



Alexandria Economic Development Partnership

Council Work Session
September 24, 2013



Tonight's Agenda

- Introductions
- Economic Development Guiding Principles
- Economic Development Strategic Plan Goals
- Highlighted Initiatives for each of 5 goals
- Discussion



Guiding Principles for Economic Development

City's Community & Economic Development Goal: Alexandria has quality development and redevelopment, support for local businesses and a strong, diverse and growing local economy.

Economic Development Vision: Alexandria should be a vibrant, creative, diverse City where large and small businesses can locate and grow while enhancing the community's quality of life.

AEDP Mission: To promote the City of Alexandria as a premier location for businesses by capitalizing on its assets including multiple Metro stations, historical character and riverfront location, in order to enhance the City's tax revenue and increase employment opportunities.

Economic Development Strategy

Expand the
Commercial Real
Estate Tax Base

Recruit and Retain
Businesses

Improve the
Perception of
Alexandria for
Business

Mobilize Relevant
Resources to Win
Deals

Collaborate on
Economic
Development
Issues and Policies

AEDP's objectives and tactics produce Intermediate and Long Term Outcomes that will help to achieve the City's Strategic Plan Goal 1.

AEDP Strategic
Objectives and
Tactics

Intermediate
Outcomes

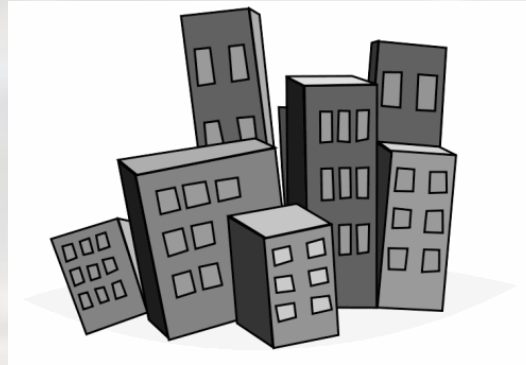
Long Term
Outcomes

City Goal: Alexandria
has quality
development and
redevelopment,
support for local
businesses and a
strong, diverse and
growing local economy.

Focus Area: The City
has a strong local
economy

Expand the Commercial Real Estate Tax Base

Tax Generation By Real Estate Type



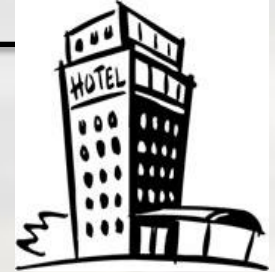
Office

83%



Retail

87.1%



Hotel

93.5%



Residential

40.1%

King Street Metro, Carlyle & Eisenhower East

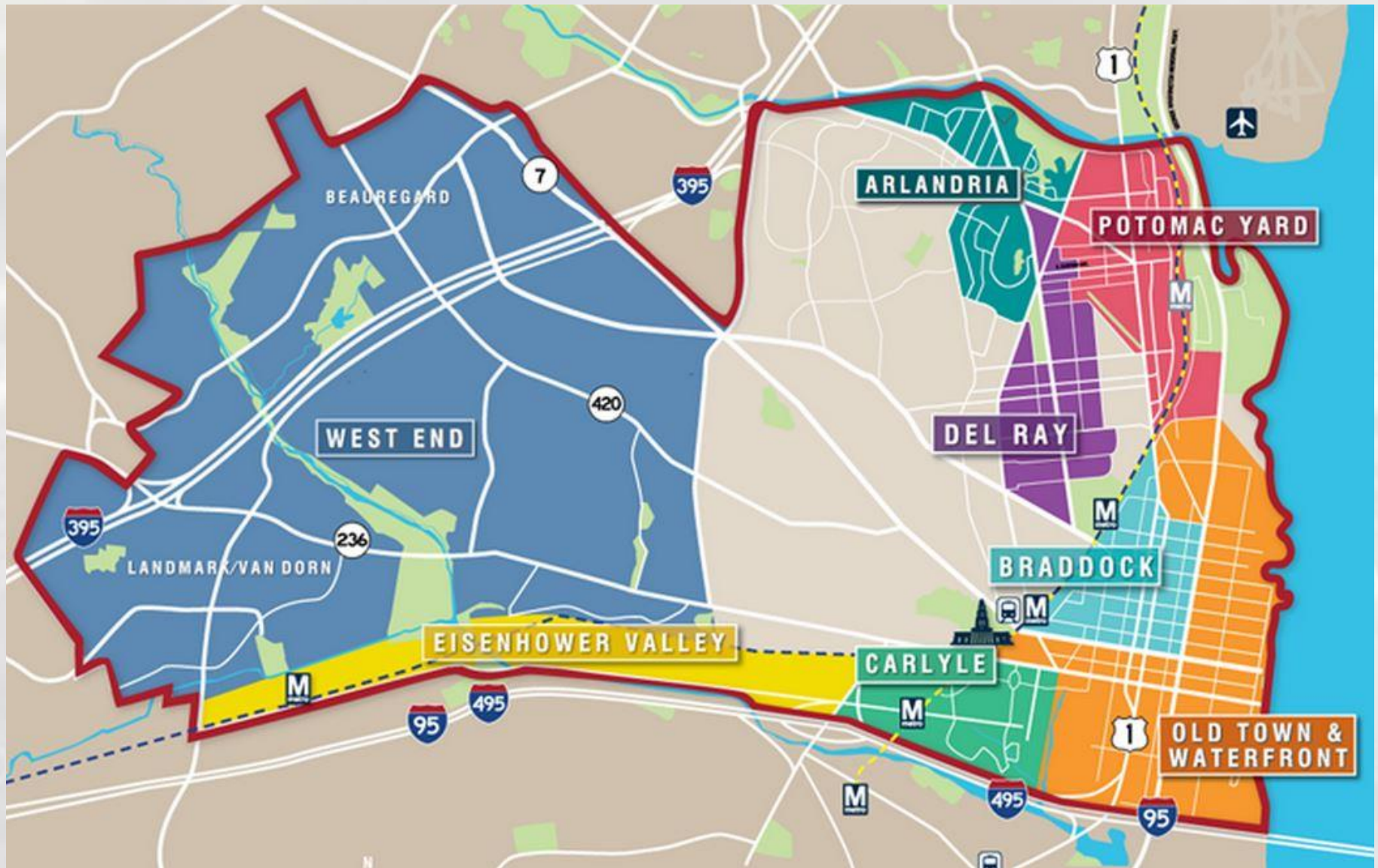
\$46M ANNUALLY IN RE TAXES



National Science Foundation Selects Alexandria



Branding Alexandria's Distinct Submarkets





Carlyle Eisenhower East Growing into a Center of Innovation, Creativity and Research

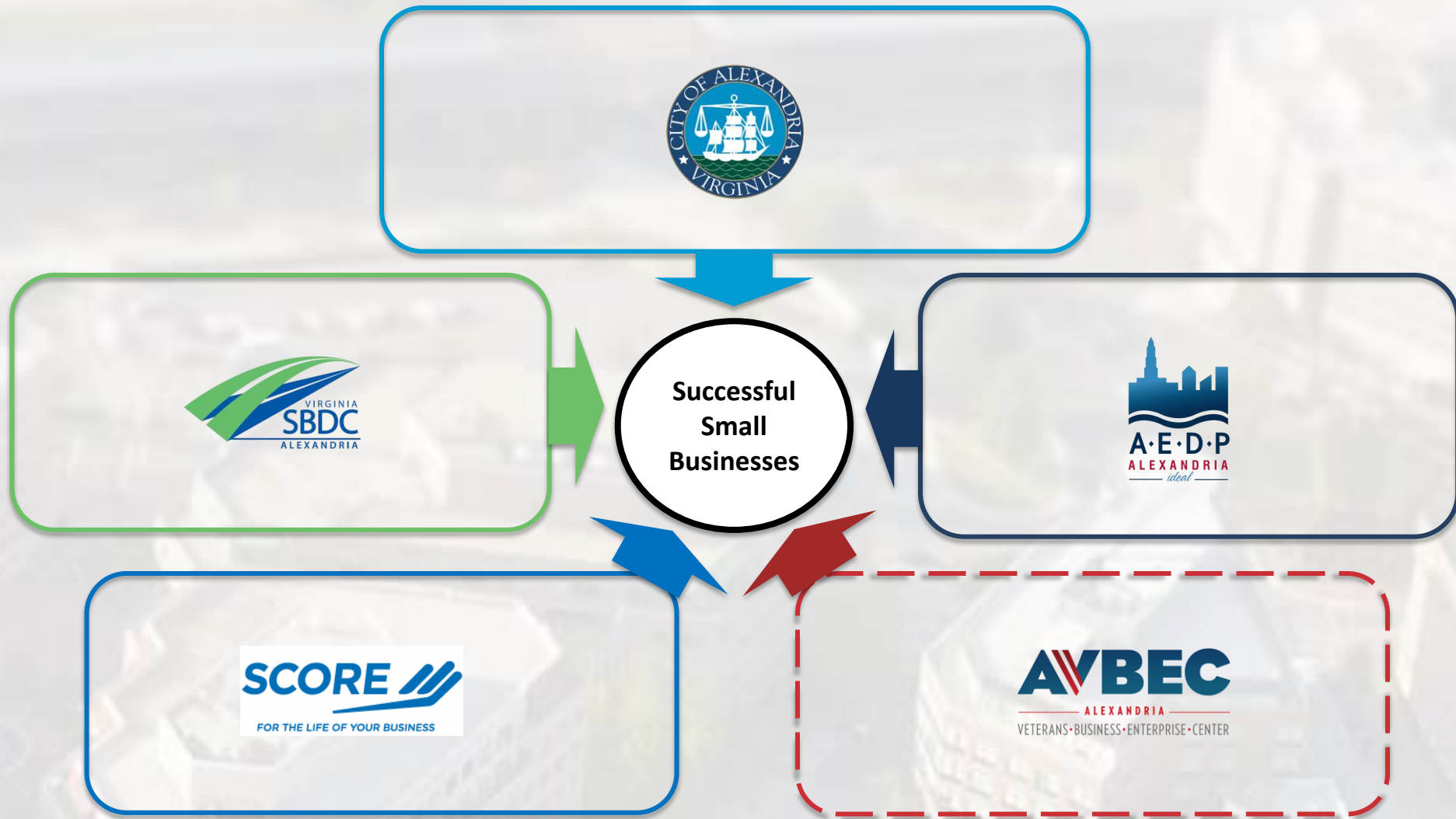
NSF

USPTO



Recruit and Retain Businesses

Alexandria *Ideal* for Small Business



Synergies for Small Business Success

AEDP supports several operational and programmatic aspects of the SBDC to make the best use of the time and resources of the SBDC staff. This includes:

Operational Support

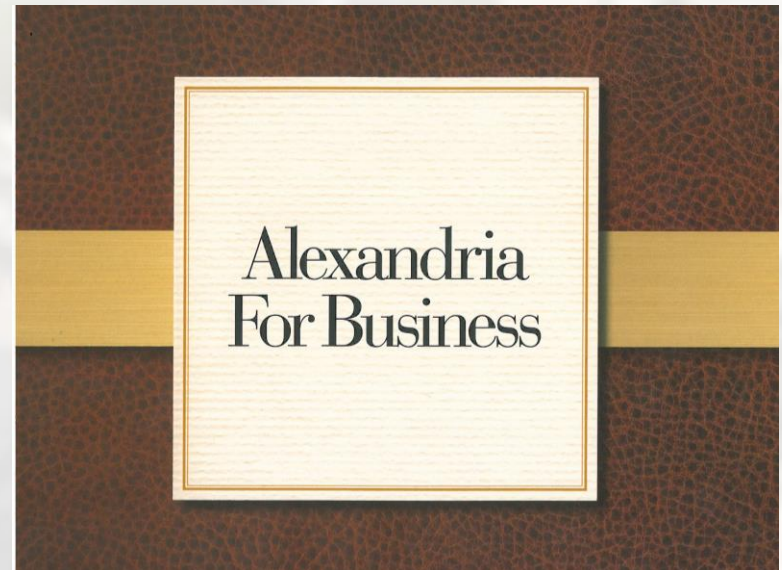


- Budgeting and bookkeeping
- Office management support
- Procurement and monitoring of contracts

Programmatic Support



- Metrics tracking
- Data analysis
- Communication and publicity for educational events
- Website development



Seamless Experience for Businesses: Access to Multiple Resources in One Location



Gloria Flanagan, *General Business & City process*



Timm Johnson, *Finance for Growth Stage*



Aaron Miller, *International Trade*



Ray Sidney-Smith, *Social Media*



Patra Frame, *Human Resources*



Marc Willson, *Retail Operations & Marketing*



Bob Podzius, *General Business Planning & Product Development*



Jack Parker, *General Business Planning & Bank Loans*



John Boulware, *Federal Procurement*



Christina Mindrup, *Commercial Space & Leasing*



Emily McMahan, *Veterans Issues*

Small Business Impacts

In FY 2013, the SBDC made significant contributions to Alexandria small businesses:



- **Served over 680 individuals** through one-on-one counseling and educational events
- Held **33 educational events** for more than 640 attendees
- Counseled 231 business owners and totaled **more than 1,200 hours of counseling**
- Assisted in procuring **27 loans totaling almost \$3.4M** for business startup and expansion

Since starting in Alexandria at the beginning of 2013, our SCORE mentor has:



- Counseled over **80 new clients** for a total of **125 hours**
- Worked with SBDC staff to provide specific guidance on **product development and production** and **operational challenges** to existing SBDC clients

Long-term impacts of the SBDC include:

- **Making businesses more resilient** – A higher percentage of businesses counseled by the SBDC are still in business after two and five years compared to national averages
- **Spurring investment in business** – SBDC has facilitated over \$65M in loans to start and expand small businesses over the lifetime of the program

Background

*"There is a **sea of goodwill** out there that wants to help. We have to figure out how to connect with them." – Admiral Michael Mullen, 17th Chairman of the Joint Chiefs of Staff*

- Situation:
 - In early 2013, Alexandria veterans, businesses, and representatives from the government, non-profit, and private sectors came together to discuss how Alexandria is:
 - Coordinating/facilitating the **overwhelming** number of resources related to veteran business and employment as a city.
 - Attracting and effectively transitioning the **surge of service members** that will transition from the DC-area in the next few years.
- Statistics:
 - Number of Alexandria Veteran-Owned Businesses: **231**
 - Number of Veterans: **11,862 Alexandria (8.2% of city pop) | 837,051 Virginia (10% state pop) | 21.8 million U.S. (6.9% of nation pop)**



ALEXANDRIA

VETERANS • BUSINESS • ENTERPRISE • CENTER

Vision

- To foster the **strongest veteran business community** in Virginia and the United States.

Mission

- To establish Alexandria as the ideal location for veterans to **open a business, build a business, or start a new career** with assistance in transition, development, and enduring support for professional needs.

Purpose

- To **connect, train and grow** the veteran business community in order to strengthen Alexandria's economy, increase employment opportunities, and serve our citizens.



ALEXANDRIA
VETERANS • BUSINESS • ENTERPRISE • CENTER

Starting & Growing Businesses



Employment



Training & Transition



Possible Funding Partners



U.S. Department
of Veterans Affairs



Goals

- Goal 1: Establish the Alexandria Veterans Business Enterprise Center (AVBEC)
- Goal 2: Increase the Number of Veteran-Owned Businesses in Alexandria
- Goal 3: Assist Alexandria Businesses in Hiring and Retaining Veterans
- Goal 4: Attract and Retain Veterans in the Alexandria Business Community

Improve the Perception of Alexandria for Business



ASSETS • ACCESS • ATMOSPHERE



WELCOME TO ALEXANDRIA, VIRGINIA!

Ideally located just across the Potomac River from Washington, D.C., the City of Alexandria is nationally recognized as one of the best places to live and do business on the east coast. The Alexandria Economic Development Partnership works to strategically support businesses, development, and economic growth in Alexandria, and promotes the city as a creative, diverse, knowledge-based community with a high quality of life.

AEDP can assist businesses and organizations looking to locate or grow their company in Alexandria. We provide economic data, customized reports and maps, demographics, and information on tax and financial incentives. Alexandria MAP'd, our exclusive interactive mapping tool, can help you locate available commercial real estate, including office, retail, and industrial space.



ARE YOU A BUSINESS?

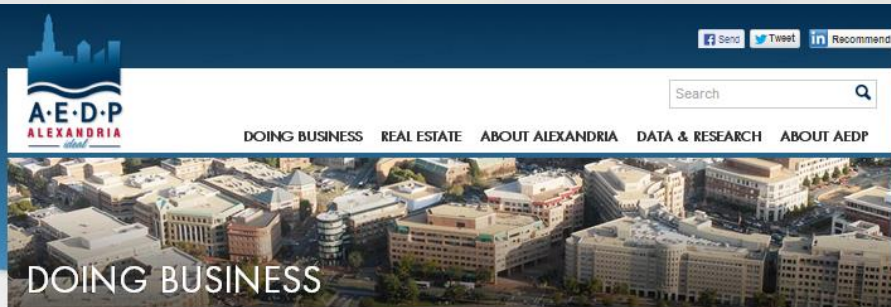


ARE YOU A BROKER?



ARE YOU IN REAL ESTATE?

ALEXANDRIAideal.com



Alexandria's ideal inside-the-Beltway location has been essential to its success as a vital business center along the Eastern Seaboard. Whether starting up, expanding, or relocating, businesses and organizations find the City of Alexandria innovative and business-oriented. No other jurisdiction enables businesses of every size and type to thrive, because no other jurisdiction can offer the dynamic blend of assets, access, and atmosphere that makes Alexandria unique.



BUSINESS RESOURCES

Alexandria is fully committed to supporting businesses, promoting sustainable development, and fostering an environment that is vibrant, creative, and innovative. A thriving business climate is an important part of the overall growth and prosperity of Alexandria, and the city provides many resources to promote commerce.

[LEARN MORE »](#)



SUCCESS STORIES

Hear directly from businesses about their experience in Alexandria, and read about successful Alexandria businesses that have been recognized for their achievements.

[LEARN MORE »](#)



INCENTIVES

The city's tax and regulatory climate encourages businesses to locate in Alexandria, most notably our low commercial real estate tax rates. Alexandria offers rapid review processing for tenant build-out and is committed to providing the most accelerated development review process in the region.

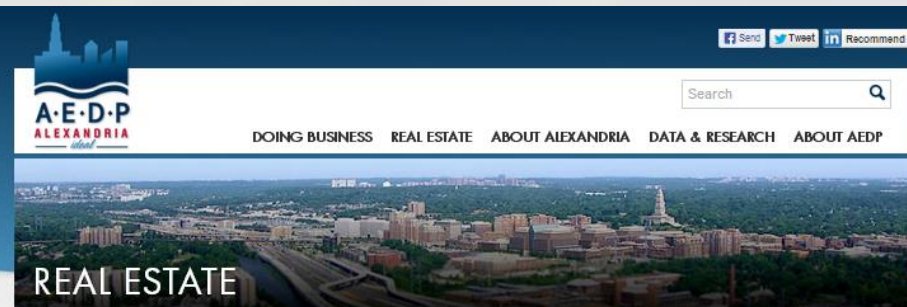
[LEARN MORE »](#)



BUSINESS LISTS & INDUSTRIES

Find frequently requested lists of businesses located in the City of Alexandria, as well as information on the largest industries by number of employees.

[LEARN MORE »](#)



Alexandria's real estate market offers the convenience of having a prime office location inside the Beltway coupled with charming neighborhoods rich with retail and dining amenities. The Alexandria of 2013 is recognized not only for its considerable history, but also for future growth opportunities centered around Metro locations, making it ideal for any business.



MARKET PROFILE

Alexandria has thriving office, retail, residential, and industrial markets. Our market profile provides a quick snapshot of space types and trends in Alexandria.

[LEARN MORE »](#)



DEVELOPMENT PROCESS

The City of Alexandria is committed to providing the most accelerated development review process in the region and facilitates collaboration between the community and the applicant.

[LEARN MORE »](#)



DEVELOPMENT HOTSPOTS

The Washington, D.C., metropolitan area continues to be one of the most attractive places in the country for investment and development, and the City of Alexandria has unique opportunities for developers with a commitment to high quality and design.

[LEARN MORE »](#)



AVAILABLE SPACE & DEVELOPMENT SEARCH

MAP'd is an interactive property mapping tool that allows you to search for available commercial real estate listings and development information in the City of Alexandria. MAP'd does not display the full range of information available for each listing, such as property contact information and other details.

[LEARN MORE »](#)

ALEXANDRIA

The State of the Market

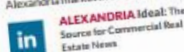
MIDYEAR 2013



Alexandria Economic
Development Partnership
625 N. Washington St., Ste. 400
Alexandria, Virginia 22314
(703) 739-3820

ALEXANDRIAideal.com

Join the conversation about the
Alexandria market in our LinkedIn group:



ALEXANDRIA ideal: The
Source for Commercial Real
Estate News



Follow us!
@ALEXANDRIAideal



Facebook.com/
ALEXANDRIAideal

Contact us for information on:

- development opportunities
- office/retail vacancies
- Alexandria/submarket statistics

and any questions on economic
development topics.

This publication kicks off our newest research and data series on the City of Alexandria. Starting in Fall 2013, we will be publishing these reports twice a year and will provide the latest updates on the City's economy, the status of different development projects, insights into the office and retail markets, and residential sales patterns. Each report will also feature a spotlight section that will go into more depth on a particular topic. With this information, we hope to provide a comprehensive snapshot of the City of Alexandria for real estate professionals, business owners, and the general public. If you would like an update on any of this information between our major publications, please feel free to reach out to us.

State of the Market Report- Highlighting Alexandria's Commercial Assets



ALEXANDRIA ECONOMIC INDICATORS

Alexandria Economic
Indicators
change from Midyear 2012

Jobs ↑
Median Wages ↑
Unemployment ↔

Noteworthy Trends

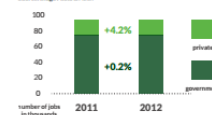
- Total jobs were up 4.4% in 2012 over 2011 in the City. Job growth in the government sector (4.2%) was stronger than in the private sector, with almost 950 additional government jobs added.
- As of May 2013, the City of Alexandria had a lower unemployment rate (4.4%) than the Virginia or national average. On average, Alexandria's unemployment rate has been 0.4 percentage points lower each month in 2013 than in the same month in 2012.
- Alexandria's total sales tax revenue increased by 3.9% in the last year compared to the same period ending in 2012, outpacing growth in sales in Fairfax and Loudoun counties.
- In Alexandria, average weekly wages increased by 4.3% from midyear 2012 to midyear 2013. Unlike other regional jurisdictions, Alexandria has had positive wage growth for the past four years.
- Alexandria has a higher percentage of retail jobs and administrative/support jobs than Arlington or Fairfax, and a lower percentage of professional, scientific, and technical services than Arlington or Fairfax. This larger percentage of lower-wage jobs contributes to the wage gap between Alexandria and other counties in the Northern Virginia region.

Source: bh.gov data & AEDP

JOBS AND TAX REVENUE

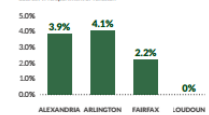
Comparison of 2012 Jobs to 2011 Jobs

Source: bh.gov data & AEDP



Comparison of Growth in Sales Tax Revenue over 12 Months Ending in May 2013

Source: VA Department of Taxation



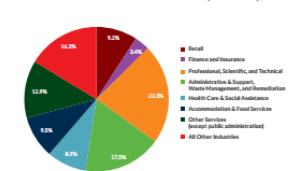
WAGES AND JOBS BY INDUSTRY

Regional comparison of Growth of Average Weekly Wages since Q2 2012

Source: bh.gov data & AEDP



Breakdown of Jobs in Alexandria by Industry, 2011



ALEXANDRIA ECONOMIC DEVELOPMENT PARTNERSHIP

MIDYEAR 2013

Mobilize Relevant Resources to Win Deals

National Science Foundation Recruitment Story





National Science Foundation Economic & Fiscal Impact

- 2,100 new NSF jobs
- 1,800 new indirect jobs
- 30,000 annual visitors to NSF offices
- 90,000 hotel room nights per year
- \$83 million annual addition to the City economy
- \$51 million net new tax revenues to City over 15 years

Collaborate on Economic Development Issues and Policies

Challenges Ahead Impacting Economic Development

- Federal Government Sequestration & Uncertainty
- Demand cycles for different types of real estate
- Limited ability to create and/or impact the market
- The region is going to grow- the question is: do we manage growth or let it manage us?
- Increasing office vacancy region-wide
- Major office vacancies in Class B buildings in suburban locations
- Regional competition increasing- Metro's Silver Line
- Desire for more dense & flexible office space by tenants
- Smaller SF requirements per worker
- Decrease in federal spending and contracts and a changing GSA procurement criteria for federal tenants



Guiding Principles for Economic Development



- Collaboration
- Partnerships
- Sustainability
- Accountability
- Shared success



Measuring AEDP's Success within the Framework of the City's Strategic Plan

Long Term Outcomes

Increase the value of public and private Assets in the City

- Increase the City's commercial, non-residential tax base and residential tax base

Ensure Alexandria attracts and supports businesses

- Increase the number of jobs
- Increase the number and health of businesses in the City

Goal and Focus Area

Alexandria has quality development and redevelopment, support for local businesses and a strong, diverse and growing local economy.

The City has a strong local economy

Measuring AEDP's Success within the Framework of the City's Strategic Plan

Intermediate Outcomes

- Increase market awareness that Alexandria is an Ideal place for businesses to locate
- Increase market awareness that Alexandria is business friendly
- Maintain high business retention rate
- Increase commercial real estate development
- Increase office & retail occupancy rates
- Expand quality counseling services available for small businesses
- Increase quality workshops and educational programs
- Maintain strong neighborhood business associations
- Maintain healthy collaboration between City and businesses

Long Term Outcomes

**Ensure
Alexandria
attracts and
supports
businesses**

Increase the
number of jobs,
the number and
health of
businesses in
the City

Goal and Focus Area

Alexandria has
quality
development
and
redevelopment,
support for local
businesses and
a strong, diverse
and growing
local economy.

The City has a
strong local
economy

Measuring AEDP's Success within the Framework of the City's Strategic Plan

Intermediate Outcomes

- Increase market awareness of City development opportunities
- Increase commercial real estate development in key areas
- Increase redevelopment of Landmark Mall
- Increase public perception of Alexandria schools
- Increase market awareness that Alexandria is “business friendly”
- Increase market awareness that Alexandria is an Ideal place to live

Long Term Outcomes

Increase the value of public and private Assets in the City

Increase the City's commercial, non-residential tax base and residential tax base

Goal and Focus Area

Alexandria has quality development and redevelopment, support for local businesses and a strong, diverse and growing local economy.

The City has a strong local economy

Measuring AEDP's Success within the Framework of the City's Strategic Plan

Intermediate Outcomes

- Increase market awareness of City development opportunities
- Increase commercial real estate development in key areas
- Increase redevelopment of Landmark Mall
- Increase public perception of Alexandria schools
- Increase market awareness that Alexandria is "business friendly"
- Increase market awareness that Alexandria is an Ideal place to live

- Increase market awareness that Alexandria is an Ideal place for businesses to locate
- Increase market awareness that Alexandria is business friendly
- Maintain high business retention rate
- Increase commercial real estate development
- Increase office and retail occupancy rates
- Expand quality counseling services available for small businesses
- Increase quality workshops and educational programs
- Maintain strong neighborhood business associations
- Maintain healthy collaboration between City and businesses

Long Term Outcomes

Increase the value of public and private Assets in the City

Increase the City's commercial, non-residential tax base and residential tax base

Ensure Alexandria attracts and supports businesses

Increase the number of jobs, the number and health of businesses in the City

Goal and Focus Area

Alexandria has quality development and redevelopment, support for local businesses and a strong, diverse and growing local economy.

The City has a strong local economy



Alexandria Economic Development Partnership

Council Work Session
September 24, 2013

