

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 28, 2016
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
THROUGH: MARK B. JINKS, CITY MANAGER *MJ*
FROM: MORGAN ROUTT, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET *MR*
SUBJECT: BUDGET MEMO #22: RESPONSE TO COUNCIL QUESTIONS

The Office of Management & Budget issues a Budget Memo to answer questions posed by members of City Council that can be addressed in a question and answer format. Below are answers to some of the questions posed thus far.

CAPITAL IMPROVEMENT PROGRAM (Vice Mayor Wilson)

Question: Given the convergence of the scope and timing of road paving, sidewalk repairs and complete streets efforts in recent years, can Staff please provide analysis of the potential consolidation of these capital efforts into a combined capital project advancing Complete Streets maintenance, construction and repair?

Answer: TES staff continues to review the potential consolidation of three capital projects: Street Reconstruction and Paving, Sidewalk Capital Maintenance and Complete Streets. Although not feasible for FY 2017 this late in the process, the consolidation has merit for comprehensively planning and explaining how the budget supports the projects together.

For the proposed FY 2017 budget we have reviewed the costs as planned for the streets and sidewalks associated with repaving. A budget summary of the projects and percent of the total repaving budget is shown below. As shown in the following table, the combined budgets for Street Reconstruction, Sidewalk Capital Maintenance and Complete Streets is \$7.1 million in FY 2017. All but \$685,000 in Complete Streets funding is planned to be used for street and sidewalk reconstruction-related expenditures. The remaining \$685,000 in Complete Streets would be used for new Complete Streets projects unrelated to the repaving schedule and two full-time employees to implement the projects.

Development Corporation (AHDC) which has become a successful non-profit housing developer and owner of affordable and workforce housing, as well as the Torpedo Factory Arts Board (TFAB) which currently is undergoing a discussion as to its future role. In addition, the Governance Committee of the Waterfront Commission has been talking about future governance models for the waterfront and including the possible establishment of a Parks Conservancy.

All of these entities were established as separate organizations and either employed staff or consultants to operate these entities. If a Foundation was created it would bring with it a certain level of overhead costs and additional management time.

The core question is “What is the best way to promote giving to benefit the parks?” Encouraging private giving is a priority and the Department of Recreation, Parks & Cultural Activities (RPCA) has been working on a new consolidated giving program as the answer to that question. It is staff’s view that current programs including the newly organized program described in more detail in Attachment 2 should work well in increasing the level of private giving towards City parks.

Council has also received a budget memo (dated April 21, 2016) regarding the establishment of a business improvement district in the Old Town and Waterfront areas of the City. As the memo points out, both the Waterfront Commission Governance Subcommittee and local retail business owners have recommended governance structures that may involve fund raising to help support parks and open space. While these discussions are currently focusing primarily in Old Town and along the Waterfront, further exploration of these concepts may provide guidance for a city-wide approach to fundraising.

Staff recommends continuing to monitor the development of governance structure alternatives in the Old Town area, as well as the implementation of the RPCA programs described in Attachment 2. As these programs develop, staff will be better able to determine what, if any, additional support is necessary to promote giving associated with parks, open space and tree canopy.

CAPITAL IMPROVEMENT PROGRAM (Vice Mayor Wilson)

Question: What CIP projects would staff recommend funding with additional two and three cent real estate tax rate increases for capital, and what are the five year operating impacts of those projects?

Answer: The City Manager’s FY 2017 proposed budget includes a one-cent increase in the real estate tax rate. At their March 15, 2016 meeting to set the maximum tax rate for calendar year 2016, City Council set the maximum increase at three cents and directed the City Manager to provide options for investing the additional two cents on capital projects. The addition of two cents on the real property tax rate would provide an additional \$7.6 million in revenue in FY 2017 and \$3.8 million from the second real estate tax payment of FY 2016 for a total of \$11.4 million, of which \$1.1 million would be required to comply with the City’s policy of retaining 10% of revenue in

fund balance and \$10.2 million would be available as cash capital funding for projects.

Staff recommends applying two-thirds of the additional revenue (\$6.8 million) as cash capital to fund City transportation, facilities and broadband projects and using one-third (\$3.4 million) to fund the ACPS approved Pre-K Center through a combination of cash funding and borrowing. ACPS projects represent approximately one-third of the FY 2017 CIP (excluding the Potomac Yard Metrorail station). The projects listed in the following table represent the City Manager’s recommendation for additional investment should Council choose to fund additional capital projects in FY 2017.

PROJECT	FY 2017 COST
Additional Complete Streets Funding	\$0.730 M
Additional Funding for Court House Renovations and HVAC Replacement	\$2.300 M
Additional DASH Bus Purchases	\$1.400 M
Energy Retrofit of City Facilities	\$0.450 M
Gadsby’s and Apothecary Museums Facility Repairs	\$0.996 M
Additional Street Reconstruction and Resurfacing Funding	\$0.570 M
Additional Funding for Municipal Broadband Engineering	\$0.400 M
Retrofit of Leased Facility for ACPS Pre-School Center*	\$3.400 M
TOTAL	\$10.246 M

**In addition, \$5.172 million would be borrowed to fund the total \$8.3 million needed to fund the retrofitting of the leased space.*

Additional Complete Streets Funding (\$0.7 M)

Approximately \$730,000 of additional one-time funding could be allocated to Complete Streets, specifically for residential sidewalk programs for qualifying streets, roadway resurfacing sidewalk projects, and priority projects as recommended in the Pedestrian and Bicycle Master Plan. While the Complete Streets program has more demand than \$730,000 would fund, T&ES staff capacity limits the amount of funds that could be planned in FY 2017.

Additional Funding for Court House Renovations and HVAC Replacement (\$2.3 M)

An additional \$2.3 million in FY 2017 could be utilized to fund one-time high priority capital replacement items identified in the Facility Condition Assessment including replacement of exterior doors and aluminum windows; replacement of unit heaters and heat pumps; renovation of public access restrooms; and partial funding for the replacement of some of the \$7 million in Courthouse HVAC systems and controls capital replacement requirements identified in the Facility Condition Assessment. They would have no ongoing operating costs and could save in future maintenance costs.

Additional DASH Replacement Bus Purchases (\$1.4 M)

Funding would allow for the purchase of two additional DASH buses, as part of the DASH Bus Fleet Replacement CIP project. This project's funding is used to replace aging vehicles in the DASH Bus Fleet.

Energy Retrofit of City Facilities (\$0.5 M)

An additional \$450,000 in FY 2017 could provide for one-time lighting retrofits at eight recreation center gymnasiums to high-efficiency LED technology to reduce energy use and costs, and enhance lighting quality and reduce maintenance costs; and perform a retro-commissioning process for one City-owned facility to enhance HVAC system performance, reduce energy use and costs and improve occupant comfort.

Gadsby's and Apothecary Museums Facility Repairs (\$1.0 M)

An additional \$1.0 million in FY 2017 could accelerate the one-time funding required to address a portion of the capital replacement and maintenance items identified in the Facility Condition Assessment at the Gadsby's Tavern, Gadsby's Tavern Restaurant and Apothecary Museum. These capital replacement and maintenance items include the replacement of exterior doors; renewal of facility brick and wood; replacement of wiring required for lighting and other equipment; painting of walls and ceilings; and refinishing floors. They would have no ongoing operating cost and could save in future maintenance costs.

Additional Street Reconstruction and Resurfacing Funding (\$0.6 M)

Additional funding would be dedicated to paving projects to accelerate the FY 2018 paving schedule. The State has indicated it may reduce Revenue Sharing funding for localities in FY 2018 – 2026. This additional \$570,000 would help pave FY 2018 City Street Reconstruction and Resurfacing projects that might otherwise be reduced or eliminated in FY 2018 due to the reduced State funding.

In addition to this funding, staff is also recommending an additional \$850,000 of identified FY 2017 savings from the WMATA Capital Contribution for a total of \$1.4 million in additional Street Reconstruction and Resurfacing funding in FY 2017.

Additional Funding for Municipal Broadband Engineering (\$0.4 M)

With an additional \$400,000, FY 2017 funding for the Municipal Fiber project would total \$800,000. This would provide adequate one-time funding to continue the business plan study and to conduct engineering/design work, in preparation for the construction of a fiber optic backbone that would serve all City and ACPS buildings, the City's public safety radio network, and potentially City residents and businesses as well as avoid future costs by no longer leasing fiber from the private marketplace.

Retrofit of Leased Facility for ACPS Pre-K Center (\$8.3 M)

This project would be funded through a mix of borrowing and cash capital. Debt service on this additional issuance would total \$0.3 million in FY 2017.

Funding could be used to retrofit a leased space to house the enrollment of pre-K students in a centralized facility. This funding would cover the retrofit of a leased space with a capacity of at least 360 early childhood Alexandria students. Housing these pre-K students in a leased space creates capacity for additional classrooms in ACPS facilities that currently house early childhood students. This project was not recommended for funding in FY 2017 of the City Manager's Proposed Capital Improvement Program (CIP) due to the very early stage of planning and outreach required before construction could begin (see FY 2017 Budget Memo #3), however, funding for the lease cost (\$0.7 million) is included in contingency in the City Manager's Proposed FY 2017 Operating Budget should City Council wish to fund the Pre-K center. There would be an ongoing operating cost in FY 2018 and beyond associated with this project including the continuing cost of the lease and expanded staffing.

Use of Funding Beyond FY 2017

City Council only needs to identify use of the funds generated by the additional two cents on the tax rate for FY 2017. Staff will plan to program these funds as cash capital for projects related to transportation, ACPS, and City facilities in future years of the Capital Improvement Program.

RECREATION, PARKS, & CULTURAL ACTIVITIES (Mayor Silberberg/Councilwoman Pepper)

Question: What would be the cost to operate holiday lights year-round?

Answer: Expanding the holiday lights to 12 months would cost approximately \$100,000 more than the current budget. In FY 2016, there is \$106,707 budgeted for the cost to purchase the light strings, install and remove the lights, fund the electricity, and replace a small number of strings during the display period. The cost increase would be due to the increased number of lights needed, their year-round cyclical replacement, and year-round electricity usage.

The most significant increase is in the cost to install and remove the lights. Currently the lights are installed and removed once per year at the beginning and end of the holiday season with some mid-season replacement of lights as necessary. Due to the wear and tear on the strings from weather exposure, the lights would need to be replaced approximately every six months during the course of the year, generating recurring costs for materials and labor throughout the year. Due to their limited useful lives, new light strings and extension cords would need to be purchased twice over the course of the year.

TAXES/REVENUE (Councilman Lovain)

Question: How does the average Alexandria tax bill compare to other Northern Virginia jurisdictions?

Answer: The following is in response to Councilman Lovain’s request for a comparison of the City’s real estate tax bill for homes within a range of square footages to Arlington and Fairfax Counties. Other jurisdictions do not publicly offer average price-per-square-foot data with which to compare, however the City’s Real Estate Assessments staff was able to obtain the average property values broken out between single family homes and condominiums from Arlington, Fairfax and Loudoun Counties.

For calendar year (CY) 2016 the average single-family home, is assessed at \$720,701, an increase of 2.25% or \$15,918. Based on an increase in the average assessment on single-family homes, the average residential tax bill is \$7,517. If the CY 2016 tax rate is increased to \$1.053, the average residential tax bill will be \$7,589, an increase of \$72 annually or \$6 monthly. Table 1 below compares the City’s average single-family home value and residential tax bill to other Northern Virginia Jurisdictions based on the current FY 2016 residential property tax rate, the FY 2017 proposed/approved residential property tax rate, and the FY 2017 advertised maximum residential property tax rate. Although Prince William County released their 2016 assessments, they have not prepared average residential assessment by classification of single-family and condominiums. Since Arlington and Loudoun County have adopted their budgets, the advertised maximum tax rate is no longer applicable to them.

Table 1: Comparison of Average Residential Tax Bill for a Single-Family Home

	City of Alexandria	Arlington County	Fairfax County	Loudoun County	Prince William County
Single-Family Avg. Value (CY 2016)	\$720,701	\$784,163	\$632,507	\$471,596	Not available
FY 2016 Residential Tax Rates (Current)					
Residential Tax Rate	\$1.043	\$0.996	\$1.116	\$1.135	\$1.194
Average Residential Tax Bill	\$7,517	\$7,810	\$7,059	\$5,353	
FY 2017 Proposed/Approved Residential Tax Rates					
	Proposed	Approved	Proposed	Approved	
Residential Tax Rate	\$1.053	\$0.991	\$1.159	\$1.145	\$1.218
Average Residential Tax Bill	\$7,589	\$7,771	\$7,328	\$5,400	
FY 2017 Advertised Maximum Residential Tax Rates					
Residential Tax Rate	\$1.073	-	\$1.159	-	\$1.2180
Average Residential Tax Bill	\$7,733	-	\$7,328	-	

The 2016 average residential condominium is assessed at \$306,883, an increase of 0.94% or \$2,869 from the previous year. Based on an increase in the average assessment on condominiums, the average residential tax bill is \$3,201. If the CY 2016 tax rate is increased to \$1.053, the average residential tax bill will be \$3,231, an increase of \$30 annually or \$2.50 monthly. Table 2 below compares the City's average condominium value and residential tax bill to other Northern Virginia Jurisdictions based on the current FY 2016 residential property tax rate, the FY 2017 proposed/approved residential property tax rate, and the FY 2017 advertised maximum residential property tax rate.

Table 2: Comparison of Average Residential Tax Bill for a Condominium

	City of Alexandria	Arlington County	Fairfax County	Loudoun County	Prince William County
Condominium Avg. Value (CY 2016)	\$306,883	\$370,587	\$261,792	\$245,940	Not available
FY 2016 Residential Tax Rates (Current)					
Residential Tax Rate	\$1.043	\$0.996	\$1.116	\$1.135	\$1.194
Average Residential Tax Bill	\$3,201	\$3,691	\$2,922	\$2,791	
FY 2017 Proposed/Approved Residential Tax Rates					
	Proposed	Approved	Proposed	Approved	
Residential Tax Rate	\$1.053	\$0.991	\$1.159	\$1.145	\$1.218
Average Residential Tax Bill	\$3,231	\$3,673	\$3,033	\$2,816	
FY 2017 Advertised Maximum Residential Tax Rates					
Residential Tax Rate	\$1.073	-	\$1.159	-	\$1.218
Average Residential Tax Bill	\$3,293	-	\$3,033	-	

RECREATION, PARKS, & CULTURAL ACTIVITIES (Councilman Chapman)

Question: What would be the cost for minimum staffing at the two Rec Centers that are going to have their centers closed at 6:00 pm?

Answer: The minimum cost to operate drop-in open gym at Nannie J. Lee is \$70 per a 3.5 hour evening time block. The total cost depends on the number of evenings and duration of the program. Nannie J. Lee drop-in hours are currently two nights per week. Restoring that level of service would cost \$140 per week or \$7,280 per year. The proposed FY 2017 reduction includes the Nannie J. Lee Recreation Center; Barrett evening public hours were eliminated in FY 2011. The minimum cost to add drop-in open gym at Barrett is \$140 per a 3.5 hour evening time block. Adding two nights a week of drop-in open gym at Barrett would cost \$280 per week or \$14,560 per year.

TRANSPORTATION & ENVIRONMENTAL SERVICES (Vice Mayor Wilson/Councilwoman Pepper)

Question: What is the staff response to questions included in the Environmental Policy Commission (EPC) letter to City Council?

Answer: In general, staff prepared a proposed FY 2017 budget after consideration of guidance and priorities provided by the City Manager for the Livable, Green and Prospering City Focus Area. For FY 2017, the City Manager's priorities most aligned with the Livable focus area included affordable housing, traffic/parking management, increasing General Fund revenue and IT investment. Additionally, departmental budget proposals focused on continued commitment to core services. Staff reviewed this process and the priorities in fall and early-spring coordination meetings with the chairs and vice-chairs of Transportation and Environmental Services (T&ES) staffed boards and commissions.

EPC Question #1: To what extent has staff considered the creation of a sustainability coordinator position, and why has staff decided not to include a new FTE for such a position in any of the scenarios included in its proposed FY 2017 budget?

Answer: The EPC letter to City Council dated November 15, 2015 was considered by staff from multiple departments within the Livable, Green and Prospering City Focus Area. Staff also understands that the proposed sustainability coordinator, like other potential positions that were considered and not proposed, are worthy proposals that support important City initiatives. However, the proposed position was not included in the FY 2017 City Manager's proposed budget because the City has committed extensive resources and significant funding on three major environmental initiatives: stormwater programs, development of a long-term control plan for the City's combined sewer system, and finally, completion of the Oronoco outfall dredge and cap project. Staff also believes that its focus on the identified priorities advance significant goals within the Environmental Action Plan and align with City Manager/City Council priorities.

EPC Question #2: Does City staff have sufficient resources in the Manager's FY 2017 budget request to complete a comprehensive strategic review of the City's resource recovery programs and policies in time to inform the FY 2018 budget process?

Answer: The T&ES departmental work plan includes a multi-year, staff-driven effort to develop a strategic plan for the City's resource recovery programs. This plan will support some short-term policy proposals (for example, after-action reports on the Food Waste Composting Pilot and continued assessment of the Farmers Market composting program) for consideration by City Council in the FY 2018 budget process. However, the longer term effort will be a phased assessment of the City's resource recovery programs and will ultimately lead to updates to the City's Solid Waste Management Plan, which will be submitted to the Department of Environmental Quality in 2019. Staff anticipates continuing its close working

relationship with the EPC as we undergo this multi-year effort. A long-term staff/EPC partnership is essential to successful completion of this substantial effort.

EPC Question #3: What priorities would need to shift to free up staff resources sufficiently to move the update of the Environmental Action Plan (EAP) back to FY 2017?

Answer: Updating the EAP is a significant inter-departmental effort that will require focused resources from multiple departments and could take over a year to complete. A Draft FY 2017 Interdepartmental Work Plan was presented to City Council at its Legislative Meeting on February 23, 2016. Plans and initiatives currently proposed for FY 2017 are shown on that document and include (but are not limited to) Old Town North Small Area Plan; North Potomac Yard Update; combined sewer system plan; stormwater utility; as well as related parking, facility and transportation initiatives. The City Manager's proposed FY 2017 budget also includes funding for an Eisenhower West Infrastructure Plan which will be coordinated with a newly-formed Ad Hoc Eisenhower West/Landmark Van Dorn Implementation Advisory Group. Finally, staff estimates the EAP update will require consultant resources of approximately \$100,000.

Question: What would T&ES do with a full-time position (FTE) to help further our ability to leverage more dollars for our Eco City Plan?

The full-time sustainability coordinator position would enable better coordination of sustainability efforts at all City departments, better tracking of key performance indicators to measure progress of the Eco-City program, and allow for better priority settings and faster implementation of the Environmental Action Plan.

This position would leverage City resources by: 1) integrating sustainability principles into all CIP projects and generating revenue through pursuing federal and state grants that could help reduce CIP project costs; 2) participating in regional sustainability projects to demonstrate new technologies, thus reducing costs and risks to Alexandria; 3) promoting successful technologies within Alexandria that have been demonstrated at other jurisdictions, resulting in faster implementation of new technologies while reducing development costs; 4) promoting best green practices to reduce costs to homeowners and at the same time, ecological impacts to the environment; 5) assisting in incorporating sustainability goals and practices into Small Area Plans, such as the Eco-District concept for Old Town North and the Eisenhower West SAPs, and ensuring that City's sustainability goals are largely paid for by the developers; and 6) in the short term, working with City departments and the Environmental Policy Commission to accelerate the updating of the City's Green Building Policy as well as the Environmental Action Plan.

This position requires technical knowledge across many fields (e.g., renewable energy, energy efficiency, air and water quality, green building, etc.) combined with excellent communication and project management skills. Given the high technical knowledge and experience of such a position, staff recommends that it be at the

Principal Planner (GS24) level. The estimated salary plus benefits for this level is \$140,000.

Question: What is the potential of utilizing one of the Stormwater positions (potentially part-time role) as the Sustainability Coordinator?

Following Council's recommendation to pursue a Stormwater Utility to fund costly stormwater infrastructure mandates, the City's proposed FY 2017 budget includes 3 FTEs. These positions are needed to meet the recommended schedule to develop critical parts of the utility such as the rate, credit policy and billing strategy as part of the resolution brought to Council in fall of this year. They will then need to develop the customer database, appeals process and final rate to be included in the recommendation for adoption to go before Council in spring of 2017. It will be crucial for these positions to complete these tasks to meet these interim milestones and finalize this work leading to full implementation and billing by FY 2018. It has been suggested that one of these positions focus part time on City-wide sustainability efforts. Sharing responsibilities at this critical time may jeopardize the schedule for implementation. However, once the Stormwater Utility is up and running, there may be an opportunity for one of these positions to dedicate a portion of the work day on issues suited to a Sustainability Coordinator in order to further the City's ongoing efforts to champion the vision and actions of the Eco-City Alexandria initiative.

TAXES/REVENUES (Vice Mayor Wilson)

Question: What resources would be necessary in the FY 2017 budget to support the efforts of small business owners in Old Town who want to establish a Business Improvement District?

Answer: Two recent independent community led efforts have demonstrated interest in establishing a business improvement district (BID) type structure to support economic vitality in the Old Town and Waterfront areas of the City.

The Waterfront Commission established a Governance Subcommittee to evaluate various models to oversee and manage the public spaces and programming along the Waterfront. Following extensive study and deliberation, the Subcommittee recommended a Community or Business Improvement District. A presentation outlining the Subcommittee's work and recommendation is included as Attachment 3.

Local retail business owners along King Street, including many representatives of the Old Town Boutique District, have also developed a recommendation for establishing a BID or "Old Town Partnership" for the Old Town area. A concept overview of this recommendation is included as Attachment 4.

In order to support and coordinate these grass roots efforts, the next step need would involve the development of a business plan, including the evaluation of boundaries and possible tax rates for a potential BID. Funding in the amount of \$50,000 would allow professional support of these community driven efforts. Based on the current proposals, the Alexandria Economic Development Partnership (AEDP) would seem

to be the best entity to maintain any funding that Council might set aside. AEDP would then coordinate with the community interests in developing the business plan and recommendations related to BID establishment. Any BID would need City Council approval and would need to be put in place no later than December of 2016 in order to be effective for calendar (tax) year 2017.

ATTACHMENTS:

Attachment 1 – City Council Legislative Session Minutes (June 11, 2014)

Attachment 2 – Structures and Programs for Raising Funds for Parks and Recreation Purposes

Attachment 3 – Waterfront Governance Subcommittee Proposal

Attachment 4 – Old Town Partnership Concept Overview

Amel Logan

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 26; 6/11/14, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and ballots tallied with following results: City Council waived the residency requirement and appointed Cynthia Agbayani as the one representative of a private organization or association of providers of children's or family services which provides such services within the City on a continuing and consistent basis (upon the recommendation of the public official members of the team) to the Community Policy and Management Team. The voting was as follows:

Euille	-	Agbayani
Silberberg	-	Agbayani
Chapman	-	Agbayani
Lovain	-	Agbayani
Pepper	-	Agbayani
Smedberg	-	Agbayani
Wilson	-	Agbayani

REPORTS AND RECOMMENDATIONS OF THE CITY MANAGER FOR DISCUSSION

27. Presentation by Dominion Resources of its Proposal to Construct an Underground 230kV Transmission Line in the City, as well as to Construct a New Substation on the NRG Site.

(A copy of the City Manager's memorandum dated June 4, 2014, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 27; 6/11/2014, and is incorporated as part of this record by reference.)

Mr. Young, City Manager, made opening remarks on the proposed powerline. Ms. Deborah Thompson Johnson, with Dominion, made a detailed presentation of the report and spoke to the project and responded to questions of City Council. Mr. Baier, Director, Transportation and Environmental Services, Mr. Corbin, project manager with Dominion, Mr. Shaw, Pepco Holdings, and Mr. Farner, Planning and Zoning, also responded to questions of Council.

WHEREUPON, upon motion by Councilwoman Pepper, seconded by Vice Mayor Silberberg and carried unanimously, City Council received the Dominion Resources oral report. The voting was as follows: In favor, Mayor Euille, Vice Mayor Silberberg, Councilman Chapman, Councilmember Lovain, Councilwoman Pepper, Councilman Smedberg and Councilman Wilson; Opposed, none.

28. Consideration of the Receipt of the Citywide Parks Improvement Plan.

(A copy of the City Manager's memorandum dated June 4, 2014, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 28; 6/11/2014, and is incorporated as part of this record by reference.)

Ms. Weddles, Park Planner, Recreation, Parks and Cultural Activities, made a presentation of the staff report and she, along with Mr. Spengler, Director, Recreation, Parks and Cultural Activities, and Ms. Durham, Recreation, Parks and Cultural Activities, responded to questions of City Council.

Vice Mayor Silberberg proposed an idea that Alexandria establish the Alexandria Parks Foundation, which would give citizens an easy, tax-deductible way to support the city's parks, the open space fund, and the tree canopy. The Alexandria Parks Foundation would be under the auspices of ACT for Alexandria.

There was discussion among City Council about contributing to the parks, the creation of an Alexandria Parks Foundation, and contributing to the City at large.

WHEREUPON, upon motion by Councilman Chapman, seconded by Vice Mayor Silberberg and carried unanimously, City Council received and discussed the Citywide Parks Improvement Plan. The voting was as follows: In favor, Mayor Euille, Vice Mayor Silberberg, Councilman Chapman, Councilmember Lovain, Councilwoman Pepper, Councilman Smedberg and Councilman Wilson; Opposed, none.

Mayor Euille said this also includes the creation of a Parks Foundation.

29. Consideration and Approval of an Additional Race in Old Town and the Approval of a Route Change for the Annual Woodrow Wilson Bridge Half Marathon.

(A copy of the City Manager's memorandum dated June 4, 2014, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 29; 6/11/2014, and is incorporated as part of this record by reference.)

Mr. Browand, Recreation, Park and Cultural Activities, made a presentation of the staff report and responded to questions of City Council.

WHEREUPON, upon motion by Councilwoman Pepper, seconded by Councilmember Lovain and carried unanimously, City Council: 1. approved the addition of a race in Old Town; and 2. approved the staff recommendation route change for the annual Woodrow Wilson Bridge Half Marathon. The voting was as follows: In favor, Mayor Euille, Vice Mayor Silberberg, Councilman Chapman, Councilmember Lovain, Councilwoman Pepper, Councilman Smedberg and Councilman Wilson; Opposed, none.

REPORTS AND RECOMMENDATIONS FROM BOARDS, COMMISSIONS AND COMMITTEES

ORAL REPORTS BY MEMBERS OF CITY COUNCIL

1. Councilman Chapman noted that he recently traveled to Caen, France, the City's Sister City, for the 70th anniversary of D-Day, and as is custom, they presented the City with a gift, which is an official City coin for the 70th commemorative anniversary.

ORAL PRESENTATIONS BY MEMBERS OF CITY COUNCIL

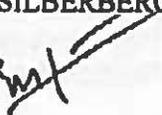
None.

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 24, 2016

TO: HONORABLE MAYOR ALLISON SILBERBERG

THROUGH: MARK B. JINKS, CITY MANAGER 

FROM: JAMES SPENGLER, DIRECTOR
RECREATION, PARKS AND CULTURAL ACTIVITIES

SUBJECT: STRUCTURES AND PROGRAMS FOR RAISING FUNDS FOR PARKS AND RECREATION PURPOSES.

This memorandum follows up to your expressed interest in creating an Alexandria Parks Foundation. The purpose of this Foundation as staff understands the concept would be to raise funds for tree planting, capital projects and other activities to benefit local parks. The establishment of a foundation or non-profit organizations to support City activities and capital projects is one way for the government to encourage private investment as a means to provide a public good.

In the last 15 years, Council has created the Alexandria Capital Development Foundation aimed at raising capital funds for City projects (this Foundation did not raise significant funds and was disbanded), the non-profit Alexandria Housing Development Corporation (AHDC) which has become a successful non-profit housing developer and owner of affordable and workforce housing, as well as the Torpedo Factory Arts Board (TFAB) which currently is undergoing a discussion as to its future role. In addition, the Governance Committee of the Waterfront Commission has been talking about future governance models for the waterfront and including the possible establishment of a Parks Conservancy.

All of these entities were established as separate organizations and either employed staff or consultants to operate these entities. If a Foundation was created it would bring with it a certain level of overhead costs and additional management time.

The question is what is the best way to promote giving to benefit the parks. Encouraging private giving is a priority and Department of Recreation, Parks & Cultural Activities (RPCA) has been working on a new consolidated giving program as the answer to that question. It is staff's view

that current programs including the newly organized program described below should work very well in increasing the level of private giving towards City parks.

PARKnership: In FY 2016, RPCA reorganized certain functions and established an internal program called PARKnership. This program centralized all the previously decentralized activities of the department concerning volunteers, internships, community partnerships, sponsorships, collaborations, grants, gifts and donations, including three main special revenue accounts of Living Landscape, Cultural Arts, and Open Space. Examples of successful partnerships include, but are not limited to:

- Building of the Miracle Field - contributions and in-kind construction provided from community and business groups.
- Simpson Dog Park Improvements - contributions from the community.
- Del Ray Plaza – Del Ray Business Association provided new tables, chairs, and landscape.
- Rocky Versace Plaza and Vietnam Veteran’s Memorial – contributions from many individuals provided substantial funding.
- Four Mile Run Trees - contributions from the community.
- Hume Springs Park – contributions from RunningBrooke Foundation.
- Farmers Markets’ Management Memorandums of Understanding
- Youth Art Festival
- Santa’s Winter Wonderland (ARHA project)
- Kids Cut Community Day Event
- Ruthanne Lodato Playground - contributions from the community and business groups.
- Itty Bitty Doggie Dive and Big Dog Day Swim
- Judy Lowe Park Improvements - contributions from the community.
- Polk Avenue Park Volunteer Day
- Braddock Park Programming - Memorandum of Understanding with Civic Association
- Fort Williams Park Upper Trail Renovation - contributions from the community.
- 10-12 Interns annually
- More than 100 natural resource management projects annually
 - Invasive plant control projects (primarily hand work pulling English ivy, garlic mustard, etc.)
 - Ecological restoration plantings (such as at Tarleton Park)
 - Establishing pollinator gardens
 - Litter and debris removal from natural areas
 - Scout projects (site improvements, trail work, habitat plantings)
 - Trail maintenance (putting down wood chips, erosion repair, removing encroaching vegetation)
 - Potomac River, Holmes Run, and Four Mile Run stream valley clean-ups
 - Adopt-A-Garden agreements
 - Adopt-A-Park agreements
- 55,360 volunteers hours totaling \$1,378,464 in-kind staff support (Independent Sector’s volunteer monetary value of \$24.90/hour)

Current partnerships under development:

- Potomac Yard Basketball Court Lights - \$75,000 from the partner to cover 50% of implementation costs.
- Simpson Concessions - \$15,000 donation and annual contribution to relocate maintenance storage and little league concessions.
- West End Project with RunningBrooke.
- Community Gardens at Four Mile Run Park.

The PARKnership program was created in response to an influx of requests from the public to form partnerships that would expedite existing CIP projects and/or maintain their desired level of service regarding maintenance and programming opportunities. To help shape the program, multiple focus groups have been conducted with stakeholders consisting of affiliates, sponsors, volunteers and donors. Over the past year, seven engagement meetings have been held with a total of 72 participants. Most recently, the Park & Recreation Commission showed strong support of the program. The results of the 2015 Alexandria Parks and Recreation Needs Assessment conducted by Leisure Vision/ETC Institute confirmed the need for this program by revealing that 50% of Alexandria households have a need for partnership and volunteer opportunities, ranking 4th highest among all unmet needs. Donations to the PARKnership program by individuals (since they are donations in effect to the City) are tax deductible from one's state and federal tax returns.

Community Matching Fund (for Parks capital needs): To better leverage partnership opportunities with the City that expand and improve the quality of recreation, park and cultural experiences, RPCA submitted a request for the establishment of a Community Matching Fund (the "Fund") in the City Manager's FY 2017-FY2026 Capital Improvement Budget. That RPCA request is recommended for funding in the proposed Capital Improvement Program (see Budget Memo #5). This program is aimed at neighborhood or group gifts of amounts of least \$25,000.

The Fund promotes collaborative partnerships among Alexandria community organizations by providing matching dollars for groups that propose fundraising for park improvement projects. The Fund is designed to foster public/private partnerships and cultivate innovative ways for residents to have a greater stake in improving the park and recreation facilities that they use. These partnerships will also provide opportunities for developing positive relationships between the City and the community. Starting in FY 2017, community groups interested in receiving matching funds will annually compete for grant aid amounts up to \$25,000. RPCA is seeking in FY 2017 \$100,000 total (\$50,000 City Funding and \$50,000 Community Match) and beginning in FY 2018 through FY 2026 \$200,000 annually (\$100,000 City Funding and \$100,000 Community Match). Community groups must show that they can raise their matching funds and have the project started within 18 months.

Interested partners may submit a partnership request at any time. Information on how to partner and to volunteer for the City is available online by visiting RPCA's *Get Involved* website at <http://www.alexandriava.gov/45752>.

Donated Trees Program: Memo is forthcoming.

Conclusion: It is a high priority to encourage and solicit an increasing level of donations for City parks from private, individual and corporate donors. While RPCA has had a number of programs in the past, RPCA's staff view is that consolidating them under the PARKnership umbrella with centralized focus new management will result in an increased amount of giving towards City parks. The PARKnership program will be monitored on a periodic basis to determine if its goal of increasing individual and corporate donations for parks increases.

ATTACHMENTS:

1. RPCA PARKnership Program Brochure

STAFF:

Emily Baker, Deputy City Manager
Karen Snow, Assistant City Attorney
Jack Browand, Division Chief, RPCA Park Planning
Dana Wedeles, Urban Planner III, RPCA Park Planning
Kelly Gilfillen, Marketing Manager, RPCA Recreation Services

cc: The Honorable Members of City Council

Alexandria Waterfront Governance Subcommittee Proposal

Conclusions and Recommendations for the Public Areas of the Waterfront

Overview

- Alexandria Waterfront Plan
- Impetus for Governance Dialogue
- Governance Subcommittee Charter
- Governance Alternatives & Process
- Recommendation & Conclusions

The Alexandria Waterfront Plan

- Waterfront Goals
 - To be authentic, connected, inclusive, dynamic, diverse, manageable & sustainable
- To achieve these goals
 - A model must be developed to identify leadership and resources
 - Service level targets must be identified
 - Operations & maintenance structured/resourced to meet targets
 - Capacity for enhanced activity programming must be developed
- The Alexandria community & Waterfront Plan have suggested that an oversight body be established to manage public spaces and programming

Private Alexandria Waterfront Investment (2015-2018)

- Projected to add:

162 residences	5 restaurants
245 hotel rooms	616 parking spaces
10-12 new businesses	Increased tourist traffic



Carr's Hotel Indigo (2015-2017)

- 120 room hotel with restaurant & meeting area
- 69 onsite valet spaces
- 5,000 sf courtyard & 10ft wide pedestrian alley



Old Dominion Boat Club (2015-2017)

- 15,000 square feet private boat club
- 25 parking spaces, up to 45 spaces tandem



Robinson Terminal South (2016-2018)

- 96 units residential units approved (26 are townhouses, 70 condos)
- 11.4K square feet of retail (includes 2 restaurants (250+ seats) & 2-3 estimated businesses)
- 242 parking spaces
- Improved pier, to accommodate active uses such as an outdoor cafe, programmed events and passive seating areas at a total investment of approximately \$2.5 million



Robinson Terminal North (2016-2018)

- 66 residential condo units, between two buildings
- 125-room hotel in the west building
- 260 parking spaces, (116 reserved for residents)
- Approximately 25,000 sf leasable commercial space (5-6 estimated businesses & 2 restaurants)



Public Alexandria Waterfront Investment (2016-2025)

- Total estimated cost: \$126M
- Projected Investments
 - Core Primary (\$61.2M)
 - Utilities, Flood Mitigation & Promenade, Fitzgerald Square, Point Lunsley Park, Waterfront Park, Thompson's Alley
 - Core Secondary (\$31.6M)
 - Street Gardens, Civic Building, King Street Pier, Torpedo Factory, Marina
 - Non-Core (\$27.2M)
 - Harborside & RTS, Founders Park, Oronoco Park, RTN, Rivergate Park
- Creates continuous riverfront walkway and expands and enhances parks



Old Town Alexandria North Development

- Future Potential Sites
 - NRG-PRGS
 - Crowne Plaza Hotel
 - Craddock Site
- Requests for Proposal
 - WMATA Bus Barn
 - ARHA Properties
- Pending Applications
 - Towne Motel
 - Old Colony Inn
 - ABC/Giant
 - Fairfax Street Residential Conversions
- Approved or Under Construction
 - Robinson Terminal North
 - Health Department
 - Cotton Factory (The Mill)
 - 700 N Washington
- Recently Constructed
 - Harris Teeter/Kingsley
 - Oronoco
 - Printers Row

Projected Waterfront Operations & Maintenance

- Alexandria currently maintains 23 acres of parks at high, moderate and minimum levels of service
- Waterfront development will add 3 additional acres of parks to already existing requirements
- Current Waterfront Operations
 - Parks & Marina
 - Trash Pick-Up
 - Snow Removal
 - Electrical & Sprinkler Systems
 - Security
 - Programming
 - Marketing
- Estimated Net Increase in Waterfront Operating Costs
 - \$2.5M (may vary with level of service and activation)

Projected Waterfront Revenue Sources

- Development Funding
 - The projected net increase in tax revenues from the three redevelopment parcels (upon build-out) is \$4-5 million annually (for capital improvements related to the Waterfront Plan)
- Developer Contributions and Maintenance Funding
 - Robinson Terminal South: \$2.4 million
 - Robinson Terminal North: \$5.3 million
 - Carr's Hotel Indigo: \$675,000 (One-time payments for infrastructure & park improvements)
- Developer Contributions for Pier improvements & Maintenance
 - Robinson North: \$175,000 annually
 - Robinson South: \$75,000 annually

Impetus for Governance Dialogue

In June 2014, City Staff reported to the City Council (with the adoption of the Phase I Landscape and Flood Mitigation Design) that "expectations for maintenance and programming (of the waterfront)... will be much higher than the norm for city parks and will likely not be possible under the current city structure."

BAE Report

- BAE was hired to prepare and deliver background research on Waterfront governance models and revenue generation options (March 2015)
- Detailed results presented to Waterfront Commission (Apr 2015)
 - City Management
 - New Government Entity
 - Supporting Organization
 - Public Improvement District or Authority
 - Management of Privately Owned Public Space
- Waterfront governance subcommittee formed for deep dive look at governance options & recommendations (Aug 2015)

Governance Subcommittee Charter

- Understand the purpose of a governance structure for a public space
- Identify the pros and cons of different governance structures
- Recommend a governance structure that would best deliver the desired benefits

Governance Subcommittee Process Overview

- Model Evaluation & Key Considerations
- Questionnaire Development
- Governance Practitioner Interviews
 - Glen Echo Partnership Director
 - Fairfax County Park Authority Executive Director
 - Southwest and Capitol Riverfront BID Directors
 - City of Alexandria Leadership (Parks and Recreation, Transportation, General Services, Project Implementation, Planning & Zoning, Safety)
- Deliberation and Recommendation

Governance Subcommittee Key Assumptions

- There is a need for a management structure dedicated specifically to manage the waterfront
- The purpose of a governance structure is to
 - Help an area achieve its transformative potential
 - Achieve the best balance of public and private sector involvement
 - Ensure public benefit while providing the highest level of service
 - Identify a single responsible entity to oversee and manage the public space
- The geographic area to be managed by a governance structure needs to be defined, but we would recommend from Daingerfield Island (north end) to Jones Point (south end)

Governance Models

- City Management
 - Encompasses the City's current waterfront governance model, either through existing City departments or a new department and its potential expansion as the Waterfront expands
- New Government Entity
 - An entity, such as a park district, that is established and overseen by an appointed board
- Public, Business or Community Improvement District
 - An Improvement District or Authority funded through a special assessment levied to properties within its defined service boundaries
- Supporting Organization
 - An independently run, private sector entity, such as a conservancy, that engages with the City of Alexandria to support one or more key functions of waterfront management

Recommendation: Community Improvement District

Advantages:

- **Flexible & Authentic**
 - Dedicated, more nimble structure with strategic oversight and ability to synergize all aspects of the waterfront development
 - Entrepreneurial orientation that would efficiently use available resources, with greater benefits to stakeholders (residents, businesses, visitors)
- **Connected & Inclusive**
 - Connects the people who are most impacted by the Waterfront in a relationship with the governance structure
 - Integrates community with the development and facilitates their collaboration and buy-in of priorities for the future
- **Manageable**
 - Focused oversight of programming & marketing to balance higher traffic
 - Emphasis on attractive, well maintained waterfront space to create a cohesive and consistent waterfront appearance to a designated standard

Recommendation: Community Improvement District

Advantages:

- **Dynamic**
 - Catalyst for regional cooperation, economic activity and partnering with other similar entities
 - Encourages and strengthens economic activity, aligned with world class waterfront development
- **Sustainable**
 - Reliable, consistent and dedicated revenue stream outside of the political process
 - Ensures dedicated resources to govern the area to the standards defined in Alexandria Waterfront Plan
 - Reduces reliance on city general funds currently allocated for the Waterfront

Recommendation: Community Improvement District

Disadvantages:

- Perceived loss of control by stakeholders
- Alexandria has high ratio of residences to businesses in the Waterfront Area
- Funding source required to implement

Key Components Community Improvement Districts

- **Governance (Citizen-driven)**
 - The responsibility of a Board of Directors, composed of property owners, businesses and government
- **Management**
 - Accomplished by a paid administrator, usually an executive director
- **Stakeholders**
 - Establish priorities and focus areas, e.g. safety, security, cleanliness, beautification, marketing, outreach, economic development, etc.
- **Taxing authority**
 - To hire staff, provide resources, promote and develop the area and do long-term planning

Community Improvement Districts Across the United States

- Improvement districts are becoming a mainstream policy and management tool for local governments in collaboration with their business districts
- They create stronger neighborhoods, jobs, great places, partnerships, build connections and community
- There are nearly 1,000 Business Improvement Districts in the United States
 - They exist in almost every one of the top 50 largest cities in the United States
 - Wisconsin had adopted the most for smaller towns with 90 in the state
 - Washington DC has 10 Improvement Districts
 - Capitol Riverfront & Southwest are waterfront areas

Things we Learned...About Business Improvement Districts

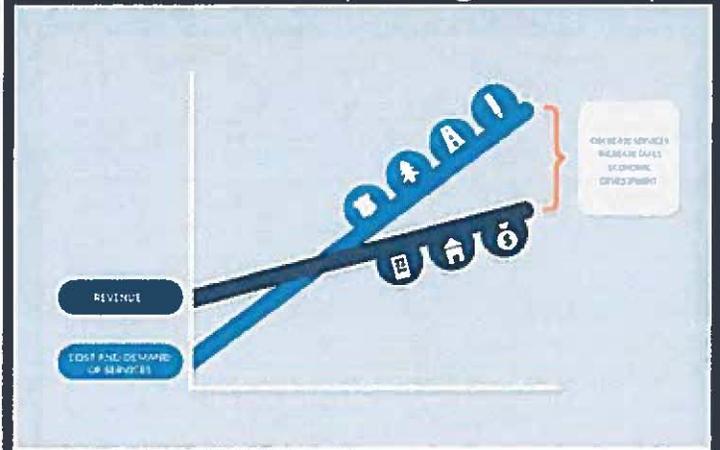
- Legislation requires 51% of business to approve
- Organizing owners/residents can take 7-9 months
- Business plan brought to the city leadership for approval
- Foundation is figuring out what the business owners and residents want or need in the area, e.g. clean, safe, programming, marketing, parks, economic development
- Services may include snow removal, grass cutting, trash pick-up, light repair, security, etc.
- "Ready, Willing & Working" may be funded with grants
- Monthly meetings with stakeholders
- Neighborhood associations may comprise advisory council
- Governments love BIDS because they subsume city services

City Management

Encompasses the City's current waterfront governance model, either through existing City departments or a new department and its potential expansion as the Waterfront expands

- Disadvantages:
 - Does not provide a reliable & predictable revenue stream
 - Lack of resources to meet desired standards
 - Funding opportunities are limited, e.g. private funding
 - Community expectations do not equal budget constraints
 - Decentralized execution with various organizations overseeing requirements
 - Competing demands give less focus/voice to the dynamic waterfront stakeholder needs and social capital, than other models
- Advantages:
 - Community may perceive greater control of the Waterfront
 - No change = no political pushback
 - Estimated full build-out in 15 years, but happening faster than expected

Alexandria City Budget Reality



Governance Recommendation

The Governance Subcommittee members unanimously recommend a Community or Business Improvement District

Potential Way Ahead Strategy

- Waterfront Commission Concept Presentation
- City Manager Concept Presentation
- City Council Concept Presentation
- Waterfront Commission Feedback

Supporting Organization

An independently run, private sector entity, such as a conservancy, that engages with the City of Alexandria to support one or more key functions of waterfront management, e.g. Glen Echo Partnership

- Disadvantages:
 - Big disadvantage is the lack of a clear revenue stream
 - Narrowly focused primarily on marketing and programs

New Government Entity

An entity, such as a park district, that is established by the City of Alexandria and overseen by an appointed board, e.g. Fairfax County Park Authority

- Disadvantages:
 - Too layered and too complicated to be useful, e.g. Park Authority Board and Board of Supervisors both had authority over funds, accountable to 11 people
 - Not sufficient capacity to generate sufficient revenue to support this structure
- Advantages:
 - Purpose of the governance structure is to resolve conflicting goals, provide cover for the city council & to manage resources more effectively

Washington DC Metro Area BID Comparisons

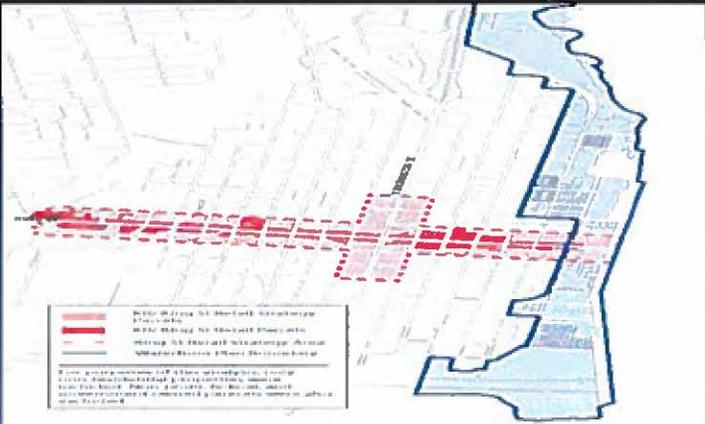
BID	Jurisdiction	Primary Funding Source	Funding Structure	Primary Funding Source Total Revenue	Other Funding Sources	Other Funding Sources Total Revenue*	Services Provided
Balston	Arlington	Property Assessment	\$0.045 per \$100 of assessed property value	\$1,344,770	Taxi of Arlington, Sponsorships, Farmers Market	\$214,943	Branding and marketing, management, improvements
Capital City	Arlington	Property Assessment	\$0.043 per \$100 of assessed property value	\$2,579,181	Sponsorships	\$27,936	Marketing, beautification, visitor services
Kosslyn	Arlington	Property Assessment	\$0.028 per \$100 of assessed property value	\$3,620,113	Sponsorships, Jazz Festival, Arts & Farmers Market	\$7,079	Beautification, safety, promotions
Golden Triangle	Washington, DC	Property Assessment	\$0.145 per net rentable square foot \$0.115 per net rentable square foot hotels	\$5,297,647	Grants for services	\$251,611	Parks, economic development, safety, visitor services
Downtown	Washington, DC	Property Assessment	\$0.149815 per square foot for improved Class 4 Properties + Other	\$8,740,876	Government agency fees	\$2,229,919	Safety, maintenance, branding, economic development
Balston	Arlington	Property Assessment	\$0.045 per \$100 of assessed property value	\$1,544,780	Sponsorships, Farmers Market	\$214,943	Branding and marketing, enhancements

Alexandria CID Assessment Exercise

- To explore an order of magnitude for a potential BID/CID assessment rate based on existing boundaries
- Non-residential properties within the Waterfront Plan Area, KR= King Street, King Street Retail Strategy (KSRS) Areas
- The assessment rates start at .005 cents (1/2 of a cent) to 5 cents for every \$100 dollars of assessed real estate value

Defined Area	Total Assessed Value	Assessment Rate per \$100 of Value	Total Assessment (Waterfront + KSRS)
Waterfront Parcels	\$614K		
KR Zone Parcels	\$720K		
Remaining KSRS Parcels	\$617K	.005	\$92K
Waterfront & KR Parcels	\$1,335M	.010	\$184K
Waterfront & KSRS Area	\$1,952M	.025	\$462K
		.045	\$832K

Alexandria Non-Residential Properties (Waterfront & King Street)



Old Town Partnership Concept Overview

[NOTE: when funding is available, this concept will be used as the basis to create a formal business plan and organization; BID boundaries and rates would be determined through the next phase of the process]

What is a business improvement district?

A Business Improvement District (BID) is a defined geographic area where the majority of property owners agree to a supplementary real property tax to pay for services specific to the area - to enhance the public realm and spaces, to assist in business retention and in attraction of new businesses, and to ensure the economic vitality of the area. BIDs typically operate as a nonprofit organization governed by a board of directors.

BID services may include:

- marketing and promotional programs
- capital improvements
- security
- management, maintenance and beautification of the designated area

Commercial properties contribute to funding the BID while residential and tax-exempt properties such as religious, public utility or government properties do not usually contribute. BIDs are a way that community business owners can take action to improve the local character of a neighborhood.

Legal authority for its creation:

In Virginia, the state grants local jurisdictions the authority to create a BID or "service district." Specific BID proposals are then considered and adopted by the local jurisdiction in conformity with its respective Service District law. For Alexandria, the City Council would need to adopt a Service District ordinance in order to authorize a specific BID proposal.

Why do we need a business improvement district?

We have experienced a large number of retail closures in recent months. Our current vacancy rate for office space is 19%. Tax revenue for retail sales has been on the decline. The length of Old Town's business district, 18 blocks and 1 mile, is a challenge. The nature of retail is changing rapidly with the dominance of online retailers like Amazon. Online retailers garner more sales volume unless retail districts are focused on providing a unique experience. Old Town Alexandria, as our core restaurant and retail district, as well as our historic district and our waterfront, must offer an authentic and unique experience in order to compete with our neighbors, even those within the city limits (such as the new Oakville Triangle development).

Marketing of our unique experiences has fallen primarily on a few small businesses, such as the members of the Old Town Boutique District, which has placed an enormous financial burden on just a few businesses. In addition, the city's resources alone have not been sufficient in providing all of the services and activities that a business