



Fiscal Affairs Advisory Commission
Proposed CIP FY2025-34

Final Report to County Board

Presented at CIP Wrap-Up
FAAC Meeting: July 11, 2024

Thank you for the opportunity to advise you on the FR2025-34 Capital Improvement Plan (CIP) for Arlington County. The Fiscal Affairs Advisory Commission (FAAC) reviewed the Manager's proposed CIP, including asking staff a number of questions related to the proposed CIP.

1. [Wrap-up Recommendations](#)
2. [Future Considerations](#)
3. FAAC Pre-Work Session Questions to the Board
 - [Debt](#) - submitted to the Board on June 5
 - [Transportation](#) - submitted to the Board on June 5
 - [Parks](#) - submitted to the Board on June 10
 - [Facilities](#) - submitted to the Board on June 10

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FAAC Recommendations for the Wrap-up of the FY2025-34 CIP

FAAC recommends that the County Board adopt the Capital Improvement Plan as proposed by the County Manager, taking into account the adopted recommendations below.

Vote: Yes: 5 No: 0 Abstain: 0

Section	FAAC Recommendation	Approx. Impact
Transportation	<p>FAAC recommends that the County Board shift some local funding from conversion to battery electric buses (“BEBs”) for Arlington Transit to restore complete streets projects that are delayed in the proposed CIP, particularly those studies that will improve non-car accessibility to Arlington’s schools, such as the Carlin Springs Road study.</p> <p>Vote: Yes: 5 No: 0 Abstain: 0</p> <p>Comments:</p> <ul style="list-style-type: none"> ● For example, Arlington could plan for a 1:1 replacement of BEB:natural gas buses, instead of the proposed 1.3:1.0 and delay the BEB replacements. ● If Arlington County delays these critical transportation studies, we will not have the information we need to apply for external grant funding in a timely manner. ● Delaying the conversion to BEBs will allow time for both the Carbon Neutral Transportation Plan to be adopted and time for the technology to develop, bringing costs down. ● Improving accessibility to Arlington’s schools for those not in cars can lead to cost savings for both the County and Arlington Public Schools and can improve educational and safety outcomes for Arlington’s childrens. ● FAAC is not intending by this shift in funding to signal that climate action should be devalued, but in fact views that complete streets projects could be an important tool for reducing our community’s carbon, and would expect the complete streets projects to be used for projects that are the more effective towards getting residents out of single family value 	Up to \$25M

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Section	FAAC Recommendation	Approx. Impact
Facilities	<p>FAAC recommends that the County Board shift the focus of the proposed funding for a fixed Resiliency Hub at Lubber Run Community Center to be movable resiliency infrastructure that can be deployed in different areas of the County, where there is need.</p> <p>Vote: Yes: 5 No: 0 Abstain: 0</p> <p>Comments:</p> <ul style="list-style-type: none"> ● FAAC supports the development of resiliency infrastructure in Arlington. This recommendation is focused on maximizing the potential for the investments to reach the residents in greatest need in any particular emergency. ● To ensure the resiliency mission of these investments, it is essential that they not be so concentrated as to be at risk of being taken offline should Arlington experience an emergency in the location where they are concentrated (e.g., a flood in Lubber Run stream). 	[\$2,462k]
Facilities	<p>FAAC recommends that Arlington County use the Climate Action Fund for projects that reduce our contribution to climate changes, such as projects that serve to reduce carbon emissions, and use other funding for the projects that respond to the results of climate change, such as resiliency.</p> <p>Vote: Yes: 5 No: 0 Abstain: 0</p> <p>Comments:</p> <ul style="list-style-type: none"> ● FAAC shares C2E2’s concern about using the Climate Action Fund for responding to the results of climate change. ● For example, there are a number of transportation projects in the proposed CIP would serve to reduce carbon emissions and retrofitting buildings to reduce carbon emissions would appropriate for the Climate Action Fund. 	\$0

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Future Considerations

1. FAAC encourages Arlington County to more explicitly tie proposed CIP funding to the County's comprehensive plan and other County goals and policies. While listing which CIP projects relate to which Comprehensive Plan elements is helpful, there is no analysis given to link the proposed amount of funding with goals in the plans, some of which have quantitative targets related to capital investments.
2. FAAC appreciates Arlington County's efforts to quantify the condition of our multi-use trails and look forward to more transparency in those efforts. We are concerned that funding for trails lags behind what is needed to keep our trails in them in a state of good repair. Our trails serve as the backbone to our safe and sustainable mobility network, serving Arlington's Vision Zero and Carbon neutrality goals.
3. FAAC encourages Arlington County to be more explicit about specific projects and expected timing for individual projects that are contained within wider projects in the proposed CIP, particularly in Transportation such as the Improvements Outside Major Corridors project and the BIKEArlington project.
4. FAAC encourages Arlington County to include a summary of total annual operating budget impacts in its proposed CIP.
5. Recognizing the current economic headwinds, particularly for commercial development, FAAC encourages Arlington County to consider the risk of this funding source shrinking as it enacts and updates the proposed CIP and to support economic growth and development to limit the downside risks to the fulfillment of the proposed CIP across the decade.
6. FAAC encourages Arlington County to present ranges of potential outcomes for indebtedness and debt service across the decade in future proposed CIPs. The expected outcomes heretofore shown are helpful, but sharing more data will allow the community better to understand best and worst case scenarios and the likely conditions under which changes could be forced during the life of the CIP.
7. FAAC appreciates Arlington County efforts to pursue private financing, for example by working with Arlington Soccer Association for the funding of Kenmore fields and with the Rosslyn BID for funding of Gateway Park. FAAC encourages Arlington County to leverage more public-private partnerships and to appropriately utilize developer contributions for Facilities funding and to evaluate current and potential demand for facilities use when planning investments in facilities.

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8. Hearing concerns of residents about the need for renovation to community centers, but recognizing other constraints on capital funding and the limited use of the center by residents from other parts of the county due to its location, FAAC encourages Arlington County to work with the community in the vicinity of the community Centers to determine whether a public-private partnership or neighborhood group could be formed to fund or to seek financial support for renovations at the community Centers.
9. FAAC encourages Arlington County to conduct a baseline assessment of residential access to community centers, including an assessment of access to casual spaces for residents, particularly children and teens, to identify where there is unmet need. Such assessment should include a consideration of recreational needs for residents, particularly children under the age of 18, along the Orange/Silver Line Corridor.
10. FAAC encourages the Arlington Fire Department to examine the cost of purchasing fire engines and trucks to accommodate traffic calming and pedestrian safety improvements or maneuver on narrow streets, to realize fully the benefits of the capital expenditures that Arlington County is making through its Vision Zero policy.
11. FAAC encourages Arlington County to seek grant funding from Federal, Commonwealth, regional, and private sources for as many infrastructure projects as possible to free up debt financing for projects that cannot be supported otherwise. We encourage Arlington County both to consider grant sources referenced by our fellow commissions in their letters, and to dedicate some staff time to researching additional opportunities.

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Pre-Work Session Questions: Debt

CIP Area:	Debt
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Recommended areas for work session discussion:

1. The Proposed CIP includes several charts showing the evolution of Arlington’s indebtedness and debt service across the decade. Of necessity, these charts show the expected outcomes based on our presumptions of economic and interest rate trends. What are the best and worst case scenarios for each metric across the range of potential conditions? Do any metrics go beyond their “max out” point under any of these scenarios?
2. Many of the critical metrics relate to the County’s revenues either directly (e.g., debt service growth vs. revenue growth) or indirectly (e.g., debt service/general expenditures, the latter of which are funded by annual revenue). The County Board has a measure of control over revenues through its annual setting of tax rates, etc. How do we ensure that the County does not set operating revenues/expenditures in any given year to target particular outcomes on these metrics, rather than based on the County’s operation needs in that year? How do we ensure that targets on these metrics don’t crowd out necessary expenditures?
3. The staff presentation from May 28 lists the \$120 million outstanding debt for Barcroft as one of the major changes since the last CIP. Interest rates are approximately 3 percentage points higher now than they were when Arlington County initiated the project in December 2021, and the County has since paid down \$30 in this debt. How does the persistence of this debt affect borrowing plans in this CIP? How do the County Board and DMF plan to balance paying down this debt with other short-term funding needs in the coming years?

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Pre-Work Session Questions: Transportation

CIP Area:	Transportation
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Recommended areas for work session discussion:

1. The first goal of the Carbon Neutral Transportation Master Plan (as presented to C2E2) was to reduce trips in private vehicles. Reducing private vehicle trips also serves the County's Vision Zero goals. How would this CIP reduce trips in private vehicles?
 - a. Would the proposed investment in electrification of the transit fleet be better spent expanding transit service to replace private vehicle trips?
2. How much more transit service could Arlington Transit see if we spent the funding proposed for the Zero Emission Bus program on increasing service with natural gas buses?
 - a. How much could we reduce headways?
 - b. How many new routes could ART introduce?
3. Re: Bus Stop Accessibility Improvements: How many of Arlington's bus stops are not currently ADA accessible? How long will it take to make them all ADA accessible with the proposed level of funding?
4. Does the County's Zone Maintenance Program for sidewalk maintenance address inadequate sidewalks (i.e. where sidewalks are too narrow because of "sidewalk furniture" such as light poles and utility boxes or where curb ramps are not ADA compliant) or only keeping the sidewalks we have in a state of good repair?
 - a. If the latter, does the County have a program for addressing inadequate sidewalks?
 - b. If so, under this level of funding, how long would it take for Arlington to make all of our sidewalks adequate? How long would it take for Arlington to make all sidewalks within a school's walk zone adequate?
5. The need for a safe route to Kenmore Middle School from the W&OD Trail is well documented. The last CIP included funding for a study of how this could be done along Carlin Springs Road under the BIKEArlington program. Is that study funded in this proposed CIP and, if so, when? Is there funding in this proposal for construction of a facility?

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Pre-Work Session Questions: Parks

CIP Area:	Parks
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Recommended areas for work session discussion:

1. Generally, are we doing as much as we can to leverage public-private partnerships and to appropriately utilize developer contributions for Parks funding in this proposed CIP?
 - a. Can Emerging Uses funding be used with private funding, such as developer contributions?
 - b. For example, the boathouse is proposed to be funded with 60% public money and 40% developer contributions. Has the prospect of booster funding been explored? Have naming options been explored?
 - c. Why are TIF funds proposed to be used for parks in Crystal City but not for Rosslyn Gateway Park?
 - d. The proposed CIP shows a donor wall for the Kenmore fields. Will those be partially donor funded?
2. Arlingtonians consistently rank our multiuse trails as both their most used DPR asset and the asset in need of the most maintenance. Does this proposed CIP reflect a similar priority on maintaining and expanding our trail network?
 - a. Where can we find the measure of trail condition (similar to PCI)? What is Arlington's target for this measure? Will the proposed funding maintain the target level?
 - b. Can you discuss the tradeoff between funding for synthetic turf fields and funding for trails? The proposed CIP states that turf fields have a typical life span and proposes funding to replace each field right at 8 years. Previously, DPR has stated that multiuse trails have a typical life span of 30-60 years. Does DPR have an inventory of multiuse trail segments showing when they were last resurfaced and does the proposed funding include similarly robust funding for our trails? If not, why the different approach to fields vs. trails?
 - c. Why does the Trail & Bridge Modernization Program show a significant drop in future years?
3. On the Parks Land Acquisition and Public Space Program, is the proposed funding enough to meet our target of 30 acres over 10 years?

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Pre-Work Session Questions: Facilities

CIP Area:	Facilities
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Recommended areas for work session discussion:

1. In light of the higher costs of debt financing and the broader financial challenges facing the County, we suggest asking the following questions related to each investment in facilities to help ensure that we are optimally allocating scarce public resources across the County's extensive Facilities needs:
 - a. Are we minimizing immediate investments when there are forthcoming plans that could make those investments obsolete?
 - i. For example, does it make sense to invest in Central Library roof/elevator/HVAC/plaza regrading in FY25 when the Future of Libraries study could come out with recommendations to drastically change that building?
 - b. Are we responding to a real demand? If so, is there a less capital-intensive way to meet that demand?
 - i. For example, does it make *economic* sense to install public EV chargers (environmental goals aside) - in other words, is there demand that the privately-funded charging network isn't meeting?
 - ii. Another example where both questions may apply - Courthouse Complex renovations (2020 N 14th St). The description in the CIP sounds like a request to renovate space without clearly defined demand for use of that space; in addition, if the building is slated to be vacated within the next 7-10 years, could it make sense to accelerate that process by consolidating with another building the County does plan to keep, rather than spending on investments whose benefits aren't likely to be fully recouped?
2. We applaud the inclusion of Operating Impact estimates across the CIP but would ask:
 - a. Can these estimates be aggregated to get an overall sense of how much our capital investments are increasing ongoing spending obligations and impacting the operating budget (right now we only see a qualitative overview on page A-2, and
 - b. Some sections of the CIP including Facilities do not include Bond Financing Costs even when new bond issuance is planned (e.g. Carlin Springs Site), but other sections (e.g. Stormwater Management) do - what accounts for that difference?
3. Generally, are we doing as much as we can to leverage public-private partnerships and to appropriately utilize developer contributions for Facilities funding in this proposed CIP?
 - a. Are we maximizing the potential for public-private partnership funding for the Carlin Springs site?
 - b. Has Arlington explored supplementing funding for the Museum of Contemporary Art with nonprofit funding?

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4. Similarly, given that space in Arlington is a premium, are we doing enough to maximize the value that we reap from County-owned land and to create multipurpose spaces?
 - a. For example, will the Situational Awareness Intelligence Unit sit empty when there's not an emergency? Can we find a use for that space in non-emergencies?
 - b. Has Arlington County looked at which of its sites have potential increased building heights (such as the Central Library site) and considered potential redevelopment to better utilize that potential?
5. Significant funding is proposed for a "Resiliency Hub" at the Lubber Run Community Center. Did the County engage the community about this plan to have a single resiliency hub for the entire County? Does such a plan seem wise, in light of the fact that a significant event is likely to disturb not only the power grid, but also the transportation network? While Lubber Run is centrally located when considering only Arlington's geography, is the community center near the center of Arlington's population?