

Friends of Alexandria Restaurants
Thriving Restaurants. Vibrant Communities.
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Following are candidates' email responses to our request to sign the Meals Tax Pledge (listed in alphabetical order).

Responses are unedited, except one candidate's cell phone number, which was redacted. Also, if a candidate commits to support F.O.A.R. efforts, that text is highlighted.

Email Response from Willie Bailey

Thank you for sending me the recent pledge on rescinding the meals tax. Unfortunately, I must decline pledging to any of the options. As you know, all 7 members of Council supported increasing the meals tax by 1% but that agreement split over the debate between dedicated for affordable housing or not. I have been steadfast in the fight to reverse the loss of workforce housing for our teachers, City employees, and hospitality workers and the 1% meals tax is a small start to leverage additional opportunities.

Thank you, Will

Email Response from Elizabeth Bennett-Parker

Hi Jill,

Thank you for your email and inviting me to sign the pledge. Unfortunately without a path forward for finding alternative funding, I can't sign it.

However, I pledge to work with you and others to find alternative ways of funding and creating affordable housing, without placing the burden on one particular business sector.

Thanks, Elizabeth

Email Response from John Chapman

Good Morning Jill and leadership of FOAR--

I am terribly sorry for missing the deadline for replying.

Unfortunately, I will not be signing on to the pledge.

I have, however, started working on alternative options for dedicated funding for affordable housing, so that the alternative funding sources and/or options are viable in order to allow for council to actually meet the goal of the first point on the pledge.

Here's what I have done so far or doing currently:

- Discussed alternative dedicated funding proposals and best practices with both the Director of Housing and her deputy
- Scheduling a meeting with Ken Wire, the incoming chair of NAIOP, the Commercial Development Real Estate Association, to discuss commercial and residential developers need to take on additional subsidized housing, particularly on the levels of workforce housing (80-99% AMI). We are also discussing the level of city fees and fee structure, which I believe will actually be able to replace, in part, the dedicated funding that the 1% increase funds.
- I have my monthly 1 on 1 meeting with the city manager, where I have asked to discuss a path forward as it relates to increasing developer fees & participation and decreasing the reliance on the meals tax increase to fund the increase dedicated funding. I will be asking that he prepare a budget memo, that outlines the fee changes that can be made by the city. I would hope that I can share that memo with the leadership of your group and discuss how we can work together to enact it, with either the current council in the fall, or with a new council, during the 2019 budget cycle.
- I have a follow up call coming up early next week with the Planning Director regarding zoning flexibility options & processing opportunities that we can offer the development community if they are willing to take on more responsibility. This relates directly to one of the points in the article that you sent (which we can discuss separately one day) that mentions red tape and the time it takes for development approvals. I am already working with staff on this area.
- My aide has reached out a councilman in Richmond, so that I can hear more about the implementation of the meals tax rebate for restaurant owners, something I would like to move forward on if there are others who support it on council.
- I will be reaching out to councilman Smedberg to jointly put forth legislation that changes the budget schedule to ensure that Add and Deletes receive proper opportunity for citizen input and a specific public hearing
- I will be reaching out Stuart Schwartz, the ED of the Coalition for Smarter Growth, to get his support on some of the options I would like to lay out for the development community
- Lastly, I would support a motion to provide a rebate for businesses paying a meals tax, especially given some of the development fee changes that I know can be made on the city side to recoup any losses for the dedicated funding.

As you can hopefully see, I am far from an adversary of the Friends of Alexandria Restaurants, as I am already doing some of the background work needed to accomplish one of your main goals, and probably one of the only ones-- legislator or candidate-- already working on it. Unfortunately, signing on to the pledge would actually work against me as a take on the above actions.

But, I am definitely open to talking more with you and the leadership of FOAR, if there is a willingness to do so.

John

Email Response from Matt Feely

Given what I know about the meals tax, I would have voted "no" If I been seated as a member of city council. Five reasons prevail.

First, the "meals tax" was proposed at the end of the budget formulation process and thus provided very little opportunity for meaningful public hearings or debate or testimony. The lack of inclusiveness and transparency surrounding the tax proposal would have itself caused me to vote "no."

Second, I am generally not in favor of fenced (i.e. designated) funds for specific causes. Fenced funds within a budget framework reduce the potential for optimizing across the whole budget. Also, flexibility to allocate funds to emergent needs is lost with fenced funds.

Third, a restaurant tax to fund affordable housing essentially aligns two completely otherwise unrelated matters, and places the burden of the tax on a relatively narrow population and therefore makes little sense from a policy perspective.

Fourth, the proceeds from the meals tax mirrors the sales volume of meals sold and is thus, a cyclical tax. Since sales experience reductions during economic contractions and since persons most susceptible to economic downturns will need the most help for affordable housing during those times, the meals tax assures more money when the money is needed least and less money when the money is needed most. Again, this is not optimal policy.

Fifth, I believe that city council ought to prioritize its priorities – to fund affordable housing through the regular budget process. If affordable housing is as high a priority as we claim it is, and in my estimation, it ought to be among the highest priorities, then we must fund it accordingly and adequately through the normal budgeting process. The 1% tax is expected to raise, \$4.75M assuming that the price elasticity of demand is inelastic (an assumption that is yet to be tested). That amount is not enough to provide the seed money for a single, sizable affordable housing project. We can succeed in funding affordable housing needs as long as it is a high priority and as long as we are explicit about our priorities and have the political courage to cut expenditures for priorities that are not among the highest.

I intend to work to rid the city of the need for the 1% tax and eventually perhaps even the remaining 4% tax, but am not willing to sign onto the pledge with having only a relatively cursory understanding of the data and circumstances surrounding the problem of affordable housing and the meals tax. Signing the pledge would be irresponsible to the people of Alexandria, as doing so would commit me to act without understanding the totality of the problem.

Email Response from Dak Hardwick

Friends -

I wanted to take a moment and respond to your request to sign the Friends of Alexandria Restaurant pledge regarding the meals tax. As a former Chamber of Commerce Government Relations chair, let me hat tip to you for the advocacy effort and work that's gone into pulling all of this together. It's not lost on me the yeoman's work needed to get this off the ground.

I don't think you'll find a better advocate for Alexandria businesses among the Council candidates or incumbents, especially our restaurants, than me. I've talked to many of you (and others not on this email) at length about your business and the pressures you face. Whether it's competition for employees, rising costs, neighborhood support, or general business unfriendliness, you've relayed those challenges to me. The last thing you need is the city to make it harder for you to do business.

In full transparency, while I appreciate the opportunity to take part in the pledge, I must respectfully decline to sign the document. I generally do not believe in signing pledges because the circumstances under which a pledge is signed may change at any time. We've seen the unintended consequences of pledges in national-level politics in the past and I'd like to avoid such a scenario here in Alexandria. At the same time, I'm serious about achieving your underlying objectives- and the way I propose to do that is by making the following commitments to you and all restaurant owners in the city.

Should I be elected to Council, here's what I will commit:

- 1. I will commit to finding consensus among possible Council colleagues to reduce the meals tax to its previous rate and will do so as soon as the Council term begins (since we will be in the middle of the next budget cycle). I will find another way to fund the laudable affordable housing commitment this Council made and do so through the normal budget process.
- 2. I will commit to finding consensus along possible Council colleagues for an ad hoc group to examine the 3% fee you absorb to collect the meals tax. I think that is a very appropriate step and needs not only study, but action by Council, by the end of the next term.
- 3. I will commit to working with you to identify city processes and procedures you would like to see either streamlined or eliminated in order to make doing business easier in the city. I am committed to putting those ideas forward as a member of Council, but need your help in knowing what some of those are in order to make real progress. I also know there are groups of Alexandria citizens ready to support such reforms who are regular patrons of your establishments and I welcome their voices as part of this effort.

These are my commitments to you and I'm ready to be a Council partner with you on the issues that hit you the most. I think most of you who know me know that's the case and that I'm committed to continuing to be one as a potential member of Council.

I'm happy to discuss further at any time and welcome the coming conversation. Again, my thanks to you for the engagement and I hope to be of service to you as a future member of Council. My cell is

Many thanks,
-Dak

Email Response from Amy Jackson (received 6/8)

I believe our city has issues when it comes to transparency and accountability, and I intend to take a collaborative, measured and transparent approach if elected to Council.

I believe in listening to the people of the City and making informed decisions based on all aspects of the issues brought before Council. As elected representatives of the City of Alexandria, Council needs to listen and engage its citizens in the decision-making process. It is only fair and just to have the public hearings prior to those decisions that are being made. I state on my grip card (attached), "All of the Council's decisions are large for someone." This is why all aspects of any concern brought forth to Council needs to be carefully considered and weighed. It has to be right, just, fair the first time.

I am not in favor of the meals tax added on prior to the hearing or even added on at all the way it was handled. I am surprised no money was allocated for affordable housing in the proposed budget, so the meals tax for a dedicated stream of funding was the route they chose. Next year, if elected, I will find another way to give money to affordable housing costs without taxing the restaurants and customers only. It is a community issue, so it would only be fair if all of the community assisted in the cause. Next year's budget will be scrutinized for this reason, and others, such as education, traffic congestion, Potomac Yard metro, and public safety professionals equitable pay raise.

Email Response from Mo Seifeldein

Dear Jill,

Thank you for directly reaching out to me. I am for smart development, business growth, and many other things that will help Alexandria. As a business owner, I understand your concerns. I think affordable housing is also an important issue that the City has dropped the ball on as they did with the sewer system. Tackling these issues early will save us much pain in the future. As an attorney and a business onwer, I will be a valuable friend to smal business. I will also be honest and exmine the totality of the cirumstances and how they impact various groups in the City. I regret to inform you that I can't take the pledge as written, but I will keep an open mind once the numbers come in. I understand that this answer may not please you, but if elected I will continue to support small business even if I don't earn your support this time around.

Мо

Email Response from Mark Shiffer

Dear Friends,

I apologize for the lateness of the reply; the original request did not make it through. I believe that the current situation and business climate make this a pressing issue.

I believe that a good business climate is essential to the health of Alexandria's ecosystem, and it is one of the key issues that I intend to devote my time to. The many empty store fronts are not a good sign. Though I believe affordable housing is a key issue that must be addressed and funded, I disagree with the increased meals tax, the idea of dedicated funding, and the twelfth hour method in which it was passed. I would not have voted for it.

Unfortunately, the overall health of the city is poor: education, infrastructure, affordable housing, and the overall business climate. I cannot tie my hands by signing this pledge when the problems are this dire and this complex. We will need all tools at our disposal to fix the myriad issues facing our city.

While I will look for better solutions to fund affordable housing in the future, I can commit to the following should I be elected to the council:

- 1. A rebate for the cost of collecting the meals tax is common sense. It is bad enough that we have a tax targeting one industry, to have restaurants pay to collect that tax as well seems ridiculous.
- 2. Not only was this tax increase wrong, the timing is terrible. With the impending closure of Alexandria metro stops next summer, our local businesses are facing reduced revenue from lowered tourism and travel to/from the city from surrounding areas. The fact that our current council and candidates haven't made this an issue is testament to reactionary as opposed to forward looking policies. In order to address this further hit to Alexandria businesses, I will propose measures to mitigate the business impact of the tax increase and transportation shutdown (while also working with the metro to have them reverse their decision). Measures could include delaying the implementation of the tax until after the metro is back up; parking-fee "holidays" to induce drivers and consumers to dine and shop in Alexandria; working with the water taxi companies to reduce rates; having the city work with business owners to promote increased traffic with city wide special events.
- 3. In general, I will be working to improve the business climate in Alexandria so that small businesses can be successful and profitable. This will be done by improving the ecosystem and growing Alexandria into an innovation hub a magnet for startups and small businesses into the future.

My goal is to strengthen the overall ecosystem in this city. That includes bringing in businesses big and small to boost our tax base and overall economy; improving schools so that families don't feel the need to flee to private schools or worse flee the city; improving affordable housing so that people of all income levels and existing residents can afford to live and stay here; and improving infrastructure and traffic management so people can move around this city even during rush hour. In order to prosper our city needs all of these things – no one is more important than the others.

I look forward to working alongside you to help improve the city in the future.

Mark Shiffer

Email Response from Justin Wilson

Jill,

Thanks for the note. I wasn't clear you were expecting a response from me. Sorry about that.

Nevertheless, I'm always happy to sit down and chat and discuss approaches for the future. Let me know and I can throw out a date.

As to pledges, as a rule I do not sign pledges of any kind. I'm happy to discuss my perspective on issues, and I have answered countless surveys during this race on a myriad of issues, including many of these. But I just don't think pledges are responsible for public officials.

In 8 years of serving, I have a pretty extensive record of votes and actions. I also publish a monthly newsletter that has my perspective on any number of issues before the Council:

http://www.justin.net/Newsletter.html

Let me know, and I'm happy to discuss.

Justin M. Wilson, Vice Mayor