

ALX FORWARD

A STRATEGIC FRAMEWORK FOR ECONOMIC GROWTH

Executive Summary

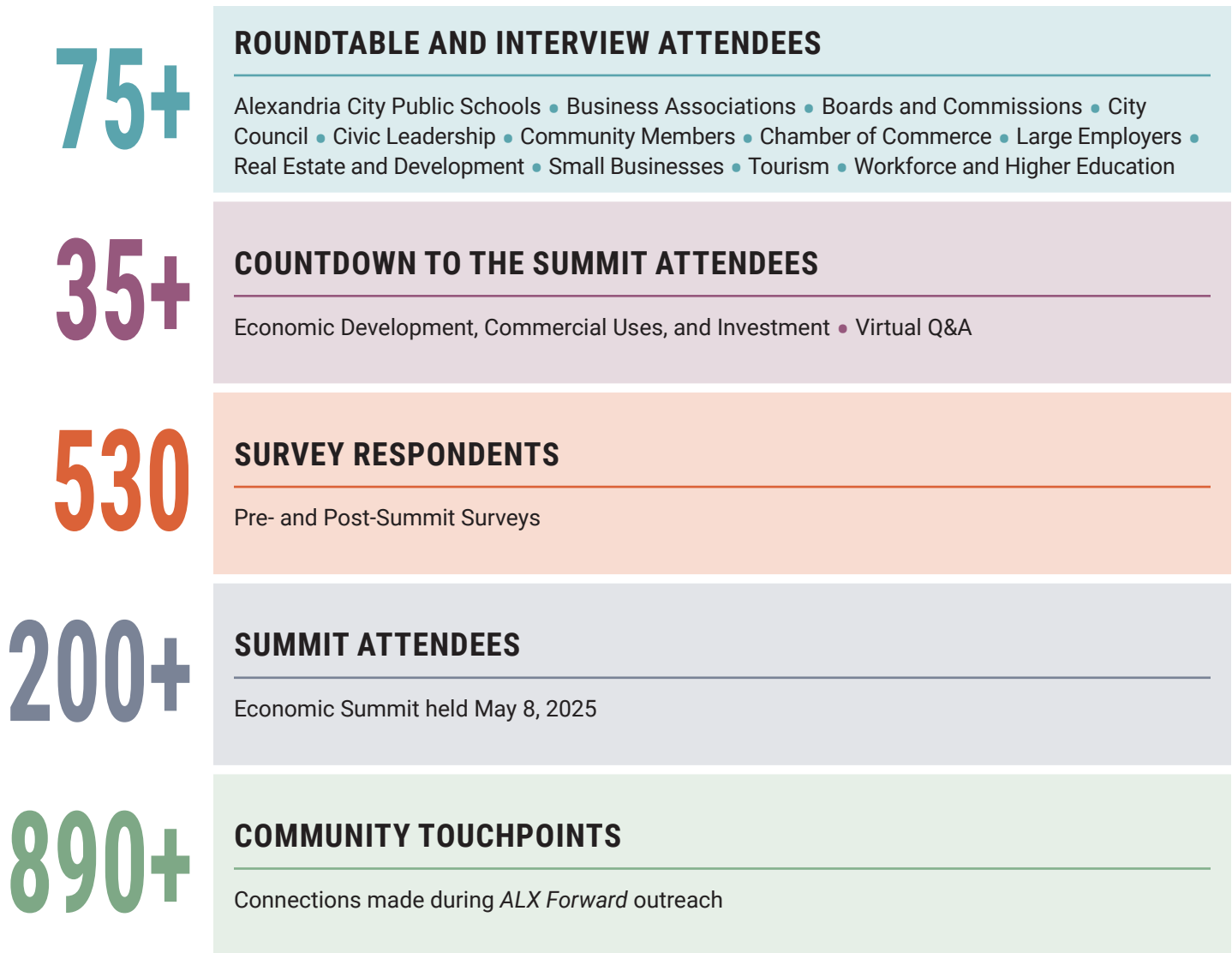
DECEMBER
2025

SHAPING A PATH FOR ALEXANDRIA'S ECONOMIC DEVELOPMENT

In late 2024, the City of Alexandria (City) and the Alexandria Economic Development Partnership (AEDP) engaged TIP Strategies to facilitate the creation of *ALX Forward: A Strategic Framework for Economic Growth*. The strategic framework that emerged from the year-long *ALX Forward* process creates a path forward for economic development investments and is summarized in the pages that follow.

The full plan, [available online](#), offers a framework to recast Alexandria's competitive position by concentrating on high-impact initiatives to attract business investment to grow and diversify the tax base while remaining true to the City's identity and values.

FIGURE 1. STAKEHOLDER ENGAGEMENT OVERVIEW



Source: TIP Strategies, Inc.

The planning process was grounded in a comprehensive analysis of the City’s competitive position. Competitive positioning included a strengths, weaknesses, opportunities, and threats (SWOT) analysis; an examination of long-term development potential; and robust stakeholder engagement.

The results of that data analysis are available in an [interactive format through Tableau Public](#), which allows people to explore trends in Alexandria and how the City compares nationally and regionally.

FIGURE 2. SWOT ANALYSIS



STRENGTHS

- High quality of life
- Sense of community
- Proximity to DC and other regional economic hubs
- Transportation infrastructure
- Waterfront
- Historic appeal and charm
- Strong tourism sector
- Small business community
- Distinctive neighborhoods
- Highly educated workforce
- Presence of and proximity to quality higher ed institutions
- Leader in office conversions
- AAA credit rating
- Virginia rated a top state for business



WEAKNESSES

- Lack of light industrial sites
- Limited commercial real estate availability
- Overreliance on residential in real estate tax revenues
- High office vacancy rates
- High cost of housing
- Constrained road networks
- Population growth slowing, some challenges retaining young professionals
- Workforce for skilled trades
- Underdeveloped entrepreneurial ecosystem



OPPORTUNITIES

- Office space reuse
- Expand tourism/entertainment assets
- Catalyst real estate redevelopment sites
- Regional collaboration, action, and impact
- Increase connectivity between neighborhoods
- Grow local entrepreneurship ecosystem and culture
- Reskill federal workforce
- Northern Virginia Community College
- Virginia Tech Institute for Advanced Computing



THREATS

- Changing administrations
- Impact of federal funding and workforce cuts
- Loss of federal and federal-adjacent workers
- Tariffs
- Contracting office market
- Reduced consumer spending
- Decreasing population
- Brain drain

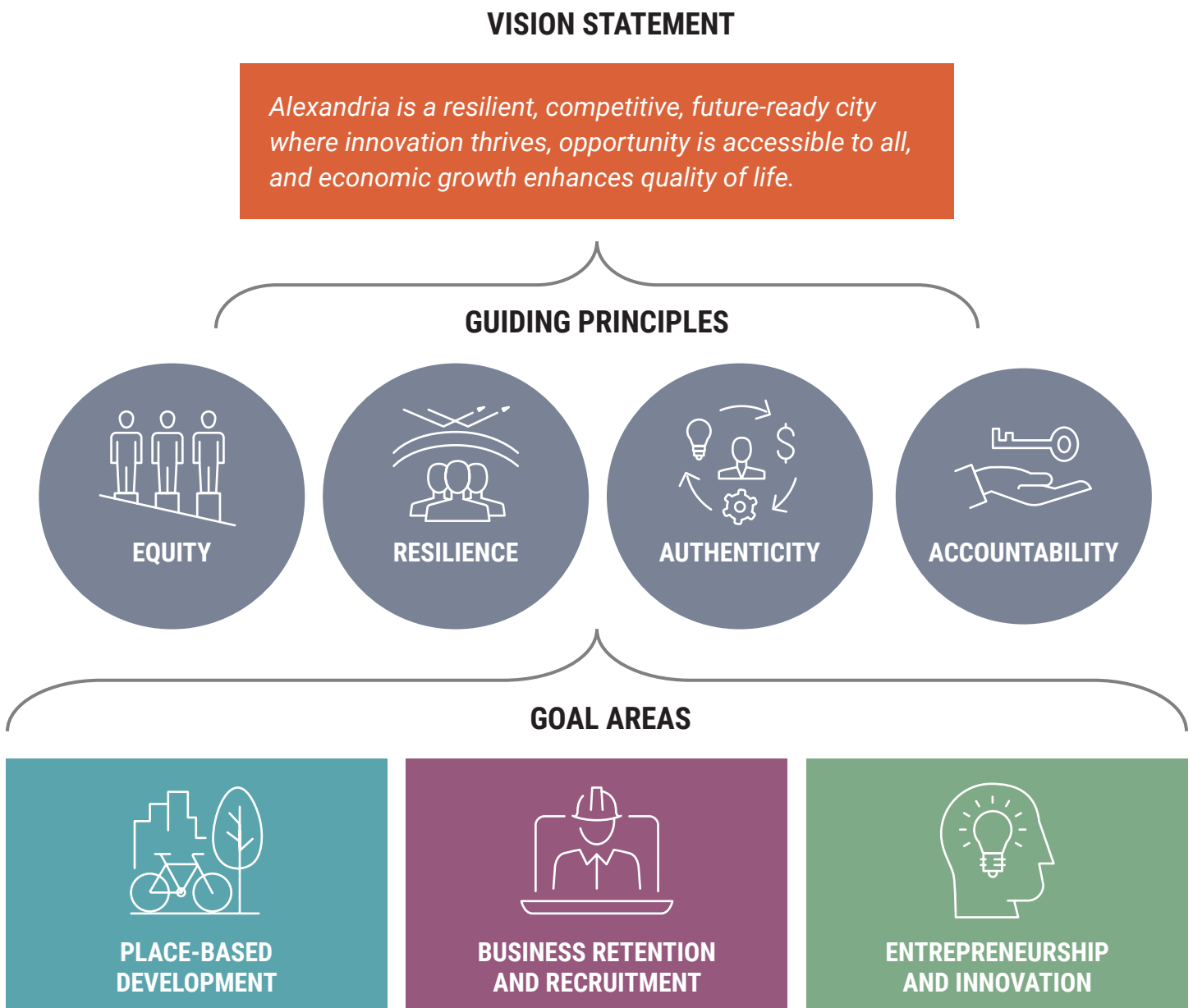
Source: TIP Strategies, Inc.

CASTING A VISION FOR ACTION

The summary framework below reflects the priorities, values, and recommendations identified through the *ALX Forward* process. Central to this framework is a vision statement that establishes Alexandria as a forward-thinking community, balancing economic prosperity with inclusive opportunity and livability.

The framework's guiding principles communicate the values that Alexandria's economic development stakeholders should use to evaluate ideas, strategies, and investments for the future. Finally, the three goal areas highlight the areas of greatest opportunities and importance and break the vision and principles down into manageable, focused programs of work.

FIGURE 3. SUMMARY FRAMEWORK



Source: TIP Strategies, Inc.

FOCUS ON CATALYTIC INITIATIVES

The *ALX Forward* framework includes detailed goals, strategies, actions, and tactics that are pivotal to Alexandria's sustained economic success. It also includes catalytic initiatives that identify the strategies and actions that the City of Alexandria, AEDP, and local economic development partners should prioritize over the next two to three years to most effectively enhance Alexandria's competitive position.

The following initiatives were selected based on their ability to generate revenue, drive Alexandria's competitiveness in a rapidly evolving economic landscape, and build on existing assets and opportunities.

GOAL 1. PLACE-BASED DEVELOPMENT

Pursue bold, transformative investments in catalyst sites and underutilized assets to spur mixed-use development, enhance quality of place, and generate new revenue.

- **Accelerate catalyst site development.** Prioritize bold, transformative real estate projects that contribute to revenue generation and enhance quality of place throughout the City.
- **Leverage City assets.** Continue to facilitate investments and partnerships designed to strengthen place-based initiatives that honor Alexandria's diverse neighborhoods, cultural identity, and heritage while addressing community needs for a gathering place.
- **Streamline development and placemaking efforts.** Ensure that land use policies are supportive of sustainable and innovative approaches to development by building on existing efforts from the City of Alexandria Planning and Zoning Department.
- **Focus on the experience economy.** Position the City as a destination of choice for local, regional, and national visitors by building up the City's experience economy.

GOAL 1: AT A GLANCE

11	Catalytic Initiatives
8	NEW Strategies, Actions, and/or Tactics
9	EXPAND Strategies, Actions, and/or Tactics
54	Total Strategies, Actions, and Tactics



Photo by Dan Poyourow

GOAL 2: AT A GLANCE

11 Catalytic Initiatives

10 **NEW** Strategies, Actions, and/or Tactics

4 **EXPAND** Strategies, Actions, and/or Tactics

45 Total Strategies, Actions, and Tactics

GOAL 2. BUSINESS RETENTION AND RECRUITMENT

Focus on retaining local businesses and attracting high-growth industries to diversify Alexandria's economy and create quality jobs.

- **Foster a collaborative business environment.** Support and grow Alexandria's businesses of all sizes.
- **Position Alexandria as a premier business destination.** Direct these efforts toward diversifying the City's economy by recruiting businesses that align with Alexandria's target industries, workforce skills, assets, and economic vision.
- **Strengthen talent pipelines.** Ensure the availability of talent needed for existing and emerging industries through closer collaboration with industry and local universities, leveraging greater coordination between AEDP and workforce development organizations.

A list of current business retention and recruitment industries is available on [the AEDP website](#).



Photo courtesy of AEDP

GOAL 3. ENTREPRENEURSHIP AND INNOVATION

Strengthen Alexandria's entrepreneurial ecosystem by expanding support for small businesses and fostering the growth of innovative, high-growth startups.

- **Build the entrepreneurship ecosystem.** Cultivate an innovation ecosystem that connects entrepreneurs with resources and support, including enhanced access to capital.
- **Expand incubator and accelerator spaces.** Encourage the creation of incubator and accelerator spaces to foster innovation and spur economic activity; continue to explore the feasibility of an innovation district in Potomac Yard.
- **Foster entrepreneurial skills.** Encourage the development of entrepreneurial skills in students and the existing workforce via greater collaboration between AEDP, Alexandria City Public Schools (ACPS), and the Workforce Development Center (WDC).

GOAL 3: AT A GLANCE

6 Catalytic Initiatives

12 **NEW** Strategies, Actions, and/or Tactics

1 **EXPAND** Strategies, Actions, and/or Tactics

51 Total Strategies, Actions, and Tactics



Photo by Sam Kittner

DETAILING A DECISION-MAKING

PROCESS

Making decisions about public investment across a range of options and projects is not a one-size-fits-all process. But the long-term success of *ALX Forward* relies on using a structured process to be able to accurately evaluate decisions and maintain Alexandria’s economic competitive edge over time.

The decision matrix below helps to highlight roles and responsibilities when it comes to decision-making. The matrix helps the City align public spending with community values and strategies, ensuring transparency and accountability. Projects must demonstrate value across five criteria.

- QI Quantifiable Impact:** economic returns, job creation, investment, tax revenue.
- SA Strategic Alignment:** support for target industries, City goals, and a diverse tax base.
- PF Necessity of Public Funds:** crucial public investment, leveraging private funds.
- CC Protect City’s Credit Rating:** effects on AAA rating and fiscal stability.
- CB Community Benefit:** tangible gains like affordable housing, workforce development, and place-based enhancements.

Many of the prospects that enter an economic development funnel (Figure 5, page 9) never make it to the other side for a variety of reasons, including a failure to demonstrate quantifiable impacts in the five criteria listed previously.

Projects with merit are screened by the City and AEDP to ensure they align with established priorities and meet due diligence standards. This evaluation process further narrows the funnel to a handful of viable projects that are presented to the City Council for consideration.

FIGURE 4. STAKEHOLDER ROLES

STAKEHOLDER	DECISION MATRIX ROLE	ALIGNMENT WITH ENGAGEMENT FACTORS
City of Alexandria	Policy direction, fiscal approval, credit protection, final incentive decisions	QI SA PF CC CB
AEDP (Economic Development)	Project vetting, due diligence, impact analysis, target industry support, incentive negotiation, stakeholder convening	QI SA PF CC CB
Residents	Public input, advocate for community benefits, transparency, and inclusive prosperity, attend hearings, advise on priorities	QI SA PF CC CB
Developers/Investors	Project proposals, feasibility and impact (job creation and industry), provide capital, respond to requirements/incentives	QI SA PF CC CB

Source: TIP Strategies, Inc.

Note: Light gray criteria indicators represent non-alignment, while color indicators represent areas of alignment with engagement factors.

FIGURE 5. ECONOMIC DEVELOPMENT FUNNEL

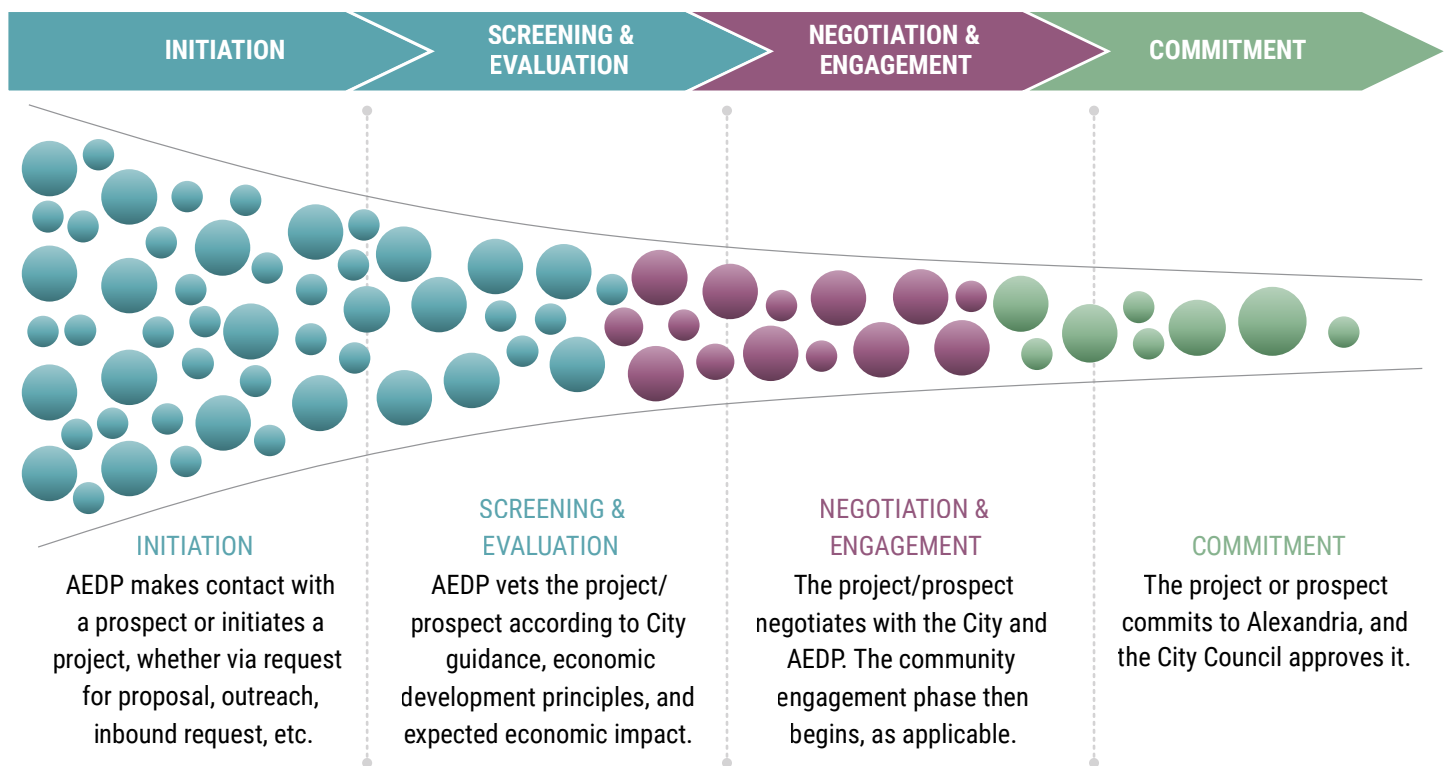


FIGURE 6. ECONOMIC DEVELOPMENT DECISION MATRIX: FACTORS AND KEY TERMS

FACTOR	DESCRIPTION
Quantifiable Impact	Projects must show measurable financial benefits and economic development outcomes. Focus on high-quality job creation, estimated follow-on development for catalyst potential, and projected revenue growth.
Strategic Alignment	Prioritize projects aligning with the <i>ALX Forward</i> framework, as well as the City's target industries and tax base diversification objective.
Necessity of Public Funds and Leveraged Investment	Public funds are justified only if the project wouldn't proceed, would not be feasible, or would be lost to another location, "but for" City investment. Projects need secure sponsor and partner commitments to qualify for incentives.
Protect the City's Credit Rating	Prioritize projects that boost future debt capacity via tax revenue and do not jeopardize the City's AAA credit rating.
Community Benefit	Incentivized projects must invest in community benefits that align with City Council priorities and values.
KEY TERM	DEFINITION
High-Quality Jobs	High-quality jobs provide living wages, comprehensive benefits, safe and predictable work conditions, and clear, equitable paths to advancement.
Target Industries	Emerging and Advanced Technologies, Cybersecurity and Defense, Entertainment and Tourism, Professional Services, Nonprofits and Associations, and the emerging sectors of Healthcare and Innovation.
Strategic Goals	Place-Based Development, Business Retention and Recruitment, and Entrepreneurship and Innovation.
Community Benefits Examples	Affordable Housing and Anti-Displacement; High-Quality Jobs; Wages and Training; Small Business and Inclusive Procurement; Community Facilities and Social Infrastructure; Mobility and Access; Digital Equity; and Community Wealth Building.

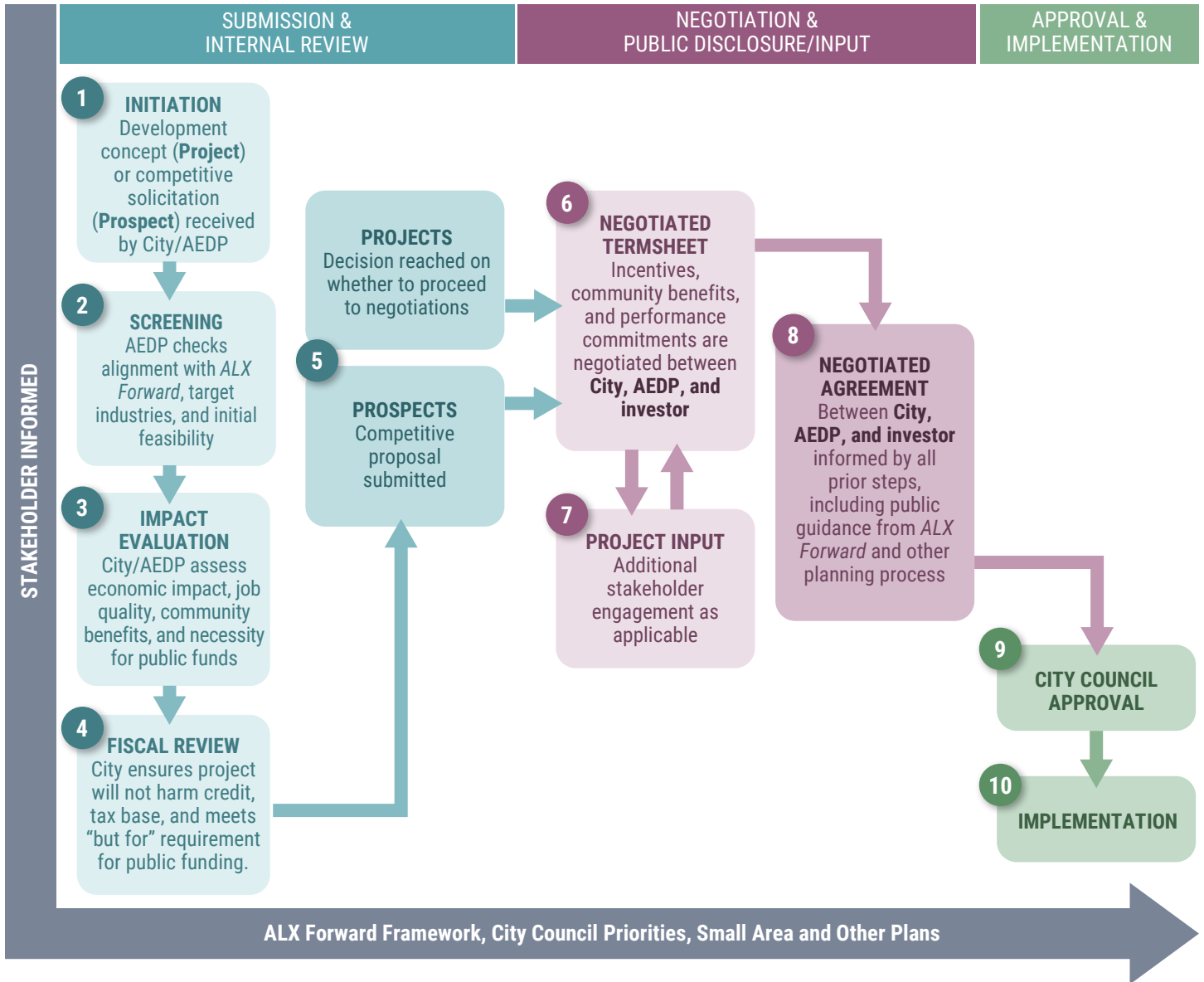
Sources: (Figure 5) City of Alexandria, Virginia; AEDP, TIP Strategies, Inc.; and (Figure 6) TIP Strategies, Inc.

Note: (Figure 6) Factors evaluated on a scale where 1= negative impact, 2 = neutral, 3= positive impact, with scores ranging from 5 to 15.

The entire process is anchored by community and stakeholder participation gathered over the course of multiple priority-setting initiatives and planning efforts, including *ALX Forward*. During the negotiation phase (6, 7, 8 in Figure 7), the City Council is briefed and consulted, and community members are brought into the process as needed.

The end result of this rigorous approach is a negotiated agreement with a qualified prospect or project that is presented to the City Council for approval (9) and implementation (10).

FIGURE 7. STAGED DECISION-MAKING PROCESS USING THE ECONOMIC DEVELOPMENT INVESTMENT DECISION MATRIX



Sources: City of Alexandria, Virginia; TIP Strategies, Inc.

THE ALX FORWARD IMPLEMENTATION

PROCESS

In January 2026, the Alexandria City Council officially adopted *ALX Forward: A Strategic Framework for Economic Growth*. With that approval, the City of Alexandria moved into the implementation phase with its implementation partners, which will involve regular updates to the City Council and the community.

Interested individuals can follow the implementation progress and find relevant updates, including a dashboard, at alexandriava.gov/ALXForward.

FIGURE 8. IMPLEMENTATION PARTNERS



Source: City of Alexandria, Virginia.

Note: This list was current as of January 2026 but will continue to grow over time.

Cover photo and photo below by
Sam Kittner courtesy of AEDP.



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