

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 21, 2001

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*

SUBJECT: CONSIDERATION OF A REQUEST TO POSTPONE RECEIPT OF THE STAFF FOLLOW-UP REPORT AND FINAL ACTION ON THE CAPITAL DEVELOPMENT FOUNDATION TO SEPTEMBER

ISSUE: City Council Consideration of a Request to Postpone Receipt of the Staff Follow-up Report and Final Action on the Capital Development Foundation to September.

RECOMMENDATION: That City Council defer consideration of the Revised Recommendations on the Report of the Capital Development Office Task Force to the Tuesday, September 11, legislative meeting

DISCUSSION: At the April 21 public hearing on the Revised Recommendations on the Report of the Capital Development Office Task Force, several speakers raised a number of questions and concerns regarding the recommendation to establish a charitable foundation to solicit private support for City capital projects. Among the issues raised were technical questions regarding tax implications for donors and estates in the event that gifts from the foundation are ultimately declined by City Council; further evaluation of the impact of such a foundation on other non-profit organizations; further consideration of the recommended foundation board structure and composition; and further consideration of the recommended salary for foundation staff.

Staff has not yet completed its report for Council. The research required will be conducted over the summer, and staff will return to City Council with additional information at the first legislative meeting in September.

I believe that this additional analysis and careful consideration of the issues raised at the public hearing will help ensure that the final plan for a charitable foundation to support capital projects will be successful.

FISCAL IMPACT: Partial funding for the City's contribution to the start-up costs for a charitable foundation remains in the City's budget.

STAFF: Lori Godwin, Assistant City Manager