Alexandria City Council Retreat
November 10, 2018
Agenda

9:00 Welcome & Opening Remarks

9:10 FY 2020 General Fund Operating Budget Planning
   a) Early Revenue Forecast
   b) Expenditure Pressures and Projections
   c) City Employee Compensation
   d) Capital Planning

10:15 Alexandria City Public Schools (ACPS) FY 2020
    Operating Budget and Capital Planning Overview

11:00 Status of the Joint City-Schools Facility Investment Task
     Force Recommendations

11:30 Budget & Fiscal Affairs Advisory Committee (BFAAC)
     Discussion of the BFAAC FY 2020 Work Plan and
     Recommendations for FY 2020 Budget Guidance
Agenda

12:00 Working Lunch

12:30 Discussion of the Priority Based Budgeting Initiative

1:15 Discussion of Proposed Budget Guidance

1:45 Presentation and Discussion of the Draft City Strategic Facilities Master Plan

3:00 Adjournment
City Council Retreat
Economic Outlook/Revenue Discussion

November 10, 2018
I. City Tax Revenues: Historical Results and Trends
II. National Economy
III. Regional Economy
IV. Local Economy
   – Housing
   – Consumer spending
V. Revenue Outlook
Historical Results and Trends
Real Property

Residential and Commercial Tax Base
10-year History

Billions

<table>
<thead>
<tr>
<th>Year</th>
<th>Residential</th>
<th>Commercial</th>
</tr>
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<tbody>
<tr>
<td>2009</td>
<td>$15</td>
<td>$13</td>
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<tr>
<td>2010</td>
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<td>$19</td>
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<td>2016</td>
<td>$22</td>
<td>$20</td>
</tr>
<tr>
<td>2017</td>
<td>$23</td>
<td>$21</td>
</tr>
<tr>
<td>2018</td>
<td>$24</td>
<td>$22</td>
</tr>
</tbody>
</table>
Historical Results and Trends
Personal Property

Personal Property
10 Year History

Millions


$- $5 $10 $15 $20 $25 $30 $35

- Vehicle Property Tax
- Business Property Tax
Historical Results and Trends
Major Consumer Taxes

Major Consumer Taxes
10-Year History

- Local Sales Tax
- Transient Lodging Tax
- Restaurant Food Tax
- Communications Tax
Historical Rates and Trends Business License/Gross Receipts Taxes

Business License/Gross Receipts Taxes
10-Year History

Millions

$ - $5 $10 $15 $20 $25 $30 $35 $40

Business License Tax
Lower consumer tax revenues in FY 2018 compared to FY 2017:

- Sales tax = -1% ($284,000)
- Restaurant Meals tax\(^1\) = -3.2% ($595,000)
- Utility tax = -1.8% ($217,000)
- Communications tax = -3% ($319,000)

Slow or no growth across most local consumer tax categories projected.

\(^1\) Prior to 1% rate increase
How long will the national growth business cycle continue?

- Longest growth cycle in U.S. history was 10 years
- Slowdown of business cycle is overdue
- Current cycle is at 9 years
- History predicts the national economy will slow down at some point
- Certain advanced economies have much longer cycles

Questions are:

• When will the slowdown start?
• How slow will the slowdown be?
• How long will the slowdown last?
• Will Washington Metro Economy mirror national economy or be more resilient as it often has been?
• Inflation of 2.3% near Fed target of 2%
Regional Economy

Washington Region Job Change: Private Sector
The Great Recession and Expansion

Aug 2008-Feb 2010
Total -180.5

Professional & Business Services -23.7
Education & Health Services -22.7
Retail Trade -34.4
Leisure & Hospitality Services -48.6
Construction Other Services
Financial Services -8.4
Information Services -10.2
Manufacturing -11.6
Wholesale Trade -9.8
Transportation & Utilities -6.7

Feb 2010-Aug 2018
Total +444.5

Professional & Business Services 81.9
Education & Health Services 36.2
Retail Trade 42.3
Leisure & Hospitality Services 108.2
Construction
Financial Services 34.9
Information Services 16.6
Manufacturing 1.9
Wholesale Trade 0.2
Transportation & Utilities 10.7

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
Regional Economy

The GRP* Effects of Private Sector Job Change in the Washington Region  
~2007 to August 2018 (in 2018 $s)

<table>
<thead>
<tr>
<th>Job Change</th>
<th>Average GRP* Value</th>
<th>Total GRP* Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>-180,500</td>
<td>-$31,256,500,000</td>
</tr>
<tr>
<td></td>
<td>$173,166</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>+444,500</td>
<td>+$57,369,800,000</td>
</tr>
<tr>
<td>+264,800</td>
<td>$129,066</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-$44,100</td>
<td>+$26,113,300,000</td>
</tr>
</tbody>
</table>

Jobs lost in 2007 were worth more than new jobs added

*Gross Regional Product  
Source: The Stephen S. Fuller Institute at the Schar School, GMU
Regional Economy

The Regional Economy of the 15 largest major U.S. Metropolitan areas reflects the growth of lower income jobs in the Washington Region.

<table>
<thead>
<tr>
<th>2000-2006</th>
<th>2010-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles</td>
<td>SF-Oakland</td>
</tr>
<tr>
<td>Miami</td>
<td>Seattle</td>
</tr>
<tr>
<td>Phoenix</td>
<td>Detroit</td>
</tr>
<tr>
<td><strong>Washington</strong></td>
<td><strong>Los Angeles</strong></td>
</tr>
<tr>
<td>Philadelphia</td>
<td>Chicago</td>
</tr>
<tr>
<td>SF-Oakland</td>
<td>Dallas</td>
</tr>
<tr>
<td>Boston</td>
<td>Minneapolis</td>
</tr>
<tr>
<td>Houston</td>
<td>New York</td>
</tr>
<tr>
<td>New York</td>
<td>Atlanta</td>
</tr>
<tr>
<td>Seattle</td>
<td>Philadelphia</td>
</tr>
<tr>
<td>Minneapolis</td>
<td>Miami</td>
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<td>Phoenix</td>
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<td>Atlanta</td>
<td>Boston</td>
</tr>
<tr>
<td>Dallas</td>
<td>Houston</td>
</tr>
<tr>
<td>Detroit</td>
<td>Washington</td>
</tr>
</tbody>
</table>

Sources: U.S. Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, CMU
What does the national and regional economic condition mean to Alexandria?

- Alexandria lost non-Metro located office jobs, as evidenced by vacant and converted office buildings.
- Low income growth equaled less discretionary spending by consumers.
- However, City and region have more consumers, albeit at lower average incomes.
- Region is now less dependent on the federal government, which could positively impact the region’s ability to withstand an economic downturn.
- Northern Virginia is more reliant on defense spending than balance of Washington area and benefit from increased defense spending.
# Mid-2018 Residential Real Estate

<table>
<thead>
<tr>
<th></th>
<th>June 2017</th>
<th>June 2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Units in the City*</td>
<td>42,259</td>
<td>42,132</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Average Assessment*</td>
<td>$528,421</td>
<td>$547,626</td>
<td>3.6%</td>
</tr>
<tr>
<td># of Units Sold</td>
<td>1,393</td>
<td>1,490</td>
<td>7.0%</td>
</tr>
<tr>
<td>Average Sales Price</td>
<td>$549,541</td>
<td>$570,588</td>
<td>3.8%</td>
</tr>
<tr>
<td>Active Listings</td>
<td>467</td>
<td>450</td>
<td>-3.6%</td>
</tr>
</tbody>
</table>

* As of January 1 of each year.
Tax Base Distribution

2009 Commercial-Residential Share
- Residential: 65%
- Commercial: 23%
- Multi Family: 12%

2018 Commercial-Residential Share
- Residential: 58%
- Commercial: 23%
- Multi Family: 19%
## Interest Rate Impacts

Mortgage calculator based on sale price of $547,626, with 10% down

<table>
<thead>
<tr>
<th>Date</th>
<th>Interest Rate</th>
<th>P+I, w/o PMI</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2012</td>
<td>3.32%</td>
<td>$2,447.28</td>
<td>---</td>
</tr>
<tr>
<td>January 2015</td>
<td>3.66%</td>
<td>$2,540.76</td>
<td>---</td>
</tr>
<tr>
<td>January 2016</td>
<td>3.79%</td>
<td>$2,577.06</td>
<td>$36.30</td>
</tr>
<tr>
<td>January 2017</td>
<td>4.19%</td>
<td>$2,690.64</td>
<td>$113.58</td>
</tr>
<tr>
<td>January 2018</td>
<td>4.15%</td>
<td>$2,679.16</td>
<td>($11.48)</td>
</tr>
<tr>
<td>August 2018</td>
<td>4.52%</td>
<td>$2,786.46</td>
<td>$107.30</td>
</tr>
<tr>
<td>October 2018</td>
<td>5.00%</td>
<td>$2,929.13</td>
<td>$142.67</td>
</tr>
</tbody>
</table>

Nov 2012/Oct 2018: $481.85

Highest since February 2010
FY 2020 Revenue Forecast

- Continued expectation of slow to no growth in local consumer taxes
- CY 2019 assessments based on 2018 sales and other market data
- Rising home prices will trigger modest increases in residential real estate assessments of 2% to 3%
- State and federal aid largely stagnant
- DCHS revenues cut, Medicaid fees expected to increase, net is likely a loss
- Internet sales tax reform could add $1.3 million, but depends on General Assembly action
Beyond FY 2020

- New commercial construction will likely increase
- Increasing interest rates, capitalization rates and federal property tax deduction limits will create downward pressure
- Direction of national, state and regional economy will also influence overall revenue picture
- Amazon HQ2 (if it occurs) will not impact FY 2020 revenues to any significant degree
## FY 2020 Preliminary Revenue Estimates

<table>
<thead>
<tr>
<th>General Fund Revenue</th>
<th>FY 2019 Approved</th>
<th>FY 2020 Estimated</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes</td>
<td>$ 636.8</td>
<td>$ 652.3</td>
<td>$ 15.5</td>
<td>2.4%</td>
</tr>
<tr>
<td>Federal</td>
<td>$ 9.1</td>
<td>$ 9.1</td>
<td>$(0.0)</td>
<td>0.0%</td>
</tr>
<tr>
<td>State</td>
<td>$ 47.9</td>
<td>$ 47.9</td>
<td>$(0.0)</td>
<td>0.0%</td>
</tr>
<tr>
<td>Non-Tax</td>
<td>$ 54.7</td>
<td>$ 53.2</td>
<td>$(1.4)</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Carryover</td>
<td>$ -</td>
<td>$ 0.1</td>
<td>$ 0.1</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 748.4</strong></td>
<td><strong>$ 762.6</strong></td>
<td><strong>$ 14.2</strong></td>
<td><strong>1.9%</strong></td>
</tr>
</tbody>
</table>
FY 2019 Approved General Fund Expenditures

- Accountable, Effective & Well-Managed Government: $65.1 M
- Health & Thriving Residents: $78.5 M
- Alexandria City Public Schools: $223.8 M
- Livable, Green & Prospering City: $101.4 M
- Safe, Secure & Just Community: $169.9 M
- ACPS Debt Service: $28.9 M
- City Debt Service: $42.6 M
- Cash Capital: $38.2 M
## FY 2020 Preliminary Expenditure Estimates

<table>
<thead>
<tr>
<th>General Fund Expenditures</th>
<th>FY 2019 Approved</th>
<th>FY 2020 Estimated</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Government</td>
<td>$385.2</td>
<td>$400.6</td>
<td>$15.4</td>
<td>4.0%</td>
</tr>
<tr>
<td>Transit Services</td>
<td>$29.6</td>
<td>$35.8</td>
<td>$6.2</td>
<td>20.9%</td>
</tr>
<tr>
<td>ACPS Transfer</td>
<td>$223.8</td>
<td>$246.1</td>
<td>$22.3</td>
<td>10.0%</td>
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<tr>
<td><strong>CIP Funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Capital</td>
<td>$38.2</td>
<td>$39.2</td>
<td>$1.0</td>
<td>2.6%</td>
</tr>
<tr>
<td>City Debt Service</td>
<td>$42.6</td>
<td>$39.1</td>
<td>$(3.5)</td>
<td>-8.2%</td>
</tr>
<tr>
<td>Schools Debt Service</td>
<td>$28.9</td>
<td>$29.3</td>
<td>$0.4</td>
<td>1.4%</td>
</tr>
<tr>
<td>CIP Subtotal</td>
<td>$109.7</td>
<td>$107.6</td>
<td>$(2.1)</td>
<td>-1.9%</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$748.3</td>
<td>$790.1</td>
<td>$41.8</td>
<td>5.6%</td>
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</table>
## FY 2020 Preliminary Budget Gap

<table>
<thead>
<tr>
<th>General Fund Preliminary Gap</th>
<th>FY 2019 Approved</th>
<th>FY 2020 Estimated</th>
<th>$ Change</th>
<th>% Change</th>
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<tbody>
<tr>
<td>City</td>
<td>$385.2</td>
<td>$400.6</td>
<td>$15.4</td>
<td>4.0%</td>
</tr>
<tr>
<td>Transit</td>
<td>$29.6</td>
<td>$35.8</td>
<td>$6.2</td>
<td>20.9%</td>
</tr>
<tr>
<td>ACPS</td>
<td>$223.8</td>
<td>$246.1</td>
<td>$22.3</td>
<td>10.0%</td>
</tr>
<tr>
<td>Capital</td>
<td>$109.7</td>
<td>$107.6</td>
<td>$(2.1)</td>
<td>-1.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$748.3</strong></td>
<td><strong>$790.1</strong></td>
<td><strong>$41.8</strong></td>
<td><strong>5.6%</strong></td>
</tr>
<tr>
<td>Revenue</td>
<td>$748.3</td>
<td>$762.6</td>
<td>$14.3</td>
<td>1.9%</td>
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<td><strong>Funding Gap</strong></td>
<td><strong>$(27.5)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
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# Budget Gap History

$ in millions

<table>
<thead>
<tr>
<th>FY</th>
<th>Initial Gap</th>
<th>Exp. Change</th>
<th>Rev. Change</th>
<th>Real Estate Tax Rate Increase (Proposed$)</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>$35</td>
<td>-$31.5</td>
<td>$3.5</td>
<td>None</td>
</tr>
<tr>
<td>2016</td>
<td>$33</td>
<td>-$25.9</td>
<td>$7.0</td>
<td>None</td>
</tr>
<tr>
<td>2017</td>
<td>$24</td>
<td>-$13.8</td>
<td>$10.1</td>
<td>+1 Cent (+$3.8)</td>
</tr>
<tr>
<td>2018</td>
<td>$25</td>
<td>-$ 0.9</td>
<td>$24.0*</td>
<td>+2.7 Cents (+$10.4)</td>
</tr>
<tr>
<td>2019</td>
<td>$32</td>
<td>-$26.8</td>
<td>$5.0</td>
<td>None</td>
</tr>
<tr>
<td>2020</td>
<td>$28</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

* Includes $5.9 million increase in transfers from Special Revenue Funds to the General Fund

1Real Estate Tax Rate Increase (Proposed) reflects only the amount of real estate tax rate increase included in the City Manager's proposed budget. The final budgets approved by City Council for those fiscal years included a half-cent increase in FY 2015, a 3 cent increase in FY 2017, and a 5.7 cent increase in FY 2018. There were no real estate tax rate increases in the FY 2016 or FY 2019 proposed or approved budgets.
Performing More with Less

• FTE\(^1\) in FY 2009 = 2,650

• FTE in FY 2019 = 2,579

• Net Change of -71 FTE or -2.7%

• City population has increased 8.1% since FY 2009

\(^1\) FTE = Full-time equivalent positions
City Government Budget Drivers

- Employee salary merit increases (+$4.5 M)
- FY 2020 increment of prior year public safety salary increases (+$0.9 M)
- Health insurance (+8.4% = +$1.3M)
- Inflation
- Major construction price escalation
- School funding
  - +$22.3 M estimated by ACPS
  - Partially enrollment driven
City Government Budget Drivers

- WMATA operating funding
  - $2.0 M impact of binding labor arbitration
  - $1.0 M 3% growth legislated cap
  - $1.0 M new service initiatives
  - $4.0 M total potential increase
Employee Compensation

Shawnda H. Howard, Chief Human Resources Officer
Presented at City Council Retreat
Saturday, November 10, 2018
Hypercompetitive and changing labor market is driving need to evaluate City government compensation system to attract, motivate, engage, and retain talent.

• Talent competition among federal, state, and local agencies – and more agile, flexible private sector is a growing competitor for some City government job classification groups.

• Increasing competition for talent can lead to excessive turnover and disengaged employees as well as difficulty in recruitment and retention – and undesirable organizational, team, and individual performance.
Compensation Responses

As City government and labor market conditions change, focus is on outcome of recruitment and retention with targeted solutions.

What the City has done

• Activated four employee work groups
• Added step to all City pay scales (2.3% increase) (FY 2018)
• Public safety compensation benchmark study (FY 2018)
• Created new Citywide paid parental leave program (FY 2019)
• Employee work groups identified ways to improve retention in public safety agencies (FY 2019)
• Approved $3.6 million for public safety pay increases (FY 2019)
• Improved public safety talent selection and hiring processes (FY 2019)
• Increased living wage from $14.13 to $15.00 (FY 2019)
• Implemented public safety pay increases (FY 2019)
  o firefighters and medics received 5% pay increase;
  o police officers received 6.22% pay increase;
  o four Sheriff’s Office job classifications received pay grade increase (equivalent to 5% or 10% pay increases).
Compensation Responses

As City government and labor market conditions change, focus is on outcome of recruitment and retention with targeted solutions.

**FY2019 and beyond – what we are working on and talking about**

- RFP for Citywide pay scale study
- Actuarial study underway by VRS to determine cost to move Sheriff’s uniformed officers to VRS LEOs
- Employee turnover data and retention analysis – identify root causes and drivers
- Innovative recruitment strategies – move beyond “post-and-wait” approach
- Benchmark salary surveys for General Schedule and Executive positions
Employees of public safety work groups discussing a multi-year plan to maintain market competitiveness and improve public safety recruitment and retention capabilities.

- Competitive pay at 100% of market average
- Update and possibly expand labor market comparators
- Use benchmark pay analysis to inform annual budget planning process
- Consider total cash compensation (base pay, variable pay, benefits)
- Consider shortening pay scales to enhance career growth
City government intends to maintain competitiveness of General Schedule positions.

### 2018 Benchmark Salary Survey

- Collaborate to review methodology and results, and provide feedback on action plan.
- 1,305 out of 2,805 (46.5%) active positions are being surveyed.
- Career ladders to foster employee career development and retention.
Thank You

Shawnda H. Howard
703.746.3777
shawnda.howard@alexandriava.gov
AlexandriaVA.gov/HR
Capital Planning

• FY 2020 will continue to fund:
  • Increased funding for facilities and infrastructure maintenance including street reconstruction
  • Recommendations of the Ad Hoc Joint City-Schools Facilities Investment Task Force, including bond capacity reservation for land acquisition and combined City & Schools feasibility and planning
  • Regional increased investment in Metro
  • Affordable housing funding stream added to the CIP in FY 2019

• FY 2020 will address changes in sanitary sewer funding associated with CSO transfer to Alex Renew
FY 2020 – FY 2024 Fiscal Forecast

Alexandria City Council Retreat

November 10, 2018
FY 2019 Final Budget Operating Expenditures

<table>
<thead>
<tr>
<th>Source</th>
<th>Funds ($)</th>
<th>Funds (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$173.0M</td>
<td>63.2%</td>
</tr>
<tr>
<td>Benefits</td>
<td>$67.7M</td>
<td>24.7%</td>
</tr>
<tr>
<td>Non-Personnel</td>
<td>$33.1M</td>
<td>12.1%</td>
</tr>
<tr>
<td>Total</td>
<td>$273.8M</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

88% Employee Compensation

Employee Salaries
Non-Personnel
Employee Benefits
**Historical Enrollment**

*Includes 284 partner Pre-K program slots in each year. Excludes special placements.*
Key Budget Drivers

Enrollment: English Learners and Free & Reduced Price Meals

FY 2019 as a % of Total Enrollment

FRPM 58.6%
EL 31%

ACTUAL FY 2018 COMPARISON

<table>
<thead>
<tr>
<th>Division</th>
<th>EL %</th>
<th>FRPM %</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACPS</td>
<td>32%</td>
<td>58.7%</td>
</tr>
<tr>
<td>Arlington*</td>
<td>18.8%</td>
<td>29.5%</td>
</tr>
<tr>
<td>Fairfax*</td>
<td>19.3%</td>
<td>29%</td>
</tr>
</tbody>
</table>

## Recruiting and Retaining an Exemplary Staff

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MRA</td>
<td>STEP</td>
<td>MRA</td>
<td>STEP</td>
<td>MRA</td>
</tr>
<tr>
<td>Alexandria City Public Schools</td>
<td>Yes, 2% Support 1% Other</td>
<td>No</td>
<td>No</td>
<td>Full Step</td>
<td>No</td>
</tr>
<tr>
<td>Arlington County Schools</td>
<td>Yes, 2%</td>
<td>No</td>
<td>No</td>
<td>Full Step</td>
<td>No</td>
</tr>
<tr>
<td>Fairfax County Schools</td>
<td>No</td>
<td>Full Step</td>
<td>Yes, .62%</td>
<td>Full Step</td>
<td>Yes, 1%</td>
</tr>
<tr>
<td>City of Alexandria</td>
<td>No</td>
<td>Full Step</td>
<td>No</td>
<td>Full Step</td>
<td>No</td>
</tr>
</tbody>
</table>

*ACPS in FY 2019 removed its lowest step and added a new top step for all grades.
Market Rate Adjustment (MRA)
Healthcare Costs

- Health-Benefit Fund Expenditures

Expenditures (Dollars)

$20,651,891
$21,000,000
$23,000,000
$25,000,000
$27,000,000
$29,000,000

FY 2014
FY 2015
FY 2016
FY 2017
FY 2018

$20,651,891
$28,672,463

↑ 39%
<table>
<thead>
<tr>
<th>Materials</th>
<th>Age of Texts</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
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<tbody>
<tr>
<td>Secondary Math</td>
<td>14 years (average)</td>
<td>$708,750</td>
<td></td>
<td></td>
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<tr>
<td>1-4 Social Studies</td>
<td>8 years</td>
<td>$554,625</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9-12 Social Studies and AP Psychology</td>
<td>8 years</td>
<td>$535,260</td>
<td></td>
<td></td>
</tr>
<tr>
<td>English Language Arts 6-8</td>
<td>17 years</td>
<td>$394,680</td>
<td></td>
<td></td>
</tr>
<tr>
<td>English Language Arts 9-12</td>
<td>15 years</td>
<td>$535,260</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td></td>
<td><strong>$2,728,575</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary Math</td>
<td>10 years</td>
<td></td>
<td>$985,550</td>
<td></td>
</tr>
<tr>
<td>Elementary Science</td>
<td>18 years</td>
<td></td>
<td>$642,750</td>
<td></td>
</tr>
<tr>
<td>Social Studies 6-8</td>
<td>9 years</td>
<td></td>
<td>$322,920</td>
<td></td>
</tr>
<tr>
<td>Social Studies 5</td>
<td>9 years</td>
<td></td>
<td>$105,750</td>
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<td><strong>Sub-Total</strong></td>
<td></td>
<td><strong>$2,056,970</strong></td>
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<td></td>
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<tr>
<td>Secondary Science</td>
<td>9 years (average)</td>
<td></td>
<td>$1,172,880</td>
<td></td>
</tr>
<tr>
<td>World Languages</td>
<td>12 years (average)</td>
<td></td>
<td>$452,250</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td></td>
<td><strong>$1,625,130</strong></td>
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</table>
Operating Fund Fiscal Forecast

Operating Fund Fiscal Forecast: FY 2019 - FY 2024

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 Final</th>
<th>FY 2020 Projected</th>
<th>FY 2021 Projected</th>
<th>FY 2022 Projected</th>
<th>FY 2023 Projected</th>
<th>FY 2024 Projected</th>
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</thead>
<tbody>
<tr>
<td>Expenditures</td>
<td>$275,423,094</td>
<td>$293,402,161</td>
<td>$309,254,656</td>
<td>$327,643,376</td>
<td>$375,158,682</td>
<td>$394,213,505</td>
</tr>
<tr>
<td>Expenditures (without brick and mortar)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues and Fund Balance</td>
<td>$275,423,064</td>
<td>$281,102,785</td>
<td>$286,820,627</td>
<td>$294,231,143</td>
<td>$301,031,900</td>
<td>$306,622,956</td>
</tr>
</tbody>
</table>
Fiscal Forecast Assumptions

Operating Fund

Revenue Assumptions

- Maximum Use of Fund Balance Allowable Under Policy DAB
- Same Per Pupil City/State/Federal/Local Appropriations as FY 2019 Final Budget

Expenditure Assumptions

- Annual Goods/Services Price Increases of 2%
- Annual Health Care Rate Increase of 13.2%
- Annual Salary Increases of 2.63%
- Annual Enrollment-Driven Staffing Increase of 2.0%

Other Assumptions

- Other Operating Initiatives
- Includes All Operating Impacts of FY 2019 - 2028 CIP Projects
Fiscal Forecast Assumptions

Operating Fund

- Revenue increases based on $/Pupil remaining constant
- Max use of allowable fund balance
- Full step increase
- Healthcare costs rising at historic level
- Inflation of 2%
- Staffing increases based on enrollment increases
- Operating impacts of CIP projects
- Support to implement both the TAG and SPED evaluations
- Other Operating Initiatives (Execu-time, Cleaning Services, Etc.)
Addressing Our Structural Deficit

Controlling Personnel Expenditures

- Absorbing Growth
  - Review of Staffing Formulas
- Healthcare Committee
  - Advising on Potential Options
- Contractual Services
  - Outsourcing Where Beneficial
Funding Textbooks and Implementation

<table>
<thead>
<tr>
<th>Year</th>
<th>Original Request</th>
<th>Targeted Subject Areas₁</th>
<th>COP Financing₂</th>
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</thead>
<tbody>
<tr>
<td>FY 2020</td>
<td>$2,728,575</td>
<td>$708,750</td>
<td>$1,405,056</td>
</tr>
<tr>
<td>FY 2021</td>
<td>$2,056,920</td>
<td>$1,089,885</td>
<td>$1,405,056</td>
</tr>
<tr>
<td>FY 2022</td>
<td>$1,625,130</td>
<td>$929,940</td>
<td>$1,405,056</td>
</tr>
<tr>
<td>FY 2023</td>
<td></td>
<td>$985,550</td>
<td>$1,405,056</td>
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<tr>
<td>FY 2024</td>
<td></td>
<td>$1,071,420</td>
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<td>FY 2025</td>
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<td>$1,172,880</td>
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<td>FY 2026</td>
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<td>$452,250</td>
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<tr>
<td>FY 2027</td>
<td></td>
<td>$1,000,000</td>
<td>$1,677,710</td>
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</tbody>
</table>

1. With this option we’d dedicate $1M/year to adopt a targeted subject to stay on a defined replacement schedule.
2. Rate=4.5% Term=5 years  Principal=$6,410,625 Interest Paid=$614,654 For initial Certificate of Participation (COP)
A COP is a type of financing option.
Improved Efficiency and Fiscal Stewardship

- Refinement of Budget Process
- Building Capacity within Instructional Leaders for Fiscal Stewardship
- Accountability during Quarterly School Improvement Plan (SIP) Meetings
Questions/Comments

Dr. Gregory C. Hutchings, Jr.
Superintendent of Schools
Gregory.Hutchings@acps.k12.va.us
703-619-8001

Dominic B. Turner
Acting Chief Financial Officer
Dominic.Turner@acps.k12.va.us
703-619-8141
Ad Hoc Joint City-Schools Facilities Investment Task Force Recommendations

Status of Implementation

City Council Retreat
November 10, 2018
Progress highlights since Task Force report

- 2 Visioning Sessions resulting in joint guiding principles, criteria, prioritization of Task Force recs
  1. Joint Facilities Master Plan
  2. Civic Engagement/Leadership
  3. Common Approach to Preventative Maintenance

- Monthly Capital Council meetings
- Joint Facilities Master Plan scope of work and RFP development
- Recommendation for addressing operating budget and CIP process decoupling
Progress highlights since Task Force report

- Procurement staff meeting to discuss joint efforts
- Public-private-partnership position proposed in CMO
- Work group to develop SOW for Preventative Maintenance System study
- Staff improving use of City’s financial system for capital purchase order work flow for acps
Progress highlights since Task Force report

- Quarterly updates to City/School Subcommittee
Capital Planning

- Ad Hoc Joint City-Schools Facility Investment Task Force recommended decoupling the operating budget and CIP processes in early 2018

- City and ACPS staff will be proposing a modification to the CIP process starting in FY 2021-2030
Budget & Fiscal Affairs Advisory Committee (BFAAC)

• FY 2020 Work Plan

• Recommendations on Budget Guidance
Priority Based Budgeting

CITY COUNCIL BUDGET RETREAT

NOVEMBER 10, 2018
A different budget lens, similar focus

- Recognized as a Best Practice
- Identifies what is most important
- Questions current assumptions and practices
- Educates City Council and the Community about services we provide
- Does not replace annual review and analysis
Priority Based Budgeting

Over 180 communities served across the US and Canada
PBB Blue Print
To Fund the Future

We have new needs…
• …to launch new programs to tackle emerging challenges
• …to enhance current programs that need additional resources

We have no new needs…
• Preserve, maintain current services
• Or seek to lower tax rates or refund tax-payers

Free-up & Re-allocate Resources
- Sourcing
- Efficiencies
- Service Levels

Generate New Revenue
- Fees, Charges
- Grant Funding
- Taxes, Rates

- Can we leverage partners, or source services with public/private providers, in order to free up our resources?
- Focus on the irreducible core
- Can we apply technology to automate or free up human resources?
- Can we augment service delivery with volunteers?
- For programs less aligned with Results, can we reduce service levels, and free up resources? Or can we eliminate services to free resources?
- Do our fees cover the costs of providing the service?
- Can we in-source, or provide any services regionally for a fee?
- Are we reporting the true cost of services to granting agency?
- Can we recoup additional funding, or attain new grant opportunities?
- Last Resort
- Do we have no options left besides raising additional revenue from tax and rate payers?
<table>
<thead>
<tr>
<th>Basic Attributes</th>
<th>Community</th>
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</thead>
<tbody>
<tr>
<td>Mandate</td>
<td>Flourishing Arts, Culture and Recreation</td>
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<tr>
<td>Cost Recovery</td>
<td>Thriving Children and Youth</td>
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<tr>
<td>Population Served</td>
<td>Distinctive and Vibrant Neighborhoods</td>
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<tr>
<td>Reliance</td>
<td>Environmental Sustainability</td>
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<tr>
<td></td>
<td>Healthy Residents</td>
</tr>
<tr>
<td></td>
<td>Inclusive City</td>
</tr>
<tr>
<td></td>
<td>Multi-modal Transportation</td>
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<tr>
<td></td>
<td>Safe and Resilient Community</td>
</tr>
<tr>
<td></td>
<td>Strong Economy</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Governance</th>
<th>OR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct</td>
<td>Bond Rating/Value of Service</td>
</tr>
<tr>
<td>Resources</td>
<td>Communication</td>
</tr>
<tr>
<td>Workforce</td>
<td>Service</td>
</tr>
<tr>
<td>Advisory Leadership</td>
<td>Trust</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Draft Results

Less Aligned with Priorities

- Quartile 4
- Quartile 3

Most Aligned with Priorities

- Quartile 2
- Quartile 1

Least aligned services are Quartile 4

Most aligned services are Quartile 1
Draft Results - Citywide

- Q1: $138,774,518
- Q2: $187,138,045
- Q3: $114,824,146
- Q4: $40,855,800
## Draft Results

<table>
<thead>
<tr>
<th>ServiceType</th>
<th>Department</th>
<th>Service</th>
<th>Quartile</th>
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<tr>
<td>Governance</td>
<td>OMB</td>
<td>Budget Development and Evaluation</td>
<td>1</td>
</tr>
<tr>
<td>Governance</td>
<td>OMB</td>
<td>CIP Budget Development and Evaluation</td>
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<tr>
<td>Governance</td>
<td>OMB</td>
<td>Budget Implementation &amp; Monitoring</td>
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<tr>
<td>Governance</td>
<td>OMB</td>
<td>CIP Budget Implementation &amp; Monitoring</td>
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</tr>
<tr>
<td>Governance</td>
<td>OMB</td>
<td>Research and Analysis</td>
<td>4</td>
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</tbody>
</table>
Policy Questions

Policy Question 1
Are we over-providing to high mandate programs with low alignment to our priorities?

- Mandate = 4
  - Required by higher level of government
- Q3/Q4
  - Doesn’t achieve priorities to a high degree

Policy Question 2
Are we over-providing to self imposed mandates?

- Mandate = 2
  - Self Imposed
- Q3/Q4
  - Doesn’t achieve priorities to a high degree

Policy Question 3
Can we share our expertise with others through Public or Private partnerships?

- Reliance = 3
  - We do this well
- Q1/Q2
  - Is well aligned with our priorities

Policy Question 4
There are others who can provide this service - can we contract with them to take this service over?

- Reliance = 2
  - There are others in the community who offer this service
- Q3/Q4
  - Doesn’t achieve priorities to a high degree

Policy Question 5
What is the impact of this program on our community?

- Mandate = 0 or 1
  - No mandate
- Reliance = 0 or 1
  - There are other providers
- Q3/Q4
  - Doesn’t achieve priorities to a high degree

Is there a way to achieve the mandate for the program with a decreased service level?

Can we change our own policy to open up opportunities for reallocation?

This is important to our community and we plan to stay in the business, but can we find an opportunity to partner and recover costs?

Does outsourcing free up time and funds to reallocate to other services?

Can we review our cost and revenue for this program?
Draft Results - TreeMap

**Result Area** – Inclusive City

**Size of box** – Larger the box means greater the total dollars

**Color of the box** – Darker the color, the higher the alignment with the result area
Process for FY 2020

Budget reduction options will be prepared

Initial quartile rankings (prioritization) will be used to inform supplemental budget addition proposals and reduction options

Departments budgets will be determined in part by the PBB prioritization
Future Use

Departments will review services based on alignment to the City’s Strategic Plan and specific evaluation criteria

Identify areas of investment and potential opportunities for savings in future budgets

Budget process continuous improvement
  - Reinforce alignment between budget and strategic goals
  - Longer term planning approach
  - Examines entire budget
  - Communicates choices
Next Steps – Community

Scoring results will be displayed in the FY 2020 Proposed Budget

Opportunity to engage the public in the next round of scoring
  ◦ Online/engagement survey
  ◦ Help define results and priorities
FY 2020 Council Budget Guidance

• Draft Resolution Included in Packet

• Based Largely on FY 2019 Resolution

• Docketed for Council Adoption on November 13th
City of Alexandria

Overview of 2018 Draft Strategic Facilities Plan

November 10, 2018
Existing Conditions

CITY/ACPS FACILITIES OVERVIEW

151 BUILDINGS
4.3m SQUARE FEET
94% OWNED (BY SF)

Does not include parking garages, surface parking lots, surface industrial lots.
Does include DCHS operated residential facilities.

CITY FACILITY CONDITION ASSESSMENT

- Grade A: 16 buildings
- Grade B: 19 buildings
- Grade C: 38 buildings
- Grade D: 25 buildings
- Grade F: 11 buildings

PROJECTED 2022 POPULATION DENSITY

FUTURE DEVELOPMENT

109 BUILDINGS INCLUDED
1.9 MILLION SF INCLUDED
C AVERAGE GRADE
62 AVERAGE Age (YEARS)
$298 M 10-YEAR NEEDS
# Gaps

## Site Collocations/Consolidations
Entities with uses that can be collocated with other entities or otherwise consolidated.

## Fleet & Maintenance Synergies
Departments with fleet and general maintenance space needs that could be consolidated.

## General Storage Needs
Departments with either a lack of storage or the potential to consolidate off-site storage.

## Insufficient Parking
Departments with insufficient staff or visitor parking at specific facilities.

## Infrastructure Concerns
Departments that have infrastructure concerns at some of its facilities.

## Need To Reconfigure
Departments that indicate service delivery would be improved with reconfigured space.

## New Location for Better Service
Departments that indicate service delivery would be improved in a new location.

## Negative Recruitment Impacts
Departments that report the facilities negatively impacts staff recruitment and retention.

## Service Gaps in West End
Departments that have service gaps in the West End area of the City.

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet
---|---|---|---|---|---|---|---|---|---|---|---|---|---|---

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

### ACPS | Courts | DASH | DCHS | Fire | Health | Library | OHA | Visit Alex | Police | RPCA | Sheriff | T&S | City Hall* | DGS Fleet

---

*City Hall occupancy currently undergoing analysis.*
Department Expressed Needs & Priorities

The City’s needs, as identified by each Department separately, have been categorized into five broad groups below. Please note that the needs below represent the ideals and needs expressed by each department and do not necessarily represent projects that are planned, budgeted, validated or approved by the City Council to move forward.

### NEW / EXPAND
Facilities in need of expansion or net new facilities for the City.

1. Expand Fire maintenance capability
2. Expand Library presence in City (kiosks)
3. New satellite salt storage facility (T&ES)
4. Expand Police evidence storage capabilities
5. New pool in West End (RPCA)
6. Expand DASH (3000 Business Center Dr) bus storage
7. Increase Library capabilities in Del Ray

### REPURPOSE / RECONFIGURE
Facilities in need of significant renovation or reconfiguration to improve service delivery.

1. Renovate/reconfigure Courthouse (520 King St) (Courts)
2. Reconfigure cell blocks, kitchen and infrastructure at Public Safety Center (2001-2003 Mill Rd) (Sheriff)
3. Repurpose Old Dash Building (113 S Quaker Ln) (DGS)
4. Repurpose T&ES Traffic Shop (3200 Colvin St) (T&ES)
5. Repurpose T&ES Maintenance (133 S Quaker Ln) (part of larger plan) (T&ES / RPCA)
6. Repurpose lower level at Burke Library (4701 Seminary Rd) (Libraries)
7. Increase recreation center services & programming (RPCA)

### CONTINGENT MOVES
Facilities to be replaced if repurposed for another department

1. Relocate RCPA at Business Center Dr (2900 Business Center Dr) if repurposed for T&ES
2. Replace Archives & Records (801 S Payne St) if AlexRenew (1800 Limerick St) expands
3. Replace overflow impound lot when DASH expands

### COLLOCATE OR CONSOLIDATE
Opportunities to collocate or consolidate staff or services located in multiple facilities.

1. DCHS / Health Department / Neighborhood Health
2. City Fleet operations (ACPS, DGS, FIRE, T&ES, DASH, RPCA)
3. T&ES operations staff at T&ES Traffic Shop (3200 Colvin St) into Business Center Dr (2900 Business Center Dr)
4. RPCA administrative staff at Lee Center (1108 Jefferson St) & Business Center Dr staff (2900 Business Center Dr)
5. Fire “non-responder” staff (located in Fire Stations)

### REPLACE / RELOCATE
Facilities that would provide better service if replaced or relocated.

1. Maintain tactical and pistol capabilities (Police)
2. Relocate Fire Station 205 (1210 Cameron St)
3. Relocate Fire Station 206 (4609 Seminary Rd) or 208 (175 N Paxton St)
4. Relocate Fire Station 207 (3301 Duke St)
5. Replace Burn Building (805 S. Payne St)
6. Relocate Washing Facility (DASH)
7. Relocate Library Special Collections (717 Queen St/Barrett)
8. Increase visibility of Museum of Archeology (OHA)
# Sites/Buildings Considered for Follow Up

<table>
<thead>
<tr>
<th>SITE</th>
<th>TYPE</th>
<th>BLDG SIZE</th>
<th>SITE SIZE</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Station 205 (1210 Cameron St)</td>
<td>Monetize</td>
<td>7,854</td>
<td>8,844</td>
<td>Site could be monetized to offset acquisition costs if Fire relocates</td>
</tr>
<tr>
<td>Fire Station 206 (4609 Seminary Rd)</td>
<td>Monetize</td>
<td>5,248</td>
<td>37,422</td>
<td>Site could be monetized to offset acquisition costs if Fire relocates (unless Station 208 is relocated, in which case Station 206 would remain)</td>
</tr>
<tr>
<td>Fire Station 207 (3301 Duke St)</td>
<td>Monetize</td>
<td>8,103</td>
<td>38,050</td>
<td>Site could be monetized to offset acquisition costs if Fire relocates</td>
</tr>
<tr>
<td>Fire Station 208 (175 N Paxton St)</td>
<td>Monetize</td>
<td>11,800</td>
<td>33,868</td>
<td>Site could be monetized to offset acquisition costs if Fire relocates (unless Station 206 is relocated, in which case Station 208 would remain)</td>
</tr>
<tr>
<td>Health Department (4480 King St)</td>
<td>Monetize or Repurpose</td>
<td>55,200</td>
<td>34,824</td>
<td>Site could be monetized or treated as cost avoidance through repurposing to offset acquisition costs if DCHS/Health relocates (identified as potential swing space in near-term or administrative space consolidation in the long term)</td>
</tr>
<tr>
<td>Casey Clinic (1200 N Howard St)</td>
<td>Repurpose</td>
<td>18,452</td>
<td>18,452</td>
<td>Dependent on INOVA (Hospital rebuild plans will guide the discussion)</td>
</tr>
<tr>
<td>Substance Abuse Center (2355 Mill Rd)</td>
<td>Assess</td>
<td>27,313</td>
<td>39,968</td>
<td>Assess for monetizing as area develops and asset value increases</td>
</tr>
<tr>
<td>Old DASH Building (116 S Quaker Ln)</td>
<td>Campus realignment</td>
<td>37,900</td>
<td>62,734</td>
<td>Old Dash Facility used for storage</td>
</tr>
<tr>
<td>Motor Equipment Building (3550 Wheeler Ave)</td>
<td>Campus realignment</td>
<td>37,040</td>
<td>714,471</td>
<td>DGS Fleet Maintenance Facility is not fully utilized</td>
</tr>
<tr>
<td>Fire Maintenance Building (3552 Wheeler Ave)</td>
<td>Campus realignment</td>
<td>3,800</td>
<td>714,471</td>
<td>Fire Fleet Maintenance Facility that does not accommodate needs of Fire Dept</td>
</tr>
<tr>
<td>ACPS Bus Parking Facility (3540 Wheeler Ave)</td>
<td>Campus realignment</td>
<td>11,254</td>
<td>714,471</td>
<td>ACPS Fleet Maintenance Facility that does not accommodate needs of ACPS</td>
</tr>
<tr>
<td>T&amp;ES Traffic Shop (3200 Colvin St)</td>
<td>Campus realignment</td>
<td>21,600</td>
<td>68,858</td>
<td>T&amp;ES Traffic Shop could be repurposed if T&amp;ES vacates to consolidate at 2900 Business Center</td>
</tr>
<tr>
<td>Business Center Dr (2900 Business Center Dr)</td>
<td>Campus realignment</td>
<td>59,898</td>
<td>159,162</td>
<td>Building users (T&amp;ES / RCPS) have both outgrown available space</td>
</tr>
<tr>
<td>DASH (3000 Business Center Dr)</td>
<td>Campus realignment</td>
<td>160,000</td>
<td>401,240</td>
<td>DASH bus maintenance infrastructure could be shared with City on alternate shift schedule</td>
</tr>
<tr>
<td>T&amp;ES Maintenance (133 S Quaker Ln)</td>
<td>Campus realignment</td>
<td>30,440</td>
<td>714,471</td>
<td>T&amp;ES Maintenance facility to be studied in conjunction with Witter/Wheeler campus</td>
</tr>
<tr>
<td>Fuel Island (3400 Duke St)</td>
<td>Campus realignment</td>
<td>6,100</td>
<td>32,426</td>
<td>Site currently being studied. Facility has outlived its useful life</td>
</tr>
<tr>
<td>Ramsey Visitor Center (221 King St)</td>
<td>Assess</td>
<td>1,946</td>
<td>3,071</td>
<td>ADA Access</td>
</tr>
<tr>
<td>1701 N Beauregard</td>
<td>Vacancy</td>
<td>~40,000</td>
<td>N/A</td>
<td>ACPS beginning to utilize the space.</td>
</tr>
</tbody>
</table>
## Prioritization Criteria Worksheet

<table>
<thead>
<tr>
<th>Category</th>
<th>Question</th>
<th>Score = 0</th>
<th>Score = 1</th>
<th>Score = 2</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required/Mandated</td>
<td>Is the project required to meet legal, compliance, or regulatory mandates?</td>
<td>No</td>
<td>Not Yet, But Will Be</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Life Safety/Health</td>
<td>Is the project critical to address health and safety improvements?</td>
<td>Not Critical</td>
<td>Somewhat Critical</td>
<td>Critical</td>
<td></td>
</tr>
<tr>
<td>Urgency</td>
<td>How urgent is the project?</td>
<td>8+ Years</td>
<td>4-7 Years</td>
<td>1-3 Years</td>
<td></td>
</tr>
<tr>
<td>Demonstrated Need</td>
<td>Is there a demonstrated need backed by analytics, data or business plan?</td>
<td>No</td>
<td>Somewhat</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Community Benefit</td>
<td>How much direct impact (i.e. public facing facilities or programs) will this project have on the community?</td>
<td>Limited</td>
<td>Indirect</td>
<td>Direct</td>
<td></td>
</tr>
<tr>
<td>Stakeholder Receptivity</td>
<td>How will the project be received or perceived by the community?</td>
<td>Low</td>
<td>Moderate</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Financial Impact</td>
<td>How will the project impact the City’s capital or operating budget?</td>
<td>Increase</td>
<td>Neutral</td>
<td>Decrease</td>
<td></td>
</tr>
<tr>
<td>Project Feasibility</td>
<td>How manageable is the project from a City resources standpoint (financial, time, capability)?</td>
<td>Not Manageable</td>
<td>Somewhat Manageable</td>
<td>Manageable</td>
<td></td>
</tr>
<tr>
<td>Risk of Deferring Project</td>
<td>What is the impact of deferring the project?</td>
<td>Low</td>
<td>Moderate</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Strategic Plan Alignment</td>
<td>Is the project aligned with the themes from the City Strategic Plan and/or the ACPS 2020 Strategic Plan?</td>
<td>No</td>
<td>Somewhat</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Economic Development</td>
<td>Will the project advance economic development opportunities in the City?</td>
<td>No</td>
<td>Somewhat</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Collocation Opportunity</td>
<td>Does the project present an opportunity for collocation with other departments, programs, services or partners?</td>
<td>No</td>
<td>Somewhat</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

### Total
**Sample Site Suitability Criteria**

SITE SUITABILITY CRITERIA SHOULD BE USED AS A TOOL TO GUIDE SITE AND BUILDING SELECTION WHEN EVALUATING AND COMPARING FACILITIES TO BUILD, LEASE OR OWN. “WEIGHT” CAN BE ADJUSTED BASED ON SPECIFIC REQUIREMENT.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weight</th>
<th>Score = 1</th>
<th>Score = 0</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to Accommodate Needs <em>(over 10 Years)</em></td>
<td>2x</td>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Proximity to Clients <em>(vs current situation)</em></td>
<td>2x</td>
<td>Better / similar</td>
<td>Worse</td>
<td></td>
</tr>
<tr>
<td>Access to Public Transportation <em>(within ¼ mile)</em></td>
<td>2x</td>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Site Access / Visibility</td>
<td>2x</td>
<td>Good / fair</td>
<td>Poor</td>
<td></td>
</tr>
<tr>
<td>Total 10-20 Year Cost <em>(vs current situation if replacement site)</em></td>
<td>1x</td>
<td>Decrease / neutral</td>
<td>Increase</td>
<td></td>
</tr>
<tr>
<td>Capital Investment <em>(Capital required to build/reconfigure)</em></td>
<td>1x</td>
<td>Minimal / moderate</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Building Quality <em>(HVAC, ADA, image, etc)</em></td>
<td>1x</td>
<td>Good / fair</td>
<td>Poor</td>
<td></td>
</tr>
<tr>
<td>Security / Safety</td>
<td>1x</td>
<td>Sufficient</td>
<td>Insufficient</td>
<td></td>
</tr>
<tr>
<td>Area Amenities <em>(food, etc within ¼ mile)</em></td>
<td>1x</td>
<td>Good / Fair</td>
<td>Poor</td>
<td></td>
</tr>
<tr>
<td>Adequate Parking</td>
<td>1x</td>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL =**
<table>
<thead>
<tr>
<th>#</th>
<th>RECOMMENDATION</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Collocate DCHS / Health Department / Neighborhood Health locations</td>
<td>Develop program and site selection test fits</td>
</tr>
<tr>
<td>2</td>
<td>Develop Witter/Wheeler campus plan</td>
<td>Develop campus master plan for 23 acre City-owned land in advance of CIP-requested/funded projects</td>
</tr>
<tr>
<td>3</td>
<td>Identify &amp; evaluate optimal Fire Station sites</td>
<td>Develop high level strategic plan and comprehensive list of sites for each potential station relocation</td>
</tr>
<tr>
<td>4</td>
<td>Evaluate public serving facilities to better align with population growth</td>
<td>Develop a high level strategic plan and location study for the City’s Recreation Centers and Libraries (similar to the Fire Station Optimal Location Study)</td>
</tr>
<tr>
<td>5</td>
<td>Explore partnerships with private sector and regional partners</td>
<td>Engage the private sector utilizing the PPEA legislation, other public solicitations and through negotiated potentially development partnerships.; Identify community partners (Affordable Housing, Campagna Center)</td>
</tr>
<tr>
<td>6</td>
<td>Engage with neighboring jurisdictions</td>
<td>Schedule meeting with regional partners to discuss joint facility needs, challenges and best practices</td>
</tr>
<tr>
<td>7</td>
<td>Increase City/ACPS dialog regarding facility needs</td>
<td>Establish committee, regular meetings, processes and procedures between City and ACPS to evaluate potential sites and joint occupancy (Steering Committee already created )</td>
</tr>
<tr>
<td>8</td>
<td>Develop off-site city-wide storage plan</td>
<td>Develop occupancy scenarios (lease vs purchase) for off-site storage solution</td>
</tr>
<tr>
<td>9</td>
<td>Continue to evaluate and fund CFMP programs</td>
<td>Continue to sufficiently fund CFMP programs per Conditions Facilities Report (in progress)</td>
</tr>
<tr>
<td>10</td>
<td>Continue evaluation of utilization of City-owned sites</td>
<td>Investigate candidates for monetization or sites with excess capacity to determine highest and best use</td>
</tr>
<tr>
<td>11</td>
<td>Develop short-term and long-term parking solutions</td>
<td>Investigate and develop plan short- and long-term parking solutions</td>
</tr>
</tbody>
</table>
Collocate DCHS / Health Department

DCHS CLIENT HOT SPOT
RECOMMENDATIONS

2 Develop Witter/Wheeler Campus Plan

- 1 Police Headquarters (3600 Wheeler Ave)
- 2 Fuel Island (3400 Duke Dr)
- 3 James Luckett Field (3540 Wheeler Ave)
- 4 ACPS Bus Parking (3540 Wheeler Ave)
- 5 Fire Maintenance (3552 Wheeler Ave)
- 6 DGS Motor Equipment Division (3550 Wheeler Ave)
- 7 T&ES Maintenance (133 S Quaker Ln)
- 8 Old Dash Building (116 S Quaker Ln)
- 9 3224 Colvin St (recycling drop off center)
- 10 T&ES Traffic Shop (3200 Colvin St)
- 11 Storage Yard for Materials (3130 Business Center Dr)
- 12 DASH Expansion Site
- 13 DASH (3000 Business Center Dr)
- 14 Business Center Dr (2900 Business Center Dr)

Land Area: 1.0 million SF
RECOMMENDATIONS

Identify & Evaluate Optimal Fire Station Sites

Optimized I Configuration with Incident Demand Surface for City of Alexandria FY12-14

All Incidents Per Fiscal Year - (Aprx 16,000 Incidents)

- 1 Incident
- 2-5 Incidents
- 6-10 Incidents
- 11-15 Incidents
- 16-20 Incidents
- More than 20 Incidents

Fire Stations

Proposed Area of Station Relocation
Adjournment

Thank you!