



ALEXANDRIA COMMUNITY SERVICES BOARD

Promoting Respect, Recovery, Hope



Mary Riley, Chair

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Speaker: Mary Riley, Chair, Alexandria Community Services Board

I come before you today to advocate for one position. Given the budget difficulties you face, and that we too faced when we approved the reductions that we were required to submit to the City Manager, I know this is not a welcome request. And I would not be standing before you if we didn't believe this request to be of the utmost importance.

The CSB provides early intervention services to at-risk children and their families through a program called the Parent-Infant Education Program or PIE. This program served 342 children in FY07 and over the past four years, has experienced a 24 per cent increase in referrals. Increasingly, children who are referred are being diagnosed with autism, mirroring a national epidemic. For almost every category of disability identified among the children referred to this program, research shows that early diagnosis and intervention can lead to significantly improved outcomes.

But we are still staffing this program with only 4 employees, the same number as four years ago. The therapists in this program have caseloads averaging 50 – 70 consumers. Most nationally-recognized recommendations for early intervention caseloads set 40 as the maximum. The PIE employees are among the most productive in the department. During the past year, they provided 45% more service hours than planned. Clearly, this is a situation where working harder and smarter is not the answer. More resources are needed.

Due to the excessive workload faced by these employees, the program is not meeting state and federal mandated objectives related to provision of timely services and the number of children identified and served. We received notice from the State that Alexandria's PIE program was ranked 40th out of 40 in the entire State. If this continues for another year, the State can withhold funds and even seek recovery of funds. The State could also initiate referral to the Office of Inspector General for enforcement action against the local system.

Our Board believes that two additional staff members are needed to adequately serve the growing number of PIE referrals. Given the budget constraints we know the City is facing, we are asking for one. A supplement of \$60,500 was included in the City Manager's Alternative Budget and we urge you to approve this funding.

Your ongoing commitment and support of Alexandria's citizens with mental illness, substance use disorders, and intellectual disabilities has provided the CSB with the resources needed to serve more than 4,000 consumers annually, more than 40% of whom have annual incomes of less than \$5,000. We ask that you continue that support by approving this position. Thank you.

(See reverse for additional unmet needs in the Department of Mental Health, Mental Retardation and Substance Abuse.)

Other Unmet Needs

Department of Mental Health, Mental Retardation and Substance Abuse

Seventeen community stakeholders provided testimony or written comments during the CSB's annual public hearing on May 10, 2007 on the FY08 budget.

- Ten speakers, including T.C. Williams High School Principal Mel Riddile, provided testimony on the need for **additional mental health and substance abuse clinicians in the schools**. (Recent *Youth Risk Behavior Surveillance Survey* results show some alarming statistics on depression and substance use among ACPS students.)
- Other speakers testified to the need for **additional mental health services for court-involved youth**, and for Alexandria's **elderly and homeless populations**.

Recent changes at the State level in interpretation of the *Comprehensive Services Act for Children and Families* will place an additional burden on CSB staff providing **case management services to children and adolescents**.


It is expected that **mental health law reforms recently adopted by the Virginia State Legislature may place additional burdens on CSBs**.

The CSB continues to monitor the number of homeless residents in the City of Alexandria. Chronic homelessness is a societal problem that is closely linked with mental health and substance use issues. The most recent *Council of Governments Point-In-Time Survey* in Alexandria identified a total of 404 homeless individuals, of whom 92 were unsheltered on the night of the count. (Another 38 were staying in hypothermia shelters and thus are unsheltered in the warmer months of the year.) **The number of chronically homeless individuals living on the streets has remained at about 100 over the past several years**. While the CSB's residential program prioritizes serving chronically homeless individuals with mental health and substance use disabilities, and the Safe Haven (expected to open its doors in early 2009) will increase services to that group of people, **resources cannot meet existing needs**.

Alexandria City Council Budget Proposal

April 14, 2008

Good afternoon, Mayor and City Council members. My name is Ernest Lehmann and I reside here in Alexandria on North Saint Asaph Street. And I am a senior. In the Department of Planning and Zoning January 2008 Demographic Data report I am listed as one of the 12% of seniors who were 65 or over. If you push back the definition of seniors to 50+ this percentage rises to approximately 25 % or one-quarter of all the citizens in this City.



A movement involving this segment of the Alexandria's citizenry has begun. It is called, "**aging in place**".

The seniors have seen what awaits them as they age and as the result they want another option. They want to stay in their own homes, keep living in their same neighborhood and be surrounded by their same friends. They want to **age in place**. In numerous informal discussions it has become apparent that there exists an interest in this type of program.

Recently, just two days ago, I along with other Alexandrians, attended a conference sponsored by Fairfax County. The theme of this conference was *Reinventing Your Neighborhood: Creating supportive Communities for All Ages*. With over 400 attendees from all over the United States this conference was the most highly attended of its kind in the United States.

Now what does this have to do with the Alexandria City Council?

One of your budget considerations is to fund a study on the needs of Alexandria's senior citizens.

A study utilizing the skills and expertise of a reputable consultant who could give us a credible and substantive assessment would cost approximately \$50,000.

This study could identify what services presently exist, what services need to be added or modified or what services are no longer needed. It could assist us in setting up the delivery model.

In our own review we have found that the current aging in place programs rely successfully almost exclusively on volunteers. This means that the impact on public expenditures would be minimal.

This requested study could augment the Demographic Data model produced by the Planning and Zoning Department. It would help us identify who the needy are, where they are located, what their needs are and how they can best be delivered. It will provide us with the information necessary to develop the best, cost effective program to allow our senior citizens to **age in place.**

I urge you to approve this request for funds for the study of the needs of our senior citizens.

Thank you.

The Benefits of High-Quality Pre-K Successful Students

- Pre-k increases high school graduation rates.
 - Chicago children who attended a pre-k program were 29 percent more likely to graduate from high school than their peers who did not have pre-k. (Source: Chicago Longitudinal Study)
- Pre-k helps children do better on standardized tests.
 - Michigan fourth graders who had attended pre-k passed the state's literacy and math assessment tests at higher rates than their peers who had no pre-k. (Source: "State Efforts to Evaluate the Effects of Pre-Kindergarten", Yale University Child Study Center)
- Pre-k reduces grade repetition.
 - Maryland fifth graders who attended pre-k were 44 percent less likely to have repeated a grade than their peers who did not attend pre-k. (Source: "State Efforts to Evaluate the Effects of Pre-Kindergarten", Yale University Child Study Center)
- Pre-k reduces the number of children placed in special education.
 - Among Chicago children, those who attended pre-k were 41 percent less likely to require special education services than their peers who did not attend. (Source: Chicago Longitudinal Study)

Responsible Adults

- Pre-k reduces crime and delinquency.
 - Chicago children who did not attend pre-k were 70 percent more likely to be arrested for a violent crime by age 18 than their peers who had been pre-k participants. (Source: Chicago Longitudinal Study)
- Pre-k lowers rates of teen pregnancy.
 - North Carolina children who attended pre-k were less likely to become teen parents than their peers who did not attend pre-k (26 percent vs. 45 percent). (Source: The Carolina Abecedarian Project)
- Pre-k leads to greater employment and higher wages as adults
 - Forty-year-old adults in Michigan who attended pre-k as children were more likely to be employed and had a 33 percent higher average income than their peers who did not have pre-k. (Source: The High/Scope Perry Preschool Project)
 - (Source: The High/Scope Perry Preschool Project)

Stronger Communities

YPC:

- As a member of the YPC, a City Council-appointed commission charged with , I have learned of the challenges facing Alexandria as a community as identified by our youth.

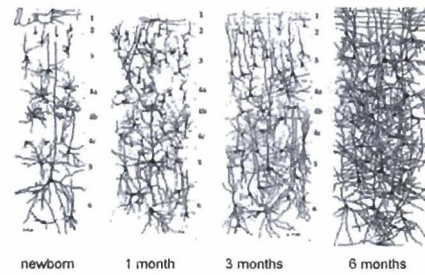
- For example, results from the Youth Behavior Risk Survey, demonstrate increases
 - Violence and fighting
 - Mental Health issues – thoughts of suicide
 - Teen pregnancy

- Professor Heckman contends that "life skill formation is a dynamic process in which early inputs strongly affect the productivity of later inputs." His research reveals notable efficiencies in investing in children earlier in life rather than later (Heckman, 2006), likely attributable to what scientists have identified as vast changes in brain that occur in early childhood (Shonkoff and Phillips, 2000). See handout # for a visual of that brain development.

Presentation to Supplement
 Testimony of Alison DeCourcey
 to the Alexandria City Council

April 14, 2008

Brain Growth in the Early Months



J.L. Corneil: Postnatal Development of the Human Cerebral Cortex, Vol. 1 & 2, Cambridge, MA, Harvard University Press, published 1976-1987

Social and economic disparities impact
 babies' development

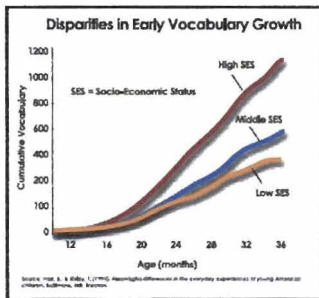
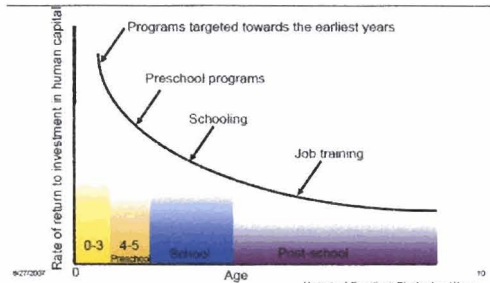


Figure 9: Rates of Return to Human Capital Investment at Different Ages: Return to an Extra Dollar at Various Ages



Heckman, J. "Investing in Disadvantaged Young Children in Good Economic and Social Policy" Testimony before the Joint Economic Committee, Washington D.C., June 27, 2007



Alexandria Chamber of Commerce Budget Comments

Alexandria Chamber of Commerce City Budget Comments

The City’s vision statement reads: “Alexandria 2015 is a vibrant, diverse, historic and beautiful City with unique neighborhoods and multiple urban villages where we take pride in our great community.”

The Alexandria Chamber of Commerce is excited by this vision of our City. It is a vision that we support and work toward every day in our individual businesses and as a professional organization.

First, we support and compliment the City Manager, the City staff and the members of Council for your hard work on the FY2009 Operating and CIP budgets. The budget challenges identified by Council in November and the City staff’s efforts to address those challenges are exemplary. Furthermore, your task is complicated by events and decisions that were not factors five short months ago.

In tough years, wise economic decisions coupled with prudent management help frame budget considerations. This is a tough year. You are faced with significant management and policy decisions that will shape our City’s future for years to come. The Chamber proposes that sound investment in economic development and growth will enable the City to address some of its budgetary issues while remaining true to the vision set for 2015.

The Alexandria Chamber of Commerce has endorsed, when taken in its entirety, the concepts set forth in the final report of the Economic Sustainability Work Group. The report speaks to, among other things, increasing density at Alexandria's Metro stations and embracing new forms of development such as the Braddock Area Plan, and upcoming projects such as the Landmark/Van Dorn Area Plan and the Alexandria Waterfront Plan, in a manner that drives increased revenue for the City through expansion of the tax base achieved by increasing the number of commercial properties and commercial businesses.

The report also recommends that the City consider imposing a higher tax rate on commercial property as a means of generating increased revenue for the City. While the Chamber acknowledges that the maximum tax rate advertised by the City at 2 cents per \$100 of assessed value is modest in comparison to neighboring jurisdictions, **the Chamber respectfully recommends that the City Council reject the notion of imposing a commercial add-on tax for commercial real estate. The imposition of a commercial add-on tax creates a dangerous precedent for a differential rate between residential and commercial taxes and**

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Alexandria Chamber of Commerce Budget Comments

opens the door for larger tax increases against the business community in the future.

We suggest that, instead of imposing the commercial add-on tax, the City should adopt the advertised 3-cent increase on both residential and commercial property. The business community is willing to share equitably in the tax burden that is required to meet the challenges in the FY 2009 budgets. Both residents and businesses share the transportation and infrastructure improvements that may be possible with such an increase. A uniform tax rate, shared by both residents and businesses, sends a strong message that Alexandria is ready to promote and support economic development that benefits all of Alexandria's constituents.

Governor Kaine touts Virginia to be pro-business, citing national business magazine ratings. The imposition of a commercial add-on tax will erode this hard-earned reputation. In an environment where neighboring jurisdictions are imposing commercial add-on taxes at approximately 12 cents per \$100 of assessed value, the City of Alexandria can position itself as a pro-business safe harbor in Northern Virginia by rejecting the notion of a commercial add-on tax. Rejecting the commercial add-on tax, taken together with extant development at the Carlyle Site, the Eisenhower corridor and the prospective plans previously mentioned, will position the City to attract new businesses of all sizes, help establish corporate headquarters, and entice retailers to newly developed mixed use centers.

In times of challenge, leaders must identify bold opportunities. This is Alexandria's opportunity to re-establish itself as a thriving commercial center for not just tourism, but for retail, office, financial and educational institutions. Standing alone in opposition to the commercial add-on tax, if marketed properly, will attract new business to our City. In turn, this will, build the economic base of the City, increase commercial uses and taxes proportionately to residential and provide future funding for enhanced City services that benefit all of the City's constituencies.

While building a strong commercial base, the City must also look to protect and enhance the opportunities for small businesses in Old Town and throughout the City, which have served as the commercial backbone of Alexandria. As the Mayor has stated, business retention and expansion is key to Alexandria's future. Retail shops, boutiques and restaurants operate with minimal margins, and in a recessionary economy, we risk having spaces go dark along the King Street corridor at a time when Alexandria needs to best represent itself to a new influx of tourists from National Harbor. Alexandria has long employed a strategy of building its retail business with local shops as opposed to national chains. Unfortunately,

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Alexandria Chamber of Commerce Budget Comments

individual shops do not have the deep pockets of chain stores, and the commercial tax would have a significant negative effect upon them.

In the event that the City Council decides to impose the commercial add-on tax for the FY 2009 Budget, which the Chamber sincerely urges the Council not to do, the Chamber respectfully urges the Council to consider the tax relief for smaller businesses recommended by the Ad Hoc Commercial Real Estate Tax Option Study Committee, which would extend an exemption from all, or a portion, of the Business Professional Occupational Licensing ("BPOL") tax for retailers having gross receipts of certain levels. This type of exemption should be extended to other businesses, beyond retailers, whose gross revenues are sufficiently low that they are vulnerable in a recessionary economy and susceptible to significant harm from even modest real estate tax increases. We recommend that the City continue to seek diverse sources of revenue outside of real estate revenue and would welcome a dialogue with City Staff in the coming months on this subject.

The Alexandria Small Business Development Center (SBDC) is an effective economic development resource for growing Alexandria's small business economy. The SBDC's unique array of stakeholders and services has enabled this organization to demonstrate a substantial return on the community's investment. In eleven years, and with a total of \$620,000 in City funding, the SBDC has helped Alexandria businesses to generate a \$62M in increased sales, create 1606 new jobs, avoid 2043 layoffs, all while facilitating over \$44M in new loans.

The SBDC plays a vital and complementary role to AEDP in a comprehensive and robust community economic development strategy for new business attraction and existing business expansion. We encourage you to provide additional funding of \$100,000 to the SBDC so that it may continue its important work.

We recognize that building Alexandria's economic base is not an overnight proposition. In times of tight economic circumstances, investing in Alexandria's growth is very challenging and difficult choices must be made. During this time, the City must continue to prioritize its capital improvement projects, placing an emphasis on committed projects. Likewise, the City must provide services such as the new permitting center while increasing staff required to advance the planning and economic development initiatives that contribute to the growth and success of the City's economy. We applaud the City's creation of the permitting center. This is the type of pro-business action that we have encouraged in the past and welcome in the future. With respect to the future, the City can ill-afford to defer plans for the Waterfront and the West End. We encourage the City Council to fund the staff

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Alexandria Chamber of Commerce Budget Comments

positions required to immediately commence planning for the Waterfront and the West End in early 2009.

Economic development includes quality of life issues that are important to Alexandria's vision of the future. Last year, the Chamber encouraged you to make every effort to increase the amount of affordable housing offered in our City. Again, we ask you to create and support affordable housing so that Alexandria can be a "live/work" City for people of all economic means. As new residential developments are proposed, it is essential to create incentives for workforce and affordable housing opportunities within the City.

The Chamber also supports a public safety budget that promotes a safe city. A safe environment is important not only to our customers and our businesses – but also for our homes and families.

The Chamber again wishes to express its gratitude to City Manager Jim Hartmann for continuing to support a transparent budget process. The process has enabled City residents to truly grasp the fiscal and managerial policies and procedures that allow our City to operate and provide the service level our residents require. The Managing for Results Initiative (MFRI) begun in 2006 has made performance more measurable. We encourage you to apply similar processes to the CIP and to other organizations and departments that receive funding from the City.

The Chamber also supports the implementation of the two compensation studies investigating the current compensation system for City employees the goal of which is to review best practices relating to performance management, compensation and benefits. These studies will allow you to compare Alexandria with our surrounding jurisdictions and progress toward a pay-for-performance philosophy. As we do with our individual businesses, this type of study will enable our City to be truly competitive in the marketplace while addressing rising insurance and benefit costs.

With respect to additional tax revenue anticipated through the NVTAs that were recently declared unconstitutional; the Chamber believes that it is the State Legislature's obligation to adopt laws that lawfully provide for the regional transportation needs of Northern Virginia. We strongly encourage our elected representatives in Richmond to reach a reasonable and lawful resolution to this issue and will support our City in these efforts. However, that being said, we encourage the City to fully discuss the options for responding to the situation outlined in Budget Memorandum #14 should the General Assembly fail to act timely on this important matter.

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Alexandria Chamber of Commerce Budget Comments

In closing, the Chamber encourages the City to adopt multi-year financial forecasting to help the City plan appropriate strategies for the tough years to come. As part of this forecasting, we encourage the City to study the possibility and implications of special tax districts as a means of raising revenue required for capital infrastructure improvements targeted for enhancing economic development in desired locations where economically feasible.

Examining future possibilities now will enable the City to maintain an equal rate between commercial and residential real estate taxes while developing more diversified revenue streams addressing the costs of our CIP projects and City services. This effort will help all Alexandrians to benefit from the vibrant, diverse community Alexandria's 2015 vision describes.

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Ms. Maria Wildes
3452 Martha Custis Dr.
Alexandria, VA 22302

Good Evening:

I draw your attention to the Transportation and Environmental Services section of the proposed budget. I'm working from Section 18 pages 10 and 11 as originally presented by City staff.

~~Once again,~~ The City has specifically set aside two services -- Spring Clean Up costing \$180,000 and Leaf Collection costing over \$375,000 -- to be delivered to a select class of fewer than 17,000 residences.

Yes, these residences will pay a \$281 fee for curbside refuse collection.

However, this \$281 fee does not cover ANY of the City's expenses for Spring Clean Up and Leaf Collection. NONE of the refuse fee goes towards these two services.

This past Saturday, City staff provided Spring Clean Up in an area bounded by Mt. Vernon Avenue, Braddock Road, and Quaker Lane. Except for city streets in Parkfairfax. The City's brochure states, "This is a free service made available to residents who receive City of Alexandria refuse collection."

In addition, The budget states, ~~"The goal of Leaf Collection is to provide vacuum and bag leaf collection for residential customers..."~~ *the City will* and the same "free" brown bag states, "These bags are to be used only by Alexandria residences participating in the City's residential refuse collection program."

Folks, it's 1957 all over again in Alexandria. Separate and unequal services. Alexandria prides itself on its history, but unequal services belong in the history books, not today's City budget and brochures.

If the City cannot or will not provide Spring Clean Up and Leaf Collection services to ALL the Alexandria homeowners that are paying for them, the City has two options:

Eliminate the services. Or recover 100% of the cost through fees.

Spring Clean Up and Leaf Collection have a combined ^{expense} projected cost of \$556,000. Over a half million dollars in a budget that's in trouble. Recovering 100% of this cost will set the residential refuse fee at \$314.00; the correct and proper amount that should be paid by the residences that are receiving these "free" services.

17,000 privileged

Proclamations, resolutions, task forces and committees extolling the merits of "affordable housing" are cruel heartless hypocracies as long as these services are denied to home owners in Parkfairfax, Parc East, 4600 Duke, and Watergate at Landmark. We're the ones paying for the "free services" provided exclusively to another class of homeowners.

I sincerely hope that this City Council will rectify this unconscionable, unconstitutional separate and unequal delivery of services this year, without citizens having to resort to a lawsuit. It's 1957 all over again, in this Alexandria budget.

**Testimony provided by Nina Randolph
on behalf of Healthy Families Alexandria
a program of Northern Virginia Family Service
April 14, 2008**

Good Afternoon, Mr. Mayor and members of City Council,

My name is Nina Randolph. I am a resident of Alexandria and a volunteer and supporter of Healthy Families Alexandria, a program of Northern Virginia Family Service since 1993. I have a Master's degree in school psychology from UVA. I have had experience in public school systems and in private clinics and extensively in preschools. My commitment to support Healthy Families of Alexandria lies in knowing the critical importance of a mother receiving timely prenatal care and for a family to receive caring guidance in nurturing their child to a healthy start in life.

Thank you for your past and ongoing support for the Children's Fund, the Youth Fund and the Community Partnership Fund. The nonprofit agencies that receive grants from these funds provide valuable, cost effective services that directly benefit residents of our City.

I am here today to ask you to continue your support for these funds and for early childhood programs, including Healthy Families Alexandria, that support our youngest children who are the future for our community.

Governor Kaine has made a strong commitment to early childhood programs and is committed to providing the opportunity to all children to attend a quality pre-school. This is something that we can all support.

It's important to remember, however, that we need to begin supporting our children when they are in utero and during the early years of zero to three. Babies are born learning. From the time of conception to the first day of kindergarten, development proceeds at a pace exceeding that of any subsequent stage of life. These earliest days, months and years of life are times of incredible promise as well as vulnerability. Unfortunately, far too many babies and toddlers in Alexandria face extraordinary challenges. Home visiting programs such as Healthy Families Alexandria play an important role in supporting the healthy growth and development of infants and toddlers. By ensuring that all babies have **good health, strong families and positive early learning experiences**, we can lay the foundation for success throughout their lives.

Last year, Healthy Families Alexandria provided services to 218 vulnerable families and 201 children. The cost to serve a family is only \$3,500 per year. We feel that there is an extraordinary return to our city from this investment in each family. Among the many important aspects of the program are timely prenatal care with 93% of the babies born at normal birth weight and the aspect of assessing the children at significant developmental stages so that if there is a possible delay the parents are directed to an early intervention program which will work with the child to bring him or her up to appropriate developmental

milestones. In addition, there are weekly home visits available in the first year of the child's life when our family support workers discuss with the new parents what to expect of their child and how to deal with the fears and uncertainties of parenthood. Ongoing support is available until the child is five years old or enters kindergarten. We believe working with families in all these areas results in the start of a healthy, happy and successful life for the children in our program.

My vision for HFA is to reach and to serve every eligible family in our community. We have a small but energetic group of Alexandria citizens who are committed to working toward this possibility for our city.

The early years represent an unparalleled window of opportunity to support children's healthy growth and development. Working together, we can ensure that *all* children enter school healthy and ready to learn.

Thank you for your commitment to the children and families

HFAmerica is a national program. We must follow their longstanding guidelines and are re-accredited every four years.

**ALEXANDRIA NEIGHBORHOOD HEALTH SERVICES, INC. (ANHSI)
CITY COUNCIL PRESENTATION – Monday, April 14th, 2008**

- **Our Board of Directors appreciates the commitment and support from the City of Alexandria to support primary health care services to Alexandria City residents.**
- **Since we opened as a Federally Qualified Health Center in February 2004, we have experienced a 77% increase in Alexandria City residents seeking health care at the Arlandria Health Center.**

[GENE - FYI – 1,986 City residents in 2004; 3512 unduplicated City residents in 2007]

- **While the number of Alexandria City residents has increased 77% since 2004, the City's Grant Award has increased only 18%.**

✓ **The City's Grant Award is 6% of ANHSI's FY08 operational budget.**

[GENE - FYI - \$240,000 in 2004 - \$280,000 in FY06. FY07 & FY08 award were \$285,000]

FY 2009 Request to City Council

- **To support this growing demand *from City residents*, ANHSI made 2 requests for financial support for FY09:**
 1. **An Adjustment to the Base Budget of only \$65,000 increasing the base budget from \$285,000 to \$350,000.**
 2. **A request for a Supplemental One-time Grant in the amount of \$98,400 to help cover lease expenses for the Health Center.**

✓ **The Supplemental Grant Request is extremely critical to ANHSI, to help cover basic lease expenses for the Arlandria Health Center in FY09.**

✓ *We respectfully request that you give your utmost consideration to this particular request this year.*

ANHSI received congressionally-designated funds in the amount of \$600,000 in 2002 for renovations and lease expenses. These funds were used for construction and renovations of our 2 East Glebe Road location and also to cover lease expenses from June 2005 through April 2008 (this month), when the funds will end.

The lease expense cost is in the amount of \$8,200 per month. *None of our other grant awards include funding for lease expense.*

Actions Taken to Request Support from Arlington & Fairfax Counties

- **Arlington County – Met with County Board Chair Walter Tejada; Presented at Public Hearing in February; Submitted Request to County Manager Ron Carlee, who asked Deputy County Manager Marcia Allgeier and Director of Human Services, Susan Eissner, to arrange a meeting with us, scheduled for this month. We have been informed that our request will be considered in the budget process.**
- **Fairfax County – Several meetings held with County Health Department representatives. A meeting has been scheduled for mid-May with County Board Vice Chair Bulova.**

Greetings Mayor Euille, Vice Mayor Pepper, and members of City Council,

As always, I appreciate the opportunity to participate in the budget process by offering my perspective as an ACPS alumna, parent and volunteer as well as an Alexandria tax payer.

I am pleased with the progress that has been made to bring the Superintendent's operating budget very close to the target proposed by the City Manager. I am optimistic that the combination of expected additional state revenue, careful stewardship by ACPS administration and full funding of the requested city appropriation will guarantee a successful year of continued progress toward our goal of preparing each ACPS student for college or career.

If Alexandria's economic situation requires that additional revenue be generated in order to fulfill obligations to ACPS, I am willing to do my part as a tax payer, but I urge you to seek alternative means of generating revenue besides immediately looking to raise the property tax rates, even if that is the quickest, easiest method. This economic down-turn is not a one-year bump in the road but an on-going challenge that requires long-term solutions. For example, we cannot consider budgets that do not include market rate adjustments for city and school employee salaries. Our employees have options; our number one priority is to recruit and, even more importantly, retain talented teachers, administrators and staff members.

As a graduate of TC Williams and the parent of a senior about to graduate, I can not generate enough superlatives to adequately describe the new TC Williams High School. It is everything we hoped it would be and more. It is environmentally sustainable; it is educationally progressive in design; it facilitates school spirit and pride; its façade is breathtaking and reminiscent of a university facility. What I mean to say is how much I appreciate the City's steadfast support and dedication in placing this jewel in Alexandria's crown. I am well aware that our city has emergent capital needs outside the public school system. The new police facility is rightly the number one capital priority at this time. However, I must interject how hard the city and school system have worked in recent years to "catch up" in terms of keeping our school buildings safe, comfortable and effective places to learn and work. Projects that are now unfunded in FY2010 and FY2011 will force us to slip dangerously backward toward unsafe, uncomfortable, ineffective environments for our students, teachers and staff. In addition, operating and maintenance costs will increase, along with the costs of the projects themselves as they move farther and farther into the future. I know that you are reluctant to borrow extensively to fund these capital projects, and risk Alexandria's exemplary bond rating, but please balance that concern against the risk of delaying expensive but critical projects until it is too late to negotiate fair and reasonable contracts, forcing us to pay top dollar and scramble to fix what is broken rather than outdated and/or damaged but functional.

Thank you for all you do for the citizens of Alexandria, most especially, I thank you on behalf of our citizens who do not yet have the privilege of voting, our children.

Marianne Hetzer

604 N Mansfield St., 22304, 703-823-3367, mwhetzer@comcast.net

Jack Sullivan

RESOLUTION ON THE ALL - SPORTS FACILITY

With deep concern for rising taxes in a time of economic distress in our city, state and Nation, Seminary Hill requests the Alexandria City Council to strike the appropriation of \$260,000 in the FY2009 ^{city} budget to hire a firm to do fundraising for an \$11 million All-Sports Facility and to postpone any further planning or expenditures for this project until improvements in the economy allow us first to meet pressing needs in capital improvements for our schools and other projects of a higher priority.

4-14-08 Budget Hearing

Comments of Bill Reagan in support of Alexandria SBDC

Thankfully, Alexandria SBDC gets few complaints, but the one we hear most often is, “I wish I’d known about the SBDC years ago – it could have saved me time, money and frustration.”

The City, SBDC & AEDP are now taking steps to identify SBDC as the City’s Small Business Assistance resource, and hopefully it will enable us to reach more of the City’s 9000+ businesses with fewer than 20 employees. Those very small businesses are the strength of Alexandria’s economy.

Robust small businesses are vital to Alexandria’s sustained economic growth, but they lack in-house resources to solve all the problems they encounter, and - their success is not inevitable!

When SBDC touches small businesses they are stronger, grow faster, and generate more sales and jobs. The SBDC staff works one-to-one, and can help small businesses ---

- Solve problems

- Improve business operations

- Help owners plan strategically and find new markets

- Recent very effective restaurant / retail workshops

Small businesses tell us, “The SBDC provides us exactly the kind of help we need”. But the small SBDC staff is stretched to meet current demands. Our resources are in demand now more than ever before. In addition to routine demands, we help some businesses manage in this Economic Downturn, and help others prepare for the opportunities that National Harbor presents.

Our private sector funding sources have been cutting back in recent years to the point that, if there is no additional funding, we will have to cut that small and highly skilled SBDC staff in CY2009. We are asking for \$100K additional City funding for the SBDC to bring our total City funding to \$220,000. That is modest in comparison to other economic development programs in the City.

Over its 11+ years of operation Alexandria SBDC has used our funding efficiently and generated impressive ROI. With total City funding of a little more than \$600k during this period, our clients have reported increased sales of nearly \$63M and over 1600 new jobs generated. All of this is verified from client surveys.

I hope you’ll feel that strengthening the SBDC is an investment in Economic Sustainability so that we can reach more of the 9000 very small businesses in Alexandria, to help them create jobs and generate gross receipts.

Thank you for the opportunity to speak to you.



Alexandria Chamber of Commerce Budget Comments

Alexandria Chamber of Commerce City Budget Comments

The City’s vision statement reads: “Alexandria 2015 is a vibrant, diverse, historic and beautiful City with unique neighborhoods and multiple urban villages where we take pride in our great community.”

The Alexandria Chamber of Commerce is excited by this vision of our City. It is a vision that we support and work toward every day in our individual businesses and as a professional organization.

First, we support and compliment the City Manager, the City staff and the members of Council for your hard work on the FY2009 Operating and CIP budgets. The budget challenges identified by Council in November and the City staff’s efforts to address those challenges are exemplary. Furthermore, your task is complicated by events and decisions that were not factors five short months ago.

In tough years, wise economic decisions coupled with prudent management help frame budget considerations. This is a tough year. You are faced with significant management and policy decisions that will shape our City’s future for years to come. The Chamber proposes that sound investment in economic development and growth will enable the City to address some of its budgetary issues while remaining true to the vision set for 2015.

The Alexandria Chamber of Commerce has endorsed, when taken in its entirety, the concepts set forth in the final report of the Economic Sustainability Work Group. The report speaks to, among other things, increasing density at Alexandria’s Metro stations and embracing new forms of development such as the Braddock Area Plan, and upcoming projects such as the Landmark/Van Dorn Area Plan and the Alexandria Waterfront Plan, in a manner that drives increased revenue for the City through expansion of the tax base achieved by increasing the number of commercial properties and commercial businesses.

The report also recommends that the City consider imposing a higher tax rate on commercial property as a means of generating increased revenue for the City. While the Chamber acknowledges that the maximum tax rate advertised by the City at 2 cents per \$100 of assessed value is modest in comparison to neighboring jurisdictions, **the Chamber respectfully recommends that the City Council reject the notion of imposing a commercial add-on tax for commercial real estate. The imposition of a commercial add-on tax creates a dangerous precedent for a differential rate between residential and commercial taxes and**

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Alexandria Chamber of Commerce Budget Comments

opens the door for larger tax increases against the business community in the future.

We suggest that, instead of imposing the commercial add-on tax, the City should adopt the advertised 3-cent increase on both residential and commercial property. The business community is willing to share equitably in the tax burden that is required to meet the challenges in the FY 2009 budgets. Both residents and businesses share the transportation and infrastructure improvements that may be possible with such an increase. A uniform tax rate, shared by both residents and businesses, sends a strong message that Alexandria is ready to promote and support economic development that benefits all of Alexandria's constituents.

Governor Kaine touts Virginia to be pro-business, citing national business magazine ratings. The imposition of a commercial add-on tax will erode this hard-earned reputation. In an environment where neighboring jurisdictions are imposing commercial add-on taxes at approximately 12 cents per \$100 of assessed value, the City of Alexandria can position itself as a pro-business safe harbor in Northern Virginia by rejecting the notion of a commercial add-on tax. Rejecting the commercial add-on tax, taken together with extant development at the Carlyle Site, the Eisenhower corridor and the prospective plans previously mentioned, will position the City to attract new businesses of all sizes, help establish corporate headquarters, and entice retailers to newly developed mixed use centers.

In times of challenge, leaders must identify bold opportunities. This is Alexandria's opportunity to re-establish itself as a thriving commercial center for not just tourism, but for retail, office, financial and educational institutions. Standing alone in opposition to the commercial add-on tax, if marketed properly, will attract new business to our City. In turn, this will, build the economic base of the City, increase commercial uses and taxes proportionately to residential and provide future funding for enhanced City services that benefit all of the City's constituencies.

While building a strong commercial base, the City must also look to protect and enhance the opportunities for small businesses in Old Town and throughout the City, which have served as the commercial backbone of Alexandria. As the Mayor has stated, business retention and expansion is key to Alexandria's future. Retail shops, boutiques and restaurants operate with minimal margins, and in a recessionary economy, we risk having spaces go dark along the King Street corridor at a time when Alexandria needs to best represent itself to a new influx of tourists from National Harbor. Alexandria has long employed a strategy of building its retail business with local shops as opposed to national chains. Unfortunately,

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Alexandria Chamber of Commerce Budget Comments

individual shops do not have the deep pockets of chain stores, and the commercial tax would have a significant negative effect upon them.

In the event that the City Council decides to impose the commercial add-on tax for the FY 2009 Budget, which the Chamber sincerely urges the Council not to do, the Chamber respectfully urges the Council to consider the tax relief for smaller businesses recommended by the Ad Hoc Commercial Real Estate Tax Option Study Committee, which would extend an exemption from all, or a portion, of the Business Professional Occupational Licensing ("BPOL") tax for retailers having gross receipts of certain levels. This type of exemption should be extended to other businesses, beyond retailers, whose gross revenues are sufficiently low that they are vulnerable in a recessionary economy and susceptible to significant harm from even modest real estate tax increases. We recommend that the City continue to seek diverse sources of revenue outside of real estate revenue and would welcome a dialogue with City Staff in the coming months on this subject.

The Alexandria Small Business Development Center (SBDC) is an effective economic development resource for growing Alexandria's small business economy. The SBDC's unique array of stakeholders and services has enabled this organization to demonstrate a substantial return on the community's investment. In eleven years, and with a total of \$620,000 in City funding, the SBDC has helped Alexandria businesses to generate a \$62M in increased sales, create 1606 new jobs, avoid 2043 layoffs, all while facilitating over \$44M in new loans.

The SBDC plays a vital and complementary role to AEDP in a comprehensive and robust community economic development strategy for new business attraction and existing business expansion. We encourage you to provide additional funding of \$100,000 to the SBDC so that it may continue its important work.

We recognize that building Alexandria's economic base is not an overnight proposition. In times of tight economic circumstances, investing in Alexandria's growth is very challenging and difficult choices must be made. During this time, the City must continue to prioritize its capital improvement projects, placing an emphasis on committed projects. Likewise, the City must provide services such as the new permitting center while increasing staff required to advance the planning and economic development initiatives that contribute to the growth and success of the City's economy. We applaud the City's creation of the permitting center. This is the type of pro-business action that we have encouraged in the past and welcome in the future. With respect to the future, the City can ill-afford to defer plans for the Waterfront and the West End. We encourage the City Council to fund the staff

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Alexandria Chamber of Commerce Budget Comments

positions required to immediately commence planning for the Waterfront and the West End in early 2009.

Economic development includes quality of life issues that are important to Alexandria’s vision of the future. Last year, the Chamber encouraged you to make every effort to increase the amount of affordable housing offered in our City. Again, we ask you to create and support affordable housing so that Alexandria can be a “live/work” City for people of all economic means. As new residential developments are proposed, it is essential to create incentives for workforce and affordable housing opportunities within the City.

The Chamber also supports a public safety budget that promotes a safe city. A safe environment is important not only to our customers and our businesses – but also for our homes and families.

The Chamber again wishes to express its gratitude to City Manager Jim Hartmann for continuing to support a transparent budget process. The process has enabled City residents to truly grasp the fiscal and managerial policies and procedures that allow our City to operate and provide the service level our residents require. The Managing for Results Initiative (MFRI) begun in 2006 has made performance more measurable. We encourage you to apply similar processes to the CIP and to other organizations and departments that receive funding from the City.

The Chamber also supports the implementation of the two compensation studies investigating the current compensation system for City employees the goal of which is to review best practices relating to performance management, compensation and benefits. These studies will allow you to compare Alexandria with our surrounding jurisdictions and progress toward a pay-for-performance philosophy. As we do with our individual businesses, this type of study will enable our City to be truly competitive in the marketplace while addressing rising insurance and benefit costs.

With respect to additional tax revenue anticipated through the NVTA that were recently declared unconstitutional; the Chamber believes that it is the State Legislature's obligation to adopt laws that lawfully provide for the regional transportation needs of Northern Virginia. We strongly encourage our elected representatives in Richmond to reach a reasonable and lawful resolution to this issue and will support our City in these efforts. However, that being said, we encourage the City to fully discuss the options for responding to the situation outlined in Budget Memorandum #14 should the General Assembly fail to act timely on this important matter.

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Alexandria Chamber of Commerce Budget Comments

In closing, the Chamber encourages the City to adopt multi-year financial forecasting to help the City plan appropriate strategies for the tough years to come. As part of this forecasting, we encourage the City to study the possibility and implications of special tax districts as a means of raising revenue required for capital infrastructure improvements targeted for enhancing economic development in desired locations where economically feasible.

Examining future possibilities now will enable the City to maintain an equal rate between commercial and residential real estate taxes while developing more diversified revenue streams addressing the costs of our CIP projects and City services. This effort will help all Alexandrians to benefit from the vibrant, diverse community Alexandria's 2015 vision describes.

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Dear Mr. Mayor and Members of Council,

I wish I could make these comments in person at your Monday budget hearing, but teaching obligations at the University of Maryland prevent me from doing that.

First, I trust that the budget will include sufficient money for Child Day Care Fee Subsidy that every family and child eligible for the subsidy will indeed receive it, forestalling the distressing situation of a long wait list.

Second, as you are aware, there is a large number of at-risk children that are not eligible for the subsidy, mostly the poorest of the poor. I urge you to include in the budget funding for

(a) Assuming the City's fair share (which I would put at 50%) of the cost of present preschool classrooms serving these children. This would put the finances of the organizations providing this public service on a sounder footing and ensure that these services will continue to be available to the children who desperately need them.

(b) Opening additional classrooms to serve, if not all, at least a large percentage of the children in this group. In particular, it is vital that the two classrooms in the Charles Houston Recreation Center be reopened when the Center opens again and then be funded into the future.

In the spirit of full disclosure I should mention that 2009 will mark my 25th year as treasurer of the Child and Family Network Centers (formerly the Alexandria Community Network Preschool) whose position in providing high quality preschool education and related comprehensive services to almost 200 children - a vital public service - would be strengthened by such funding.

What we do not pay now for early childhood education we will pay manyfold later in terms of special education, crime, and lost economic opportunity due to lack of an educated work force.

Sincerely,

Dagobert Soergel
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