6 from 6-8 p.m. in the atrium; the work session on the Carlyle Retail Study, scheduled for Tuesday, December 14, at 5:30 p.m. in the City Council work room now includes discussion of the Eisenhower Avenue Redesign (Holland to Stovall); the Earth Day celebration will take place on Saturday, April 30 from 10:00 a.m. to 2:00 p.m. at Ben Brenman Park; the kick-off event for the City commemoration of the 150-year anniversary of the Civil war, "Live in Civil War Alexandria" will be held on Saturday, May 21 with a ceremony in Market Square from 2:00 to 5:00 p.m. City Council received the following proposed dates for work sessions and budget adoption for the proposed FY 2012 operating

budget and CIP: Tuesday, February 8, legislative session budget presentation; Wednesday, February 9 work session; Tuesday, February 15 work session; Wednesday, February 23 work session; Monday, March 7 work session; Saturday, March 12 regular public hearing (decision on effective tax rate to be advertised); Monday, March 14 work session (schools); Monday, March 21 work session; Wednesday, March 23 work session; Wednesday, March 30 work session; Monday, April 4 work session; Monday, April 11 work session; Saturday, April 16 regular public hearing (effective tax rate public hearing); Monday, April 25 work session (preliminary add delete); and Monday, May 2 work session and budget adoption. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Pepper	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
	Smedberg	absent	

THERE BEING NO FURTHER BUSINESS TO BE CONSIDERED, upon motion by Councilwoman Hughes, seconded by Councilwoman Pepper and carried unanimously, City Council adjourned the regular meeting of November 23, 2010 at 9:00 p.m. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Pepper	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
	Smedberg	absent	

APPROVED BY:

WILLIAM D. EUILLE MAYOR

ATTEST:

Jacqueline M. Henderson
City Clerk and Clerk of Council