



ORAL TESTIMONY OF KATHARINE MEDINA, BOARD MEMBER

On the Proposed Commercial Real-Estate Add-On Tax

Good Morning. My name is Katharine Medina. I am a board member of the Alexandria Chamber of Commerce, the Executive Director of Rebuilding Together Alexandria and a property owner in Alexandria.

I speak today on behalf of Alexandria's business community to request this council to reject the imposition of further taxes on Alexandria's businesses.

The creation of a three cent commercial real-estate add-on tax is the wrong solution to Alexandria's current budget problems. It is plainly wrong to ask Alexandria businesses to shoulder the bulk of the burden of budget gaps, especially at this crucial time for our City's businesses.

Alexandria's economy is just beginning to recover—with new businesses opening and existing businesses regaining their footing after one of the worst economic climates in decades. This is steady growth that must continue and must not be stunted or delayed.

The Alexandria Chamber of Commerce and its nearly 800 members believe that adding a new tax on commercial real-estate could stunt our economic growth. It could lead to higher rents, a higher cost of doing business in our city, and stagnant wages.

The responsibility of increased revenue must be shared equally by everyone who uses City services. Indeed, a one cent, across-the-board tax adjustment on all property—commercial and residential—would yield more money for the city with less restriction on how to spend that money.

The City needs to use the next year to take serious stock of its transportation infrastructure and come to the entire community with a plan for funding and implementing transportation improvements in a manner that does not punish a single constituency.

The Alexandria Chamber of Commerce believes that our City must seek to lead the region in attracting and retaining businesses. We must have an "open for business" mentality—in word and in policy. A commercial add-on tax does not accomplish these objectives. We cannot achieve the vision we share for a prosperous, economically-healthy Alexandria by adding yet another tax on our businesses.

We ask that you please recognize that our businesses are working hard—harder than ever before—and that they are already contributing their fair share. At this crucial time of economic recovery, we can't barricade, block or stunt economic growth—we must catalyze and incentivize and encourage that growth.

For these reasons, a new tax is the wrong solution for Alexandria's budget, the wrong solution for Alexandria's businesses, and a step backward for our shared goals. Please reject this proposal. Thank you.