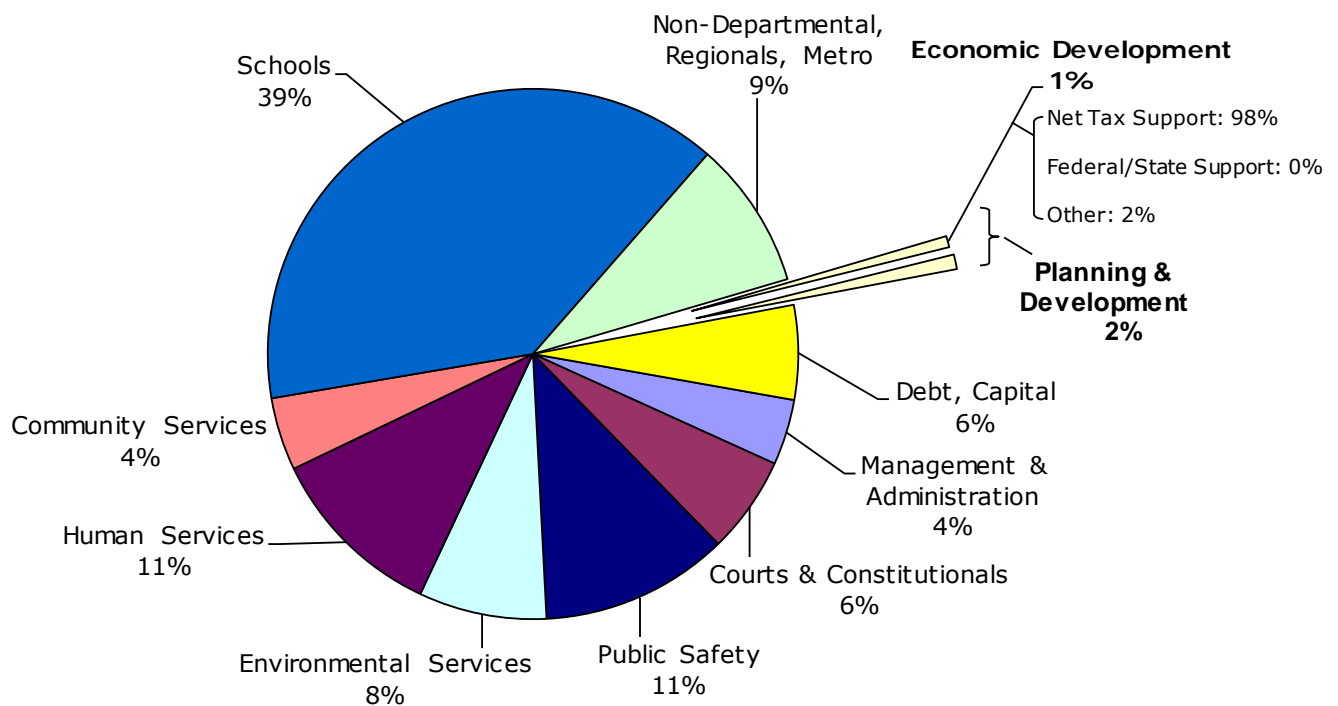
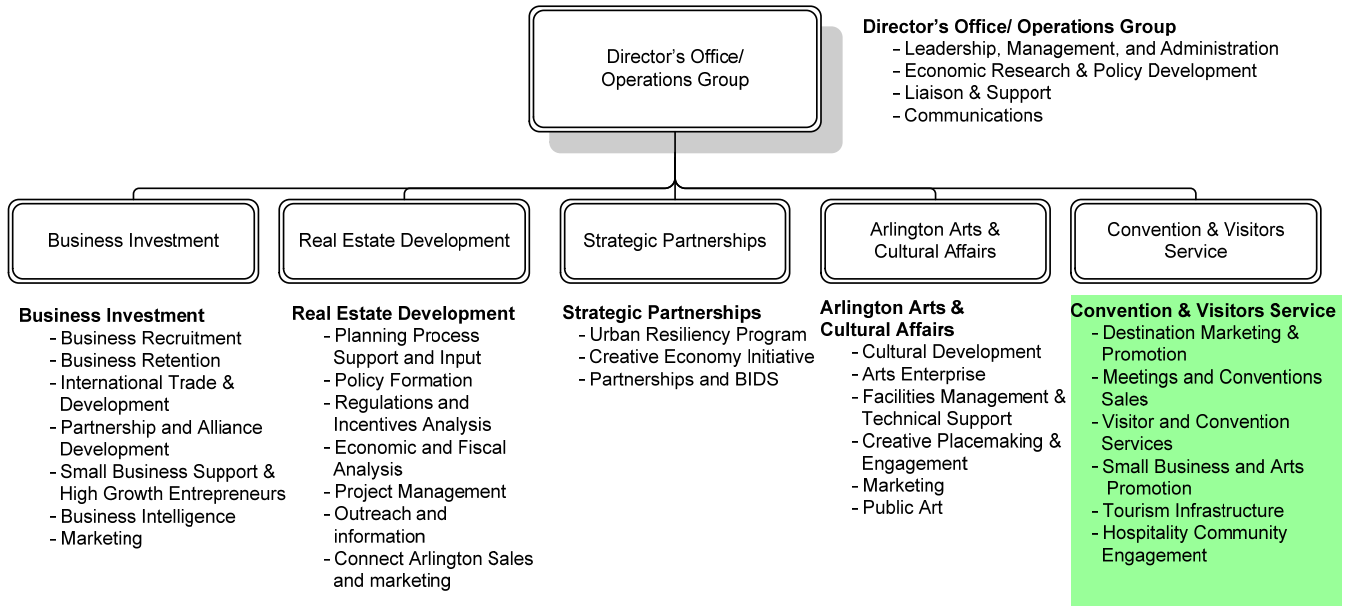


*Our Mission: To continue to develop Arlington County as an economically vital, competitive, and sustainable community by providing leadership and services to the business, real estate development, and visitors services sectors of the Arlington economy*

### FY 2019 Proposed Budget - General Fund Expenditures



**LINES OF BUSINESS**



Shaded program is located in the Travel and Tourism Fund

**SIGNIFICANT BUDGET CHANGES**

The FY 2019 proposed expenditure budget for Arlington Economic Development is \$8,715,160, a three percent decrease from the FY 2018 adopted budget. The FY 2019 budget reflects:

- ↓ Personnel decreases due to the reductions itemized below, partially offset by employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections.
- ↓ Non-personnel decreases due to removing FY 2018 one-time funding for the Columbia Pike Retail Market Study (\$150,000) and Arts Challenge Grants (\$30,000), the closure of Spectrum Theatre and the removal of associated expenses (\$160,825), and the reductions itemized below. Decreases are partially offset by the transfer of partnership funding (CPRO and Lee Highway Alliance) from Non-Departmental (\$210,500), as well as funding adjustments to the annual expense for maintenance and replacement of County vehicles (\$8,250).

**FY 2019 Proposed Budget Reductions**

**Strategic Partnerships**

- ↓ Eliminate the vacant Strategic Partnerships Executive Liaison (\$143,231, 1.0 FTE).  
**IMPACT:** Staff now responsible for backfilling the BIDs liaison role will have their responsibilities permanently reallocated, and as a result their time available for primary duties – specifically providing business development and recruitment to reduce the commercial vacancy rate – will be impacted by as much as 30 percent.

- ↓ Eliminate the funding for the Greater Washington Hispanic Chamber of Commerce (GWHCC) (\$6,000).

IMPACT: The reduction discontinues AED's formal funding to GWHCC and will necessitate that this organization reallocate or find new funding to continue the specific services facilitated and organized by BizLaunch. There would be no impact to County programs and services.

- ↓ Decrease the ongoing commitment to Arlington Sister Cities Association (ASCA) (\$5,000).

IMPACT: \$5,000 represents an approximately four percent reduction of ASCA's current budget. County support is the largest single income category, followed by fundraising activities. This reduction will require the organization to reallocate resources and reprioritize its existing program goals. The organization will need to increase fundraising or cut/modify existing programs.

### **Real Estate Development Group**

- ↓ Eliminate the Connect Arlington marketing program (\$50,000) and associated vacant business development position (\$115,964, 1.0 FTE).

IMPACT: The vision of Connect Arlington as an economic development catalyst is under review. AED will not undergo any significant marketing or outreach to businesses specifically targeted for potential early-adopters or likely users of the high-speed dedicated fiber network. The position, which was envisioned to provide sector-specific business development activities by leveraging deep knowledge of fiber users and barriers to entry, will not be filled.

### **Cultural Affairs Division**

- ↓ Eliminate the Cultural Affairs humanities program and its associated vacant position (\$77,172, 0.8 FTE).

IMPACT: The following programs would be discontinued:

- *Moving Words:* Juried poetry competition with winning poems displayed on ART buses
- *Little Saigon:* Oral history project documenting the Vietnamese community in Arlington
- *Legacy businesses:* Oral history project documenting historic businesses of Lee Highway and Nauck
- *Halls Hill Legacy Makers:* Portrait project documenting Halls Hill High view Park community leaders
- *Poet Laureate:* The Poet Laureate serves as an advocate for poetry and the literary arts
- *The Poet is In:* Mobile poetry pop-up creating customized original poems for Arlingtonians.
- *Community Gardens:* Oral history project documenting the diverse cultural make-up of Arlington

- ↓ Eliminate the vacant Cultural Affairs new Media Curator position (\$36,225, 0.5 FTE).

IMPACT: The following types of programs would be discontinued:

- *Full Dome Projections:* Original new media work commissioned for David M. Brown Planetarium
- *How to Video Festival:* Juried competition to create entertaining instructional videos
- *Outdoor Digital Projections:* Original projection commission to celebrate Dia de los Muertos event
- *County Wandering Tours:* Artist led walking tours highlighting and reimagining the planning and evolution of the community

**DEPARTMENT FINANCIAL SUMMARY**

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$6,396,907	\$6,659,543	\$6,593,207	-1%
Non-Personnel	2,184,505	2,305,028	2,121,953	-8%
Subtotal	8,581,412	8,964,571	8,715,160	-3%
Intra-County Charges	(56,881)	-	-	-
<b>Total Expenditures</b>	<b>8,524,531</b>	<b>8,964,571</b>	<b>8,715,160</b>	<b>-3%</b>
Fees (Earned Income)	271,349	349,165	192,000	-45%
Grants	9,500	5,000	5,000	-
Other (including Gifts and Donations)	38,960	-	-	-
<b>Total Revenues</b>	<b>319,809</b>	<b>354,165</b>	<b>197,000</b>	<b>-44%</b>
<b>Net Tax Support</b>	<b>\$8,204,722</b>	<b>\$8,610,406</b>	<b>\$8,518,160</b>	<b>-1%</b>
Permanent FTEs	48.70	50.70	47.40	
Temporary FTEs	5.50	5.50	5.50	
<b>Total Authorized FTEs</b>	<b>54.20</b>	<b>56.20</b>	<b>52.90</b>	

## PROGRAM MISSION

The Director's Office/Operations Group continues to develop Arlington County as an economically vital, competitive, and sustainable community by providing leadership and services to the business, real estate development, and visitors' services sectors of the Arlington economy.

### Important strategic objectives include:

- 1. Management & Administration:** Provide the management and administration of the department including budget, financial, human resources, and event support activities; coordinate the work of senior staff; and communicate/collaborate with internal agencies on economic development matters and County priorities.
- 2. Economic Research & Policy Analysis:** Conduct economic and policy analyses and special studies related to current and future conditions and factors that may affect economic growth and sustainability. Manage a number of initiatives that implement strategies to address short term problems and long term changes related to the economy.
- 3. Liaison & Support:** Provide liaison support and communications with external stakeholders and partnership organizations. Represent the County to all audiences related to economic development.
- 4. Creative Economy:** Provide outreach, capacity-building, partnership programming, and generally support Arlington-based small businesses in the creative sectors of the economy, to include restaurateurs, musicians, filmmakers, artists, and artisans across a variety of fields and disciplines.
- 5. Communications:** Provide overall marketing and outreach for the department. This includes identifying target markets, developing messaging, and implementing marketing initiatives. Marketing initiatives include a vast array of communication mediums, such as public relations, advertising, multimedia, web, social media, business events, and outreach to the business community.

### Programs and primary activities of the Director's Office/Operations Group include:

- Leadership, Management, and Administration
- Economic Research and Policy Development
- Liaison and Support
- Creative Economy
- Communications

## SIGNIFICANT BUDGET CHANGES

- ↑ Personnel increases due to employee salary increases, an increase in the County's cost for employee health insurance, retirement contributions based on current actuarial projections and the transfer in of the Creative Economy Manager (\$143,509, 1.0 FTE) Events and Operations Support Manager (\$101,204, 1.0 FTE) from the Strategic Partnership line of business.
- ↑ Non-personnel increases due to the reallocation of marketing funds from Business Investment to better reflect accounting and resource management responsibilities (\$48,950), and funds from Strategic Partnerships (\$3,000) and the Creative Economy Program (\$11,000) as part of the AED's reorganization, partially offset by adjustments to the annual expense for maintenance and replacement of County vehicles (\$1,867).

## DIRECTOR'S OFFICE/OPERATIONS GROUP

## PROGRAM FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$1,876,116	\$1,943,066	\$2,292,509	18%
Non-Personnel	467,170	448,457	509,540	14%
<b>Total Expenditures</b>	<b>2,343,286</b>	<b>2,391,523</b>	<b>2,802,049</b>	<b>17%</b>
Total Revenues	-	-	-	-
<b>Net Tax Support</b>	<b>\$2,343,286</b>	<b>\$2,391,523</b>	<b>\$2,802,049</b>	<b>17%</b>
Permanent FTEs	12.80	13.00	15.00	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>12.80</b>	<b>13.00</b>	<b>15.00</b>	

## PERFORMANCE MEASURES

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Public relations placements	90	113	141	162	145	155
Internet visits to AED website	127,268	122,163	117,966	145,376	130,000	135,000
Arlington Business Center (ABC) events	131	142	151	159	150	170
Arlington Business Center (ABC) events attendance	4,257	4,478	4,632	3,696	4,500	3,500
Social Media (Number of followers)						
Facebook		130	611	2,082	800	4,000
Twitter	N/A	2,422	2,965	3,290	3,500	4,000
LinkedIn		N/A	132	198	200	270
Clicks from social media to website	N/A	N/A	N/A	10,786	4,500	15,000
Total impressions for social media efforts	N/A	N/A	N/A	1,652,080	1,000,000	2,000,000

- Public relations placements refer to positive mentions of the Arlington business and real estate development community by local and national media sources as a result of direct influence by AED staff.
- The FY 2018 number of website visits to AED was originally projected to decrease because of observed trends. Across the web, the popularity of standalone pages has been in decline while social media account reach and impressions have grown as an overall part of web traffic. However, staff has not yet seen this trend manifest in the data for AED's website and have readjusted estimates for FY 2018 and FY 2019.
- ABC events include all events, meetings, workshops, and trainings that take place in the Arlington Business Center ("Arlington Conference Room") including those for BizLaunch, SCORE, outside groups and partners, as well as reoccurring commission meetings. Attendance is tracked via event registration and/or walk-in counts when available.
- The number of ABC event attendees dropped in FY 2017 due to a shift toward more remote-access to meetings via webinar as well as a decrease in the number of

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**DIRECTOR'S OFFICE/OPERATIONS GROUP**

presentation-style meetings (higher seating capacity) versus workshop-style meetings (fewer available seats). Staff anticipate this trend to continue in FY 2019.

- Social Media was not tracked until FY 2015. The measure tracks engagement through number of followers for each of AED's official social media accounts.
- Clicks from Social Media to Website and Total Impressions for Social Media Efforts are new measures being tracked for FY 2018 as a way to show impact of these media utilities.

## PROGRAM MISSION

The Business Investment Group (BIG) is an award-winning team of professional information brokers for the business community in Arlington, Virginia. As a division of Arlington County government, BIG serves as the first point of contact for start-up, relocating, existing businesses, and non-profits. BIG's wide variety of programs and services help diversify the County's business base, foster a collaborative business intelligence environment, and build the capacity of local entrepreneurs.

### Important strategic objectives for the Investment Group include:

1. **Business Retention and Recruitment:** Enhance Arlington's economic sustainability by diversifying the County's business base; actively attract, retain, and promote the growth of companies that are based on Arlington's strengths and target industry sectors.
2. **Small Business & Entrepreneur Support:** Provide innovative capacity-building programs that proactively respond to current SME (small and medium-sized enterprises) needs, and enhance both the capacity and competitiveness of entrepreneurs and non-profits.
3. **Catalyze the Innovation Economy:** Foster a collaborative business intelligence environment by facilitating matchmaking, partnerships, and knowledge-exchange opportunities between Arlington-based businesses, government entities, and universities.

### Programs and primary activities of the Investment Group include:

- Business Recruitment
- Business Retention
- International Trade & Development
- Small Business Support and High Growth Entrepreneurs
- Business Intelligence
- Marketing

## SIGNIFICANT BUDGET CHANGES

- ↑ Personnel increases due to employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections.
- ↓ Non-personnel decreases due to the reallocation of marketing funds from Business Investment to Director's Office - Communications to better reflect accounting and resource management responsibilities (\$48,950).



**BUSINESS INVESTMENT GROUP**

**PROGRAM FINANCIAL SUMMARY**

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$1,639,611	\$1,681,421	\$1,787,644	6%
Non-Personnel	509,302	500,248	451,298	-10%
<b>Total Expenditures</b>	<b>2,148,913</b>	<b>2,181,669</b>	<b>2,238,942</b>	<b>3%</b>
Total Revenues	-	-	-	-
<b>Net Tax Support</b>	<b>\$2,148,913</b>	<b>\$2,181,669</b>	<b>\$2,238,942</b>	<b>3%</b>
Permanent FTEs	12.00	12.80	12.80	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>12.00</b>	<b>12.80</b>	<b>12.80</b>	

**PERFORMANCE MEASURES**

Critical Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Leased space (square feet) as a result of AED's efforts	1,172,107	1,163,379	1,838,247	1,200,896	1,000,000	1,000,000
Total number of jobs created and retained in Arlington as a result of AED's efforts (Attraction and Business Retention and Expansion efforts)	3,318	5,108	11,252	5,631	3,000	4,000
Total number of companies announcing to move to or stay in Arlington as a result of AED's efforts	40	35	44	47	44	44
Number of prospects which remained and/or expanded in Arlington as a result of AED's Business Retention & Expansion (BRE) efforts	28	24	25	22	20	20
Total number of jobs created and retained as a result of AED's Business Retention and Expansion (BRE) efforts.	1,996	4,199	8,600	2,407	1,500	2,000
Number of BizLaunch Workshop attendees	5,919	5,065	3,699	3,794	5,500	4,000
Number of BizLaunch one-on-one meetings	714	853	864	779	750	750

BUSINESS INVESTMENT GROUP

Supporting Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Close rate on company prospects - percentage of company announcements to active prospects	24%	39%	46%	43%	40%	40%
Number of letters sent welcoming new businesses to Arlington	N/A	N/A	1,706	1,625	2,000	1,700
Number of times Arlington companies were engaged in Business Retention & Expansion (BRE) activities	N/A	N/A	N/A	489	250	400
Percentage of evaluations rating BizLaunch programs as excellent	94%	94%	94%	96%	95%	95%

- In FY 2015, nearly half of the total number of jobs retained or created as a result of AED’s Business Retention and Expansion (BRE) efforts resulted from a large single project - the retention and expansion of Arlington based company the Corporate Executive Board and in FY 2016, was a result of retention efforts related to the Department of Defense in Crystal City.
- Company prospects refer to companies that are actively working with AED and considering relocating or adding additional offices in Arlington.
- FY 2016 BizLaunch Workshop Attendees was lower than anticipated due to an unanticipated long-term staff absence in the program. The FY 2018 estimate of Workshop Attendees decreased based on the number of workshops expected to be held; the program will be focused more on one-on-one consultation and other direct engagement with the existing small business community.
- BizLaunch added an additional SCORE counselor, “Counselors to America’s Small Businesses,” to the office during FY 2014 and was able to increase the number of one-on-one appointments. FY 2014 was the first year with a full-time consultant in the position of overseeing the BizLaunch en Español program which also increased the number of one-on-one counseling appointments as well as the number of events.
- The percentage of company announcements to original company prospects is based on square footage; the industry standard is 33 percent. In FY 2013, this measure increased due to the relocation of a large employer to Arlington.
- Two measures were added in FY 2017, “number of welcome letters sent to new businesses” and “number of times Arlington companies were engaged in BRE activities”, to further reflect the output of activities within the Business Investment Group that are directed towards welcoming and retaining local businesses.

## PROGRAM MISSION

The Real Estate Investment Group (REDG) builds capacity for sustainable economic growth through the thoughtful and strategic development of Arlington's urban mixed-use corridors. REDG works with county colleagues and private, non-profit, institutional, and public partners to ensure that real estate investment in Arlington is viable, regionally competitive, and in line with broader County goals and objectives.

### Important strategic objectives for REDG include:

1. **Planning and Placemaking:** Provide input into ongoing County planning and regulatory processes in order to ensure County ordinances, policies, and practices create an economically vibrant and sustainable place.
2. **Competitive Building and Business Environment:** Provide outreach and information sources to our development and business community and promote County ordinances, policies, practices, and services that place Arlington in a highly competitive development and business retention/attraction position.
3. **Real Estate Analysis and Project Management:** Provide analysis of key policy issues and management of projects related to economic and fiscal impact, real estate economics, public-private partnerships, cultural facilities, and public art.

### Programs and primary activities of REDG include:

- Planning process support and input
- Policy formation
- Regulations and incentives analysis
- Economic and fiscal analysis
- Project management
- Outreach and information

## SIGNIFICANT BUDGET CHANGES

- ↓ Personnel decreases due to the reduction listed below, partially offset by the employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections.
- ↓ Non-personnel decreases due to the reduction listed below, partially offset by the reallocation of funding from Strategic Partnerships to better reflect the appropriate resources for employee travel and professional development (\$1,500).

### FY 2019 Proposed Budget Reduction

- ↓ Eliminate the Connect Arlington marketing program (\$50,000) and associated vacant business development position (\$115,964, 1.0 FTE).

IMPACT: The vision of Connect Arlington as an economic development catalyst is under review. AED will not undergo any significant marketing or outreach to businesses specifically targeted for potential early-adopters or likely users of the high-speed dedicated fiber network. The position, which was envisioned to provide sector-specific business development activities by leveraging deep knowledge of fiber users and barriers to entry, will not be filled.

## REAL ESTATE DEVELOPMENT GROUP

## PROGRAM FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$326,835	\$571,773	\$454,449	-21%
Non-Personnel	3,532	53,750	5,250	-90%
<b>Total Expenditures</b>	<b>330,367</b>	<b>625,523</b>	<b>459,699</b>	<b>-27%</b>
Total Revenues	-	-	-	-
<b>Net Tax Support</b>	<b>\$330,367</b>	<b>\$625,523</b>	<b>\$459,699</b>	<b>-27%</b>
Permanent FTEs	3.00	4.00	3.00	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>3.00</b>	<b>4.00</b>	<b>3.00</b>	

## PERFORMANCE MEASURES

Critical Measures	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Estimate
Economic value of new commercial construction (in millions)	\$274	\$171	\$87	\$32	\$385	\$291

- For FY 2018, the majority of the increase is due to the estimated construction and delivery timeline of Central Place, as well as a number of smaller but still impactful projects such as the Marymount Ballston Offices and the Colony House – Homewood Suites Hotel.
- As of the Proposed FY 2019 budget, the previous FY 2018 estimate of \$591 which appeared in the FY 2018 budget, has been revised to \$385 million, as a result of an updated schedule for delivery of Ballston Quarter, which is now reflected in FY 2019.

## STRATEGIC PARTNERSHIPS &amp; INITIATIVES

## PROGRAM MISSION

The Strategic Partnerships and Initiatives (SPI) line of business is maintained to reflect the ongoing grant commitments by the Arlington County Board, through Arlington Economic Development, to a variety of community partnerships which are listed below. Staffing and indirect program support to individual partner organizations is reflected as part of the work plan and budget for those divisions or other County departments.

## Programs and business partnerships of SPI include:

Organization	FY 2019 Grant Amount
Ballston Business Improvement District	Tax District
Crystal City Business Improvement District	Tax District
Rosslyn Business Improvement District	Tax District
Clarendon Alliance	\$80,000
Columbia Pike Revitalization Organization (CPRO)	\$350,000
Lee Highway Alliance	\$60,500
Washington Board of Trade	\$10,000
Arlington Sister Cities Association	\$45,000

## SIGNIFICANT BUDGET CHANGES

- ↓ Personnel decreases due to the transfer out of the Strategic Partnerships staff. The Creative Economy Manager (\$143,509, 1.0 FTE) and the Events and Operations Support Manager (\$101,204, 1.0 FTE) are transferred to the Director's Office. The External Events Manager is transferred to Cultural Affairs (\$104,543, 1.0 FTE) and the vacant Strategic Partnerships Executive Liaison (\$143,231 1.0 FTE) position is eliminated below. This reorganization aligns staff skills and experience among existing leadership to better suit the needs of AED.
- ↑ Non-personnel increases due to the transfer in of funding for CPRO (\$150,000) and Lee Highway Alliance (\$60,500) from Non-Departmental, partially offset by the removal of one-time funding for a retail and marketing study along the Columbia Pike corridor on behalf of CPRO (\$150,000); funds reallocated to the Director's Office (\$14,000), Real Estate (\$1,500), and Cultural Affairs (\$10,000) as part of the reorganization; and the reductions itemized below.

## FY 2019 Proposed Budget Reductions

- ↓ Eliminate the vacant Strategic Partnerships Executive Liaison (\$143,231 1.0 FTE).  
IMPACT: Staff now responsible for backfilling the BIDs liaison role will have their responsibilities permanently reallocated, and as a result their time available for primary duties – specifically providing business development and recruitment to reduce the commercial vacancy rate – will be impacted by as much as 30 percent.
- ↓ Eliminate the funding for the Greater Washington Hispanic Chamber of Commerce (GWHCC) (\$6,000).  
IMPACT: The reduction discontinues AED's formal funding to GWHCC and will necessitate that this organization reallocate or find new funding to continue the specific services facilitated and organized by BizLaunch. There would be no impact to County programs and services.
- ↓ Decrease the ongoing commitment to Arlington Sister Cities Association (ASCA) (\$5,000).  
IMPACT: \$5,000 represents an approximately four percent reduction of ASCA's current budget. County support is the largest single income category, followed by fundraising activities. This reduction will require the organization to reallocate resources and reprioritize its existing

STRATEGIC PARTNERSHIPS & INITIATIVES

program goals. The organization will need to increase fundraising or cut/modify existing programs.

PROGRAM FINANCIAL SUMMARY

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$488,337	\$490,388	-	-100%
Non-Personnel	363,687	521,500	\$545,000	5%
<b>Total Expenditures</b>	<b>852,024</b>	<b>1,011,888</b>	<b>545,000</b>	<b>-46%</b>
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Tax Support</b>	<b>\$852,024</b>	<b>\$1,011,888</b>	<b>\$545,000</b>	<b>-46%</b>
Permanent FTEs	4.00	4.00	-	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>4.00</b>	<b>4.00</b>	<b>-</b>	

ARLINGTON ARTS AND CULTURAL AFFAIRS

**PROGRAM MISSION**

Arlington Arts and Cultural Affairs Division (CAD) is charged with fostering a creative environment that encourages collaboration, celebrates community, spurs innovation, and transforms lives. This mission is accomplished by providing material support to artists, and arts organizations, in the form of grants, facilities, and theater technology; through a commitment to integrating award-winning Public Art into our built environment; and with high quality performing, literary, visual, and new media programs across the County. The recognition of a community's arts and cultural assets (and the marketing of them) is an important element of economic development.

**Important strategic objectives for CAD include:**

- 1. Focus on presenting international contemporary art practice and performance:** Known as the "Gateway for Immigration into Virginia" and with a population that represents over 100 countries, Arlington can position itself uniquely in Metro DC by focusing on global art and performance. Staff has strength in contemporary programming, new media, and curation. This also complements the international initiatives of the ACVS and BIG divisions.
- 2. Community Partnerships and Engagement:** Modeling our success in the public humanities projects "Echoes of Little Saigon" (Clarendon), "Living Diversity" (Columbia Pike), and "Nauck Portraits" (Nauck), we will expand our work with diverse communities through collaboration with the Department of Parks and Recreation, Libraries, and Arlington Public Schools.
- 3. Creative Placemaking:** Foster innovation and discussion of ideas through the creation of new forums that encompass technology, people, and creative spaces; brand Arlington as a hub for arts, culture, and the creative economy; leverage our unique cultural assets and market arts programming, projects, and public art to communicate value to our stakeholders.

**Programs and primary activities of CAD include:**

- Cultural Development
- Arts Enterprise
- Facility Management and Technical Support
- Creative Placemaking and Engagement
- Marketing
- Public Art

**SIGNIFICANT BUDGET CHANGES**

- ↑ Personnel increases due to the reorganization of the External Events Manager from Strategic Partnerships to Cultural Affairs (\$104,543, 1.0 FTE), employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections, partially offset by the reductions itemized below.
- ↓ Non-personnel decreases due to the closure of Spectrum Theatre and the removal of associated expenses (\$160,825) and one-time funding for Arts Challenge Grants (\$30,000), offset by non-personnel resources reallocated from Strategic Partnerships as part of that reorganization (\$10,000); as well as adjustments in annual expense for maintenance and replacement of County vehicles (\$10,117).
- ↓ Revenue decreases due to the removal of Spectrum Theatre from the budget (\$160,825), partially offset by adjustments in fee based revenue projected to increase based on previous year's actuals (\$3,660).

ARLINGTON ARTS AND CULTURAL AFFAIRS

**FY 2019 Proposed Budget Reductions**

- ↓ Eliminate the Cultural Affairs humanities program and its associated vacant position (\$77,172, 0.8 FTE).

**IMPACT:** The following programs would be discontinued:

- *Moving Words:* Juried poetry competition with winning poems displayed on ART buses
- *Little Saigon:* Oral history project documenting the Vietnamese community in Arlington
- *Legacy businesses:* Oral history project documenting historic businesses of Lee Highway and Nauck
- *Halls Hill Legacy Makers:* Portrait project documenting Halls Hill High view Park community leader
- *Poet Laureate:* The Poet Laureate serves as an advocate for poetry and the literary arts
- *The Poet is In:* Mobile poetry pop-up creating customized original poems for Arlingtonians.
- *Community Gardens:* Oral history project documenting the diverse cultural make-up of Arlington

- ↓ Eliminate the vacant Cultural Affairs new Media Curator position (\$36,225, 0.5 FTE).

**IMPACT:** The following types of programs would be discontinued:

- *Full Dome Projections:* Original new media work commissioned for David M. Brown Planetarium
- *How to Video Festival:* Juried competition to create entertaining instructional videos
- *Outdoor Digital Projections:* Original projection commission to celebrate Dia de los Muertos event
- *County Wandering Tours:* Artist led walking tours highlighting and reimagining the planning and evolution of the community.

**PROGRAM FINANCIAL SUMMARY**

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	\$2,066,008	\$1,972,895	\$2,058,605	4%
Non-Personnel	839,733	781,073	610,365	-22%
Subtotal	2,905,741	2,753,968	2,668,970	-3%
Intra-County Charges	(56,881)	-	-	-
<b>Total Expenditures</b>	<b>2,848,860</b>	<b>2,753,968</b>	<b>2,668,970</b>	<b>-3%</b>
Fees	271,349	349,165	192,000	-45%
Grants	9,500	5,000	5,000	-
Other (including Gifts and Donations)	38,960	-	-	-
<b>Total Revenues</b>	<b>319,809</b>	<b>354,165</b>	<b>197,000</b>	<b>-44%</b>
<b>Net Tax Support</b>	<b>\$2,529,051</b>	<b>\$2,399,803</b>	<b>\$2,471,970</b>	<b>3%</b>
Permanent FTEs	16.90	16.90	16.60	
Temporary FTEs	5.50	5.50	5.50	
<b>Total Authorized FTEs</b>	<b>22.40</b>	<b>22.40</b>	<b>22.10</b>	



**ARLINGTON ARTS AND CULTURAL AFFAIRS**

**PERFORMANCE MEASURES**

<b>Critical Measures</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Actual</b>	<b>FY 2017 Actual</b>	<b>FY 2018 Estimate</b>	<b>FY 2019 Estimate</b>
Number of County Public Art projects in development	15	17	18	19	18	22
Arlington Arts Facebook, Twitter, Instagram reach	N/A	N/A	N/A	352,914	440,000	516,000
Number of supported artists and arts organizations	46	46	44	39	39	22
Number of public performances/exhibits/events/workshops presented by supported artists and arts organizations	N/A	N/A	N/A	301	294	235
Number of public performances/exhibits/events/workshops presented by Cultural Affairs staff	N/A	N/A	N/A	252	248	179

<b>Supporting Measures</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Actual</b>	<b>FY 2017 Actual</b>	<b>FY 2018 Estimate</b>	<b>FY 2019 Estimate</b>
Number of studio visitors and audiences to Lee Arts Center	4,654	4,373	4,553	4,112	4,750	4,500
Funding provided by partners for performances/exhibits/workshops/temporary and permanent public art installations curated and presented by Cultural Affairs staff (in millions)	N/A	N/A	N/A	\$12.20	\$45.80	\$3.70
Number of artists paid for working in performances/exhibits/events/workshops/temporary public art installations presented by Cultural Affairs staff	N/A	N/A	N/A	317	293	273

- The measure for "Arlington Arts Facebook, Twitter, Instagram reach" previously included website reach as well and has been adjusted to only reflects social media going forward. The FY 2018 estimate has been adjusted (down from 800,000) to reflect the change. The division is in the process of migrating and overhauling much of its website presence.
- The estimated reduction in supported arts organizations and performances for FY 2019 is due to strict adherence to the County policy for the arts, which requires organizations to be based in Arlington. In prior years, organizations residing outside of Arlington received support.
- Performances/exhibits/events/workshops include those managed by CAD on behalf of BIDs, DPR, Libraries, and other Economic Development divisions. These events are anticipated to decrease for FY 2019 due to anticipated decrease in positions. While project management of established programs can in some cases be administered remotely by a contractor, the creation of new programs requires staff to be working directly in the community to ensure the program is market responsive to the evolving landscape.
- Partner funding for temporary and permanent public art installations for FY 2019 declines because CAD is no longer providing this dollar value comingled with other County agency funding for capital projects. This figure reflects outside developer funding only for FY 2019.

ARLINGTON CONVENTION & VISITORS SERVICE

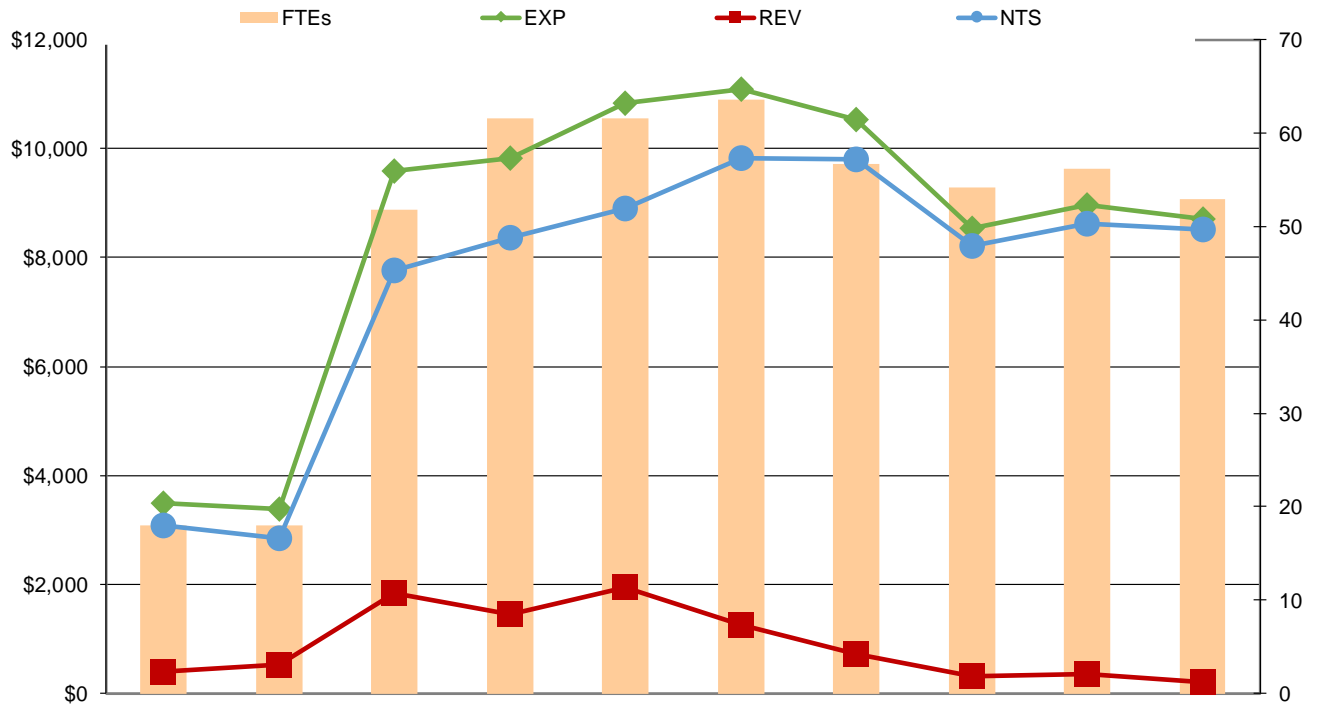
**PROGRAM MISSION**

The FY 2019 Proposed Arlington Convention and Visitor Service (ACVS) budget can be found in the Travel and Tourism Promotion Fund narrative. This narrative is provided to show FY 2017 actuals only.

**PROGRAM FINANCIAL SUMMARY**

	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	% Change '18 to '19
Personnel	-	-	-	-
Non-Personnel	\$1,081	-	-	-
<b>Total Expenditures</b>	<b>1,081</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Tax Support</b>	<b>\$1,081</b>	<b>-</b>	<b>-</b>	<b>-</b>
Permanent FTEs	-	-	-	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>-</b>	<b>-</b>	<b>-</b>	

EXPENDITURE, REVENUE, NET TAX SUPPORT, AND FULL-TIME EQUIVALENT TRENDS



	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted Budget	FY 2019 Proposed Budget
<b>EXP</b>	\$3,481	\$3,376	\$9,587	\$9,818	\$10,829	\$11,085	\$10,523	\$8,525	\$8,965	\$8,715
<b>REV</b>	\$397	\$538	\$1,829	\$1,448	\$1,939	\$1,254	\$712	\$320	\$354	\$197
<b>NTS</b>	\$3,084	\$2,838	\$7,758	\$8,370	\$8,890	\$9,831	\$9,811	\$8,205	\$8,611	\$8,518
<b>FTEs</b>	18.00	18.00	51.77	61.57	61.57	63.57	56.67	54.20	56.20	52.90

Fiscal Year	Description	FTEs
FY 2010	▪ The County Board added funding for a one-time lump-sum payment of \$500 for employees (\$10,327).	
	▪ Eliminated two positions, one administrative and one technology support position (\$199,794).	(2.0)
	▪ Eliminated one of six economic development specialist positions (\$77,675).	(1.0)
FY 2011	▪ Reduced funding for the Ballston Science and Technology Alliance (\$2,500); Rosslyn Renaissance (\$10,000) and the Greater Washington Hispanic Chamber of Commerce (\$650). Eliminated funding for the Greater Washington Initiative (\$25,000).	
	▪ Reduced funding for the Nonprofit Technical Assistance Program (\$5,000) and the Think Arlington marketing campaign (\$45,000).	
	▪ Revenue decreased due to the reduction of transferred funds from a trust and agency account to support the Rosslyn Renaissance (\$10,000) and the end of a state grant during the fiscal year (\$74,350).	
	▪ Non-personnel expense decreased due the end of the state grant funds (\$74,350).	
FY 2012	▪ The County Board approved a one-time allocation of \$450,000 for promoting and marketing businesses and cultural events within Arlington County, as well as enhancing small business initiatives. The employees from the Travel and Tourism Promotion Fund will be carrying out these activities from January 1, 2012 through June 30, 2012.	
	▪ Non-personnel expenses decrease due to the elimination of funding for the Ballston Partnership (\$65,000) due to the creation of the Ballston Business Improvement District, the decrease in funding for the Rosslyn Renaissance (\$10,000), and decrease in lease expense for the Base Realignment and Closure (BRAC) Transition Center (\$23,588). This is partially offset by the restoration of funding for Greater Washington Initiative (\$25,000) and increase in the annual expense for maintenance and replacement of County vehicles (\$765).	
	▪ Revenues decrease due to the reduction in funding from the Rosslyn Fund trust and agency account for the Rosslyn Renaissance (\$10,000) and the end of grant funding from the Virginia National Defense Industrial Authority (VNDIA) (\$28,448). An extension to the length of the grant has been awarded which will keep the BRAC Transition Center open through mid-FY 2012.	
	▪ <i>Cultural Affairs, Cultural Affairs' Supplemental Fee Programs, and Artisphere were transferred to Arlington Economic Development from the Department of Parks and Recreation (expense \$5,284,614, revenue \$1,883,658).</i>	33.77
FY 2013	▪ The County Board added an Information Technology position (\$125,000).	1.0

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>▪ The County Board added one-year funding for the Base Realignment and Closure (BRAC) Coordinator position (\$148,137) which had been previously grant funded. 1.0</li> <li>▪ The County Board added \$30,000 in one-time arts challenge grant funding.</li> <li>▪ The County Board added matching grant funding for the Clarendon Alliance (\$15,000).</li> <li>▪ The County Board added base operating funds (\$15,000) and matching grant funding (\$5,000) for Columbia Pike Revitalization Organization.</li> <li>▪ Personnel expenses increase due to the County Board's addition of funding for a new Step 19 and an increase in the living wage.</li> </ul>	1.0
	<ul style="list-style-type: none"> <li>▪ Personnel includes the transfer of 3.0 FTEs from the Travel &amp; Tourism Promotion Fund (TTPF) to the General Fund for organizational demands in the Director's Office and the Business Investment Group (\$284,790). 3.0</li> </ul>	3.0
	<ul style="list-style-type: none"> <li>▪ Convention and Visitors Service has been transferred from the Travel &amp; Tourism Promotion Fund (TTPF) to the General Fund (\$385,624 personnel, \$114,376 non-personnel; 4.8 FTEs). 4.8</li> <li>▪ Eliminated FY 2012 one-time funding for retail and small business promotion (\$450,000).</li> <li>▪ Eliminated FY 2012 one-time funding for programming at Lubber Run (\$25,000).</li> <li>▪ Eliminated funding for the Rosslyn Renaissance (\$30,000) and the associated transfer of funding from the Rosslyn Fund trust and agency account (\$30,000).</li> <li>▪ Revenues decrease to reflect the relocation of the Virginia Export Assistance Center (\$30,000) and changes in Artisphere operations (\$228,519).</li> </ul>	4.8
FY 2014	<ul style="list-style-type: none"> <li>▪ The County Board added one-time funding for the Base Realignment and Closure (BRAC) Coordinator position (\$142,137). 1.0</li> <li>▪ The County Board added one-time funding for nonprofit capacity building for two additional grants (\$20,000) and arts challenge grants (\$30,000).</li> </ul>	1.0
	<ul style="list-style-type: none"> <li>▪ Removed FY 2013 one-time funding for the BRAC Coordinator (\$148,137). (1.0)</li> <li>▪ Removed FY 2013 one-time funding for arts challenge grants (\$30,000).</li> <li>▪ The County Board added \$900,000 in one-time funding for Artisphere to support personnel and non-personnel expenses, which is partially offset by the elimination of ongoing funding in the amount of \$748,028.</li> <li>▪ Revenue increased based on changes in Artisphere operational estimates for gifts and donations (\$20,000), facility rental (\$40,600), admission and ticket income (\$118,531), which is partially offset by reductions in catering income (\$132,753).</li> </ul>	(1.0)

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>▪ Reduced the Arlington Arts Grants Program funding from \$249,100 to \$199,100 (\$50,000).</li> <li>▪ <i>The County Board approved 2.0 marketing management FTEs as part of FY 2013 closeout (\$294,983).</i></li> </ul>	2.0
FY 2015	<ul style="list-style-type: none"> <li>▪ The County Board added one-time funding for arts challenge grants (\$30,000) and tourism promotion (\$200,000).</li> <li>▪ Removed FY 2014 one-time funding for the Base Realignment and Closure (BRAC) Coordinator position (\$142,137).</li> <li>▪ Removed FY 2014 one-time funding for arts challenge grants (\$30,000) and nonprofit capacity building (\$20,000).</li> <li>▪ Added additional funding for the Hispanic Business Counselor (\$50,000).</li> <li>▪ Added ongoing funding (\$158,273) for the Base Realignment and Closure (BRAC) Coordinator position.</li> <li>▪ Replaced ongoing funding with one-time for nonprofit capacity building (\$45,000).</li> <li>▪ <i>Added personnel approved at FY 2014 close-out to correct the allocation for a Cultural Affairs Specialist (\$9,589, 0.1 FTE).</i></li> </ul>	(1.0)      1.0  0.1
FY 2016	<ul style="list-style-type: none"> <li>▪ The County Board eliminated funding for Artisphere (\$946,659, 14.5 FTEs, 1.0 temporary FTE) and Ballston Science and Technology Alliance (BSTA) (\$25,000). \$1.3 million in one-time funding remains in net tax support for Artisphere as a contingency in order to cover costs associated with the closure of that facility.</li> <li>▪ The County Board, using a portion of the savings from the closure of Artisphere, reallocated funding to the Cultural Affairs Division in an effort to improve artistic programming across the county and particularly along its metro corridors (\$331,000 personnel, 3.5 FTEs; \$165,659 non-personnel).</li> <li>▪ The County Board added on-going funding for business investment (\$600,000, 5.0 FTEs), marketing (\$300,000), arts grants (\$16,710), and the Columbia Pike Revitalization Organization (CPRO) (\$100,000).</li> <li>▪ The County Board restored one-time funding for tourism promotion (\$200,000), and added one-time funding for TandemNSI (\$200,000).</li> <li>▪ Removed one-time funding for nonprofit capacity building (\$45,000) and arts challenge grants (\$30,000).</li> <li>▪ <i>Decreased one-time funding for the closure of Artisphere at FY 2015 close-out due to lower than anticipated closure costs (\$400,000).</i></li> </ul>	(15.5)      3.5      5.0
FY 2017	<ul style="list-style-type: none"> <li>▪ The County Board added one-time funding for the Marymount Non-Profit Resource Center to work with the Clarendon Alliance (\$25,000).</li> <li>▪ The County Board shifted \$379,000 of Convention and Visitor Services funding from ongoing to one-time. This funding shift maintains the same level of support for the Travel and Tourism program.</li> </ul>	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>▪ Increased fee revenue to align budget to actuals and anticipated receipts in Cultural Affairs programs (\$9,000).</li> <li>▪ The temporary FTE count was adjusted to reflect the number of budgeted hours already funded within the Department’s budget. There was no change to net tax support (3.33 FTEs).</li> <li>▪ <i>After budget adoption, the County Board transferred Arlington Convention and Visitor Services from the General Fund to the Travel and Tourism Fund (\$626,148, 5 FTEs, 0.80 Temporary FTEs).</i></li> </ul>	<p>3.33</p> <p>5.80</p>
FY 2018	<ul style="list-style-type: none"> <li>▪ The County Board added one-time funding for Arts Challenge Grants (\$30,000) and one-time funding for AED to conduct a retail and market study along the Columbia Pike corridor on behalf of the Columbia Pike Revitalization Organization (\$150,000).</li> <li>▪ Conversion of a temporary employee from the Travel and Tourism Promotion Fund to permanent full-time to support the front desk and operations (conversion of non-personnel to personnel \$60,000; 1.0 FTEs).</li> <li>▪ The transfer in of a position from the Department of Technology Services to support the sales and marketing efforts of ConnectArlington and the transfer in of sales and marketing non-personnel funding for the promotion of ConnectArlington (\$130,000 personnel; 1.0 FTEs; \$50,000 non-personnel).</li> <li>▪ Removal of FY 2017 one-time funding for the Marymount Non-Profit Resource Center (\$25,000).</li> </ul>	<p>1.0</p> <p>1.0</p>

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