

This FY2025 budget reflects efforts to realize our values as a community while facing increasing challenges from a weaker, post-pandemic, local economy. Like many communities we face persistently high commercial office vacancies, unprecedented pressure on our social services as a result of the mental and behavioral health crisis, the serious challenge of climate change, and the ongoing housing affordability crisis. We are meeting these challenges better than many, but they are large challenges that also affect our ability to attract and retain quality employees, which are our most important resource. The FY2025 budget recognizes the increasing need to work across departments and disciplines to meet our major challenges. Also, we have taken advantage of an unusually large amount of one-time funds to strengthen and jump start important programs. Budgets are values statements and our budget direction outlines the thought and intention behind some of the items added to the Manager’s already strong budget to further address crucial needs.

Community Well-being

Youth Well-being

Youth Programming Manager Position: In order to develop, coordinate and support both new and existing programs across departments and with APS, a Youth Program Manager position is added.

After-school programming: This budget includes:

- \$480,000 of one-time funding for County-led youth programs with a maximum implementation period of 2 years. This is in addition to ongoing funding of \$500,000 to continue current pilots.
- \$1,500,000 of one-time funding that will enable the County to partner with APS on developing additional quality after-school youth programming. These funds should build on existing partnerships to expand programs and may use a Notice of Funding Available process over an implementation period of 2-3 years. In evaluating which partners and programs to support, we expect the programs should serve students at two or more of the following schools: Wakefield, Kenmore, Jefferson, and Gunston.
- The Board expects expeditious deployment of pilots, semi-annual progress reports and that the programs supported with this funding and associated logistics will be free of charge for participating youth.

Enhanced Youth Focus at Nature Centers and Arts: Expanded funding added to restore opening hours at our Nature Centers and additional funding for Arts Grants also

anticipate that new programming will purposefully include youth well-being in their scope.

Mental Health Services and the Justice System

This budget continues to acknowledge the close relationship between poverty, the criminal justice system and mental health. While our jail is not designed to be a mental health hospital or provide emergency mental health services, it is serving more individuals with acute mental health needs. This budget continues to add medical support to the jail for those incarcerated and also continues to support diversion services to keep those in mental health crisis out of the legal system.

RACE to Rebuilding Trust and Community NoFA

In order to enhance the ability of this year's Notice of Funds Availability (NoFA) to respond to higher and more diverse community needs, the Board appropriates an additional \$900,000 from one-time funds.

Climate and Energy Resilience

Accelerate Climate Action

An additional \$2,500,000 from one-time funds is added to accelerate actions related to Arlington's climate and energy resilience over the next two years. These investments can speed up meeting the goals identified in the Community Energy Plan, Forestry & Natural Resources Master Plan, Biophilic City Network membership, and the Equity Resolution as it prioritizes climate action in equity and environmental justice focus areas. The Manager is directed to enhance and deepen cross-departmental and multidisciplinary collaboration, in order to attain better and faster results and report on progress on a quarterly basis:

Priorities include - but are not limited to - :

- Enhance and expand public-facing sustainability education and outreach programs.
- Investing in Energy Resilience, Electrification and Decarbonization, such as in the Lubber Run photovoltaic roof and Resiliency Hub, studying and piloting Green District sustainability improvements for Barcroft Apartments, improved environmental standards for capital projects as well as in the planning for a publicly accessible EV charging network and in the systematic phasing out of fossil fuel based operations of Arlington County Government.

- Heat Island study and mitigation and further Tree Canopy preservation and pursuit of innovations (like considering the implementation of “tiny forests” or other re-naturalization efforts) .
- Advancing strategic goals such as Community Choice Aggregation and the creation of a Green Bank
- Advancing Transit Strategic Master Plan elements such as supporting the implementation of a micro-transit pilot and the consolidation of APS and ART routes, as well as studying innovative approaches furthering the goal of reducing single-occupancy vehicle miles traveled.
- Collaborate with APS (Career Center), other entities involved in workforce development, and non-profit partners in support of local green economy workforce development and apprenticeships.

Supporting Housing and Deepening Affordability

Housing

This budget continues support for AHIF and eviction prevention programs as well as deepening the affordability for more committed affordable units. We look forward to program recommendations for next year that will come out of this year’s home ownership study. Further, the Board restored two associate planner positions to further strengthen the CPHD’s planning capacity, including its ability to start a Low Residential Study in FY25 to consider possible changes to permeable surface and tree cover on residential lots.

Adequate Housing Supply to Support Community Needs at 30% AMI

To further the Affordable Housing Master Plan goal that “Arlington County shall have an adequate supply of housing available to meet community needs,” the Board directs the County Manager to deploy an additional \$1,000,000 in one-time funds to support the levels of AHIF financing necessary for projects in reaching the goal of 10% of their CAF units affordable at 30% Area Median Income (AMI) or less.

Eviction Prevention

In addition, prior to the formulation of FY2026 budget direction in Fall 2024, the Manager should share a strategy on the staffing approach for the eviction prevention program, particularly as it relates to the balance of utilizing temporary vs. full-time employees.

Real Estate Tax Relief Program

The Board directs the Manager to provide a report on CY2023 Real Estate Tax Relief program participation and demographics and real estate tax defaults, in the first quarter of FY25.

Economic Resiliency

Continued support for CMRI 2.0

Given the challenging commercial office environment, this budget is fully committed to the implementation of CMRI 2.0 with alacrity. It continues to invest in the trans-departmental approach that will unlock new, flexible and innovative uses for buildings and projects and allow for assets to be repositioned to better meet changing market demands.

Investing in Small Businesses and Entrepreneurship

Small Businesses are the backbone of our local economy, critical employers and launch-pads for successful and vigorous entrepreneurs. This budget restores funding for AED's successful Re-Launch program through which small businesses will continue to have access to a wealth of tailored and high quality resources, including business consulting services and/or the development of technology solutions.

Strengthening our local economy at the Neighborhood-level

This budget continues to invest in place-making and local economic development through our urban partnerships in Clarendon, Columbia Pike and Langston Boulevard. It further provides for seeding funding for the creation of a similar entity in Green Valley with the goal to support and catalyze positive social and economic development in this neighborhood.

Attracting and Retaining Frontline Employees, Honoring the Service of Volunteers

The Board directs one-time retention bonuses, of an annual amount of \$2,750 to uniformed Public Safety personnel and certain DHS employees, in recognition that

inflation and workforce recruitment challenges continue, especially as we compete with our neighboring jurisdictions. The Board expects next year's budget to continue to reflect the need to improving compensation, solving pay compression issues and providing new or improved benefits. Further this Budget adds funding to adjust stipends for election workers and Board of Equalization members.

Easing Transitions for Behavioral Intervention Services and the Personal Trainer Program

The Board appreciates the elimination of programs that do not provide a level of benefit for Arlington commensurate with their cost. However, sometimes it may be possible to provide these services in a different and more cost-effective way rather than simply end them. The Board has provided funds for both the Behavioral Intervention Services and Personal Trainer programs to allow substitute services to be found or developed to meet the need in a more cost effective, equitable and appropriate way.

Vision-Zero

Funds are included to expand red-light camera and speed camera enforcement efforts in additional school zones, which, included with other Vision Zero investments helps make everyone safer on our roads.

Historic Resources

This budget provides one-time funding for additional historic interpretation and preservation support. \$15,000 is to support the Arlington Historical Society's ongoing efforts with APS students to memorialize those who were enslaved in the County with "stumbling stones." \$25,000 in funding is for the Arlington Historical Society to assist with necessary facility improvements. An additional \$25,000 is for operational costs for the Black Heritage Museum of Arlington. The funding for these organizations is intended to avoid burden on County staff and on the two nonprofits. Finally, the Manager is directed to develop a concept to pursue the archaeological study of The Bottom, in partnership and consultation with an academic institution or equivalent competent entity.

Public Schools Fiscal Sustainability

Finally, this budget continues our revenue sharing principles with Arlington Public Schools. The Board notes the concerns expressed by the Board's Fiscal Affairs Advisory Committee (FAAC) and the School Board's Budget Advisory Council (BAC) about fiscal sustainability for our schools moving forward. We share those concerns and have become increasingly concerned about the dependence of APS on one-time funding and reserves to balance their budget. We stand ready to work with our School Board colleagues over the next year to find a path towards fiscal sustainability for APS. We also recognize that APS and other school divisions across Virginia continue to work with the General Assembly and the Administration to invest in our schools and those across Virginia. Our community remains deeply committed to, and our economic and community health depends on, excellent schools.