

Matt de Ferranti 2024 New Year's Remarks

Good Evening and Happy New Year,

On December 18th, my wife and I welcomed a baby girl, Evelyn Margot de Ferranti, to our family. In the moments when I am not transfixed or trying to be a dad worthy of Evelyn and a husband worthy of my wife, Brooke, I have found myself reflecting on how I can focus on what matters most in my service on the Board.

Here's what I think that will be in 2024:

First, our new Board must work well together. The start of this year marks a transition for two new Board Members. I want to welcome Ms. Coffey and Ms. Cunningham to the Board and share how much I look forward to working with both of you.

Second, the first six months of the year will require a critical focus on a difficult budget and our Capital Improvement Plan—our means for investing in the key physical and capital infrastructure we need to serve our community over the long term.

On our budget, the first 3-4 months of the year through April will be about addressing ongoing fiscal challenges: office vacancies due to the realities of working from home post-pandemic are significantly impacting our commercial property taxes. In January or early February, we will learn if the decreases in the value of our office property base will lead to the projected \$25 or \$40 million deficit the Manager projects.

Why will this budget be more difficult than our last? Haven't we known about the work-from-home paradigm shift for at least 2 years? The short answer: it has taken time for the value of office buildings to fall since office leases are often for 5 or 10 years. Because our tax base is more office/commercial than any other locality in Virginia, our budget challenges this year are likely to be more acute than our neighbors in Northern Virginia. We cannot betray our community's commitment to each other by ducking the hard choices, and we must work to continue investments in our shared priorities.

Our Capital needs, through the Capital Improvement Plan, will make April, May, and June busy months where long-term needs will be our focus. The debates over schools, roads, parks, and critical capital infrastructure should both be looked at through an equity lens and reflect the reality that we must invest in our entire community.

Third, the policy areas I will focus on throughout the year are our economy, housing, schools and young people, climate, hunger, transportation, and equity.

On our economy, our office vacancy rate is as high as it has been in decades due to the paradigm shift of working from home. We must invest our time and energy in the structural changes we need. We have an extraordinary workforce, the structural advantages of Fuse at

Mason Square, Amazon, tourism, and being a great place to live. We need to use these advantages and make the hard choices to evolve economically.

On housing, affordable housing funding, homeless services, and homeownership. That means prioritizing the Affordable Housing Investment Fund in our budget and pushing for new work and greater equity in our housing funding. I look forward to working with you, Mr. Karantonis, to see if we can make progress on homeownership.

On schools and our young people, I anticipate we will need to provide additional funding for our schools in our budget, but such funding must be responsible. Expanding after-school programs for our middle and high school students will require that County staff work quickly and diligently to understand the fundamental shift we must make. I look forward to working with Ms. Cunningham and all my colleagues in this new line of business for the County. Finally, I look forward to working with you, Ms. Coffey, and all colleagues on child care, an area where I believe we will need additional investment over time.

On climate, we need bolder action to reach our 2035 goal of 100% renewable electricity in Arlington by 2035. That means transitioning to electric buses because the evidence supports their effectiveness in reducing carbon emissions, and there are no viable local sources of green hydrogen in Northern Virginia. It means focusing on the big ideas and outcomes that can help us and digging enough into the details to make progress happen for the 96% of our community's total energy usage that does not result from Arlington County government's work. I look forward to working with you, Madame Chair, on energy resilience.

On hunger, AFAC has reported unprecedented need over the past 6 months, so we must make additional investments in the short term. We also must continue to build the infrastructure to better address hunger, so I will be supporting hunger grants in this year's budget.

On transportation, the biggest issue we face is the Metro operating deficit that already has received significant media coverage. I will be serving as the Chair of the Northern Virginia Transportation Commission, so I will be in a critical role with respect to Metro, which is economically and functionally indispensable to our community. Failure is not an option; success will require accountability from all.

Last, but not least, equity. I remain fully committed to building a more equitable Arlington in every part of our County. That will mean working on our jail, where we must invest more, and working through the Community Criminal Justice Board on the critical interception points where we can appropriately divert people from jail and better address the pressing mental health and substance abuse challenges that are confronting our community.

That's a lot to work on and stretches my pledge to focus on what matters most. My commitment is to do my best to work with the urgency that having a daughter demands, for her future and for yours.

Thank you.