14 ; 15

Gloria Sitton

From:

James Lewis <james.calvin.lewis@gmail.com>

Sent:

Saturday, January 22, 2022 12:18 AM

To:

Gloria Sitton

Subject:

[EXTERNAL]Comments for docket items 22-0750 and 22-0751

You don't often get email from james.calvin.lewis@gmail.com. Learn why this is important

Dear Mayor Wilson, Vice Mayor Jackson, and Council Members,

I write today in opposition to the City's proposed financing of the luxury hotel project at 699 Prince Street. (Ordinance 22-0750 and 22-0751).

This project will leverage tax credits from the City WITHOUT meaningful labor standards. This means that wage theft and misclassification are extremely likely to occur, as occurs too often in this industry. The hotel is proposing to create 90 part-time, poverty-level jobs and just 19 full time roles. Allowing this project to proceed could undermine existing hotel industry roles that offer good wages, benefits, and working conditions.

The project would exacerbate income inequality and negatively impact low-income Alexandria residents, primarily immigrants and people of color.

We believe that development should benefit the entire community and should not exacerbate economic and racial inequities. When I initially heard that the City planned to use its role in this process to ensure a "labor peace" agreement, I was excited. Now, I'm disappointed that this plan has been abandoned to put developers over Alexandria workers.

I hope that the City Council will oppose this project or defer it until a proper labor peace agreement warranting the City's support and investment is achieved. I respectfully request that these comments be added to the docket item when presented to Council and as part of the official record on this matter.

Sincerely, James Lewis 17 Canterbury Sq #101, Alexandria VA

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1-22-22



January 18, 2022

City Council City of Alexandria 301 King Street Alexandria, VA 22314

Dear Mayor Wilson and Council Members:

On behalf of over 400 member businesses, Visit Alexandria is writing to express support for the 699 Prince Street hotel project.

Visit Alexandria has been assisting Alexandria Economic Development Partnership (AEDP) with the application to Virginia Tourism Corporation for a Tourism Development Financing Program (TDFP) grant, providing tourism research and marketing content. The primary reasons for our support are to:

- Help replace some of the hotel room base lost due to the pandemic
- Fill a unique niche in our current product mix with an upscale, business-oriented hotel and project of historic preservation
- Increase available meeting space, since the closure of two meeting-space intensive hotels in Old Town (Crowne Plaza and Holiday Inn & Suites)
- Capitalize on an opportunity to obtain funding from the Commonwealth of Virginia for a tourism capital project through this grant program and establish a precedent for similar future eligible projects

Since we began supporting the 699 Prince Street project 15 months ago, the persistence of COVID-19 has created ongoing challenges in the hospitality industry. But Alexandria has been meeting those challenges and we want to update you on Alexandria's progress with pandemic business recovery:

- Available hotel rooms which peaked at the end of FY 2018 at 4430, bottomed out at the end of FY 2020 at 3670. We are now recovering. As of November 2021 (the most recent STR hotel sector report), Alexandria is back up to 4072 rooms, within 8% of peak
- YTD Average Daily Rate is recovering and today stands at \$134, 40% ahead of last year when it was \$96
- YTD Hotel Occupancy (partial year) is back up to 53.5%, well ahead of the same period last year when it was 33.6%

Thanks in large part to the work of the City, AEDP, our entrepreneurs and employees, Alexandria's recovery is outpacing our peers in DC and Arlington. We still have a long way to go, and this project advances that effort by developing a historic property in a key location into a revenue generating hotel.

Sincerely,

Patricia Washington, President & CEO

Cc: James Parajon, City Manager

Stephanie Landrum, President & CEO, Alexandria Economic Development

Partnership

1-22-22

Gloria Sitton

From: burnskathy1036@gmail.com

Sent: Friday, January 21, 2022 11:11 PM

To: Justin Wilson; Amy Jackson; Canek Aguirre; Sarah Bagley; John Chapman; Alyia Gaskins;

Kirk McPike

Cc: Mark McHugh; Brittany Williams; Regina Benavides; Suzanne Derr; LaShawn Timmons;

Tracy Thompson; kari.bach@alexandriava.gov; Sermaine McLean; Jim Parajon; Gloria

Sitton

Subject: [EXTERNAL]"Just SAY 'NO' to loans for developers" on Saturday, Jan. 22

Attachments: Just say 'no; to loans for developers AlexTimes 20JAN2022.docx

Importance: High

Dear members of the Alexandria City Council,

In case you may have missed the editorial in the Jan.20, 2022, Alexandria TIMES, you should take time to read it before you cast a disastrous vote on behalf of the taxpayers you represent.

The headline for the story says it all: Just say 'no' to loans for developers.

This straightforward piece questions the judgment of Council members who are considering approving:

"taxpayer support of a for-profit, private luxury hotel at Saturday's public hearing. We think this is wrong on multiple fronts: optically, philosophically and practically.

The optics of providing \$21 million in tax dollars to a private developer to build a luxury hotel in Alexandria's richest neighborhood---while our overworked and understaffed police officers and firefighters are begging for a pay raise---is appalling. How could city leaders to be so tone deaf to even consider this proposal when public safety, the first function of government, is so underfunded?

According to staff documents for Saturday's public hearing, the City of Alexandria is offering to finance a loan for 30% of a \$69.6 development project from taxpayer dollars for this project. This is \$20.9 million that surely could be put to better use either in the city or back in resident's wallets.

With the ample staff in the office of the Alexandria City Attorney, why did no one undergo the 'due diligence' required for such a major project and warn the Council members NOT to do this? One major casualty of the Pandemic has been the lack of transparency when some proposed City projects do not receive the depth of investigation that is required.

The editorial recommends a reality check before the 7 members of Council cast a momentous vote on the 699 Prince St. Wish List.

"For all its flaws, our market-based economy is pretty efficient. Where there is profit to be made, there is usually a company ready and eager to step in. The fact that apparently developers don't want to, or can't, fund a luxury hotel at this site without government assistance means building it isn't a good business decision.

For the 3 new members of the Council, it could be a very long three years ahead of you if one of your first Council votes is for a project that is not in the best interest of taxpayers and residents. And for the returning incumbents,

we wonder why you have not given the project the financial scrutiny it requires. This would not be a good start for the New Year.

Sincerely,

Kathleen Burns 1036 N. Pelham St. Alexandria, VA 22304 Desk Phone: (703) 824-1799

Cell Phone: (703) 624-2097

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Follow Up Flag: Follow up Flag Status: Flagged

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"Just say 'no' to loans for developers"

The city of Alexandria has no business financing private, for-profit development.

And yet, City Council is likely to approve taxpayer support of a for-profit, private luxury hotel at Saturday's public hearing. We think this is wrong on multiple fronts: optically, philosophically and practically.

The optics of providing \$21 million in tax dollars to a private developer to build a luxury hotel in Alexandria's richest neighborhood – while our overworked and understaffed police officers and firefighters are begging for a pay raise – is appalling. How could city leaders be so tone deaf to even consider this proposal at a time when public safety, the first function of government, is so underfunded?

According to staff documents for Saturday's public hearing, the City of Alexandria is offering to finance a loan for 30% of a \$69.6 million development project from taxpayer dollars for this project. This is \$20.9 million dollars that could surely be put to better use either in the city or back in resident's wallets.

The public hearing document lists the developer as one "J. River 699 Prince Street LLC." While we haven't yet found specific information about this LLC, the D.C. development firm May Riegler, which according to a 2019 CityBizList article had "created more than 600 million in value," calls this project "Heron" on its website and says May Riegler is the developer.

Contrast the city giving a \$21 million loan to a for-profit company with the abysmal pay status of Alexandria's first responders. To recap a few statistics: Part one crime in Alexandria has risen by 17% in the past two years, while police staffing has declined by 10%, according to Marcus Downey, vice president of IUPA Local 5. Additionally, Downey says the Alexandria Police Department's starting salary ranks 23rd out of 24 Northern Virginia jurisdictions, even after the recent increase by City Council.

The first responder staffing shortage is so pronounced that Alexandria firefighters are being forced to work an average of 56 hours per week, compared to the regional average of 42 hours, Josh Turner, president of the IAFF Local 2141 union, told the Times in October 2021.

Government funding of private, for-profit development is also plain wrong.

It's not a proper or just function of government, particularly local government, to fund private sector business ventures. The only way to keep public sector spending, that is residents' tax dollars, under some semblance of control is to follow the "air, water, food" metaphor for spending. Government should definitely fund "air" functions, that is, those that are most essential for survival. Public safety is at the top of that list, followed by education and transportation.

Public funding of a wealthy developer isn't even at the bottom of the "food" category. Anything this far down should not be paid for with public funds at all.

For all of its flaws, our market-based economy is pretty efficient. Where there is profit to be made there is usually a company ready and eager to step in. The fact that apparently developers don't want to, or can't, fund a luxury hotel at this site without government assistance means building it isn't a good business decision.

Individuals and cities have many things we want, or think would be nice. It would likely be nice to have a luxury hotel at 699 Prince St. However, it wouldn't be wise or right or appropriate for the City of Alexandria to fund it.