



City of Alexandria
Office of Historic Alexandria
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Project Name: *Chamber of Commerce Project*

Title: *Interview with David G. Speck*

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Location of Interview: *Mr. Speck's Office in Alexandria, Virginia*

Interviewer: *Jo-Ann LaFon*

Transcriber: *Jo-Ann LaFon*

Abstract: David Speck was born in New York City in 1945, but his parents moved to Alexandria when he was six weeks old. He is Managing Director of Investments for Speck Caudron Investment Group of Wachovia Securities. He has been a very active member of Alexandria's Chamber of Commerce since 1978. He was also a member of the Alexandria City Council for several terms. The interview was confined to questions supplied by the Curator of the Lyceum; since Mr. Speck had only half an hour of his business day to devote to this interview, subject matter was confined to the specific questions. The interviewer and transcriber is a volunteer at the Alexandria Archaeology Museum.

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Introductions	
Jo-Ann LaFon:	Today is August 24 [2005]; my name is Jo-Ann LaFon and I will be interviewing David G. Speck at his place of business—the Speck Caudron Group of Wachovia Securities at 101 North Union Street, Alexandria. Mr. Speck is the Managing Director of Investments. David, what years were you a member of the Alexandria Chamber?
David Speck:	Well, I still am so I guess it started in approximately 1978—that I first joined the Chamber.
J.L.:	And what were the most significant initiatives and activities of the Chamber while you were, well, you still are a member so this is a bit difficult, I'm sure, for you to answer.
Creation of ABC: Alexandria Business Cares	
David Speck:	In terms of the time that I was an active participant—where I was on the Board and working—I think probably the most significant initiative that we developed was the creation of the Chamber's foundation at the time called "Alexandria Business Cares"—ABC. I think it was the first foundation of its type of any Chamber in the country, and the idea, which has since morphed into the Education Partnership, was to create a more convenient vehicle for small businesses to be able to channel their charitable contributions. And it was a very effective mechanism for using the Chamber to be more—to play a more important role in the support of charitable, non-profit activities in the community.
J.L.:	What significant events or activities happened in the City while you were a member? How was the Chamber involved in any of these events or activities?
Work in Support of the PTO: Patent Trademark Office	
David Speck:	Well, if you go back over the last 25 years or so, there have been any number of significant ones and the Chamber has been involved in virtually every one. I would say one of the most important, and it's really hard to pick one, but in my opinion, one of THE most important was—as a specific project—was the Chamber's work in support of the Patent and Trademark Office—PTO—which is probably the most significant economic development issue for the City that we have had and will have for many decades. The Chamber was very important in broadening and encouraging broadening support for that at a time when it became a little controversial.

J.L.:	When did that start, David?
David Speck:	Well, the effort began in the mid [19]90s when the GSA [U.S. General Services Organization] announced that they were going to relocate PTO, a couple million square feet, and had sort of a competitive bidding process; and the City indicated that that was going to be its most important economic developmental goal. And then there was a very active effort to be successful in the bid. It wasn't the City bidding; it was individual developers bidding with a lot of City support. And then when the GSA selected that particular site, then it was a matter of getting land use approvals and other issues. And the Chamber was very, very successful in that, and, of course, the decision that ultimately was—I'm trying to remember when that would have been. That probably would have been in about [19]96 that the decision was actually made. I'd have to go back and check that but I believe that would be correct. That would be more like [19]99. Sorry.
J.L.:	That's quite all right. I have memories of it. I've been here 18 years but I—time goes by so fast—I—
David Speck:	Well, it started off as a very positive effort. Everyone said this would be a great feather in the City's cap and then, for a variety of reasons, it became mired in some controversies as many issues do, but it was—part of the controversy was fueled by the Charles E. Smith Company, which was the current landlord of PTO, sort of quietly funding a lot of the opposition. And that just added to the ugliness of it.
J.L.:	I remember.
David Speck:	But the Chamber was an important partner in getting the support for that effort.
Relationship with Other City Agencies and Associations	
J.L.:	What was the Chamber's relationship with other groups in the City such as City Council, social service agencies, or civic associations? Would you like to address that?
David Speck:	Well, I think—I'm not sure if it's typical or atypical—but I think over the years that probably the people at the Chamber would agree that relationships with other non-business entities always has sort of a love-hate component to it. Although I think in recent years, it's been more love than hate. But there's a tendency to make many issues very stark in how they are framed. You know, you are either FOR them or you're against them—it's either for business or it's for the people. And, I think

	that's very unfortunate—that that's the case. There was a period of time when I think, frankly, the Chamber was contributing to some of that. But I think in recent years, there's been a much more conciliatory relationship between civic associations and business associations and the Chamber has been, in many instances, very responsible for creating a more positive environment and not making it, you know, pro-business or anti—not allowing issues to always being portrayed as either pro-business or anti-business, pro-people or anti-people but really more broadly important for the entire community.
J.L.:	And that is important too.
David Speck:	Yes, yes.
Memories as a Chamber Member	
J.L.:	Who were some of the Chamber Chairmen or Presidents when you were a member?
David Speck:	Well, again, I'm still a member. But during the time when I was really active in a leadership role, Lee Fifer, Sam Finz, Gant Redmon, Betsy Lewis.
J.L.:	And these were all Presidents?
David Speck:	Yeah.
J.L.:	It's difficult for you to answer these because you're covering such a great span of time.
David Speck:	Yeah.
J.L.:	Then they ask, who were some of the other active members from your heyday?
David Speck:	[laughter] I couldn't pull those names out.
J.L.:	There's just too many.
David Speck:	Yeah.
J.L.:	Do you have any memorabilia, scrapbooks, or photos of Chamber activities?
David Speck:	No, not that I know of. I've got some plaques that they gave me.
J.L.:	This sort of rolls right into that—what are some of your favorite memories about the Chamber? Now this is relating really to somebody

	who is out of it and you are a current member.
David Speck:	Well, yeah, I mean I'm a member by virtue of paying dues, but the period I was very active was pre-City Council. And prior to getting elected to City Council is when I was very active, and when I got elected to City Council it wasn't obviously appropriate to continue in a leadership role so, subsequent to that, I mean it's only been in the last couple of years that I've been off Council. I'm involved in some other things but continue to be very supportive of the Chamber.
Reasons for Getting Involved with the Chamber of Commerce	
J.L.:	How and why did you get involved in the Chamber?
David Speck:	Well, you know, I'm a businessman in the community. The Chamber is a very important business component, but I think it was also a good way—when I say “network,” I don't mean just for business, but to be able to have a lot of contact with a lot of other people. It's very easy to get sort of trapped in your office all day, and I like the idea of having interaction with a lot of other people with a lot of other issues. So I think that's probably what it is.
J.L.:	And what would you say to someone today who is considering getting involved with the Chamber?
David Speck:	It's funny; I was having a conversation with a colleague yesterday who is not an Alexandria resident. And I said, “You know, a lot of Chamber members are not Alexandria residents but they are in business here, and I think the Chamber would be one of the best places for you to start in terms of kind of finding ways of getting involved and contributing and giving back.” So he's calling somebody over there today to find out what kinds of things he can get started. The great thing about the Chamber and getting involved is that you don't have to put in a long apprenticeship. If you're interested in doing something, getting involved, taking some responsibility, there is a place for you to do it right away and to continue to take on more responsibility and involvement if you want it...which is kind of nice.
J.L.:	Yes, it is.
David Speck:	It's not a closed organization by any means.
J.L.:	And you're not even Membership Chairman.
David Speck:	That's right.

J.L.:	In your opinion, why is the Chamber an important organization in Alexandria? This is a bit redundant.
David Speck:	Yeah, I think I sort of spoke to that.
J.L.:	I think so too. Then, finally, is there anything else you would like to tell us about the Chamber?
Final Thoughts About the Chamber of Commerce, Public Schools, and Property Taxes	
David Speck:	<p>I think for anyone who is particularly developing or starting a business or being in a service business and starting, you know, if somebody was starting in my business as a career, I think the Chamber is creating a wonderful opportunity to develop relationships—business relationships—and to be able to network and I mean, from that standpoint, the pure business development standpoint, I mean it’s great.</p> <p>I think the Chamber also is doing a much more effective job of speaking on behalf of business interests. And I think people who are in business now in Alexandria need to recognize that and support the Chamber to make sure that as issues develop, whether it’s education or transportation or the budget or finance or social services, that there really is a strong representation of business interests in the community.</p> <p>It’s interesting. If you could look back over the last 15 or 20 years, when there are discussions with people in business about what issues are important to the City, other than picking a specific project like PTO, most business people will tell you, on a long-term basis, the single most important issue for economic business development in this city is public schools. Because it is sort of the glue that binds the community, and it’s very interesting if you start looking at this in sort of a bigger-picture sense, that the business community really has a stake in the success and the quality of our education system because it ripples through everything. It creates economic value; it creates a better sense of community—you want to live here, it’s for here. And, you know, this is all good.</p> <p>The biggest concern right now, and sort of a threat to the City’s future, frankly, is real estate taxes. The problem with real estate taxes is that, no one is objecting to the fact that their property is increasing in value. It’s not unique to Alexandria—just that we’re smaller. And we have no significant alternative to replacing real estate tax revenue. The most important significant source of revenue to replace real estate revenue is something that’s not going to happen in Virginia and that’s a local income tax. So, it’s not just that taxes are going up too much, it’s that</p>

	<p>they are also going to go up next year and the following year. They are getting to a point as a function of the need for that revenue and limited other resources that taxes are starting to get punitive. And, since I've left Council, I have more time to think about things, I'm really worried about that. Worried, because it's not just get over this year and we'll be okay; it's that we are inexorably moving toward higher and higher demand for our tax revenue and with no alternative in sight.</p>
J.L.:	<p>Would you say then that we should look again at reducing the rate?</p>
David Speck:	<p>Well, sure, we will. But we don't reduce in proportion to the increase in the assessment. That's not citywide; there are pockets where the assessment has not risen as much and there are pockets where the assessment has risen dramatically faster. It's the same tax rate—by Constitution—the same rate, whether it's commercial property or residential property or condominium, no matter where it is, so—</p>
J.L.:	<p>Because it's tied to the market rate.</p>
David Speck:	<p>Well, no, constitutionally, the tax rate cannot change with the type of housing. So, even in this relatively small community of ours, geographically, there are places where the assessment has risen faster than it has in other places. You know, because properties appreciate in value at different levels and different rates. But it's the same tax rate. So if your home has increased in value more than mine, we're still paying the same tax rate but, proportionately, your tax is going to have risen more than mine.</p>
J.L.:	<p>What's the answer to that?</p>
David Speck:	<p>Well, the answer—you can't change the rate—the answer is: find ways to rely less on real estate taxes as your source of revenue. Well, income tax. It's the only thing there is. And what's the probability that's going to happen in Virginia? Pretty low. So, the dilemma is that there's no relief. And I'm very worried about that. It's not unique to Alexandria.</p>
J.L.:	<p>Constitutionally, it would have to be changed then?</p>
David Speck:	<p>That's not going to happen.</p>
J.L.:	<p>Thank you very much, Mr. Speck, I appreciate your candor.</p>