

## ECONOMIC DEVELOPMENT

Seeking community involvement in setting the City's economic development priorities, City Council hosted a day-long Economic Summit in February at the Mark Radisson Hotel. The idea for the Economic Summit grew out of an issue paper, "Economic Development Plan," presented at Council's Annual Retreat in October 1995 by then Vice Mayor Donley, Councilman Euille, and Council Member Walker.

At the Summit, over 100 participants, representing business, government, civic, and community-wide interests, joined City Council in setting five top priorities for the City's economic development efforts over the next 12-18 months:

- ❖ Market Alexandria with an emphasis on its advantages, including the large number of technology firms located here; the City's Schools; the City's quick building permit approval process; and the City's reputation as a nice, safe place to live, do business, and shop. Provide a higher profile for economic development and promote tourism.

- ❖ Reduce impediments to commercial development. Establish a task force to examine the City's zoning process, special use permit process, the transportation management plan requirement for large development projects, and proffers from developers.

- ❖ Relocate the Patent and Trademark Office to Alexandria.

- ❖ Substantially increase the economic development budget.

- ❖ Strengthen Landmark Mall. In pursuing these top priorities, City Council, the Alexandria Economic Development Partnership (AEDP), the Chamber of Commerce, the Planning Commission, City departments and local groups assumed lead roles:

- ❖ The AEDP, a public-private partnership between the City and the business community, and the recently privatized Alexandria Convention and Visitors Association (ACVA) are expanding promotional efforts to attract new businesses and visitors. City Council, in adopting its FY 1997 Budget in May, increased funding for economic development by \$255,000, or 34%, including \$100,000 earmarked for expanded marketing (for budget details,

see page 21). The AEDP, which is chaired by Mayor Donley, recently published three new marketing brochures for use in direct mail campaigns to promote the advantages of an Alexandria location for technology firms, national trade and professional associations, and corporate headquarters. Immediate plans include additional marketing outreach as well as a periodic newsletter.

❖ The Planning Commission has undertaken a study of the development process to see how it might be streamlined and to ensure that City requirements are in line with the realities of the marketplace. An ad hoc Development Review Committee, appointed by the Planning Commission Chairman and including citizens and business representatives, has been meeting since April and is expected to complete its work in the fall. Thus far, the Committee has recommended that property owners in the King Street Metro Station area be allowed to convert ground retail space to non-retail uses for up to ten years. The City currently requires large commercial office developments in certain areas of Alexandria to reserve ground floor space for retail uses as a means to encourage commercial activity at night and on weekends. The market, however, has not supported these activities, leaving much ground floor retail space vacant.

❖ The AEDP and City staff have been working with four property owners interested in bringing the U.S. Patent and Trademark Office (PTO) headquarters to Alexandria by the year 2001. AEDP developed a presentation on the advantages of locating in the City and it has been presented to PTO and to the property owners who will be submitting first round proposals to PTO in November. Currently located in Crystal City, PTO has 7,000 employees and recently received Congressional approval to consolidate its operations in a single headquarters complex.

❖ City Council approved over \$1 million for economic development in FY 1997, a 34% increase, including a \$25,000 contribution to the Eisenhower Avenue Partnership, up to \$30,000 in new funding for the Potomac West Alliance Pilot Project, and \$380,000 in direct funding and \$38,000 in office space for the Alexandria Convention and Visitors Association. Council also completed reform of the BPOL tax, yielding business tax reductions of \$253,000, and revised the depreciation schedule for computers, saving businesses \$800,000 in taxes during 1996.

❖ The Alexandria Chamber of Commerce formed a Landmark Mall task force to make recommendations on strengthening Alexandria's largest shopping center. Negotiations are underway to bring movie theaters to the mall, and in July, JC Penney opened a new anchor store. The top priorities emerging from the Economic Summit were discussed by Mayor Donley in his February State of the City Address, which is posted on the City's Internet Home Page ([/city/current\\_docs/policy/19960402.html](/city/current_docs/policy/19960402.html)). AEDP will prepare

a report to Council this fall on the status of the top five priorities and follow-up actions.