

# City of Alexandria, Virginia

## MEMORANDUM

DATE: MARCH 22, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: BUDGET MEMO 25: CITY CONTRIBUTION TO THE GREATER WASHINGTON INITIATIVE (GWI)

This memo explains the City's historic investment in the Greater Washington Initiative (GWI), its inadvertent omission from the FY 2011 proposed budget, and how I propose to restore funding of \$25,000 in FY 2011.

**Background:** The Greater Washington Initiative (GWI) was established sixteen (16) years ago by the region's top business, public, and higher-education leaders. The founding premise for GWI: the Greater Washington region must be promoted as a whole in order to compete successfully for economic growth. GWI was created to be the regional economic development marketing and research organization representing Northern Virginia, Suburban Maryland and the District of Columbia. Such an organization did not exist before.

GWI is a public-private partnership with approximately 50% of funding from the region's local governments and 50% from private sector companies in the region. GWI leverages each locality's investment against the aggregate investments from the private sector and the other public jurisdictions. In calendar year 2010, GWI's local government investors are as follows:

**Executive = \$125,000 or more annually**  
District of Columbia

**Trustee = \$25,000 or more annually**

Alexandria, City of – EDP	Anne Arundel Economic Development Corp.
Arlington County Economic Development	Baltimore Washington Intl Airport
Fairfax County EDA	Frederick County Office of ED
Howard County	Loudoun County Dept of ED
Metropolitan Wash Airport Authority	Montgomery County
Prince George's County	Prince William County

**Investor = less than \$25,000 annually**

Bowie, City of - Dept of Planning & Economic Dev	Calvert County Government
Charles County EDC	County of Stafford
Fairfax, City of - Office of Economic Development	Falls Church EDA
Frederick, City of	Laurel, City of
Manassas, City of	Northern Virginia Community College
Rockville Economic Dev	St Mary's County
State of Maryland	Town of Leesburg
University of Maryland, College Park	Vint Hill

**Benefits & Return on Investment:**

GWI's mission is to strategically market and promote the Greater Washington region to enhance its brand, reputation, and positioning as the premier business location, thereby increasing the number of quality domestic and international companies interested in the region. GWI promotes the Greater Washington region as a premier business location through public relations, events, national and international prospecting exposure, the regional economic development website and collateral materials.

This national and international outreach is a key component of Alexandria's overall marketing efforts, as marketing dollars allocated to the Alexandria Economic Development Partnership (AEDP) are used for regional awareness and promotion. AEDP resources are better spent and leveraged by contributing to the regional national and international effort.

GWI's goal is to provide exposure of and resources to Alexandria and to lessen the burden placed on AEDP. For example, as part of the regional collaborative and leveraged effort, Alexandria benefits from GWI's work to gain national exposure to company decision makers, national media, and site selection consultants. This helps Alexandria and AEDP devote their resources for other priorities, and focus their attention on the things that make the city unique and make it stand out from other parts of the Greater Washington region.

Other benefits of Alexandria's Trustee-level investment include:

- Recognition for Alexandria in GWI's annual Regional Report that is widely distributed to regional, national and international target audiences; the GWI Regional Report is distributed to 7,500 decision-makers annually in addition to more than 6,000 downloaded copies from the GWI website: [www.greaterwashington.org](http://www.greaterwashington.org).
- Recognition for Alexandria on GWI's website, with a direct link to the economic development department website (3 million hits annually).
- Access to complimentary regional data and research assistance from GWI's research team.
- Direct participation and influence over GWI programs, activities, marketing messages, and economic development strategies.

- Quarterly meetings with C-level executives (CEO, COO, CFO, etc.) and Area Business Development Officials Committee members from across region.
- Invitation to exclusive executive networking events hosted by GWI, including domestic and international business development missions.
- Opportunity to benefit from GWI's public relations efforts by serving as a resource for media.
- Exclusive joint meetings and networking opportunities with regional economic development leaders from respective jurisdictions.

**Fiscal Impact:** The GWI investment is billed on a calendar year basis. As a result, beginning in 2005, the City's investment for each calendar year is split between two fiscal years. To promote transparency, during the FY 2010 budget proceedings, the City's investment in the Greater Washington Initiative was pulled out of the AEDP budget and was made a line-item in the economic development section of the budget. When finally adopted, the City Council chose not to fund GWI in FY 2010. Instead, the AEDP contributed the second half of calendar year 2009's investment from their FY 2009 budget to make a total investment of \$25,000, as pledged. The organization was able to contribute the \$12,500 that would have come from FY 2010 due to personnel turnover in FY 2009.

In the FY 2011 proposed budget, in error, no funds were allocated for GWI. As this GWI funding problem was an inadvertent staff level budget error, the funding for GWI will be added to the FY 2011 proposed budget through the technical budget adjustment process. It is recommended that the City resume its investment in GWI to bolster the increased and targeted marketing efforts of AEDP. This would require a line-item addition of \$25,000 for the GWI or an increase in the AEDP budget of the same amount. While City staff discussed putting GWI back in the FY 2011 proposed budget, and intended to do so, the addition back of GWI was inadvertently missed when the final proposed budget changes were compiled.

cc: Val Hawkins, President/CEO, Alexandria Economic Development Partnership