



CITY OF
Alexandria
VIRGINIA

**FISCAL YEAR 2023
PROPOSED BUDGET**

Work Session #4 Livable, Green & Prospering City

March 23, 2022



Agenda

- **Personal Property Tax Update**
- **Budget Overview/Process**
- **Priority Investments**
 - Environmental Sustainability
 - DASH
 - Complete Streets/Vision Zero
 - Economic & Cultural Development
 - Affordable Housing
 - Broadband Infrastructure
- **Budget Calendar**



Car Valuation Increase

- Car values continue to increase
 - 15% of the vehicle tax base increased 5% in 2021 (Average)
 - 87% of the vehicle tax base increased 26% in 2022 (Average)
- Unprecedented situation
- Proposed solution to provide tax relief
- Additional adjustment to increase relief to lower valued cars



Vehicle Appreciation Proposal

	<\$1,000	\$1,001 - \$20,000	\$20,001 - \$25,000	Over \$25,000
2021 (100% Fair Market Value)				
Current PPTRA Structure	100%	52%	41%	31%
Max Relief	\$53	\$554	\$437	\$330
2022 (100% FMV = 25% Increase, Revenue Surplus = \$21M)				
PPTRA Rate	100%	40%	32%	24%
Max Relief	\$53	\$426	\$341	\$256
# of Vehicles	4,331	64,394	8,896	20,401
2022 (77% FMV, Revenue Surplus = \$2.0M)				
PPTRA Rate	100%	45%	34%	24%
Max Relief	\$53	\$480	\$362	\$256
# of Vehicles	6,136	72,905	7,655	11,326



PPTRA Relief Proposal

	<\$5,000	\$5,001 - \$20,000	\$20,001 - \$25,000	Over \$25,000
2022 (77% FMV, Revenue Surplus = \$2.0M)				
New PPTRA Rates	100%	43%	25%	15%
Max Relief	\$267	\$458	\$267	\$160
# of Vehicles	32,214	46,827	7,655	11,326

- Raises 100% relief from \$1,000 to \$5,000
- Provides 100% tax relief to 32,214 vehicles
- Eliminates personal property tax for 1/3 of January vehicle tax base
- Provides higher tax relief to lowest valued cars
- All vehicle owners get tax relief



Recommendation

- Apply the PPTRA Tax Relief Proposal for this fiscal year
- Place the \$2 million into contingency reserve for Climate Change Actions
 - Staff will bring a proposal to Council in the fall for the use of the funds
 - Proposal allows for additional focus on climate change with feedback and input from the community





Budget Overview/Process



FY 2023 Budget Priorities

Recovery

Infrastructure

Climate Change and Environmental Justice

Housing

Youth Support

Community Engagement

Employee Compensation

Fulfill Our Mission

Working together to foster
a thriving Alexandria

Pursue Our Vision

A culture that supports each of us and
inspires excellence

Live Our Values

- Respect: We are open-minded and treat all people with dignity
- Teamwork: We do great things together
- Integrity : We are thoughtful stewards of the public's trust
- Continuous Improvement: We challenge ourselves to learn and grow



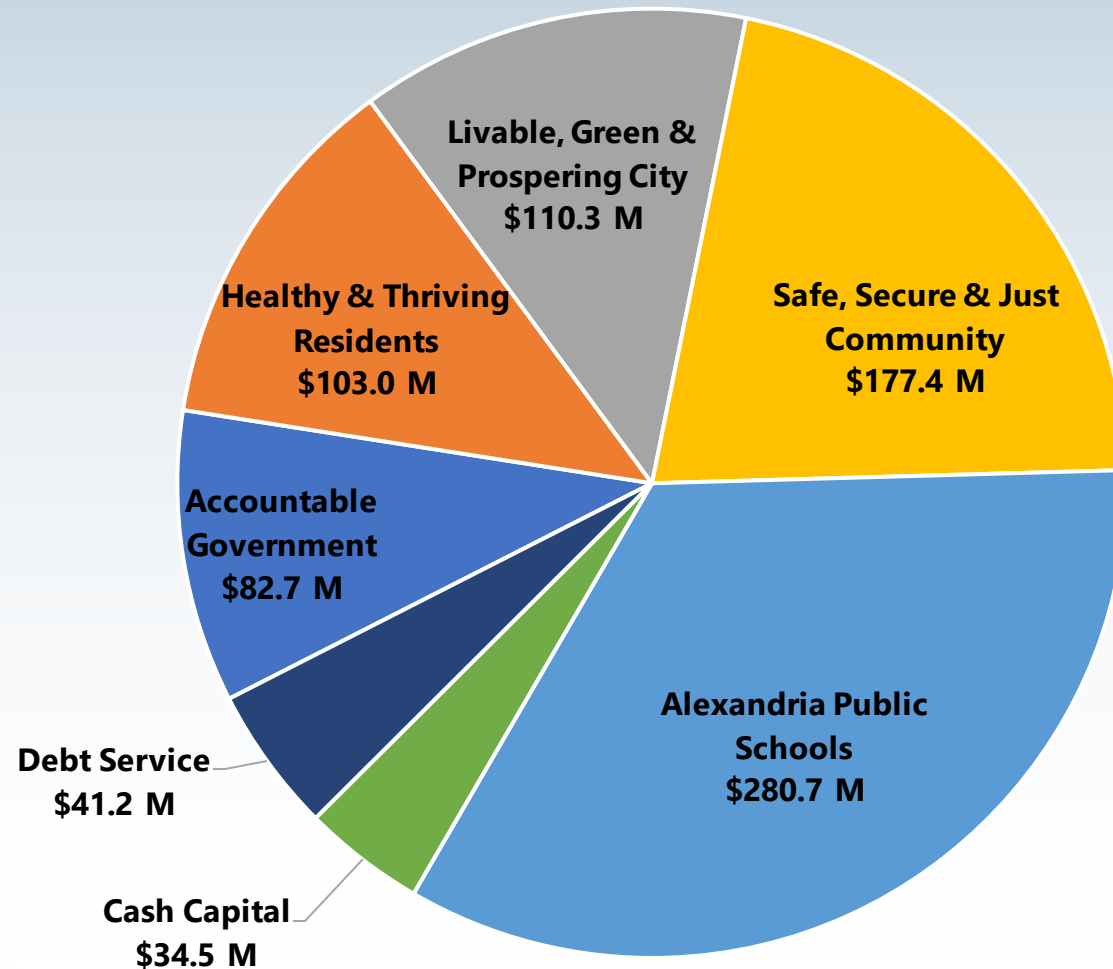
Budget Strategy

- Balance the need to continue priority services and an affordable tax and fee burden
- Identify cost saving measures
- Evaluate proposals for equity impacts
- Include recommendations for ARPA (presented with the proposed budget)



FY 2023 Proposed Operating Expenditures

\$829.9 Million



Livable, Green & Prospering City All Funds Budget

Code Administration	\$8,484,717
Economic Development	\$7,657,894
Historic Alexandria	\$5,034,361
Housing	\$12,185,005
Planning & Zoning	\$7,588,857
Project Implementation	\$2,329,900
Transit Services	\$54,486,968
Transportation & Environmental Services	\$90,425,001
Focus Area All Funds Budget:	\$188,192,703





Environmental Sustainability



Climate Change – Existing Programs

- **Sustainable Development**

- Development Environmental Sustainability & Carbon Neutrality Plans
- Green Building Policy
- LED Streetlighting
- Stormwater and flood infrastructure/resilient building improvements

- **New High-Performance Buildings and Renewable Energy**

- Green Building Policy Program Manager
- SolarizeAlexandria / Solar Energy Equipment Tax Exemption
- Energy & climate change information on City website
- City building energy efficiency projects



Climate Change – FY23 Budget

- Alexandria Mobility Plan Implementation (CIP, \$224M)
- DASH Electrification (CIP, \$105M)
- EV Navigator position
- EV Charging Infrastructure (CIP, \$9.5M)
- Heat Vulnerability Analysis
- Renewable Energy Credits
- 4850 Mark Center LEED initiatives



Potential Opportunities

- CPACE outreach plan & marketing (\$100,000)
- Green building renovations incentive program (\$250,000)
- Gas-powered equipment replacement (\$200,000)
- EV charging infrastructure readiness strategy implementation (\$55,000)



DASH



DASH FY23 Summary

- City Support increases by \$3.5m (+17.9%) to \$23m:
 - Mandated wage adjustments per the Collective Bargaining Agreement, Fare Free service, New DASH Network operating costs, fuel costs, vehicle and facility maintenance, and technology.
 - Supports additional staff in Training, Maintenance, Operations and Technology. Positions necessary to sustain the New DASH Network.
- Fare Free Service:
 - TRIP program funds \$2.8m in FY23
 - Total TRIP Funding over 4 years: \$7,236,171



DASH Fleet Electrification

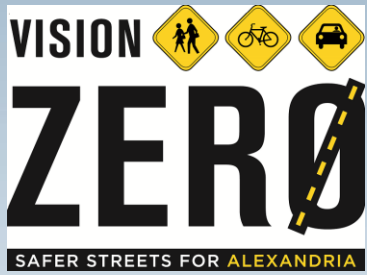
- Capital:
 - Goal: purchase only electric as of FY 2027
 - Strategy: leveraging CIP funds in FY23 to pursue "Low or No Emission Program" (and) "Bus and Bus Facilities" FTA discretionary grants
 - Outcome: if successful, 15 buses purchased in FY23 100% electric
 - Infrastructure: leveraging same grant programs for new charging infrastructure
- Goal: Entire fleet fully electric by FY 2035





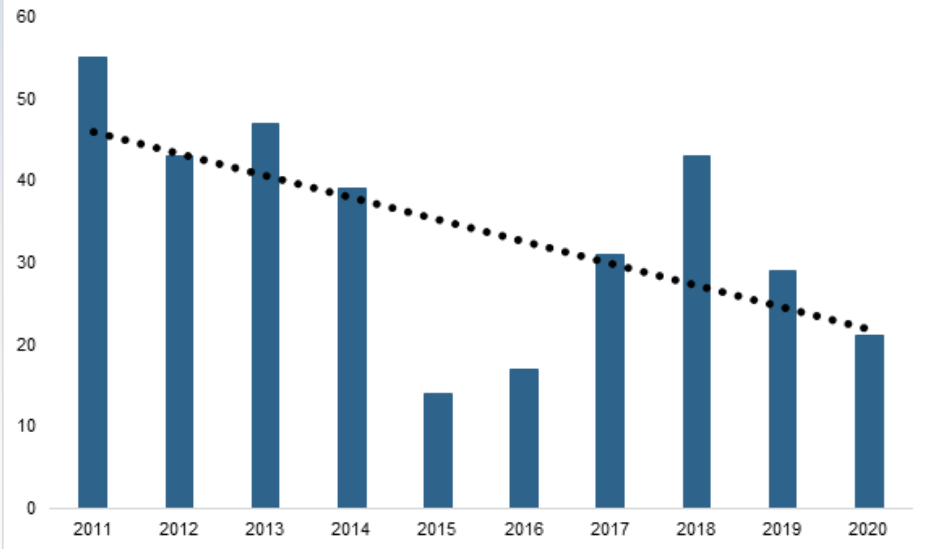
Complete Streets/Vision Zero



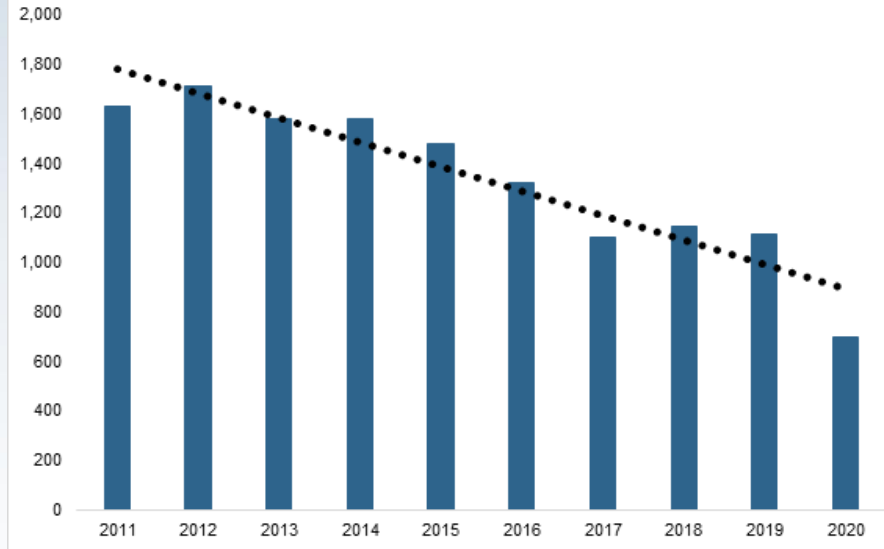


Vision Zero

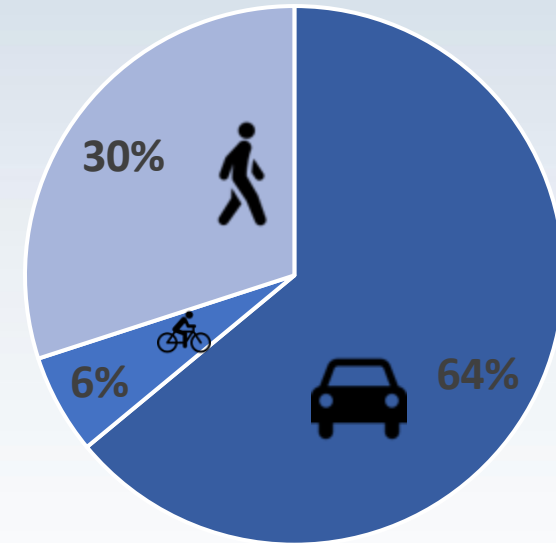
KSI Crashes - 10 Years



All Crashes - 10 Years



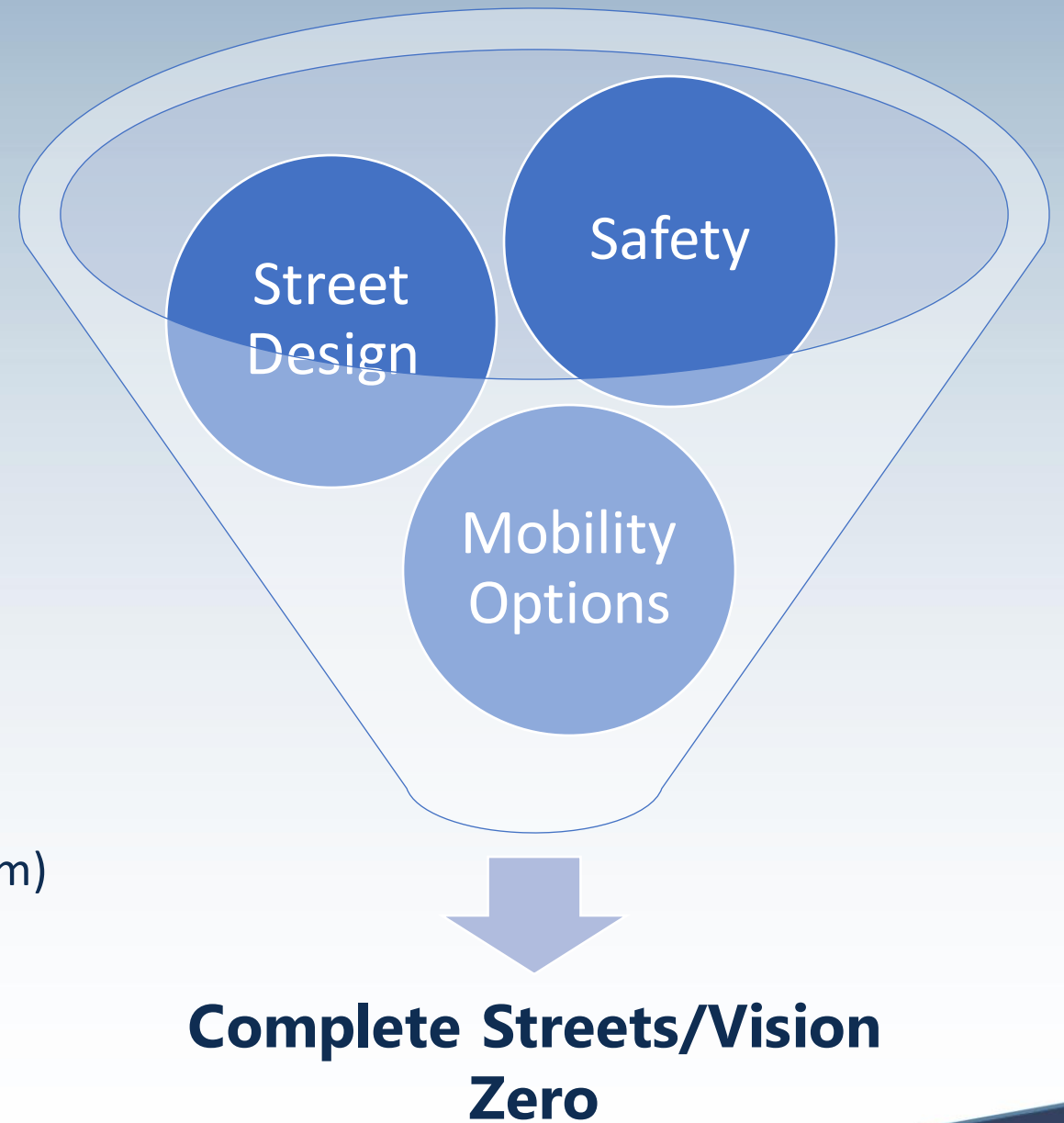
Percentage of Fatal and Severe Crashes



Pedestrian & Bicycle

Total: \$51.2m in FY 23-32 CIP

- Complete Streets (\$9 m)
 - Staffing
 - Vision Zero, Traffic Calming
 - Street resurfacing
 - 311 Requests & Spot Improvements
- Safe Routes to School (NEW-\$4.7m)
- Lower King Street (NEW-\$2.4m)
- Transportation Project Planning (NEW-\$2.6m)
- Multi-use Trail Projects (\$6.9m)
- Sidewalk Capital Maintenance (INCREASED-\$8.3m)
- South Patrick Street Median (NEW-\$3.4m)
- Mount Vernon Avenue North (\$2m)
- High-Capacity Transit Projects





Economic & Cultural Development



Economic & Cultural Investments

- **\$150,000 in seed funding for the creation of a Business Improvement District (BID) in Old Town**
- **Restored funding for destination advertising**
- **Funding for event management and marketing to enhance impact of the Scottish Christmas Walk Weekend**
- **Historic Alexandria ARPA projects:**
 - Alexandria's 275th anniversary programming
 - Alexandria Community Remembrance Project documentary





Housing



Housing Analyst

Housing Analyst position will support Affordable Housing Development Team

- Affordable housing projects, including development review and financial analyses, with potential focus on P3 projects
- Citywide planning processes, and internal planning for HMP update
- Research, data collection and program/policy analyses, performance metrics documentation, GIS projects, housing publications and reports
- Monitoring set aside units (in support of asset management)



Housing ARPA-funded Projects

- **Tranche 2**

- \$2.45 M – Arlandria Chirilagua Housing Cooperative (ACHC) capital improvements
- \$10 M - AHDC Arlandria infrastructure, e.g., stormwater and sewer system improvements and upgrades (also benefit neighborhood and future development), new connector road, land assemblage, site work, open space improvements

- **Tranche 1 (funded in FY 2022)**

- \$50K - ACHC capital needs assessment to identify and prioritize projects
- \$312K - Rental Resiliency – Temporary staff (bi-lingual) to support Housing’s Landlord Tenant function through COVID recovery (provide onsite assistance at courthouse and in field to marshal resources and prevent evictions)
- \$2 M – City Flex Space – Arlandria-Chirilagua satellite space for city agencies (DCHS, AHD, LT) to bring services to community (design, buildout, parking, operating reserve)





Broadband Initiative



BROADBAND & FIBER PROJECTS

1. **Broadband Franchises – Citywide**
2. \$432K for a utility engineer, two inspectors and \$90K in non-personnel expenditures
3. Using microtrenching to install broadband
4. Fast paced ~ Up to 3,000 ft/day/crew, construction moving through multiple City blocks every day





BUDGET CALENDAR



Budget Development Dates

Date	Time	Meeting Topic
Tuesday, February 15, 2022	7:00pm	FY 2023 Proposed Budget Presentation
Thursday, February 17, 2022	7:00pm	Proposed Budget Presentation—Public (virtual)
Wednesday, February 23, 2022	7:00pm	Budget Work Session: Capital Improvement Program
Wednesday, March 2, 2022	7:00pm	Budget Work Session: Alexandria City Public Schools
Monday, March 7, 2022	5:30pm	Public Hearing FY 2023 Budget
Tuesday, March 8, 2022	7:00pm	Introduce the Maximum Property Tax Rates
Wednesday, March 9, 2022	7:00pm	Advertise tax rate
Wednesday, March 16, 2022	7:00pm	Budget Work Session: Healthy & Thriving Residents
Wednesday, March 23, 2022	7:00pm	Budget Work Session: Livable, Green & Prospering City
Wednesday, March 30, 2022	7:00pm	Budget Work Session: Safe, Secure & Just Community
Wednesday, April 6, 2022	7:00pm	Budget Work Session: Accountable, Effective & Well-Managed Government/BFAAC
Thursday, April 14, 2022		Add/deletes due
Wednesday, April 20, 2022	7:00pm	Budget Work Session: Topic TBD (if needed)
Saturday, April 23, 2022	9:30am	Tax Rate Public Hearing/ Add/Delete Public Hearing
Tuesday, April 26, 2022	7:00pm	Budget Work Session: Preliminary Add/Delete Discussion
Monday, May 2, 2022	7:00pm	Budget Work Session: Final Add/Delete Discussion
Wednesday, May 4, 2022	7:00pm	Budget Adoption/ Tax Rate Adoption

