

*City of Alexandria, Virginia*

**MEMORANDUM**

DATE: JUNE 27, 2017

TO: THE HONORABLE MAYOR & MEMBERS OF THE CITY COUNCIL

FROM: COUNCILMAN PAUL SMEDBERG, COUNCILMAN WILLIE BAILEY, COUNCILMAN JOHN TAYLOR CHAPMAN & VICE MAYOR JUSTIN WILSON

SUBJECT: OLD TOWN BUSINESS IMPROVEMENT DISTRICT NEXT STEPS

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The consideration as to whether an Old Town Business Improvement District (BID) shall be created has sparked spirited conversation within our community. Driven by recommendations from the 2009 King Street Retail Analysis, the Waterfront Commission Governance Subcommittee, the 2016 MGM Readiness Task Force, and now two separate private initiatives, the concept of a BID continues to be advanced in our City.

Increased commercial vacancies and decreases in retail activity in our central business district compel action to maintain the core of small, independent businesses that have been the hallmark for Old Town for decades. Changes to retail and the way customers access retail require new thinking.

We have been fortunate that business owners in support of the BID have spent countless volunteer hours to improve the future of Alexandria's most important commercial activity zone.

Those with different perspectives have raised important concerns that have merit and must be considered and addressed as we move forward.

Yet several broad themes about the pending proposal have emerged:

- There is support for new marketing initiatives, new programming and improved caretaking of our public spaces.
- There is a desire for clarity of mission for any proposed BID.
- There are concerns that any BID be designed to have members with clear shared interests.
- There is a desire that any BID not simply replace existing General Fund sources.

- There is belief that business owners should have the opportunity to determine their own direction.

With that input in mind, we believe that Council should work to guide the next steps in the consideration of such a BID.

We request Council's concurrence in directing the City Manager to:

- Prepare a revised ordinance that includes the commercial properties from the waterfront to the railroad tracks along King Street, extended to Cameron and Duke to the north and south respectively.
- Prepare a framework budget for the first three years of operation with identified priority areas based on the input that has been received from those who will be subject to the revised BID.
- Prepare a set of specific and measurable success criteria for each of the first three years of operation.
- Prepare a mailing to all business and property owners subject to a potential BID tax detailing the proposal and encouraging input.
- Host public meetings and update existing web content to reflect this revised proposal.
- Contract with a third-party election company to register eligible voters and conduct a vote of eligible business and property owners. Vote totals shall be reported using both methodologies (based on the proposed bylaws AND one vote per commercial taxpayer).
- If either vote total meets 55% approval, the City Manager shall docket the revised ordinance for approval by the Council no later than October 2017.

We believe this approach will allow the City to quickly determine the viability of a Business Improvement District. With support, we will be able to move forward in creating such a district. Without support, the City can move onto other efforts to support the success of commercial activity in Old Town.

Cc: Mark Jinks, City Manager; Stephanie Landrum, CEO, Alexandria Economic Development Partnership