

Gloria Sitton

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6-24-17

From: Jackie Henderson
Sent: Friday, June 23, 2017 10:00 AM
To: Gloria Sitton
Subject: FW: Sales and Meals Tax for Zip Code 22314, 2014 - 2016

From: Mark Jinks
Sent: Friday, June 23, 2017 9:59 AM
To: City Council <CityCouncil@alexandriava.gov>
Cc: Laura Triggs <Laura.Triggs@alexandriava.gov>; Kendel Taylor <Kendel.Taylor@alexandriava.gov>; Kevin Greenlief <kevin.greenlief@alexandriava.gov>; Stephanie Landrum <landrum@alexecon.org>
Subject: FW: Sales and Meals Tax for Zip Code 22314, 2014 - 2016

FYI. The Vice-Mayor requested sales tax data from the BID area. Given the state manages this data, the best that could be done was by ZIP Code 22314. Although not a perfect geographic match, I think it is a reasonable answer to the question. Meals tax data is also included.

From: Kevin Greenlief
Sent: Friday, June 23, 2017 9:46 AM
To: Justin Wilson <justin.wilson@alexandriava.gov>; Stephanie Landrum <landrum@alexecon.org>
Cc: Kendel Taylor (<Kendel.Taylor@alexandriava.gov>) <Kendel.Taylor@alexandriava.gov>; Lashonda Mitchell <Lashonda.Mitchell@alexandriava.gov>
Subject: Sales and Meals Tax for Zip Code 22314, 2014 - 2016

As requested, here's our best estimate. Estimated Sales Tax shows a slight decline, averaging -2.03% for 2014 - 2016. Meals Tax shows an average increase of 2.44% for the same period. Tax year 2017 is still in progress for both.

Sales Tax is estimated based on the calendar year gross receipts for BPOL. Meals tax reflects actual levy, but it's on a fiscal year basis (ex., 2016 = July 2015 through June 2016):

Sales Tax &
(201

Zip Code 22314

Calendar

<u>Year</u>	<u>Sales Tax</u>	<u>Meals Tax</u>	<u>Total</u>
2013	\$13,284,763	\$9,563,600	\$22,848,363
2014	\$13,197,371	\$9,568,183	\$22,765,554
2015	\$13,044,347	\$9,840,687	\$22,885,034
2016	\$12,488,488	\$10,276,086	\$22,764,574

\$18,000,000

\$16,000,000

\$14,000,000

\$12,000,000

\$10,000,000

\$8,000,000

\$6,000,000

\$4,000,000

\$2,000,000

\$0

2012

2013

1. May include businesses located outside of proposed BID area.
2. Sales Tax is estimated based on retail gross receipts reported for BPOL.
3. Based on actual receipts only, excludes businesses in estimating stage.
4. Meals Tax based on fiscal year (June - July)

Please let me know if you have any questions.

Kevin

Kevin C. Greenlief, Assistant Director
Revenue Division, Department of Finance
City of Alexandria, Virginia

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Alexandria, VA 22314
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The Business Improvement District's enabling legislation has two components which, if passed, cannot be undone by City Council for 5 years:

#1 establishes the tax district's boundaries, which encompasses 1,000's of residents.

#2 allows appointments to an interim board to be made by AEDP and the BID exploratory committee, which will establish their previously created bylaws. The interim board will then credential who can vote for the BID's actual board members and will sort the citizens who apply to vote into different classes according to the bylaws.

As first class citizens of the BID, some commercial property owners will be allocated hundreds of votes each, based on the value of their commercial real estate. The top 50 or 60 commercial property owners and the businesses that lease from them are allocated the majority votes as to who will serve on the BID board.

As 2nd class citizens, businesses that lease are allocated one vote each.

Although the bylaws do not mention it, the residential property owners within the proposed district are made 3rd class citizens since they will have no vote as to the BID's board members unless they make an additional payment, which is similar to having to pay a poll tax.

Residential renters, which I believe to be the majority of the residents within the district, are made into 4th class citizens, both without a vote and without the mechanism in the bylaws to buy a vote.

Once the BID board is elected, the representatives of the 1st class citizens of the district will ask council that the rest of the district be taxed for the maximum allowable. Since the City will be able to move to the general fund some of what it currently spends for maintaining the downtown, City

Council will be financially induced to approve the new tax request and legislatively establish the BID's concomitant inequities of governance.

The BID's inequities of governance are important because the BID board will function, as its proponents have said, as a voice for the district in interacting with Council and with City services. At the June 6th council session an exploratory committee member said: "**The BID board will manage the services that the city provides.**" The residents within the district will have inequitable representation on a board that plans to manage city services and oversee the care of their sidewalks, streets, trash and parking privileges.

If the BID's enabling legislation is passed today, it is vote to erode representative government in Alexandria and an abnegation of City Council's responsibilities to the rights of its citizens who expect a one person/one vote covenant with their City government.

An ad hoc modification of the bylaws reserving two seats for residents on the board does not give the BID representative governance. Dukes naming two peasants to serve as advisors is not the same as citizens voting for who will be Duke.

Robert Ray IV

400 Prince Street

Owner Cavalier Antiques, established in 1962 at this address

Lifelong resident

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Notes from my talk at meeting today June 24, 2017.

As a clinical social worker, resident, business and property owner for 27 years, the divisiveness this shape shifting BID has started and continues to perpetuate is the worst I have seen. The entire process has and continues to lack integrity. The BID is straining relationships, eroding connections, dividing our city and ending friendships. People are causing harm to one another.

What happened ?

From the restaurateur after she clearly stated "if the BID goes forward , within 6 months I will have to close my doors" - when the BID board members replied

"Do not worry in 2-3 years you will have more business"

shopkeeper who had his "ban the bid" poster ripped off the inside of his shop

many of sole proprietors and small business people who had planned to keep working, if this passes, now plan to retire, thus leaving even more vacancies

small business people already feeling unappreciated and unsupported by the city, now feel socked in the gut knowing that if passed the BID will be sanctioned to take more money from them, adding "taken advantage of " to their list of grievances.

There are multitudes of stakeholders within the district who are against the BID yet, out of fear, due to having heard about the aforementioned, and other negative incidences too numerous to list, stay behind the scenes

The majority of hard working stakeholders in the BID district are not members of these organizations who require membership fees, Chamber of Commerce, Visit Alexandria, etc... they are focused on working as much as possible to feed their families and keep a roof over their head.

Let the handful of people who support the BID and those who created it, get together and do it themselves. Do not drag those who do not want and can not afford this BID into it. Stephanie Landrum herself said this morning, " we need to watch out for the outsider who does not pay into the BID benefiting from the BID". Seriously-people need to pay in to benefit? Really?

Step up, vote this BID down and stop the spread of "us vs. them".

Forcibly requiring business owners to join and/or be subjected to a BID, where those with the most property have the most votes is akin to indentured servitude of the poor to the wealthy in our community.

Passing the BID

Violates both

1. The tenets of democracy-the belief in freedom and equality between people, valuing the rights of all, one vote per one person.

AND

2. Alexandria's statement of inclusiveness:

We are a welcoming community who fosters an atmosphere of inclusiveness that respects the dignity and worth of each person-

Democracy and inclusiveness must be shown in both word AND deed.

Lastly the BID "district" is too large and diverse to be adequately served-

Listening to Parents describing old town to their children I have often overheard-

1. When walking down King Street, from the Metro to Washington st they tell their children this is called "upper king st"

2. When they get below Washington street walking towards Lee- they call this part of Alexandria "historic old town" and add something like "the people who live and work here make sure to maintain it much like it was in 1700's as possible so we can experience what it was like then today".

3. When they pass Lee and are arriving to the water they tell their children this is called "the waterfront".

As councilman Smedberg stated this morning, there are at least 3 distinct parts of Alexandria included in the BID "service district". Clearly, the BID "service district" is too large and too varied to service all business needs within.

To be clear-the majority of stakeholders feel held captive by the "rich few". The majority of stakeholders feel marginalized, they do not want a BID in any form, they do not want more time and money wasted on discussing it; and are not interested in such an unwieldy, costly, non-representative organization period.

Vote the BID down, show with your actions that you understand the divisiveness and mistrust created by the BID needs to be mended by listening to and taking into account everyone in the district

Show by your words AND actions that you

value, respect and treat with dignity

ALL business, property owners and residents.

You realize we already have a brand,

You are listening to the fact we do not want more taxes.

You want Alexandrian's once again to work together of their own free will.

Vote against the BID ordinance and vote for a return to an inclusive connected Alexandria.

As a clinical social worker, resident, business and property owner for 27 years, the divisiveness this shape shifting BID has started and continues to perpetuate is the worst I have seen. The entire process has and continues to lack integrity. The BID is straining relationships, eroding connections, dividing our city and ending friendships. People are causing harm to one another.

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143 Businesses and 43 Property Owners Oppose Passage of the BID Ordinance

Dear City Council,

We, the undersigned businesses and property owners, do not support the BID as it is proposed and urge the City Council to oppose it. Old Town Alexandria is a brand that other jurisdictions want to emulate because of its history and unique businesses. There has not been enough time for the affected community to truly study the BID. There also hasn't been enough effort to gather the viewpoints of all the affected businesses and property owners. We urge the City Council to oppose the BID ordinance during consideration in June.

3 Sisters	Charlie Hooff properties
532 Yoga	Chatree Antiques
A Center for Relationships	Chinoiserie
a la Lucia	City Kitchen
Alexandria Counseling Center Associates	Cretekou Taverna
ALEXANDRIA CUPCAKE	Dash's
Alexandria Myotherapy, Inc.	DiMuroGinsberg, PC
Altura Wine Gourmet	Diva Designer Consignment
Always Sunny Nails	Eamonn's A Dublin Chipper / PX
An American In Paris	ETM3 Partnership
Art Studio 101	Faccia Luna Pizzeria
Art Underfoot	Fairchild Law PLC
Asum Barber Shop	Fontaine Caffe & Creperie
Azar Salon	Gallery Lafayette
Barre3 Old Town	Gary's Shoe Repair
BC Partnership	G for Hair
Berkshire Hathaway HomeServices	Glynn Jones Salon
PenFed Realty	GMD Solutions, Inc.
Best Properties Title LLC	Gourmet Center
Bilbo Baggins Restaurant	Gossypia
Bloomers	GRAPE + BEAN
Blüprint Chocolatiers	Helen Olivia
Brahm & Powell Opticians	Henry Street Antiques
Bread & Chocolate	Home on Cameron
Buchanan & Kiguel	Hummingbird Bar Kitchen
Cameron Executive Suites	Ian Lowrie
Caphe Banh Mi	Il Porto
Casayork Property Management, LLC	Indus Imports
Cavalier Antiques	Irish Walk
CBP8 Partnership	Izalia Laser Aesthetic Spa

John Crouch, Tobacconist
K. Aubrey Flowers
Kingdom Cleaners
King Street Blues
King Street Cafe
La Bergerie
La Fromagerie Cheese and Wine Bistro
Laketana Ethiopian Crafts
Lamplighter
Lapel
Lawrence Miller & Co.
L.E. Peabody & Associates, Inc.
Light Horse Restaurant
Local Colour Old Town
Lotus Bloom
Lucky Knot
lululemon old town
MacLeod Title & Escrow Co., Inc.
Marcela's Yoga Boutique
Market Square Shop
Mark R. Yoo Architect PLLC
Mary C. Ray LCSW, ACSW, SEP-
Ray Consulting
Mondays Child
Museum Framing
Myron Mixon's Pitmaster Barbeque
NanoTech
National Council for Adoption
Nealon & Associates, PC
Nearman Financial Consulting
Nickell's & Scheffler
Old Town Barber
Old Town Deli
Old Town Nail Spa
Old Town Shoe Repair
OM-Tibet
Opal Music Studio
OTV, Inc.
Patrick's Home & Fine Linens
Pazazz Hair Salon

Periwinkle
Pines of Florence
Prince Street Partners
Principle Gallery
Project SAFE: Strategies Aimed at
Family Empowerment
Ramparts Tavern
Raul's Menswear
Red Mei
Redmon, Peyton, & Braswell, LLP
Restaurant Eve
Richard A. Dezio, Esq.,
Richard A. Dezio, P.C.
Rob Cannon Photo
Rocket Grille
Royal Nail
Sacred Circle
Salon Amerti
Sand & Steel Fitness
Schmidt Public Affairs
Serafino
Shirley & Banister Public Affairs
Shooter McGee's
Silver Parrot
Smart HR
Society Fair
Solage Hair Salon
Southside 815
Studio 101
Stylists@North
Targeted Creative Communications
The Antique Guild
The Glass Stache
The Pita House
The Physical Therapy Zone
The UPS Store
Tiny Dancers LLC
TJ Stone
TOP Services
TSALT

Uptowner Café
Van Bommel Antique House
Van's Hair Stylists
Vaso's Restaurant

Vintage Mirage
Wayne Fisher's American Design
Your Life Energy Holistic Center

Property Owners:

1020 Duke Street, LLC, 1020 Duke Street
125 S. Union Street LLC
604 King Street, Inc., 604 King Street
Alex and Andrea Plotis, 213 King Street
Art Nalls, 924 King Street
Barton's Royal Street Properties, LLC, 115-117 S. Royal Street
Bourse, LLC, 808 King Street
Boyd Walker, 818-820 King St, 1307 King St, and 200 Commerce Street
Chuck Johnson, 225 N. Washington Street
Craig Miller, 409 South Washington Street
Crilley Warehouse, LP, 218 N. Lee Street
Dan Hazelwood, 106 S. Columbus Street
Douglas Dear & Paul Aanonsen, 110 South Pitt LLC
DW Associates, 1115-1117 King Street
Elinor Coleman, 117 S. Columbus Street
Elizabeth Mason, 111 S. Columbus Street
FHL Investment, LLC, 1609 King Street
Frank Fannon, 1101 Duke St., 220 S. Henry Street
Garbis Muradian 117 South Henry
HK Alexandria Investment, LLC, 720 King Street
Kamil Property Management, LLC, 631 King Street/105-109 N. Washington Street
King Alex, LLC, 710 King Street
Leexandria, LLC, 218 N. Lee Street
Lisa Brock, 403 South Washington Street
Lisa Capobianco, 100 Ross Alley
Lynn Turner, 316 Commerce Street
Mary & Robert Ray, 400 Prince Street
Mary Potier, 1314 King Street
Mel & Oud, LC, 1104 King Street
Michael Armellino 206, 208 and 210 Queen Street
Old Town Crilley, LLC, 218 N. Lee Street
Raul Viteri, 100, 101 and 1017 King Street
Robert & Amanda Lasker, 325 Cameron St., 1321-25 King St., and 1607 King Street
Robert & Donna Rathe, 621 S. Washington Street
Robert King, 206/208 King Street
Robert B. Nealon, Esq., 119 N. Henry Street
Rodrigo Restkepo 822 King Street & 824 King Street

Ronald & Gwendolyn Carlberg, 413 N. Washington Street

Steve Nearman, 1005 Cameron Street

Tarek Moukalled, 717-719 King Street

Tim Shaheen & Lawrence Miller, 121 S. Royal Street

Wellington & Janet Goddin 1125-31 King Street and 107 N Fayette St

Woldulig Washington, LLC, 309 S. Washington Street

Old Town Alexandria BID Testimony (REVISED)

June 24, 2017

Thank you Mayor Silberberg and members of the City Council. I'm Mary Beth Avedesian and I'm a Senior Vice President of Saul Centers, Inc. My company owns of the property located at 625 & 675 North Washington Street. Our Property is a commercial office building with ground floor retail leased by several local businesses, notably the Talbots and Trader Joe's.

Over the past several months, I have attended meetings with City staff, AEDP and an advisory committee exploring the merits of the proposed Old Town BID. While my company certainly understands the benefits of some business improvements districts and appreciates the advisory committee's and AEDP's efforts, we do not support the creation of this particular BID.

For one thing, the BID district covers three distinctly separate areas: the Waterfront, King Street and Washington Street. Given the odd shape of the proposed BID, it seems unlikely the BID will have the resources to promote three distinct business communities.

In addition, our Property has an assessed value of nearly \$70 million. It's the second highest assessment of the 735 properties within the BID boundaries. Just to give you a frame of reference, the median property value of those 735 properties is only \$1 million. At the proposed BID

tax rate, our Property would have to pay roughly \$70,000 per year...which is HUGE ...especially given our Property's location at the absolute fringe of the BID district.

These additional taxes impact our tenants and make it more expensive for them to operate in Old Town. The added tax also makes our building more expensive when tenants are considering their options in competing markets.

More importantly, given the location of our Property on the frontier of the BID district, we are highly skeptical that either our Property or our tenants will receive a commensurate level of value for this tax increase. We firmly believe the more pedestrian and tourist-oriented areas within the BID -- such as the Waterfront and King Street -- will receive a disproportionately high share of the BID budget at the expense of sizeable properties like ours that are highly assessed, yet remote from the BID's core activity zones.

Therefore, Saul Centers respectfully requests that the BID not be approved by the City Council. In the alternative, we request that our Property be removed from the proposed BID service district. Thank you.

Gold Works inc.
by David Martin
Custom Jewelry & Sculpture
Since 1982

I am David Martin
Head designer at Gold Works 1400 King Street

Good Morning Mayor Allison Silberburg , Vice Mayor Justin Wilson, Council, City Manager Mark Jinx , City Staff , Businesses, and citizens .

Reading back over all my own collection of BID proposals, excerpts from the Chamber of Commerce, with whom I am affiliated , presentations I have made and my own willingness to back it up every time I heard about the BID ordinance and exactly what it will allow us to discover.

Don't you know .. It could work if the anti BID people would just let it be.

We'd see where all the work we have prepared it with would go and, ultimately, if it could work.

After 29 years of being in business on King Street I really know how to get reactions and to see results fall into place . But it seems that all you have to do is say BID and everything falls apart.

Well it doesn't have to be that way. we are not voting on a BID . We are acknowledging that we have prepared to examine how it could work and we are so very ready to do that. Some anti BID people just don't want to see it. I have one reason to do it for every reason they want to stop it. It is so silly, we are seriously ready to pull it all apart to look at it now! We are very ready.

I am glad to be part of Alexandria.

I was happy to mulch my tree well last week, to raise money for Banners and to pay for Holiday lights to stay lit to hear everyone say how much they loved them that way in the recent past.

I also know that of all of the times we've tried to do it before that it will pay off Big Time now because we have prepared the Ordinance to accomplish that to see if this will work . The BID, Main Street, Front Street, or whatever you want to call it . Pass the Ordinance and we will see together.

David Martin



a member of

The Alexandria Chamber Of Commerce ,
Old Town Business and Professional Association and
The King Street Garden Park Foundation

1400 King St
GoldWorksUSA.com
703 683 0333

703 683-0333

WWW.GOLDWORKSUSA.COM

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6-24-17

Tom Osborne, Partner
Spurgeon-Lewis Antiques
112 North Columbus Street
Alexandria, VA 22314

And resident, 114 North Columbus Street
And property owner, 112 and 114 North Columbus Street

June 24, 2017

Good morning. I'm Tom Osborne, owner-operator of Spurgeon-Lewis Antiques, property owner and resident, all within the proposed Old Town BID District. I am also a member of the Chamber of Commerce's Government Relations Committee. The Chamber has endorsed the BID, although today I am speaking on my own behalf and not the Chamber's.

John and I decided to relocate here in 1997 because of what Old Town and Alexandria have to offer – history and historic architecture, a feeling of community within a huge metro area, a worldwide reputation as a charming and unique city, and a thriving business district within easy walking distance. These attributes remain, but we sense that Old Town is starting to lose some of its cachet. I emphasized the words “starting” and “some.” Old Town is still a place we love – we wouldn't choose to be anywhere else. But there are more and more empty storefronts, less and less care being taken of sidewalks and treewells in the business core, and fewer and fewer employees of the daytime businesses who want to stick around after getting off work. If, as we sense, there are the beginnings of a downhill slide, it needs to be addressed now rather than waiting for the problems to multiply.

When I first heard of the BID proposal I had concerns mainly in 3 areas: first, that any tax district closely align with the service district, second, that the governing body be broadly representative of the diversity in the district both in types of businesses and in physical location (waterfront versus middle and upper King Street versus the side streets) and third, that that city not use the BID as an excuse to divert spending from general tax revenues away from Old Town.

I've been very impressed with the willingness of the BID Exploratory committee and staff to address all constructive concerns that have been raised, not just my own. I believe that virtually all reasonable concerns have been answered to the maximum degree possible, and the proposal before you now is the better for it. Many of the arguments against it you are hearing today are based on the concerns I had – concerns which have been dealt with.

One final point: some residents seem to actually dislike having a thriving business and tourism district so close to their homes, and see everything as an “us versus them” zero-sum game. Speaking now as a resident, I feel the opposite – I love having so many shops and eating establishments and other services and amenities within a 5-minute walk from my front door. Sure there are conflicts – I have conflicts with myself depending on which hat I'm wearing – resident, business owner, or property owner. But I sincerely believe that a BID will help to bring together a currently divided and fragmented business community to be able to work constructively with city government, civic associations and resident groups to solve problems that affect us all – such as the perennial issue of parking, for example.

I urge council to adopt the BID proposal as currently before you.

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6-24-17

Mayor Silberberg
Vice Mayor Wilson
And distinguished members of the Council

Thank you for hearing my comments today regarding the BID vote.

My name is Scott Clark. I am a resident and small business owner in proposed Old Town Business Improvement Services District ("BID"). I am here today to urge the council to vote No on the BID.

The appeal of Old Town is its historic charm and unique shopping and dining experience. The concentration of historic taverns, one-of-a-kind boutiques, and upscale antique stores is unmatched in the region. These small businesses do, in fact, need assistance from the city to survive in the face of rising rents, declining foot traffic, and competitive threats. Today, these small businesses desperately need your help to protect against the increased burdens that would be created with the implementation of a BID.

The proposed map is so broad and far reaching that it becomes nearly impossible to find common interests amongst the numerous constituents of varying locations and size. The needs of the waterfront are wildly different than those of North Washington St. And the interests of The Shoe Hive are vastly different than Whole Foods. Creating a map of this scope is not only irresponsible, but it further pressures small businesses that will be forced to fight for limited resources amongst the interests of this conglomerate.

Some have referenced the success of the boutique district as support for creation of the BID. The boutique district combines small businesses with common goals and interests, that opted in to the district. Without a common thread linking the businesses on this map, and forced membership, there is hardly reason to hope for similar success with the BID.

Some on this council argue that the ordinance should be passed today, to allow a committee to be formed, develop specific plans, and let the business community vote on the specific proposals. Herein lies the biggest threat to small businesses.

The voting delegations, as defined in the bylaws, are dramatically skewed in favor of large property owners. Each business gets one vote, and each landowner gets one vote for every \$1 million in assessed value. Misha's coffee shop would have one vote, while Embassy Suites would have 73. Because of the large map, and the disparate needs of the small business in the various sections of Old Town, it is unlikely that small business would have common interest on many issues, leaving the power of the BID to the hands of a few property owners. The needs of small businesses will continue to go unmet, overshadowed by larger, better resourced businesses. In this case, the BID might be better named the Hotel District. The BID proposal pits large against small, and heavily stacks the chips toward the large.

Small businesses are the heart of what makes Old Town unique and wonderful. And the proposed BID represents the largest threat to an already challenging business environment, through disproportionate voting power and increased tax burdens (if implemented).

I urge this council to protect small businesses, preserve the character of Old Town, and vote no on the BID.

Thank you

New Changes to Proposed Old Town Business Improvement Corporation Bylaws

Article 1, Section 1

(xxvi) "Resident" means a Person who occupies Residential Real Property, as a Residential Owner or lessee.

Article VI, Section 1(e)

(iv)The Directors shall consist of at minimum two (2) Owners of Real Property that is predominately retail, four (4) Owners of Real Property that is predominately used for office space, two (2) Owners of Real Property that is predominately used as a hotel or temporary lodging, and two (2) Owners of Real Property having an Assessed Value of less than \$2 million. Additionally, at least three (3) Directors shall be retail or ground floor personal service Commercial Tenants, at least four (4) Directors shall be office tenants or professional service Commercial Tenants, at least two (2) Directors shall be restaurant Commercial Tenants, at least three (3) Directors shall be Residents from within the BID Assessment Area or no more than five (5) blocks from the BID Assessment Area, and at least one (1) of these Directors shall be a retail Commercial Tenant not on King Street or Washington Street but otherwise within the BID Assessment Area.

Article IX, Section 2

(c) On behalf of the Corporation, the Board shall have the exclusive power and authority to adopt and approve the business plan, operating budget, or any supplement thereto, of the Corporation. The adoption and approval of a business plan, an operating budget or any supplement thereto shall not require any approval of the Voting Members. Each business plan, operating budget or supplement thereto adopted and approved by the Board shall be effective upon adoption and approval by the Board subject to consent by the City Council as provided in Subsection (d) below of this Section. Notwithstanding any provision herein to the contrary, the initial business plan, operating budget, and any supplement thereto, of the Corporation shall be subject to a vote of the Voting Members prior to any adoption of a tax related to that business plan and budget by City Council.

Public Hearing Testimony on the proposed BID Ordinance June 24, 2017

Margaret T. Janowsky, La Bergerie Restaurant & Inn, 329 N. Washington St.

Good morning, Mayor Silberburg, Vice-Mayor Wilson and Council Members,

My name is Margaret Janowsky. My husband and I own La Bergerie Restaurant & Inn soon to be located at 329 N. Washington St. In 2016, La Bergerie paid over \$60,000 in taxes to the City of Alexandria. I am here today to voice our objection to the BID Ordinance you have before you today.

As I sat down to write out our statement, my mind raced around a great many directions to take – the non-inclusive process, the bizarre and over-reaching boundaries, the enormity of the proposed organization – but what I returned to again and again is **Purpose**. What is the real *purpose* of this proposed BID? Until that can be defined, you cannot reasonably vote in favor of its creation.

The AEDP BID presentation just listed a BID Service Menu (slide 11) of over 30 areas that *could* be addressed by a BID. Wow – that’s a dizzying array of choices! But which one is the real driver behind the year-long effort to create *this* BID? The answer was clearly identified with a circle and detail in the AEDP presentation as Foundational Work (slide 4). *The Waterfront Subcommittee on Governance recommended a BID*. I’ll let that sink in. It was born from the *Waterfront Commission’s Subcommittee on Governance recommendation for a BID*.

As you know, the Alexandria Waterfront Governance Subcommittee Proposal, Conclusions and Recommendations for the Public Areas of the Waterfront, is a 33-page presentation dated March 15, 2016. This document provides a great deal of insight into the real **Purpose** of the BID currently being discussed. I will share a few key points from it:

- The Alexandria community & Waterfront Plan have suggested that an oversight body be established **to manage public spaces and programming**
- Projected Waterfront Operations & Maintenance Estimated Net Increase in Waterfront Operating Costs = \$2.5M (*the same amount proposed to be raised by this BID at its maximum tax rate*)

- Governance Subcommittee Charter: Understand the purpose of a governance structure ***for a public space***
- Governance Subcommittee Key Assumptions: There is a need for a management structure ***dedicated specifically to manage the waterfront***
- Recommendation: Community Improvement District - Advantages: 1) Emphasis on attractive, well maintained waterfront space, 2) Sustainable-a 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
- And the Recommendation concluded with an Alexandria CID Assessment Exercise To explore an order of magnitude for a potential BID/CID assessment rate based on existing boundaries *[including] Non-residential properties within the Waterfront Plan Area, King Street (KR) and King Street Retail Strategy (KSRS) Areas*. The assessment rates start at .005 cents (1/2 of a cent) to 5cents for every \$100 dollars of assessed real estate value.

So there it is. The **Purpose** of *this* proposed **BID** is clear:

It is a governance structure ***for a public space***, a management structure ***dedicated specifically to manage the waterfront***, with an Emphasis on attractive, well maintained ***waterfront space***, with a Reliable, consistent and dedicated revenue stream outside of the political process that Ensures dedicated resources to govern the area to the standards defined in the *Alexandria Waterfront Plan* and which Reduces reliance on city general funds ***currently allocated for the Waterfront***.

As such, it wasn't created for all or any of the other 30+ items on the list described as support for the businesses in the proposed district. And, until you specifically say this BID is not to be used for the Waterfront, we won't believe it's designed to be for anything else.

I am going to talk about how KSMET/OTBPA and ACVA came together to fund and coordinate hanging garland with red bows on King Street lampposts at Holidays. It started with a conversation at Barb Brecher and Mike Geissinger's house about the need for a Holiday marketing plan. In 2006-7, ACVA gave \$5,000 to each neighborhood business association to use for whatever Holiday ideas they chose to fund. We decorated Christmas trees and hired elves to run around greeting shoppers on King Street. *DAVID MARETTA took on tree lights.*

Joe Egerton, Elizabeth Stone and John Brown came up the idea of garland. John Brown and his daughter made 120 bows and ordered 240 garland. I worked out how to get them on the poles and have continued to do so every year. The Art League donated space to stage the assembly.

The garlands are stored every year, some have disappeared. The bows have come to the end of their useful life and will have to be replaced if we want to continue the tradition. It costs OTBPA about \$350 each year to get the decorations up. I would really like to turn over the running of "decorating" King Street to a Business Improvement District.

At that same meeting, Charlotte Hall and Roger Parks came up the idea of the Retail and Restaurant coupon book. They took it to the Alexandria Marketing Fund. Now, it's a fixture.

Brecher Design developed an ad campaign to encourage our local area shoppers to come to Alexandria. We lacked the funds to attempt that.

Many years ago, Scott Mitchell organized us to plant liriopie in the tree wells from Route 1 to the Metro. I still see many of those today.

There was another project called Alexandria Beautiful that spent tens of thousands of dollars to plant annuals all along King Street. Hundreds of volunteers did that for a couple of years. We learned that a sustained effort takes a bigger pool.

About twelve years ago, Lois Walker attempted to put a BID in place. It ran into the same opposition. Now, we have the advantage of examples provided by successful BIDs all over the country.

What you are not being asked to do today in approving the concept of a ~~BID~~—

You are not approving a budget. No dollars would be committed by a vote for this proposal.

You are not agreeing to any particular project.

You are not taxing any resident in the BID.

The purpose of a BID is to establish a way to start a conversation. Much like that conversation I just described to you.

[Let creativity take over, please.]

I see very little risk and many possible, as yet unimagined, rewards coming from taking this step today.

Carol Supplee
Owner
Imagine Artwear
1124 King Street
Alexandria, Virginia 22314

703-548-1461

11
6-24-17

My name is Danielle Romanetti and I am a resident of more than a decade. I own fibre space at 1219 King Street and I am soon to be a commercial property owner in the BID district. ~~my lease is~~ I am also Pres. of Old Town Boutique District.

Today, I wanted to share with you some data as you consider your vote on this district.

- Overall office and retail vacancy is at 10% in Old Town right now, the highest it has been in decades
- Our retail rent hovers in the mid 50s per square foot and upper King pays around 35. ^{while} Georgetown is in the 90s and even the new Edens development in North Old Town wants over 80. Old Town rent remains some of the lowest of our competitors.
- But you know what else is the lowest? Our gross sales per square foot. We have retail sales data of our chain stores in OT versus those in other areas. Of the Gap, Anthropology, Ann Taylor Loft, Banana Republic, H&M and Chicos, only Chicos has higher gross sales per square foot than the same stores in retail districts nearby.
- Other data you should know. Before leaving my smaller space at 102 N Fayette Street, my gross sales per square foot were higher than all of these chains. Except chicos.
- So what happened when I moved to the highly desirable King street that you hear is packed with

foot traffic? My total sales actually stayed almost exactly the same. With twice the space, our gross sales per square foot are now half what they were before we moved. What does this tell us? My traffic is self generated. We got no additional business from being on King Street. The point of being in Old Town and not a strip mall outside the beltway IS THE FOOT TRAFFIC THAT IT'S SUPPOSED TO HAVE.

Our retailers and restaurants fail because they can not generate enough feet to support their rent with just their own marketing power. They do not sell enough. The ratio of rent and sales per square foot isn't justified here.

*And by the way, the BID fee is 20%
mentioned on a sub. bid - 750 a year for net vs. 1200 for ~~OTD~~ ^{marketing}*

So that brings me to why we need a BID. Old town is unique and authentic, small and independent. While our neighbors are creating atmosphere from new building materials, we have cobblestone streets. But this is not enough. This morning, a customer stopped me on the street to tell me that Old Town was getting STALE. People want to live and work and shop and dine in places where they can have unique experiences, where there is activation and vibrancy. Our neighbors have pop up bars, waterfront activities, movies and interactive bubbling water sculptures for hot summer days. We must compete with these markets for the DMV traffic that can generate consistent and strong tax dollars for the city – from

our metro accessible neighbors. That's where the majority of my customers come from. Not from Alexandria or tourists.

But right now we don't have the right tools to get this done. We are doing it all on the backs of volunteers and have been for years. This is unfair and unsustainable. I, for one, will not continue to run OTBD after the end of this membership year. It's also nowhere near as effective as a BID and has less than 1/3 the budget. *And by the way, my BID tax will be \$750 a year. My OTBD does? 1200*

We need an organization that accurately reflects and has the ability to engage with ALL commercial stakeholders in Old Town – whether retail, office or restaurant. That's what setting up a service district allows. Please give us the tools to take this to the next step. The critical tool required is the registration process and authority to communicate with everyone in this area. A group of volunteers will never have that. That's why your decision to create a district allows for a nonprofit to form and communicate with all in the district. Please move this forward and give our ~~district~~ a fighting chance. Thank you.

businesses

A statement by Bert Ely to the Alexandria City Council regarding an Old Town Business Improvement District, or BID

June 24, 2017

Madam Mayor and members of Council I am Bert Ely, I live at 200 South Pitt, and I am speaking only for myself. Not only do I live within the BID, but my office at 108 South Columbus Street also is located in the BID.

Despite the most recent changes in the BID proposal, it still is a deeply flawed concept and should be rejected at this time – it not ready for prime time. I will list just a few of the reasons why the BID should be rejected today.

First, as we read in a letter-to-the-editor in Thursday's local papers, over 100 Old Town businesses are opposed to the BID and the costs it would impose. Attached to my statement is a copy of that letter.

Second, based on the \$2.2 billion assessed value of the commercial real estate properties that would be subject to the BID tax, those properties currently pay \$25 million annually in real estate taxes, and they do not put any kids in the City's schools. They are paying far more than the value of the services they receive from the City; they are entitled to better services for the taxes they now pay rather than being taxed even more to pay for marketing activities of a problematic quality.

Third, the geographic spread of the BID is a recipe for divisiveness within the governance of the BID because the interests and concerns of the businesses on South Washington, for example, almost certainly differ from the interests of businesses within a few blocks of the Metro. That potential divisiveness will impair the BID's effectiveness. Put another way, the BID is far too large and diverse.

Fourth, it is crucial to acknowledge that this Council cannot bar future Councils from altering the BID ordinance in whatever way that Council would want to amend it, including altering the boundaries of the BID, increasing the tax rate, and extending the BID tax to residential properties.

Fifth, frictions almost certainly will develop between the BID and nearby residents over the delivery of services by the BID as well as promotion efforts by the BID that increase traffic congestion and parking problems. City Council will inevitably get dragged into resolving those conflicts. Do you want to take on that additional workload and referring activity?

Finally, as you are hearing today, there are numerous unresolved issues regarding the BID concept before you today. Again, this BID proposal is not ready for time. Council should not adopt the BID ordinance today and instead send it back to the drawing board.

Thank you for your time this afternoon – I welcome your questions.

130 businesses oppose BID 6/22/17

To the editor:

We, the undersigned businesses and property owners, do not support the business improvement district as it is proposed and urge the city council to oppose it. Old Town Alexandria is a brand that other jurisdictions want to emulate because of its history and unique businesses. There has not been enough time for the affected community to truly study the BID. There also hasn't been enough effort to gather the viewpoints of all the affected businesses and property owners. We urge the city council to oppose the BID ordinance during consideration on Saturday.

3 Sisters
532YOGA
A Center for Relationships
Alexandria Counseling Center
Alexandria Cupcake
Alexandria Myotherapy, Inc.
Altura Wine & Gourmet
Always Sunny Nails & Spa
An American In Paris
Art Studio 101
Art Underfoot
Arzum Barber Shop
Azar Salon
Barre3 Old Town
BC Partnership
Berkshire Hathaway HomeServices
PenFed Realty
Bilbo Baggins Restaurant
Bloomers
Blüprint Chocolatiers
Brahm & Powell Opticians
Bread & Chocolate
Buchanan & Kiguel
Cameron Executive Suites
Caphe Banh Mi
Casayork Property Management, LLC
Cavalier Antiques
CBP8 Partnership
Charles R. Hooff Inc.
Chatree Antiques
Chinoiserie
City Kitchen
Taverna Cretekou
Diva Designer Consignment
Eamonn's A Dublin Chipper / PX
ETM3 Partnership
Faccia Luna
Fontaine Caffe & Creperie
Gallery Lafayette
Gary's Valet
G for Hair
Glynn Jones Salon
GMD Solutions, Inc.
Gourmet Center & Delicatessen
Gossypia
GRAPE + BEAN
Helen Olivia Flowers
Henry Street Antiques
Home on Cameron
Hummingbird Bar & Kitchen
Ian Lowrie
Il Porto
Indus Imports
Irish Walk
Izalia Laser Aesthetic Spa
John Crouch, Tobacconist
K. Aubrey Flowers
Kingdom Dry Cleaners & Alterations
King Street Blues
King Street Cafe
La Bergerie
La Fromagerie Cheese and Wine Bistro
Lake Tana Ethiopian Hand Craft Shop
The Lamplighter
Lapel
Lawrence D. Miller & Co.
L.E. Peabody & Associates, Inc.
The Light Horse Restaurant
Local Colour Old Town
Lotus Bloom
The Lucky Knot
Iululemon Old Town
MacLeod Title & Escrow Co., Inc.
Marcela's Yoga Boutique
Market Square Shop
Mark R. Yoo Architect PLLC
Mary C. Ray LCSW, ACSW, SEP-Consulting

OPPOSE

FROM | 25

Monday's Child
Museum Framing
Myron Mixon's Pitmaster Barbecue
NanoTech
National Council for Adoption
Nearman Financial Consulting
Nickell's & Scheffler
Old Town Barber
Old Town Deli
Old Town Nails & Spa
Old Town Shoe & Luggage Repair
OM-Tibet
OTV, Inc.
Patrick's Home & Fine Linens
Pazazz Hair Salon
Periwinkle
Pines of Florence
Principle Gallery
Project SAFE: Strategies Aimed at Family Empowerment
Ramparts Tavern
Raul's Menswear
Red Mei
Redmon, Peyton, & Braswell, LLP
Restaurant Eve
Richard A. Dezio, Esq.,

Richard A. Dezio, P.C.
Rob Cannon Photo
Rock It Grill
Royal Nail
Sacred Circle
Salon Amarti
Sand & Steel Fitness
Serafino
Shooter McGee's
Silver Parrot
Society Fair
Solage Hair Salon
Southside 815
Studio 101
Stylists@North
Targeted Creative Communications
The Antique Guild
The Glass Stache
The Pita House
The Physical Therapy Zone
The UPS Store
Tiny Dancers LLC
TJ Stone
TOP Services
TSALT
Uptowner Café
Van Bommel Antiek Haus
Van Hair Stylists
Vaso's Restaurant
Vintage Mirage
Wayne Fisher's Ameri-

Columbus Street
Elizabeth Mason, 111 S. Columbus Street
FHL Investment, LLC, 1609 King Street
Frank Fannon, 1101 Duke St., 220 S. Henry Street
Garbis Muradian 117 South Henry
HK Alexandria Investment, LLC, 720 King Street
Kamil Property Management, LLC, 631 King Street/105-109 N. Washington Street
King Alex, LLC, 710 King Street
Leexandria, LLC, 218 N. Lee Street
Lisa Brock, 403 South Washington Street
Lisa Capobianco, 100 Ross Alley
Lynn Turner, 316 Commerce Street
Mary and Robert Ray, 400 Prince Street
Mary Potier, 1314 King Street
Mel & Oud, LC, 1104 King Street
Michael Armellino 206, 208 and 210 Queen Street
Old Town Crilley, LLC, 218

N. Leé Street
Raul Viteri, 100, 101 and 1017 King Street
Robert & Amanda Lasker, 325 Cameron St., 1321-25 King St., and 1607 King Street
Robert & Donna Rathe, 621 S. Washington Street
Robert King, 206/208 King Street
Rodrigo Restkepo 822 King Street & 824 King Street
Ronald & Gwendolyn Carlberg, 413 N. Washington Street
Steve Nearman, 1005 Cameron Street
Tarek Moukalled, 717-719 King Street
Tim Shaheen & Lawrence Miller, 121 S. Royal Street
Vicki Warren, 121 and 125 S. Union Street
Wellington & Janet Goddin 1125-31 King Street and 107 N Fayette St
Woldulig Washington, LLC, 309 S. Washington Street

Old Thinking.
Fear To Evolve.
Simply Boring.
The City That Will Be Left Behind.
The Pitch Forks & Torches City
Hope Dies Here

Maurisa Potts 11
6-24-17
Founder + CEO
Spotted UP
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com

What is this? These are comments made by reporters off the record to me who I have worked with for many, many years that personally describe their thoughts about the City of Alexandria. Now each of you on the Council know by day I own a Marketing & PR practice focused on economic development, retail and place making. I have helped gain media attention on a variety of economic development matters and/or have orchestrated special events to help bring visitors to the City, on behalf of clients. It's upsetting to me that this is their perception of Alexandria, because I see day in and day out the tremendous work being done by the grace of community volunteers, advocates and self-created organizations, who are doing their best to keep this city alive and competitive through their civic and economic contributions. But we have come to a point that the rubber band is stretched too far and we need to move our City to the next level.

I am probably perhaps the only person in the room that can say they have true BID experience from the ground up. Almost ten years ago, I was asked by a local newspaper my perspective on Alexandria forming a BID. During this time, as I was part of the original team that launched the Crystal City BID serving as the first Director of Marketing. Separate from this, I have in depth experience in collaborating and working with other BID's across this region, truly understanding the inter-workings within a BID non-profit. The

reporter asked me as an Alexandrian, what my thoughts were about Alexandria forming a BID. I mentioned the City, would need to define the goals and purpose of the BID, in which in my opinion, be centered towards creating programming and maintenance efforts in a defined BID zone. Ironically, the exact same goals proposed today. Now fast forward ten years later and we are STILL talking about it. Meanwhile, while we have been standing still, several BID have successfully launched, competing and designing economic programming, and community experiences for their Districts.

2,500 BID's have been formed since the 70's, ten in DC and six just a stone's throw away from us in Arlington. Also, I like to clarify that several of these areas are places I would not described as "bombed out areas" as opponents describe. Chances are many of us have experienced an event or noticed a beautification effort recognized in the news, that was all done via BID efforts. Time and time again, I've witness the remarkable economic energy and vitality a BID creates. It's not a scary thing.

Before folks think that Crystal City is different because of their property owner make up, regardless of their make-up, Crystal City and Alexandria have very similar and hard issues they faced. USPTO was packing up and moving out of Crystal City. BRAC closers were taking into effect, several buildings were empty. There were empty store fronts. There were companies threatening to leave because there was nothing there. Companies would not consider the area as a relocation option because there was nothing there. There was no life for folks who lived there. They would live in Crystal City, but would go somewhere else for their

entertainment. The small businesses on 23rd street were facing challenges to stay alive. Civic leaders and the county made it an economic priority. Some of the issues Crystal City faced, are similar concerns we have here in Alexandria ten years later.

For the businesses who think a couple hundred bucks of added tax will damage their business, you need to look deep into what you are doing wrong and answer are you operating just as status quo, or are you evolving as a business. For the past several years, I've been asked by the Alexandria SBDC, in which I also serve as Board Chair, to do a program on the state of the retail and small business market, based on industry indicators. The message is simple, those who simply unlock their door, hang their shingle, turn on the lights and stand behind the counter waiting for customers to come in, will face challenges and will close. I look at the list of some who are opposing the BID, I will candidly say they do operate in this fashion and has not evolved as a business. Those owners who are visionaries who embrace change and evolve will win big. And for those who oppose it, what is your forward looking alternative? Just to do nothing?

So much effort has been put into this initiative by those who truly love this City. Let the effort of those who have vision and guts to advance us as City, shine over the noise of those whose only contribution in this town is creating and spewing negativity and fear. Pay attention to the faces of Alexandria that you constantly see, who are helping, serving, watering tree wells and even hanging lights for this City – these are the visionaries, the dedicated ones, the ones who are trying to change the perception of the

City.

Council I ask you to approve the passing of creating a service district and give the BID efforts a chance. It's time for Old Town to end the old thinking, and position itself as a new innovator and evolver, while respectfully keeping our historical fabric in tack. Not one BID has failed in our region. Not one. However we would fail as a City if we don't move forward in approving the BID. Please don't allow the hope of it to die here. Thank you for listening.