



# Alexandria Waterfront

Governance Models Overview

Waterfront Commission Governance Subcommittee

August 3, 2015



# Waterfront Commission Governance Subcommittee



Monday, August 3

8 a.m.

## AGENDA

1. Welcome & Introduction - 5 min
2. Subcommittee Objectives – 5 min
3. Governance Report Overview – 30 min
4. Private & Public Development Schedule Update – 5 min
5. Revenue & Expense Update – 5 min
6. Governance Discussion – 60 min
7. Meeting Schedule – 10 minutes

# Waterfront Commission Governance Subcommittee



## Subcommittee Objectives

- Understand the Governance Options Outlined in the BAE report.
- Understand Pros and Cons for Each Model as it Relates to Alexandria.
- Understand Waterfront Revenues & Expenses.
- Recommend a Governance Structure to the Waterfront Commission.



# Governance Report Overview

- About the Study
- Governance Models
- Evaluation



# Study Purpose



- Advances implementation of Waterfront Plan
- Recognizes the new management, programming and funding needs of the waterfront
- Articulates and evaluates defined alternatives for waterfront management and programming
- Provides options and framework for further public discussion and decision-making
- Companion piece evaluates revenue generation options



# Study Purpose

**Analysis aims to further discussion on two key points:**

- How can the waterfront be best managed to achieve its transformative potential?
- What is the best balance of public and private involvement in waterfront governance that ensures benefit while providing the highest level of service?

# Study Process



Background  
Review, Staff  
Interviews  
and Study  
Framing

Articulate  
Governance  
Models

Define  
Evaluation  
Criteria

Evaluate  
Governance  
Models

Apply  
Findings to  
Alexandria's  
Unique  
Conditions



# Governance Models Overview

Five models analyzed:

1. City Management\*
2. New Governmental Entity
3. Supporting Organization\*
4. Public Improvement District/Authority
5. Management of Privately Owned Public Space\*

\* Already in use



# Models Overview

- Analysis defines and examines distinct governance concepts based on management examples from waterfront parks and other high profile public spaces
  
- Analysis considers:
  - Key features and functions
  - Precedents
  - Funding sources
  - Operational considerations
  - Enabling legislation



# 1. City Management

- Waterfront activities continue to be carried out by City departments or a new department
- Expanded activities as waterfront develops
- Relies on existing municipal organizational structures and funding sources
- Full City control over governance



# 1. City Management



## 2. New Governmental Entity



### Defining features:

- New, independent governmental entity focused solely on waterfront operations
- Board typically appointed by establishing governmental entity
- Primary funding sources include tax revenue transfers and enterprise revenue; can also access philanthropic funds

## 2. New Governmental Entity



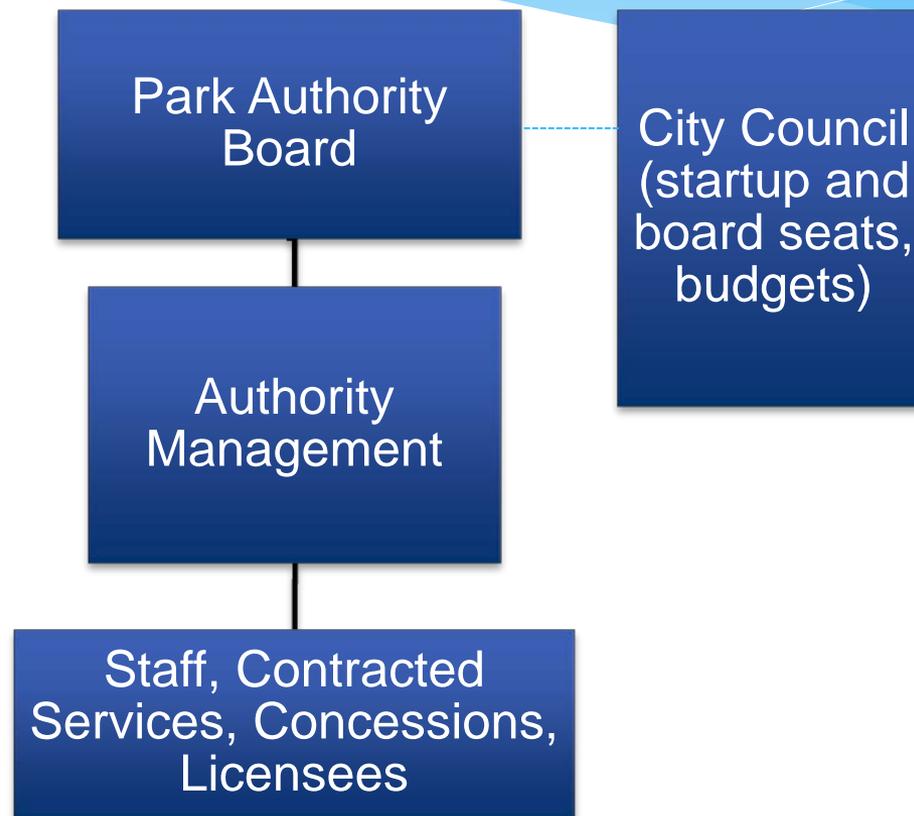
- **Examples**

- Park Authorities: Fairfax County, Northern VA Regional
- Alexandria independent authorities: ARHA, AlexRenew

- **Considerations**

- Would establish operations similar in nature to existing City functions
- Created through Commonwealth enabling legislation for Parks Authorities or Special Services Districts

## 2. New Governmental Entity





# 3. Supporting Organization

## Defining features

- Initiated and run independently of municipal government
- Offers flexible vehicle for supporting government operations and funding of waterfront
- Can vary greatly in size and activities
- Typically operate under management agreement with municipal government



# 3. Supporting Organization

## ■ Examples

- Large: New York City parks partnerships: Prospect Park Conservancy, Central Park Conservancy, Friends of the High Line
- Local: Alexandria Library Foundation, Friends of the Alexandria Library, Friends of Fort Ward

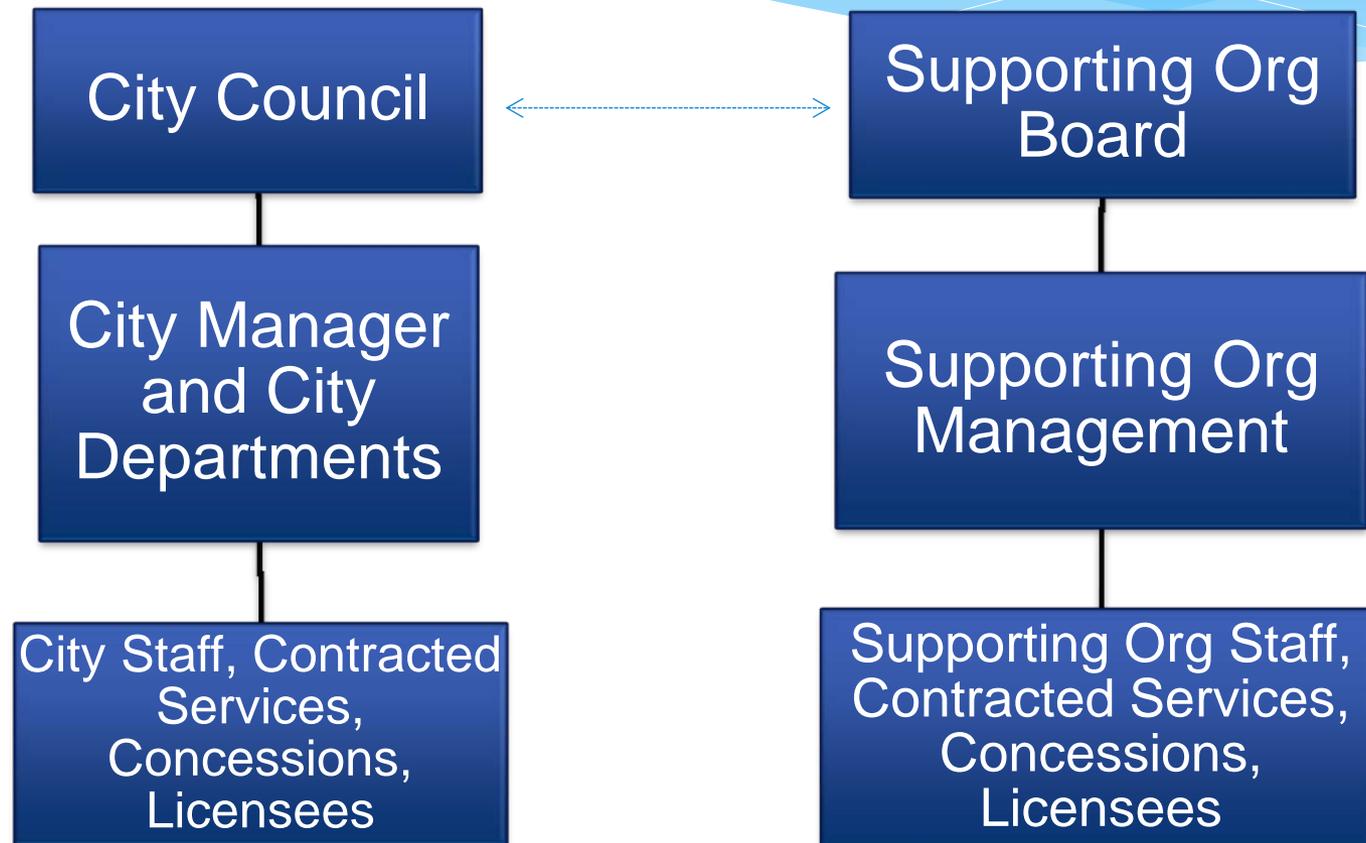
## ■ Considerations

- Set up as non-profit organizations
- Service contract with municipality provides oversight and public accountability



# 3. Supporting Organization

Specified functions, typically governed by a partnership or management agreement



# 4. Public Improvement District/Authority



## Defining features:

- Independent non-profit entity
- Employs a special assessment levied on properties within its boundaries as a primary funding source
- Both the sponsoring governmental entity and local property owners represented on independent board

# 4. Public Improvement District/Authority



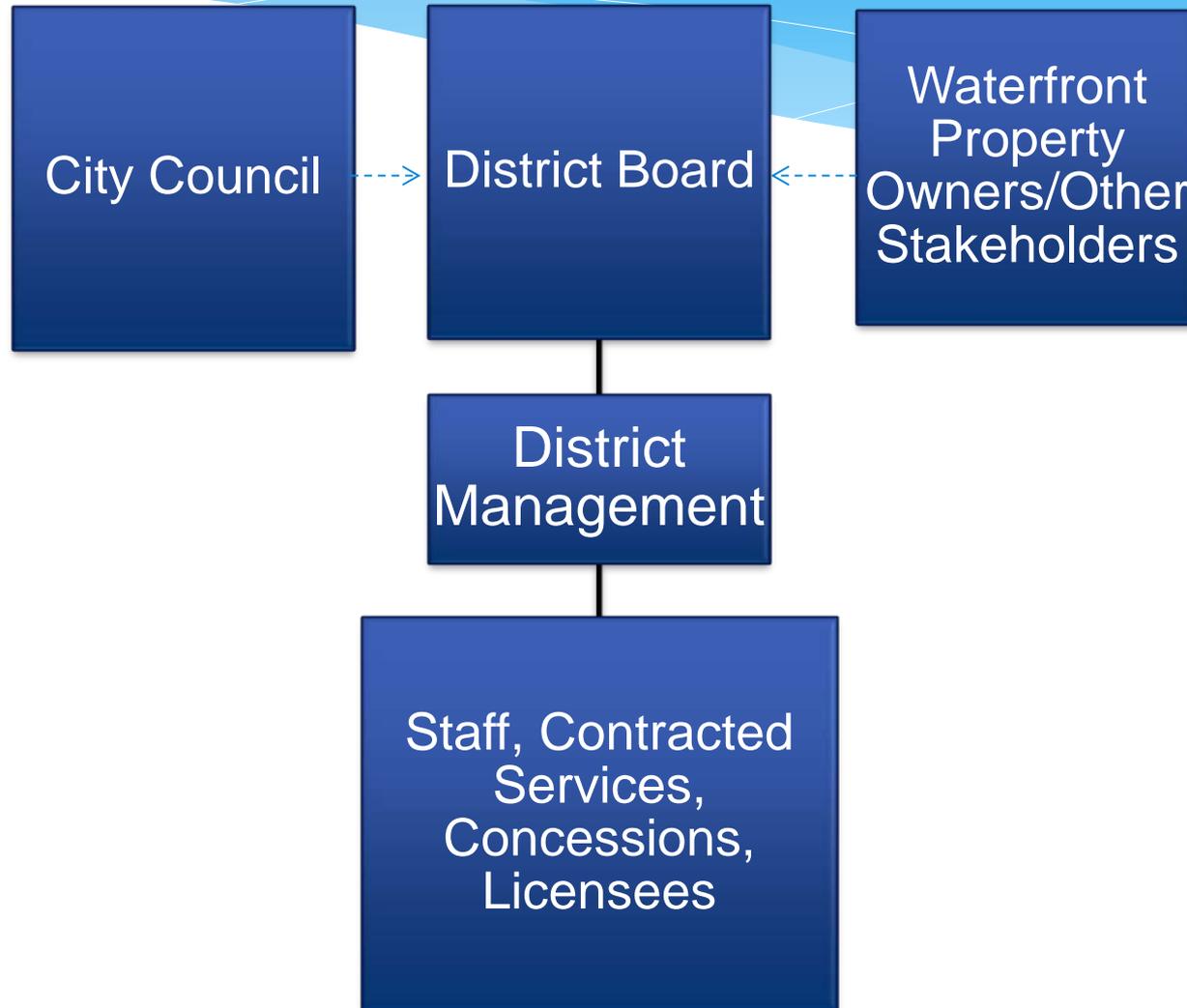
## ■ Examples

- Arlington County BIDs
- Capitol Riverfront BID

## ■ Considerations

- Improvement districts established in Virginia as Special Services Districts.
- Special assessment ad valorem taxes often supplemented by enterprise and philanthropic funding
- Function similarly to large supporting organizations

# 4. Public Improvement District/Authority



# 5. Management of Privately Owned Space



## Defining features

- Privately-owned space that functions like, and is perceived as, public space
- Municipal government negotiates public access and public use conditions, and enforces those conditions
- Alternative vehicle for achieving public space when public ownership is not feasible or desirable.

# 5. Management of Privately Owned Space

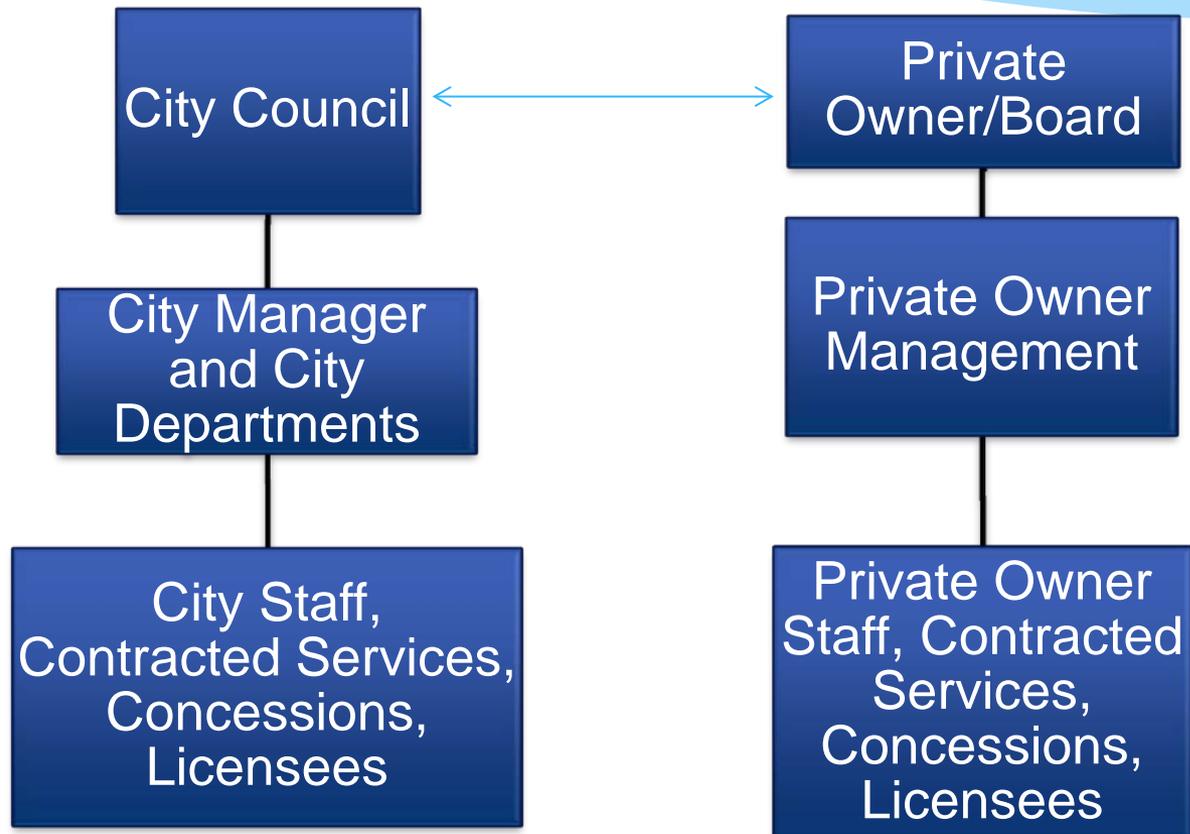


- **Examples**
  - Land trusts: Northern VA Conservation Trust, Land Trust of VA
  - Tidelock Park, portions of Rivergate Park, and Canal Center waterfront
  - New York City Privately Owned Public Space program (POPS)
  
- **Considerations**
  - Government control and public accountability generally dependent upon terms negotiated at establishment of public space
  - Funding sources and options will depend upon ownership (for-profit or non-profit) and negotiated agreement with municipality.

# 5. Management of Privately Owned Space



Negotiated agreement on park access, regulation, activities and maintenance





# Model Evaluation Criteria

- **Profile:** Degree to which entity can establish a national and/or regional identity in support of a world class waterfront
- **Operational Independence:** Ability of entity to make decisions and operate independently
- **Operational Efficiency:** Degree to which entity can operate efficiently and minimize City general fund support
- **Access to Funding:** Ability to access the broadest range of funding sources
- **Stakeholder Involvement:** Degree to which stakeholders have direct involvement and/or control
- **Enterprise Orientation:** Ability to provide commercial and enterprise activity to activate the waterfront
- **Risks and their Mitigation:** Risks to the City and its taxpayers associated with the management structure
- **Startup Considerations:** Ease with which the entity can be established



# For Further Consideration

## Topics for Discussion

- What values are most important to Alexandrians in waterfront management, and how does management structure reflect values?
- Are there tradeoffs or conflicts in priorities that must be addressed?
- Who needs to be at the table in decisions about governance? Who are the champions?



# Key Considerations

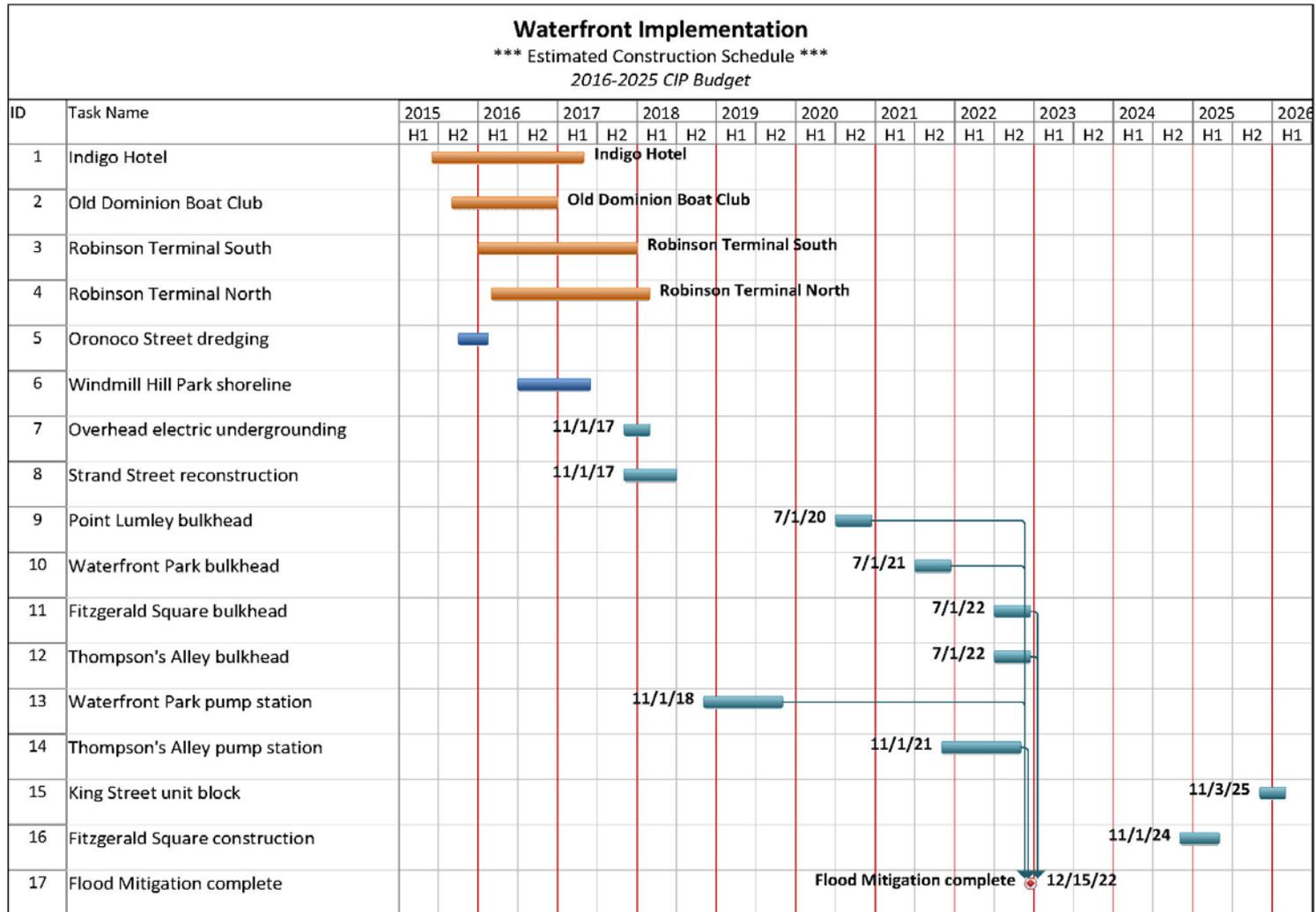
- Public/private entities most commonly used to manage large, successful, high profile parks:
  - Improvement districts
  - High capacity supporting organizations (conservancies)
  
- Both models most fully incorporate both public sector (accountability) and private sector (flexibility, efficiency) strengths.
  
- Possible alternatives to public/private management:
  - City-managed independent entity (park authority or special services district)
  - City management paired with a special-purpose supporting organization (e.g., to manage programming or fundraising)

# Connection to Revenue Generation

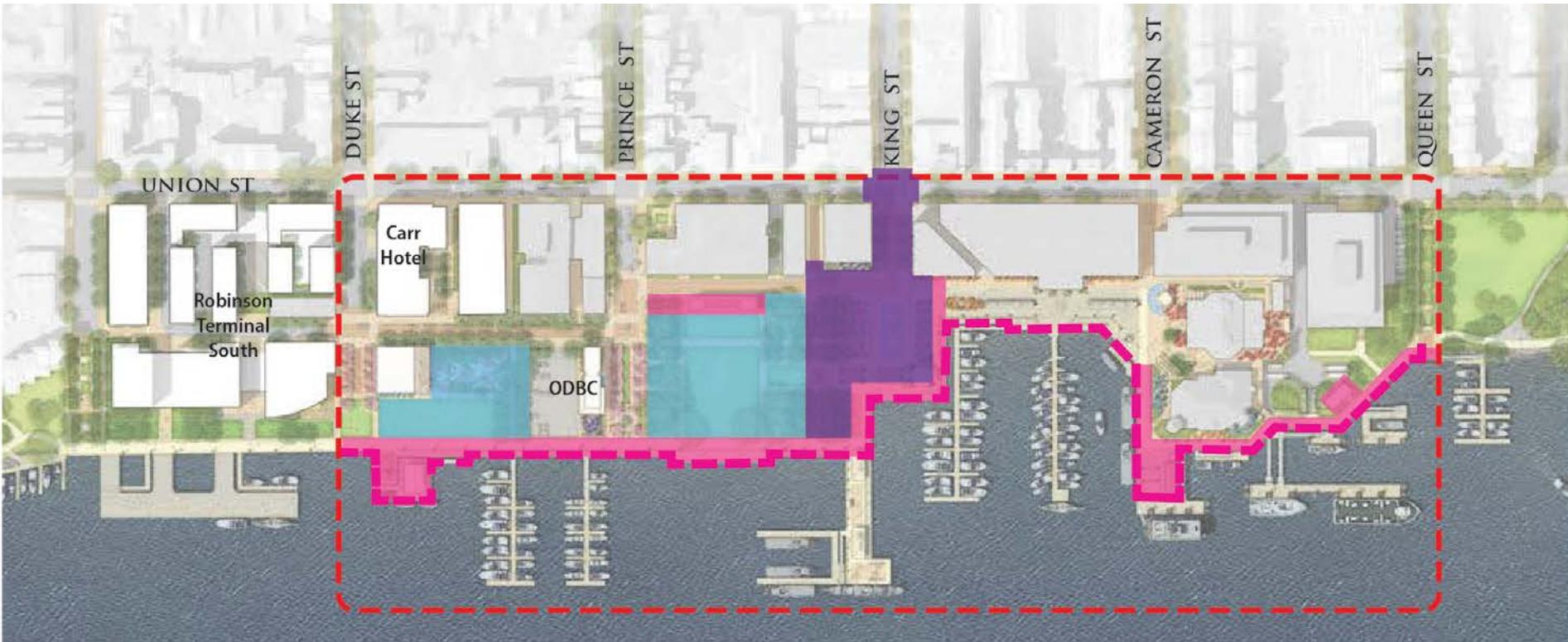


- Governance entity will manage a collection of assets that create a desired level of vibrancy and expand base revenues to support the waterfront.
- There is no one source that will comprise all or most of funding needed.
- Companion analysis reviews 10 revenue generation strategies for funding operations, maintenance and programming
- Options presented as “menu” that either cover their own costs or generate some revenue for maintenance of waterfront.

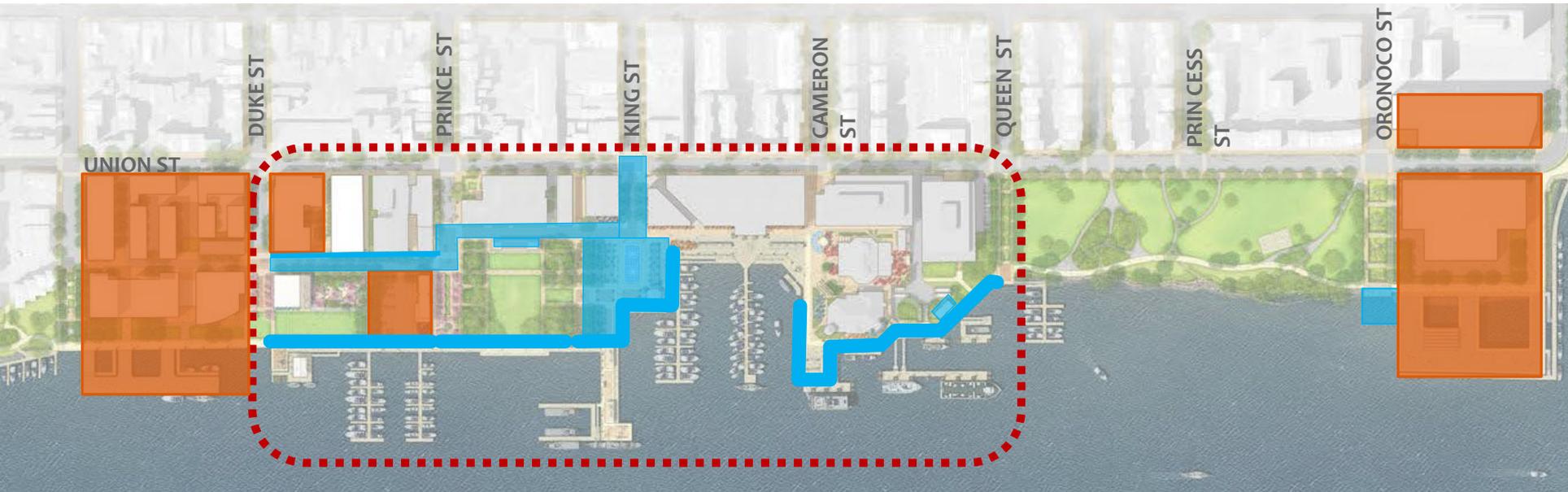
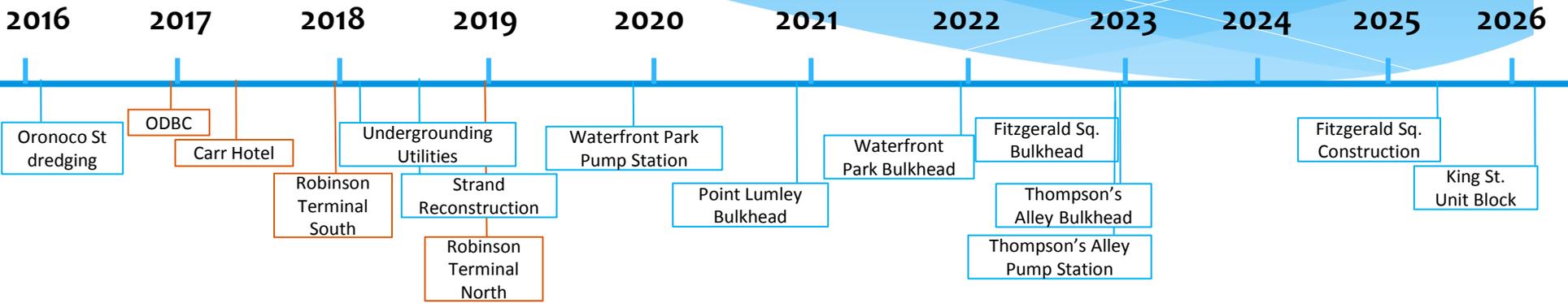
# Private & Public Development Schedule



# Waterfront Redevelopment Prioritization



# Private & Public Development Schedule



# Revenue & Expense Report Schedule



- Governance Revenue Study
  - September 2015
- Expense Report
  - Fall 2015



# Governance Models

## Questions and Discussion

# Governance Subcommittee Meeting Schedule



- August 31 (Model Expert) – Room 2000
- September 14 (Model Expert & Revenue Report) – Sister Cities Conference
- October 5 (Model Expert) – Sister Cities Conference
- October 26 – Sister Cities Conference
- November 16 - Sister Cities Conference
- December 7 - Sister Cities Conference (Tentative)

All meetings scheduled for 8 a.m. at City Hall, 301 King St.

# Governance Subcommittee Contacts



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