

Economic Development Activities

Mission Statement: Economic Activities encompasses City contributions to organizations that provide economic development activities that benefit Alexandria residents.

FY 2011 Organization Summary Information (reflects City and non-City funding)

Expenditure By Program*	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved	% Change '10 to '11
Alexandria Convention and Visitors Association (ACVA)	\$2,451,225	\$2,391,974	\$2,498,933	4.5%
Alexandria Economic Development Partnership (AEDP)	\$1,208,234	\$1,252,837	\$1,368,985	9.3%
Eisenhower Partnership**	\$126,691	\$116,126	***	N/A
Small Business Development Center (SBDC)	\$256,516	\$277,700	\$300,100	8.1%
Marketing Fund	\$126,972	\$185,000	\$185,000	0.0%
First Night	\$50,000	\$47,500	\$45,000	-5.3%
Total Expenditures	\$4,219,638	\$4,271,137	\$4,398,018	3.0%
Less: Revenues and Retained Earnings	\$763,822	\$724,984	\$829,407	14.4%
Total General Fund Expenditures	\$3,455,816	\$3,546,153	\$3,568,611	0.6%

*The funding above reflects the total investment in Economic Development activities, including City General Fund contributions, federal grants, membership fees, retained earnings, Industrial Development Authority fees and other income. Program expenditures shown are those submitted to the City in organizational financial statements. The City General Fund expenditures includes all General Fund support to each agency.

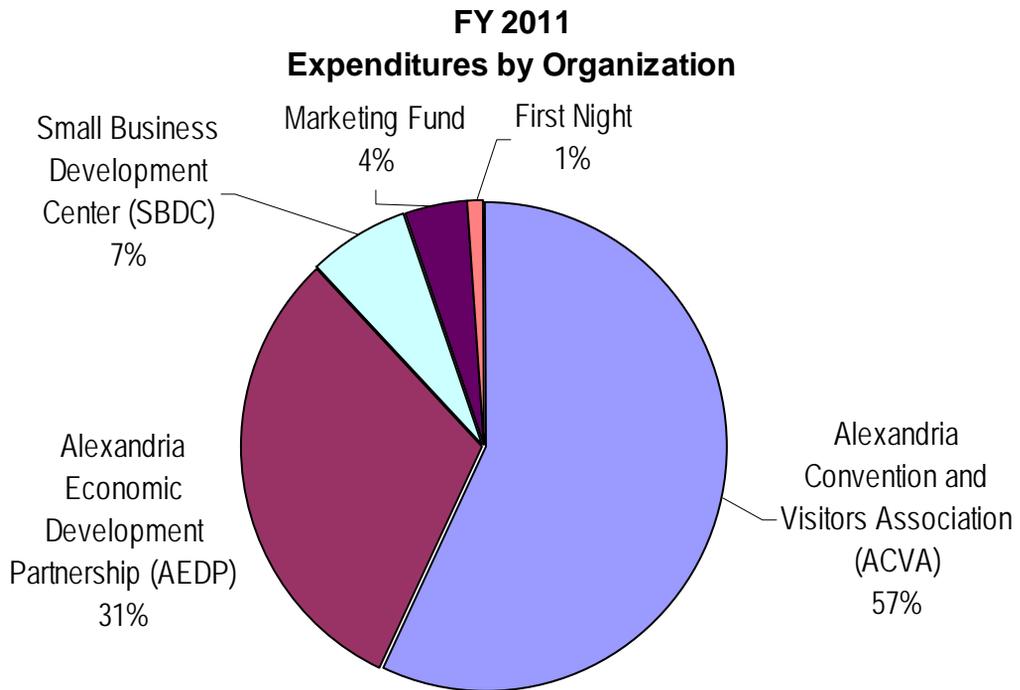
**The City's funding for the Eisenhower Partnership ceases in FY 2011, reflecting a FY 2010 budget decision to phase out funding starting in FY 2010, which puts the partnership on the same footing as other neighborhood business organizations.

*** Non-City funding not estimated.

Highlights

- In FY 2011, the Approved General Fund budget increases the City's overall contribution to economic development activities by \$22,458 or 0.6%.
- The FY 2010 Approved Budget contained \$300,000 in new funding from contingent reserves for the ACVA (\$50,000), the AEDP (\$200,000), and the SBDC (\$50,000). The FY 2011 Approved Budget continues funding for the three economic development agencies at the current levels by including the contingent reserves in their base budgets.
- During Add/Delete, the City funding for ACVA (\$2,300,933) was increased by \$12,958 for lease cost increases, and funding for AEDP (\$826,178) was increased by \$25,000 to fund the Greater Washington Initiative at prior year's levels. SBDC (\$211,500) funding was held constant.
- The Approved budget eliminates funding for the Eisenhower Partnership. The City's contribution was reduced from \$26,000 in FY 2009 to \$13,000 in FY 2010. The remaining City funding is eliminated in FY 2011 in order to put the Partnership on the same footing as other business partnerships that focus on specific geographic areas of the City.
- The Approved budget reduces funding for First Night Alexandria by \$2,500 or 5.3%. The City Manager's Proposed Budget had included a funding reduction of \$12,500, \$10,000 of which was restored during the Add/Delete Process.

Economic Development Activities



Economic Development Activities

Economic Development Activities

Alexandria Convention & Visitors Association
 Alexandria Economic Development Partnership
 Small Business Development Center
 Marketing Fund

Contact Information

Alexandria Convention and Visitors Association

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Economic Development Activities

ACVA Program

The goal of the Alexandria Convention and Visitors Association is to generate tourism and conventions that increase business revenues and City taxes, as well as promote the City of Alexandria and its assets.

Program Totals	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved
Total Expenditures	\$2,451,225	\$2,391,974	\$2,498,933
Less Revenues and Use of Contributions to/Retained Earnings*	\$89,200	\$103,999	\$198,000
Net General Fund Expenditures	\$2,362,025	\$2,287,975	\$2,300,933
Program Outcomes			
% change in actualized revenue for hotels	0%	2.3%	0.0%

*Subject to change by ACVA in FY 2011

Activity Data

CONVENTION SALES AND MEETING SUPPORT – The goal of Convention Sales and Meeting Support is to attract conventions, meetings and other large events to the City to generate revenue, thereby reducing the tax burden on residents.	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved
Total Expenditures	\$1,225,613	\$1,195,987	\$1,249,467
\$ of actualized revenue for hotels	\$2,687,112	\$2,750,000	\$2,750,000
Qualified group tourism leads	724	800	825

DESTINATION MARKETING – The goal of Destination Marketing is to market the City to leisure travelers through paid advertising and earned media to encourage overnight visits to Alexandria.			
Total Expenditures	\$490,245	\$478,395	\$499,787
Lodging Tax Generated	\$10,592,806	\$11,000,000	\$11,300,000
\$ of Gross Retail Sales tax collected (City-wide all sales tax categories)	\$21,679,635	\$24,050,000	\$23,900,000

ALEXANDRIA VISITORS CENTER AT RAMSAY HOUSE – The goal of the Visitor Center is to provide visitors to the City with a central location to gather information and plan their visit.			
Total Expenditures	\$490,245	\$478,395	\$499,787
# of visitors	78,000	80,000	82,000

INFORMATION AND OUTREACH – The goal of Information and Outreach is to prepare and distribute printed and electronic materials about the City's history, attractions, restaurants, shops and hotels to maximize the number of people taking advantage of these opportunities.			
Total Expenditures	\$122,561	\$119,599	\$124,947
Website visits	500,000	650,000	800,000

TOURISM INDUSTRY SUPPORT – The goal of Tourism Industry Support is to provide networking and professional development opportunities for Alexandria's tourism industry in order to improve their ability to serve visitors to the City.			
Total Expenditures	\$122,561	\$119,599	\$124,945
# of accommodation and food service jobs	7,894	TBD	TBD
Number of members	312	320	325

Economic Development Activities

Alexandria Economic Development Partnership, Inc.

The goal of the AEDP Program is to increase economic development activity that will result in a more equitable distribution of the real estate tax burden between commercial and residential properties and will ensure a sustainable economic future for Alexandria.

Program Totals	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved
Total Expenditures	\$1,208,234	\$1,252,837	\$1,368,985
Less Revenues and Use of Retained Earnings*	\$487,415	\$451,659	\$542,807
Net General Fund Expenditures	\$720,819	\$801,178	\$826,178
Program Outcomes			
% of real property tax base representing commercial property	44.0%	43.0%	41.3%

* Subject to change by AEDP in FY 2011

Activity Data

MARKETING – The goal of Marketing is to promote Alexandria as a premiere location for business thereby enhancing the City's tax revenue and increasing employment opportunities.	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved
Total Expenditures	\$543,705	\$563,776	\$570,841
FTE's	2.5	2.5	1.5
% increase in commercial tax base	-1.9%	-10.6%	-7.6%
% increase in level of employment	-1.8%	NA	5.0%
Visits to Alexecon.org website	-	-	40,000
Alexecon.org page views	-	-	120,000
Value of earned media	-	-	TBD

BUSINESS RETENTION & EXPANSION.- The goal of Business Retention and Expansion is to retain existing businesses in existing or more suitable locations within the City, to maintain and expand the commercial tax base and the City's employment opportunities, and to ensure a diverse quality of life for both the business and residential communities.			
Total Expenditures	\$410,800	\$425,964	\$313,461
FTE's	1.9	1.9	1.5
# of jobs retained	NA	320	500
Square feet of commercial space leased - retention or expansion	NA	45,000	200,000

BUSINESS ASSISTANCE – The goal of Business Assistance is to provide Alexandria business with support, in the form of grants, regulatory process expertise and general information, to enable them to function in full compliance and awareness of the requirements and opportunities available to them.			
Total Expenditures	\$132,906	\$137,812	\$242,341
FTE's	0.8	0.8	1.5
# of applications for Façade Improvement grants	12	2	5
Mayor's Local Business Outreach Program (MLBOP) visits	10	11	20
# of businesses assisted	N/A	100	150

Economic Development Activities

Alexandria Economic Development Partnership, Inc., continued

BUSINESS ATTRACTION - The goal of Business Attraction is to work with property owners, developers, real estate professionals, brokers and tenants to attract new businesses to the City that create new economic activity and employment opportunities.	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved
Total Expenditures	\$120,823	\$125,284	\$242,341
FTE's	0.8	0.8	1.5
# of jobs attracted	NA	150	3,000
Square feet of commercial space leased - new	N/A	78,000	700,000
Commercial (office) vacancy rate	10.2%	11.4%	10.0%
Commercial (office) average rental rate	\$31.08	\$31.92	\$32.50

Small Business Development Center:

The Alexandria Small Business Development Center strengthens small businesses and promotes economic growth by providing quality services such as management consulting, educational programs and access to business resources.

	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved*
Program Totals			
Total Expenditures	\$256,516	\$277,700	\$300,100
Less Revenues and Use of Retained Earnings**	\$86,516	\$66,200	\$88,600
Net General Fund Expenditures	\$170,000	\$211,500	\$211,500
Program Outcomes			
# of clients assisted	285	290	320

*SBDC budget numbers and measures are on a calendar year. ** Subject to change by SBDC in FY 2011

Activity Data

BUSINESS ASSISTANCE - INDIVIDUAL CONSULTATIONS - The goal of Business Assistance - Individual Consultations is to provide individual and confidential guidance to existing business owners and new entrepreneurs to help them solve problems, overcome obstacles, connect to resources, identify new opportunities, and strengthen their potential for success and growth.	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved
Total Expenditures	\$209,061	\$226,326	\$244,582
FTE's	3.1	3.1	3.1
# of clients assisted	285	290	320
# of clients assisted with economic downturn issues	NA	70	70
Increased sales	\$10,538,636	\$3,000,000	\$6,000,000
Increased jobs (created and retained)	153	150	150
New capital investment	\$ 3,701,250	\$ 4,000,000	\$ 1,800,000
BUSINESS ASSISTANCE - INDIVIDUAL INQUIRIES/INFORMATIONAL MATERIALS - The goal of Business Assistance - Individual Inquiries/Information Materials is to provide timely answers to initial inquiries from existing business owners and new entrepreneurs to help them with the issues that concern them and to help determine what resources, including the SBDC, can be helpful to them.			
Total Expenditures	\$47,250	\$51,152	\$55,518
FTE's	0.7	0.7	0.7
# of information mailings/e-mails	300	360	370
# of training events/attendees	503	320	450

Economic Development Activities

Other Economic Development Activities

Program Totals	FY 2009 Actuals	FY 2010 Approved	FY 2011 Approved
Total Expenditures	\$303,663	\$348,626	\$230,000
Less Revenues	\$100,691	\$103,126	\$0
Net General Fund Expenditures	\$202,972	\$245,500	\$230,000
Program Outcomes			
No Program Outcomes	NA	NA	NA

Activity Data

Eisenhower Partnership - The Eisenhower Partnership is a non-profit organization formed in 1994 to promote the development and redevelopment of the 4.5 mile-long area to the north and south of Eisenhower Avenue between Holland Lane and the western boundary of the City.	FY 2009 Approved	FY 2010 Approved	FY 2011 Approved*
Total Expenditures	\$126,691	\$116,126	NA
Non-City funding	\$100,691	\$103,126	NA
City funding	\$26,000	\$13,000	\$0

*For FY 2011, no funding for the Eisenhower Partnership is included in the Approved budget. Per the FY 2010 budget decision by Council, the City funding for the Eisenhower Partnership is being phased out with a 50% funding reduction in FY 2010 and a reduction to 0% City funding for FY 2011.

Marketing Fund - The Marketing Fund is a matching grant program designed to leverage private matching dollars and increase cooperation and coordination among multiple businesses and organizations to promote Alexandria as a destination for visiting, shopping, dining and doing business.			
Total Expenditures	\$126,972	\$185,000	\$185,000
Non-City funding	\$0	\$0	\$0
City funding	\$126,972	\$185,000	\$185,000
First Night Alexandria			
Expenditures	\$50,000	\$47,500	\$45,000

Economic Development Activities

Summary of Budget Changes

Expenditure Reductions

Agency	Option	FY 2011 Approved
ACVA, AEDP, and SBDC*	<i>flat funding</i>	\$0
<p>The Approved FY 2010 budget contained \$300,000 in contingent reserves for the three economic development organizations, including \$200,000 for AEDP for a several initiatives such as a Landmark Mall Area Promotion and Investment Program and a Retail and Restaurant Attraction Program, \$50,000 for ACVA for several tourism campaigns, and \$50,000 for SBDC to increase its economic sustainability efforts during the recession. The contingent reserve funds have been added to the base budget of each organization in FY 2011, and there is no change in the level of funding Approved in FY 2011 for ACVA, AEDP and SBDC.</p>		
Eisenhower Partnership	<i>Reduce funding to \$0</i>	-\$13,000
<p>The Approved Budget eliminates funding for the Eisenhower Partnership. The City's contribution was reduced from \$26,000 in FY 2009 to \$13,000 in FY 2010. The remaining City funding is eliminated in FY 2011 in order to put the Partnership on the same footing as the other neighborhood business partnerships that focus on specific areas of the City.</p>		
First Night	<i>Reduce Funding Level</i>	-\$2,500
<p>The City Manager's Proposed budget reduced funding for First Night by 26.3% or \$12,500. This was to have reduced the City's General Fund contribution from \$47,500 to \$35,000. It was anticipated that incremental user fees will be able to make up the difference.</p> <p>Council restored \$10,000 in the Add/Delete process. The net decrease was \$2,500.</p>		

Add/Delete Adjustments

Agency	Add/Delete Adjustments	FY 2011 Approved
AEDP	<i>Greater Washington Initiative</i>	\$25,000
<p>During Add/Delete, Council added \$25,000 to AEDP's budget to continue Alexandria's contribution to the Greater Washington Initiative.</p>		
First Night	<i>Restored \$10,000 in funding</i>	See Expenditure Reductions
<p>The City restored \$10,000 of the \$12,500 reduction included in the City Manager's Proposed Budget.</p>		