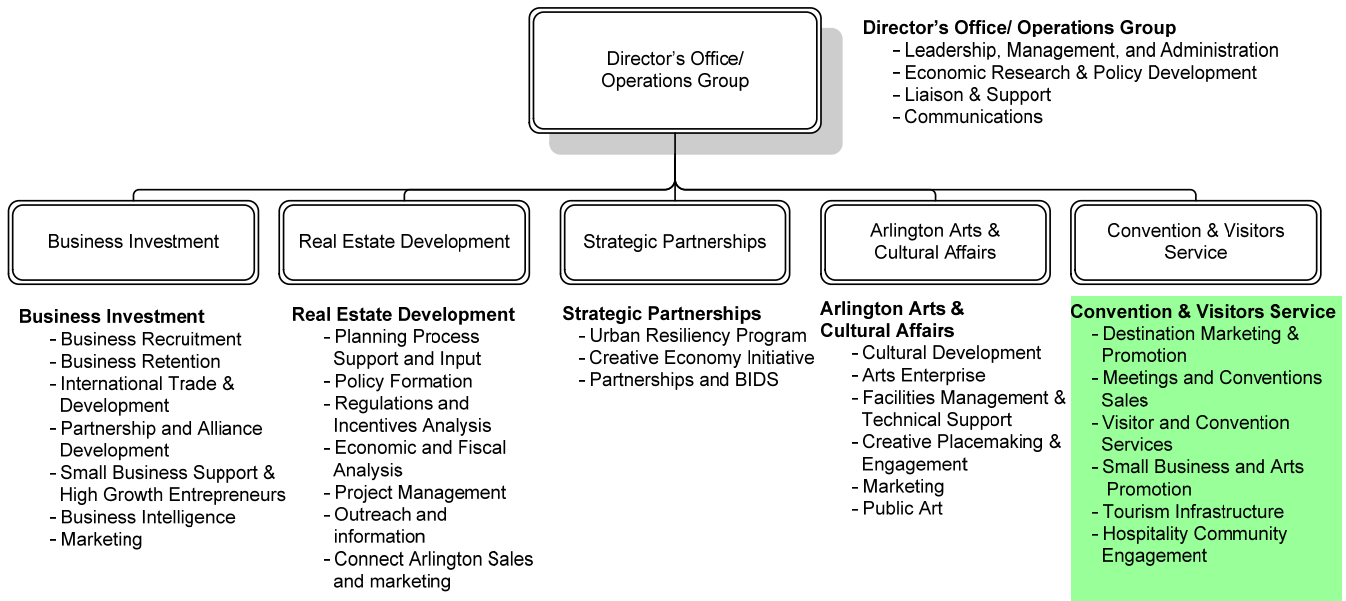


Our Mission: To continue to develop Arlington County as an economically vital, competitive, and sustainable community by providing leadership and services to the business, real estate development, and visitors services sectors of the Arlington economy

LINEs OF BUSINESS



Shaded program is located in the Travel and Tourism Fund

SIGNIFICANT BUDGET CHANGES

The FY 2018 adopted expenditure budget for Arlington Economic Development is \$8,964,571, a six percent increase from the FY 2017 revised budget. The FY 2018 adopted budget reflects:

- ↑ 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).
- ↑ 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 addition of the following positions:
 - Conversion of a temporary employee from the Travel and Tourism Promotion Fund to permanent full-time to support the front desk and operations. This position is funded from the reallocation of contractual dollars (\$60,000, 1.0 FTE); and
 - The transfer in of a position from the Department of Technology Services to support the sales and marketing efforts of ConnectArlington (\$130,000, 1.0 FTE).
- ↑ Non-personnel increases due to the transfer in of sales and marketing funding from the Department of Technology Services for the promotion of ConnectArlington (\$50,000) and adjustments to the annual expense for maintenance and replacement of County vehicles (\$1,156), partially offset by the elimination of FY 2017 one-time funding for the Marymount Non-Profit Resource Center (\$25,000) and the reallocation of consultant dollars to fund the front desk support position (\$60,000).

- The County Board added ongoing funding for Strategic Partnerships to the County’s Non-departmental account to provide additional funding for the Columbia Pike Revitalization Organization and the Lee Highway Alliance. Along with this funding, AED staff will continue to work with these organizations to ensure these resources are used in an effective manner to achieve the goals of the communities they serve. Staff will also work to develop and execute funding and service agreements with both of these organizations as well as the Clarendon Alliance.
- The County Board redirected a BizLaunch Small Business Development Manager position, that was introduced as a new position in the County Manager’s FY 2018 Proposed Budget, to the Department of Community Planning, Housing, and Development.

DEPARTMENT FINANCIAL SUMMARY

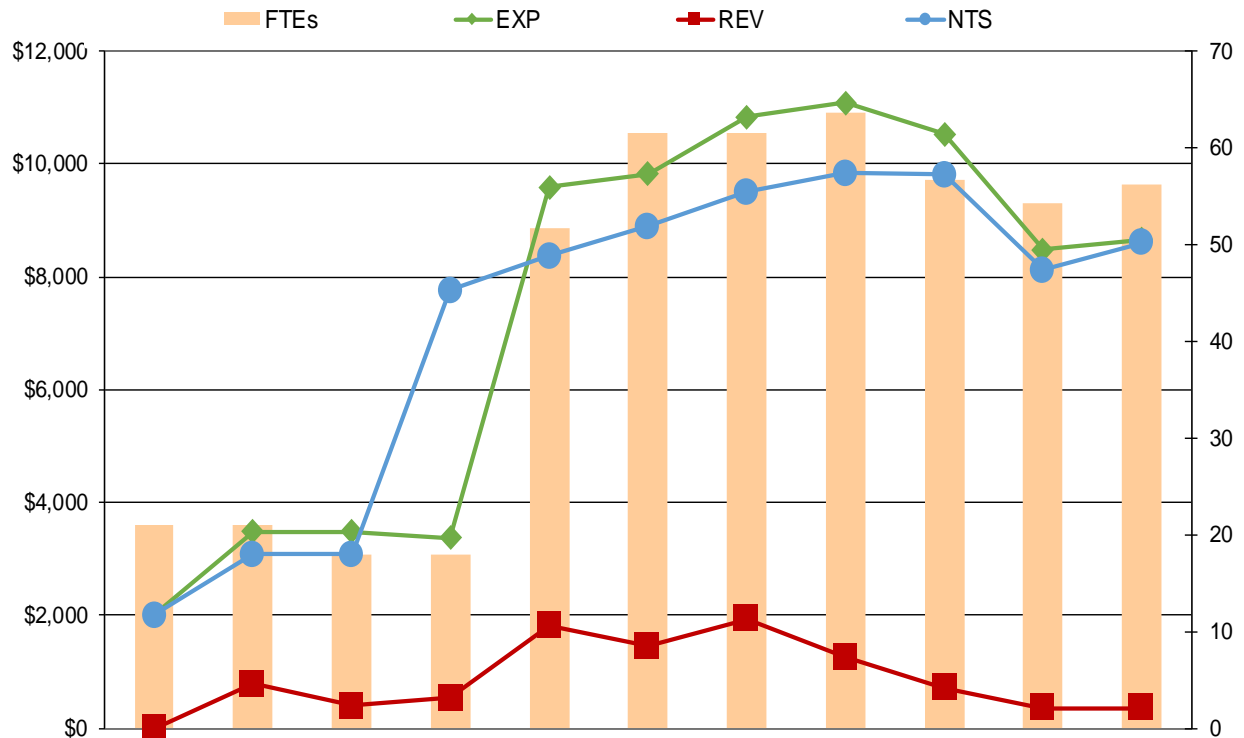
	FY 2016 Actual	FY 2017 *Revised	FY 2018 Adopted	% Change '17 to '18
Personnel	\$6,650,893	\$6,320,442	\$6,659,543	5%
Non-Personnel	3,873,237	2,158,872	2,305,028	7%
Subtotal	10,524,130	8,479,314	8,964,571	6%
Intra-County Charges	(1,500)	-	-	-
Total Expenditures	10,522,630	8,479,314	8,964,571	6%
Fees (Earned Income)	259,093	349,165	349,165	-
Grants	359,500	5,000	5,000	-
Other (including Gifts and Donations)	93,262	-	-	-
Total Revenues	711,855	354,165	354,165	-
Net Tax Support	\$9,810,775	\$8,125,149	\$8,610,406	6%
Permanent FTEs	53.70	48.70	50.70	
Temporary FTEs	2.97	5.50	5.50	
Total Authorized FTEs	56.67	54.20	56.20	

EXPENSES BY LINE OF BUSINESS

	FY 2016 Actual	FY 2017 *Revised	FY 2018 Adopted	% Change '17 to '18
Director's Office - Operations	\$2,260,263	\$2,329,029	\$2,391,523	3%
Business Investment	1,997,188	2,121,409	2,181,669	3%
Real Estate Development	417,461	443,441	625,523	29%
Convention and Visitor Services	806,216	-	-	-
Strategic Partnerships	1,446,503	931,354	1,011,888	8%
Arlington Arts & Cultural Affairs	2,741,238	2,654,081	2,753,968	-
Artisphere	853,761	-	-	-
Total Expenditures	\$10,522,630	\$8,479,314	\$8,964,571	5%

* The FY 2017 Adopted Budget is revised to reflect the County Board’s approval after FY 2017 budget adoption to transfer Arlington Convention and Visitor Service (ACVS) expenses and FTEs to the Travel and Tourism Promotion Fund (202) (\$626,148, 5.0 FTEs, 0.80 Temporary FTEs).

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



	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual Budget	Revised Budget	Adopted Budget
EXP	\$3,482	\$3,481	\$3,376	\$9,587	\$9,818	\$10,829	\$11,085	\$10,523	\$8,479	\$8,660
REV	\$781	\$397	\$538	\$1,829	\$1,448	\$1,939	\$1,254	\$712	\$354	\$354
NTS	\$3,084	\$3,083	\$7,758	\$8,370	\$8,890	\$9,505	\$9,832	\$9,811	\$8,125	\$8,610
FTEs	21.00	18.00	18.00	51.77	61.57	61.57	63.57	56.67	54.20	56.20

Fiscal Year	Description	FTEs
FY 2009	<ul style="list-style-type: none"> ▪ One position was transferred to the Office of Emergency Management (\$119,822 and 1.0 FTE). ▪ Added the Virginia National Defense Industrial Authority (VNDIA) grant (\$101,405 in revenue and expense). 	(1.0)
FY 2010	<ul style="list-style-type: none"> ▪ 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). ▪ Eliminated one of six economic development specialist positions (\$77,675). 	(2.0) (1.0)
FY 2011	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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</i> 	33.77

Fiscal Year	Description	FTEs
	<i>Department of Parks and Recreation (expense \$5,284,614, revenue \$1,883,658).</i>	
FY 2013	▪ The County Board added an Information Technology position (\$125,000).	1.0
	▪ 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
	▪ The County Board added \$30,000 in one-time arts challenge grant funding.	
	▪ The County Board added matching grant funding for the Clarendon Alliance (\$15,000).	
	▪ The County Board added base operating funds (\$15,000) and matching grant funding (\$5,000) for Columbia Pike Revitalization Organization.	
	▪ Personnel expenses increase due to the County Board’s addition of funding for a new Step 19 and an increase in the living wage.	
	▪ Personnel includes the transfer of 3.0 FTEs from the Travel & 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
	▪ Convention and Visitors Service has been transferred from the Travel & Tourism Promotion Fund (TTPF) to the General Fund (\$385,624 personnel, \$114,376 non-personnel; 4.8 FTEs).	4.8
	▪ Eliminated FY 2012 one-time funding for retail and small business promotion (\$450,000).	
	▪ Eliminated FY 2012 one-time funding for programming at Lubber Run (\$25,000).	
	▪ Eliminated funding for the Rosslyn Renaissance (\$30,000) and the associated transfer of funding from the Rosslyn Fund trust and agency account (\$30,000).	
	▪ Revenues decrease to reflect the relocation of the Virginia Export Assistance Center (\$30,000) and changes in Artisphere operations (\$228,519).	
FY 2014	▪ The County Board added one-time funding for the Base Realignment and Closure (BRAC) Coordinator position (\$142,137).	1.0
	▪ The County Board added one-time funding for nonprofit capacity building for two additional grants (\$20,000) and arts challenge grants (\$30,000).	
	▪ Removed FY 2013 one-time funding for the BRAC Coordinator (\$148,137).	(1.0)
	▪ Removed FY 2013 one-time funding for arts challenge grants (\$30,000).	
	▪ 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.	
	▪ Revenue increased based on changes in Artisphere operational estimates	

Fiscal Year	Description	FTEs
	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).	
	<ul style="list-style-type: none"> ▪ Reduced the Arlington Arts Grants Program funding from \$249,100 to \$199,100 (\$50,000). ▪ <i>The County Board approved 2.0 marketing management FTEs as part of FY 2013 closeout (\$294,983).</i> 	2.0
FY 2015	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for arts challenge grants (\$30,000) and tourism promotion (\$200,000). ▪ Removed FY 2014 one-time funding for the Base Realignment and Closure (BRAC) Coordinator position (\$142,137). ▪ Removed FY 2014 one-time funding for arts challenge grants (\$30,000) and nonprofit capacity building (\$20,000). ▪ Added additional funding for the Hispanic Business Counselor (\$50,000). ▪ Added ongoing funding (\$158,273) for the Base Realignment and Closure (BRAC) Coordinator position. ▪ Replaced ongoing funding with one-time for nonprofit capacity building (\$45,000). ▪ <i>Added personnel approved at FY 2014 close-out to correct the allocation for a Cultural Affairs Specialist (\$9,589, 0.1 FTE).</i> 	(1.0) 1.0 0.1
FY 2016	<ul style="list-style-type: none"> ▪ 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. ▪ 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). ▪ 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). ▪ The County Board restored one-time funding for tourism promotion (\$200,000), and added one-time funding for TandemNSI (\$200,000). ▪ Removed one-time funding for nonprofit capacity building (\$45,000) and arts challenge grants (\$30,000). ▪ <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> 	(15.5) 3.5 5.0
FY 2017	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for the Marymount Non-Profit Resource Center to work with the Clarendon Alliance (\$25,000). ▪ The County Board shifted \$379,000 of Convention and Visitor Services 	

Fiscal Year	Description	FTEs
	<p>funding from ongoing to one-time. This funding shift maintains the same level of support for the Travel and Tourism program.</p> <ul style="list-style-type: none"> ▪ Increased fee revenue to align budget to actuals and anticipated receipts in Cultural Affairs programs (\$9,000). ▪ 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). ▪ <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> 	<p>3.33</p> <p>5.80</p>
FY 2018	<ul style="list-style-type: none"> ▪ 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). ▪ 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). ▪ 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). ▪ Removal of FY 2017 one-time funding for the Marymount Non-Profit Resource Center (\$25,000). 	<p>1.0</p> <p>1.0</p>