


City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 6, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY ANNUAL
REPORT FOR JULY 1, 2007 THROUGH JUNE 30, 2008

ISSUE: City Council consideration of the Alexandria Industrial Development Authority (AIDA) Annual Report for the period July 1, 2007, through June 30, 2008.

RECOMMENDATION: That City Council receive the Alexandria Industrial Development Authority Annual Report for the period July 1, 2007, through June 30, 2008.

DISCUSSION: The Alexandria Industrial Development Authority (AIDA) was established to promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises to locate or remain in Virginia. The AIDA has the authority, under federal and state law, to issue tax exempt Industrial Revenue Bonds for certain non-profit organizations, small manufacturers, government entities and certain solid waste disposal projects. City Council approved and the AIDA issued two new industrial revenue bonds during the year. These represented bonds to assist the American Academy of Otolaryngology (\$16.0 million) and the American Society of Clinical Oncology (\$64.0 million) acquire office space in the City so they could expand their operations. Over the last ten years, the AIDA has issued over \$700 million in industrial revenue bonds. An administrative fee is charged to applicants for the bond financing. These industrial revenue bonds are not obligations of the City, as the organizations for whom the bonds were issued are obligated to repay these bonds. The real estate financed by these bonds provides security for bond holders.

By City ordinance and in accordance with State code the AIDA consists of a seven-member body appointed by City Council for staggered four-year terms. The attached letter and report from the board member highlights some of the activities and accomplishments of the AIDA.

FISCAL IMPACT: The AIDA collected \$0.4 million in bonds fees in FY 2008, and has collected \$1.4 million in bond fees over the last ten years. These bond fees are used to fund a portion of the budget for the Alexandria Economic Development Partnership.

ATTACHMENT: Alexandria Industrial Development Authority Annual Report for the period July 1, 2007, through June 30, 2008.

STAFF:

Mark Jinks, Deputy City Manager

Laura B. Triggs, Director of Finance

Stephanie Landrum, Senior Vice President, Alexandria Economic Development Partnership, Inc.

ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Directors

Scott Humphrey
Chair

Donald Simpson, Sr.
Vice Chair

Agnes Artemel
Secretary

Lois Walker
Assistant Secretary


Charles Collum, Jr.
Lynn Hampton
Mark Williams

Counsel to the AIDA
Michael W. Graff, Jr.
McGuireWoods LLP

Staff to the AIDA
Stephanie Landrum
AEDP, Inc.

DATE: September 15, 2008

TO: Rose Williams Boyd, Executive Secretary for
Boards and Commissions

FROM:  Scott C. Humphrey, Chair
Alexandria Industrial Development Authority (IDA)

RE: IDA Annual Report (July 1, 2007 - June 30, 2008)

According to Alexandria's City Code Section 2-4-4(c)(2), attached is the Alexandria IDA's Annual Report for July 1, 2006 through June 30, 2007.

The Report includes a current list of IDA board members and their attendance records. Also included is a brief explanation of the purpose and function of the IDA. Two new bonds were issued in FY'08 and the Authority also handled a few ministerial actions (list attached). The IDA Board did not record any changes to the IDA fee schedule, nor were there any other changes to procedures, policies, or functions during this reporting period. I have also included copies of the IDA minutes for FY'08.

If you have any questions, please do not hesitate to contact me or Stephanie Landrum, Senior Vice President, Alexandria Economic Development Partnership, Inc. at 703/739-3820, Ext. 14.

ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

June 2008

CHAIR:

Scott Humphrey
R.L. Kane
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Alexandria, VA 22314
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Fax: (703) 549-4205
E-mail: kanemanor@aol.com
Term Ending: September 11, 2011

VICE CHAIR:

Donald Simpson, Sr.
Simpson Development Co., Inc.
2121 Eisenhower Ave., Ste. 300
Alexandria, VA 22314
Bus: (703) 299-0029
Res: (703) 549-4130
Fax: (703) 299-0020
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Term Ending: September 13, 2009

SECRETARY:

Agnes Artemel
Artemel & Associates
2121 Eisenhower Avenue, Suite 200
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Res: (703) 549-5046
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E-mail: apa@artemel.com
Term Ending: September 13, 2009

ASSISTANT SECRETARY:

Lois Walker
417 S. Royal Street
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Term Ending: September 11, 2011

Lynn Hampton
Metropolitan Washington Airports
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Fax: (703) 417-8984
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Term Ending: September 27, 2010

Mark Williams
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Term Ending: Sept. 14, 2008

COUNSEL:

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AEDP CONTACTS:

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Charles Collum, Jr.
Burke & Herbert Bank & Trust
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Term Ending: September 14, 2008

**CITY OF ALEXANDRIA
BOARDS AND COMMISSIONS
MEETINGS ATTENDANCE REPORT**

JULY 1, 2007 THROUGH JUNE 30, 2008

COMMISSION: ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY **CHAIRPERSON:** SCOTT HUMPHREY

MEMBER'S NAME	2007						2008					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
SCOTT HUMPHREY	N	X	N	X	X	X	N	X	N	E	X	N
DONALD SIMPSON, SR		X	O	X	E	X	O	X	O	X	X	O
AGNES ARTEMEL	M	X	M	X	X	X	M	X	M	X	E	M
LOIS WALKER	E	E	E	X	X	X	E	X	E	E	E	E
CHARLES COLLUM, JR*	E	N/A	T	N/A	N/A	N/A	T	X	E	X	X	E
LYNN HAMPTON	I	X	I	X	X	X	I	X	I	X	X	I
CLINTON ROBINSON*	G	E	G	E	E	N/A	G	N/A	G	N/A	N/A	N
MARK WILLIAMS		X		X	E	X		X		X	X	G

*RESIGNED 11/6/07 + APPOINTED 1/8/08

INDICATE: X - FOR PRESENT

E - FOR EXCUSED

U - FOR UNEXCUSED

LIST OF THOSE WHO DID NOT ATTEND 75% OF MEETINGS:

CLINTON ROBINSON

(FORM MUST BE SIGNED BY CHAIRPERSON)

Scott Humphrey APPROVED:

(Chairperson)

Alexandria Industrial Development Authority
Applications Approved/Bonds Issued
FY2008: July 2007-June 2008

DATE	AMOUNT	APPLICANT	LENDER	FEES
Aug. 2007	--	Issuers Fees from Pooled Program	Wells Fargo	\$10,226.25
Nov. 2007	--	American Academy of Otolaryngology- Head and Neck Surgerv Foundation, Inc.		** \$2,500.00
Dec. 2007	--	Alexandria Country Day School		\$2,500.00 +
Dec. 2007	--	American Society of Clinical Oncology	SunTrust	** \$2,500.00
Jan. 2008	\$16,000,000.00	American Academy of Otolaryngology- Head and Neck Surgerv Foundation, Inc.	Wells Fargo	* \$61,162.50
Feb. 2008	--	Issuers Fees from Pooled Program	Wells Fargo	\$10,126.55
May 2008	\$64,000,000.00	American Society of Clinical Oncology	Wells Fargo	* \$278,937.50
Jun. 2008	--	Institute for Defense Analyses	Wachovia	+ \$2,500.00

TOTALS: \$80,000,000.00 4 applications \$370,452.80

* Balance Due (Application fee paid previously)

** Application Fee

+ Ministerial/Legal Action Fee

As of June 30, 2008	Bonds Issued	Fees Collected
GRAND TOTALS:	\$708,144,409.00	\$1,389,096.85

ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

PRESS RELEASE

Directors

Scott Humphrey

Chair

Donald Simpson, Sr.

Vice Chair

Agnes Artemel

Secretary

Lois Walker

Assistant Secretary

Charles Collum, Jr.

Lynn Hampton

Mark Williams

Counsel to the AIDA

Michael W. Graff, Jr.

McGuireWoods LLP

Staff to the AIDA

Stephanie Landrum

AEDP, Inc.

Stuart L. Litvin

AEDP, Inc.

May 15, 2008 (Alexandria, VA)- The Industrial Development Authority of the City of Alexandria authorized the issuance of \$64,000,000 in revenue bonds to fund the American Society of Clinical Oncology (ASCO)'s purchase of a new headquarters building.

The financing assistance approved at the April 2008 meeting will allow ASCO, currently headquartered in Alexandria, to grow while consolidating operations into one new Class A office building. Since its creation in 1964, ASCO has grown significantly and now employs 240 people at their Alexandria-based offices. This office purchase will allow ASCO to consolidate their operations, currently in three different buildings, and will allow for continued future growth.

The proceeds of the Bonds will be used by ASCO to acquire and fully equip a new five-floor office condominium at Carlyle Overlook, located at 2318 Mill Road. The 123,085 square foot facility is located in the Carlyle section of Alexandria, adjacent to the United States Federal Courthouse, the Westin Alexandria and new office and residential construction.

The Alexandria Industrial Development Authority bond financing program is a proven success in enabling non-profit organizations to purchase real estate and facilities in the City. The taxes and job creation by applicants is significant and these organizations are some of the most active corporate citizens in Alexandria. The Alexandria IDA works closely with the Alexandria Economic Development Partnership to promote the bond financing program, and all income generated by the Authority is dedicated to new and ongoing economic development efforts.

About the IDA

The Industrial Development Authority of the City of Alexandria provides financing assistance to qualified businesses and organizations wishing to make an investment within the City of Alexandria. The Authority, a subdivision of the Commonwealth of Virginia, acts as a conduit, issuing bonds and lending proceeds to 501(c)(3) organizations, small manufacturers and others. In Virginia, the Industrial Development and Revenue Bond Act provides the legal framework for such financing.

For more information about bond financing, please visit www.alexecon.org/ida.html

ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Summary Minutes

August 14, 2007

5:00 p.m.

Present: Scott Humphrey, Chair
Donald Simpson, Sr., Vice Chair
Agnes Artemel
Lynn Hampton
Mark Williams

Also Present: Michael Graff, McGuire Woods LLP
Stephanie Landrum, Alexandria Economic Development Partnership, Inc.
Stuart Litvin, Alexandria Economic Development Partnership, Inc.

Absent: Clinton Robinson
Lois Walker

I. Call to Order

Chair Scott Humphrey called the meeting to order at 5:10 p.m.

II. Introduction of new AEDP President & CEO

Chair Humphrey introduced Stuart Litvin.

III. Approval of March 8, 2007 Meeting Summary Minutes

Chair Humphrey entertained a motion for the approval of the minutes of the May 8, 2007 meeting.

Motion: Donald Simpson, Sr. moved and Mark Williams seconded the motion.
The motion was passed unanimously.

IV. Discussion of Expiring Terms

Chair Humphrey advised that two Authority members' terms expire in September, 2007. He said that City Council will receive applications to fill the terms, and that both incumbents (Mr. Humphrey and Lois Walker) are eligible for re-appointment.

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ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Summary Minutes

October 9, 2007

5:00 p.m.

Present: Scott Humphrey, Chair
Donald Simpson, Sr., Vice Chair
Agnes Artemel
Lynn Hampton
Lois Walker
Mark Williams

Also Present: Michael Graff, McGuire Woods LLP
Stephanie Landrum, Alexandria Economic Development Partnership, Inc.
Stuart Litvin, Alexandria Economic Development Partnership, Inc.
Laura Triggs, City of Alexandria Department of Finance

Absent: Clinton Robinson

I. Call to Order

Chair Scott Humphrey called the meeting to order at 5:02 p.m.

II. Approval of August 14, 2007 Meeting Summary Minutes

Chair Humphrey entertained a motion for the approval of the minutes of the August 14, 2007 meeting.

Motion: Lynn Hampton moved and Mark Williams seconded the motion.
The motion was passed unanimously.

III. City Council Action from 9/11/07 Meeting

Chair Humphrey reported that the Alexandria City Council, at their regular September 11, 2007 meeting, reappointed Lois Walker and Scott Humphrey to the Industrial Development Authority for a full term.

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ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Summary Minutes
November 13, 2007
5:00 p.m.

Present: Scott Humphrey, Chair
Agnes Artemel, Secretary
Lynn Hampton
Lois Walker

Also Present: Michael Graff, McGuire Woods LLP
Thomas Harlow, AAO-HNS
Stephanie Landrum, Alexandria Economic Development Partnership, Inc.
Stuart Litvin, Alexandria Economic Development Partnership, Inc.
Patrick Neal, Arent Fox Kintner Plotkin & Fox
Laura Triggs, City of Alexandria Department of Finance

Absent: Clinton Robinson
Donald Simpson, Sr., Vice Chair
Mark Williams

I. Call to Order

Chair Scott Humphrey called the meeting to order at 5:43 p.m.

II. Approval of October 9, 2007 Meeting Summary Minutes

Chair Humphrey entertained a motion for the approval of the minutes of the October 9, 2007 meeting.

Motion: Lois Walker moved and Agnes Artemel seconded the motion.
The motion was passed unanimously.

III. Consideration of Application by the American Academy of Otolaryngology-Head and Neck Surgery Foundation, Inc. and Adoption of the Inducement Resolution

Michael Graff introduced Thomas Harlow, CFO of the Foundation, the applicant, and Patrick Neal, the applicant's counsel. Mr. Harlow delivered prepared testimony describing the Foundation and the proposed project. The Foundation is requesting issuance of up to

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Lynn Hampton reported on her research into creating a new pooled program with a financial institution. She advised that the economies of scale are no longer attractive.

Chairman Humphrey reported that the Tri-Party agreement approved at the last Authority meeting has officially been executed.

VI. New Business
None.

VII. Adjourn
There being no further business, Chair Humphrey adjourned the meeting at 6:38 p.m.



Agnes Artemel
Secretary

ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Directors

Scott Humphrey
Chair

Summary Minutes
December 11, 2007
5:00 p.m.

Donald Simpson, Sr.
Vice Chair

Agnes Artemel
Secretary

Lois Walker
Assistant Secretary

Charles Collum, Jr.
Lynn Hampton
Mark Williams

Present: Scott Humphrey, Chair
Donald Simpson, Sr., Vice Chair
Agnes Artemel, Secretary
Lynn Hampton
Lois Walker
Mark Williams

Also Present: Michael Graff, McGuire Woods LLP
Stephanie Landrum, Alexandria Economic Development Partnership, Inc.
Stuart Litvin, Alexandria Economic Development Partnership, Inc.
Laura Triggs, City of Alexandria Department of Finance

Counsel to the AIDA
Michael W. Graff, Jr.
McGuireWoods LLP

I. Call to Order

Chair Scott Humphrey called the meeting to order at 5:05 p.m.

II. Approval of November 13, 2007 Meeting Summary Minutes

Chair Humphrey entertained a motion for the approval of the minutes of the November 13, 2007 meeting.

Motion: Donald Simpson, Sr. moved and Lynn Hampton seconded the motion. The motion was passed unanimously.

III. Alexandria IDA Final Bond Resolution for Financing for the American Academy of Otolaryngology-Head and Neck Surgery Foundation, Inc.

Michael Graff reviewed the pending resolution with the Directors of the Authority. Following a brief discussion, the Chair entertained a motion.

Motion: Lynn Hampton moved and Agnes Artemel seconded a motion to adopt the resolution as presented. The motion was passed unanimously.

IV. Old Business

The Directors reviewed a draft letter to the Mayor and City Council that will be sent to each member along with the Authority's FY2007 annual report. Changes were recommended and recorded and staff agreed to prepare revised letters for distribution.

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ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Directors

Scott Humphrey
Chair

Summary Minutes
February 5, 2008
5:00 p.m.

Donald Simpson, Sr.
Vice Chair

Agnes Artemel
Secretary

Lois Walker
Assistant Secretary

Charles Collum, Jr.
Lynn Hampton
Mark Williams

Counsel to the AIDA
Michael W. Graff, Jr.
McGuireWoods LLP

Present: Scott Humphrey, Chair
Donald Simpson, Sr., Vice Chair
Agnes Artemel, Secretary
Charles Collum, Jr.
Lynn Hampton
Lois Walker
Mark Williams

Also Present: Paul Aines, American Society of Clinical Oncology
Michael Graff, McGuire Woods LLP
Stephanie Landrum, Alexandria Economic Development Partnership, Inc.
Dina Michaels, American Society of Clinical Oncology
Patrick Neal, Arent Fox Kintner Plotkin & Fox
Laura Triggs, City of Alexandria Department of Finance

Staff to the AIDA

Stephanie Landrum
AEDP, Inc.
Stuart L. Litvin
AEDP, Inc.

I. Call to Order

Chair Scott Humphrey called the meeting to order at 5:07 p.m.

II. Introduction of Charles Collum, Jr.

Mr. Humphrey welcomed and introduced Charlie Collum as the newest member of the Industrial Development Authority.

III. Approval of December 11, 2007 Meeting Summary Minutes

Chair Humphrey entertained a motion for the approval of the minutes of the December 11, 2007 meeting.

Motion: Donald Simpson, Sr. moved and Mark Williams seconded the motion. **The motion was passed unanimously.**

Motion: Lynn Hampton moved and Agnes Artemel seconded a motion to adopt the resolution as presented. **The motion was passed unanimously.**

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ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Directors

Scott Humphrey
Chair

Summary Minutes

April 8, 2008

5:00 p.m.

Donald Simpson, Sr.
Vice Chair

Agnes Artemel
Secretary

Lois Walker
Assistant Secretary

Charles Collum, Jr.
Lynn Hampton
Mark Williams

Present: Donald Simpson, Sr., Vice Chair
Agnes Artemel, Secretary
Charles Collum, Jr.
Lynn Hampton
Mark Williams

Also Present: Michael Graff, McGuire Woods LLP
Stephanie Landrum, Alexandria Economic Development Partnership, Inc.
Laura Triggs, City of Alexandria Department of Finance

I. Call to Order

Vice Chair Donald Simpson, Sr. called the meeting to order at 5:15 p.m.

Counsel to the AIDA

Michael W. Graff, Jr.
McGuireWoods LLP

II. Approval of February 5, 2008 Meeting Summary Minutes

Vice Chair Simpson entertained a motion for the approval of the minutes of the February 5, 2008 meeting.

Staff to the AIDA

Stephanie Landrum
AEDP, Inc.
Stuart L. Litvin
AEDP, Inc.

Motion: Mark Williams moved and Agnes Artemel seconded the motion.
The motion was passed unanimously.

III. Final Bond Resolution for Financing for the American Society of Clinical Oncology, Inc. (ASCO)

Michael Graff provided a brief overview of the resolution under consideration by the Authority, explaining the issuance includes both a taxable and non-taxable series.

Motion: Mark Williams moved and Charles Collum, Jr. seconded a motion to adopt the resolution as presented. The motion was passed unanimously.

AEDP staff was asked to prepare a press release on behalf of the Industrial Development Authority following the closing of the issuance.

ALEXANDRIA INDUSTRIAL DEVELOPMENT AUTHORITY

Directors

Scott Humphrey
Chair

Donald Simpson, Sr.
Vice Chair

Agnes Artemel
Secretary

Lois Walker
Assistant Secretary

Charles Collum, Jr.
Lynn Hampton
Mark Williams

Summary Minutes

**May 13, 2008
5:00 p.m.**

Present: Scott Humphrey, Chair
Donald Simpson, Sr., Vice Chair
Charles Collum, Jr.
Lynn Hampton
Mark Williams

Also Present: Michael Graff, McGuire Woods LLP
Stephanie Landrum, Alexandria Economic Development Partnership, Inc.
Stuart Litvin, Alexandria Economic Development Partnership, Inc.
Laura Triggs, City of Alexandria Department of Finance

I. Call to Order

Chair Scott Humphrey called the meeting to order at 5:07 p.m.

Counsel to the AIDA
Michael W. Graff, Jr.
McGuireWoods LLP

II. Approval of April 8, 2008 Meeting Summary Minutes

Chair Humphrey entertained a motion for the approval of the minutes of the April 8, 2008 meeting.

Staff to the AIDA
Stephanie Landrum
AEDP, Inc.

Motion: Mark Williams moved and Charles Collum, Jr. seconded the motion.
The motion was passed unanimously.

III. Resolution Authorizing Amended and Restated Bonds for the Institute for Defense Analyses Project

Michael Graff explained the reason behind the Institute for Defense Analyses' request to amend and restate bonds originally issued in 2006. Authority members asked questions and discussed the matter briefly

Motion: Lynn Hampton moved and Mark Williams seconded a motion to adopt the resolution as presented. **The motion was passed unanimously.**

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