

Dear Alexandria City Manager, James Parajon,

In anticipation of the next budget cycle, the Environmental Policy Commission encourages the city to consider and apply a climate change lens to the preparation of the annual budget.

The budget is an important tool to deliver on the city's priorities. It is imperative that every dollar spent across city departments and programs is aligned with City Council's commitment to address the climate change crisis. A climate budget assessment can help determine the climate impact of city expenditures, steer planning and programs toward reducing GHG emissions and building resilience to future climate impacts, and ultimately help the city meet its climate goals.¹

Several cities and regions are beginning to build climate change into planning and budgeting processes including Montgomery County, which completed its 3rd climate assessment of the annual budget last year. Including climate change as a key aspect of fiscal planning will support the inclusion of climate-smart solutions in programs and projects. Climate-aligned budgets can create a shared sense of responsibility for delivering on the climate goals of the Environmental Action Plan (EAP) across all departments and that projects and programs complement each other.

As a first step, the City Manager's team leading the budgeting process, in close collaboration with Climate Change Officer, should establish a small climate budget working group to develop short- and long-term recommendations for incorporating climate into the budgeting process. This working group should include experts from the community. The working group can identify specific questions for departments to answer when developing their annual budget proposals and develop guidance for considering climate change during the annual planning cycle. Questions may explore, for example, the degree to which departments and programs promote climate change initiatives and have an impact GHG emissions reductions and increased resilience.

Implementing a climate budget assessment is a practical tool to embed climate considerations into decision-making across all city departments to improve accountability, minimize financial risks associated with climate change, and ultimately deliver on its climate promises to the community.

¹ See I4CE's methodology guide: Climate Assessment of Local Authority Budgets. <https://www.i4ce.org/wp-content/uploads/I4CE-Budget-climate-assessment-methodology.pdf>