

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
 - 245 hotel rooms
 - 10-12 new businesses
 - 5 restaurants
 - 616 parking spaces
 - 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 \$120M
- Projected Investments
 - Core Primary (\$61.2)
 - Utilities, Flood Mitigation & Promenade, Fitzgerald Square, Point Lumley 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: \$5.2 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

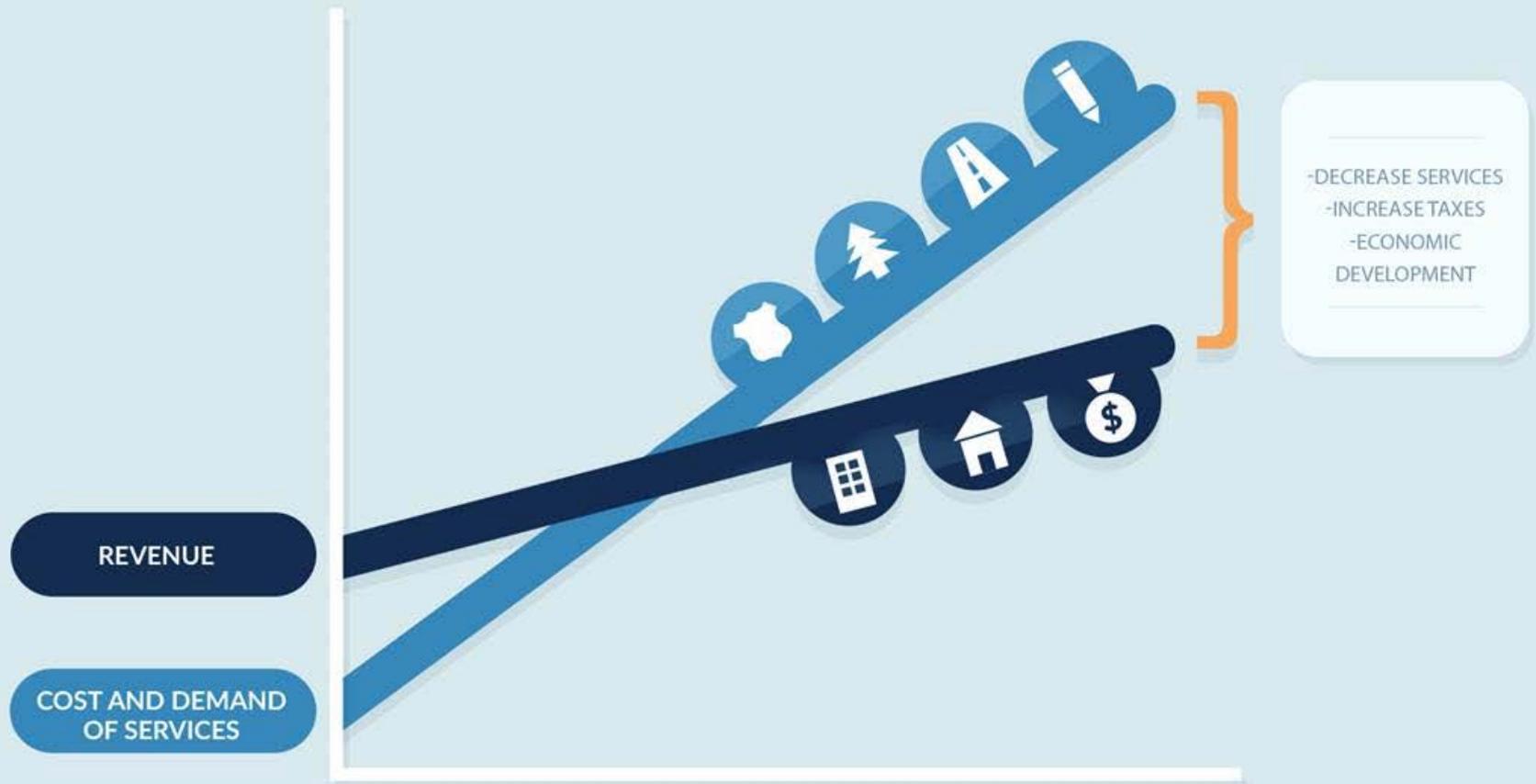
- Organizing owners/residents can take 7-9 months
- Business plan brought to the city leadership for approval
- Foundation is figuring out what the business owners and residents want or need in the area, e.g. clean, safe, programming, marketing, parks, economic development
- Services may include snow 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