


City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 15, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER 

SUBJECT: BUDGET MEMO # 48: CITY FUNDING OF ECONOMIC DEVELOPMENT
ACTIVITIES

This memorandum is in response to Councilman Krupicka's request to compare the amounts the City has budgeted for economic development activities in the past three years and in the proposed FY 2005 budget. Councilman Krupicka asked staff to include certain City Planning and Zoning Department activities and other similar City activities funded elsewhere in the budget.

The attached table includes both Operating Funds and Capital Improvement Program Funds which have been budgeted from FY 2002 through the proposed FY 2005 budget. The table includes monies budgeted within the City budget, to local private organizations, such as ACVA, and to agencies of a regional nature, such as the Council of Governments (COG).

It should be noted that the definition of what activities are related to economic development is subject to debate. A narrow distinction might be those activities related only to commercial development. A broader definition might include activities related to both commercial and residential development (such as the Holmes Run Trunk Sewer). An even broader definition might include the many basic City services that are designed to maintain a safe, clean and attractive community, including public education. In compiling the attached list, we have tried to be responsive to Councilman Krupicka's particular request, but have used more of a narrow than a broad definition of economic development.

Attachment

ECONOMIC DEVELOPMENT ACTIVITIES: FUNDING HISTORY

OPERATING BUDGET	FY 2002 Actual	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed
CITY DEPARTMENT				
Planning & Zoning – Development Division (less GIS)	643,392 (est.)	660,245	636,255	655,738
Planning & Zoning – Neighborhood Planning & Community Development	328,337	492,382	661,558	767,716
Office of Business Assistance (new in Jan. 2004)	n/a	n/a	46,950 (est.)	95,856
Business Assistance Loan Program * (CDBG monies for Potomac West)	25,000	n/a	n/a	n/a
CITY NON-DEPARTMENTAL FUNDS				
for Planning Studies			50,000	495,000
Holiday Marketing Initiative	n/a	n/a	n/a	125,000
Fall Festival of the Arts	n/a	n/a	9,000	25,000
CONTINGENT RESERVES				
Designated for Planning Studies			75,000	0
OTHER PLANNING & ECONOMIC DEVELOPMENT ACTIVITIES				
Alex. Convention & Visitors Assoc.	1,252,954	1,350,879	1,392,614	1,635,214
In-kind space @ Ramsay House	38,000	38,000	38,000	45,000
AEDP	476,304	487,560	506,828	534,122
Alexandria Small Business Development Center	40,000	40,000	40,000	60,000
Alexandria Marketing Fund	72,759	66,750	100,000	100,000
Eisenhower Ave. Partnership	25,000	25,000	25,000	25,000
COG	65,300	72,509	78,600	85,456
No. Va. Regional Commission (NVRC)	38,484	41,142	41,660	52,259
TOTAL OPERATING FUNDS	3,005,530	3,274,467	3,701,465	4,701,361

* HUD monies administered by the Office on Housing; program ended in April 2002

CIP BUDGET (does not include state or federal funding or carryover funds from previous years**)	FY 2002 Approved	FY 2003 Approved	FY 2004 Approved	FY 2005 Proposed
PROJECT				
Upper Potomac West/Arlandria	--	2,000,000	100,000	200,000
City Share/Undergrounding Utilities ***	550,000	550,000	550,000	50,000

CIP BUDGET (CONTINUED)	FY 2002 Approved	FY 2003 Approved	FY 2004 Approved	FY 2005 Proposed
City-wide Signage Program Planning	--	--	--	300,000
Residential Sign Program	--	--	--	24,000
Mt. Vernon Ave. Improvements	80,000	--	200,000	600,000
Lower King St. Flood Mitigation Study	-	-	-	500,000
Eisenhower Avenue Widening	-	--	300,000	2,268,000
Potomac Yard Rd/Bridge Improvements	156,460	66,880	70,240	64,120
Duke St. Flyover to Cameron Station	-	-	-	80,000
Telegraph Road Pedestrian Tunnel	-	-	--	100,000
King/Beauregard Intersection	-	-	840	27,680
Mill Road Realignment	6,000	100,000	100,000	-
TOTAL CIP FUNDS	792,460	2,716,880	1,321,080	4,213,800

- ** It should be noted that some projects that have carryover funds from previous years do not appear in this chart, such as the Visitor Center, which has \$124,000 in prior year unallocated monies for future Center improvements.
- *** \$50,000 annually is for new developments; remainder is for Old Town undergrounding project.