



# Economic Development

New residential construction includes Carlyle Towers.

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Alexandria's City government is engaged in a variety of working partnerships with business. One is the Alexandria Economic Development Program, Inc. (AEDP). The activities of the AEDP are overseen by the Alexandria Economic Development and Tourism Board, chaired by Mayor Ticer. Another key partnership is the Alexandria Convention and Visitors Bureau, the City's tourism

promotion agency.

To continue economic expansion and diversified job growth, the City has undertaken several initiatives:

- Improved coordination of economic development, tourism promotion, and business marketing activities. As recommended in the March report of the Mayor's Advisory Task Force, City Council in April approved the consolidation of these activities under one policy board. The new Alexandria Economic Development and Tourism Board will coordinate the operations of the Economic Development Program, the Convention and Visitors Bureau, and the City's Marketing Fund.
- Privatization of the Alexandria Convention and Visitors Bureau (ACVB), which presently operates under the City's Office of Historic Alexandria. City Council in April created a Transitional Board of Governors, chaired by Vice Mayor Donley, to oversee the ACVB's operation and to develop a feasibility study and a plan by May 1996 for privatizing the ACVB. The plan will focus on several transition issues, including efforts to secure private support for ACVB.
- Business opportunities for George Washington University. In 1995, George Washington University established a Graduate Education Center on Duke Street near the King Street Metro Station. The Center offers advanced degrees in business administration, technology, and education. The City and the University will be challenged in the coming year to generate business opportunities for the Center.

In June, the Economic Development and Tourism Board requested Council to establish a task force to study three current City policies related to land development:

- Since the late 1980s, City policy has been to limit parking at new commercial development

projects near Metrorail stations and other commercial sites to encourage office workers to use public transit. There is concern that these limitations affect the City's ability to expand retail trade and support other new businesses. George Washington University's Graduate Education Center and the proposed Alexandria Association Campus illustrate opportunities for expanded public parking.

- Beginning in the early 1980s, the City has encouraged retail uses on the first floor of new commercial buildings. This policy was instituted to ensure commercial projects that would "stay alive" after normal business hours. This policy worked well when buildings were constructed before they were leased to retail and office tenants. However, tighter lending policies effectively ended speculative office construction in the late 1980s. While the Economic Development and Tourism Board wishes to maintain this "people place" approach, there are concerns that lenders are unwilling to issue loans for build-to-suit offices that must seek retail tenants. Also, the City is competing with commercial developments in other jurisdictions that do not require retail uses in new office projects.
- The current shift in market demand to residential construction is reducing the supply of land available for commercial development. The conversion of prime office sites to residential uses represents a potential loss of expanded tax base and new jobs.

## Economic Facts

City Bond Ratings:	Hotel Rooms (6/95)	3,346
Standards & Poor's: AAA(since 1992)	Hotel Occupancy Rate (6/95)	83.4%
Moody's Investors Service: Aaa(since 1986)	1994 Business Revenues	\$3.725 billion
Jobs within the City (12/94)	82,071	1994 Retail Sales
		\$1.326 billion
Jobs Added (since 12/92)	2,975	Personal Income (1993)
		\$3.88 billion
Civilian Labor Force (5/95)	79,619	Per Capita Income (1993)
		\$34,023
Unemployment Rate (5/95)	4.3%	Federal Spending (1994)
		\$2.08 billion
Office Vacancy Rate (7/95)	6.8%	Contract Awards
		\$744 million
		Salaries & Wages
		\$662 million

*Sources: Virginia Employment Commission; Finance Department; Department of Planning and Zoning; Office of Management and Budget; Metropolitan Washington Council of Governments; Cushman & Wakefield; Alexandria Economic Development Program, Inc.; and Convention and Visitors Bureau.*