

**City of Alexandria, Virginia
 FY 2025 Proposed Operating Budget & CIP
 Budget Questions & Answers**

March 19, 2024

Question:

The CIP budget includes \$471 million in FY 2025 of a \$2.33 billion 10-year CIP budget, or roughly 20% of our 10-year budget is being spent in Year One. How does that percentage compare to recent years? Does staff believe that we are facing a large share of CIP expenses presently that will decline over time, or that future CIP expenses only appear lower because we haven't programmed anything in those years?

Response:

The last several approved Capital Improvement Programs (CIPs) have included substantial Year 1 capital budget investments to support major renovations or replacements of City and Schools facilities, stormwater and flood mitigation infrastructure, transit corridors, WMATA's capital program, and the redevelopment of the Landmark Mall site. The table below provides the year 1 capital budget and its proportion of the overall 10-year funding plan for the approved FY 2020 – FY 2024 capital budgets, along with the proposed FY 2025 capital budget. Additionally, at the end of this response, a listing of the significant drivers for each capital budget (projects with an appropriation of over \$10 million) can be found.

Plan	Year 1 Capital Budget	10-yr. Total	% of 10-yr. Total
Approved FY 2020 - FY 2029 CIP	139,963,490	1,617,887,087	8.7%
Approved FY 2021 - FY 2030 CIP	205,803,815	2,108,662,234	9.8%
Approved FY 2022 - FY 2031 CIP	293,102,842	2,661,511,337	11.0%
Approved FY 2023 - FY 2032 CIP	561,155,721	2,725,048,078	20.6%
Approved FY 2024 - FY 2033 CIP	360,788,867	2,405,753,013	15.0%
Proposed FY 2025 - FY 2034 CIP	470,730,319	2,332,545,625	20.2%

The proposed FY 2025 capital budget, along with the last few approved capital budgets, represent a historic level of commitment to and investment in the City and Schools capital assets. Largely, these capital budgets represent the culmination of long-term planning efforts by the City and Schools to address identified needs. The clustering of appropriations for these projects into the last few fiscal years is indicative of both the importance and urgency of these investments in City and School facilities, along with the grant awarding and schedules for transportation projects, Transit Corridor "B" and "C".

The Proposed FY 2025 capital budget includes budget authority to begin construction of a number of significant capital projects that have been included in previously approved CIPs (most notably City Hall Renovations, and George Mason Elementary School), and the final installment of the City's contributions to the redevelopment of the Landmark Mall Site. This represents \$184.4 million of the FY 2025 capital

budget. Additionally, the FY 2025 capital budget includes \$149.5 million in projects supported by awarded federal, state, and regional grants and other non-city funding sources.

The City’s 10-year CIP is a reflection of the known needs of the community that will need to be afforded within the currently known revenue environment. While the out-years of the Proposed CIP are smaller, they still represent a significant annual investment in City and School capital needs, averaging \$206.9 million per year.

The CIP is an iterative process that is re-evaluated on an annual basis, and it is likely that more investment needs will be identified over time. As it stands, the Proposed capital plan will require substantial planning and trade-offs in future budget development cycles, largely due to the funding commitments made in recent capital plans, including this FY 2025 capital budget.

Significant Drivers of previously Approved Capital Budgets and Proposed FY 2025 Capital Budget

FY 2025		
Project	Amount	% of Total
City Hall Renovation and HVAC Replacement	89,442,000	19.0%
ACPS Capital Program (Geroge Mason Hard Costs)	67,000,000	14.2%
Transit Corridor "B" - Duke Street	55,800,000	11.9%
Transit Corridor "C" - West End Transitway	32,594,347	6.9%
Landmark Mall Redevelopment Project	28,000,000	5.9%
WMATA Capital Contributions	16,896,000	3.6%
DASH Bus Fleet Replacements	14,358,000	3.1%
DASH Fleet Expansion & Electrification	10,492,000	2.2%
FY 2025 Capital Budget Total	470,730,319	

FY 2024		
Project	Amount	% of Total
Landmark Mall Redevelopment Project	65,600,000	18.2%
Waterfront Small Area Plan Implementation	48,200,000	13.4%
Transit Corridor "C" - West End Transitway	24,587,000	6.8%
ACPS Capital Program (George Mason Soft Costs)	17,405,800	4.8%
WMATA Capital Contributions	16,655,000	4.6%
Athletic Field Improvements	16,521,000	4.6%
Large Capacity - Commonwealth Ave & E. Glebe/Ashby St & Glebe Rd	12,632,800	3.5%
City Hall Renovation and HVAC Replacement	11,500,000	3.2%
FY 2024 Capital Budget Total	360,788,867	

FY 2023		
Project	Amount	% of Total
ACPS (High School Hard Costs)	157,433,900	28.1%
DCHS Consolidation and Co-Location	73,200,000	13.0%
Landmark Mall Redevelopment Project	63,000,000	11.2%
Waterfront Small Area Plan Implementation	35,041,000	6.2%
Large Capacity - Commonwealth Ave & E. Glebe/Ashby St & Glebe Rd	26,407,300	4.7%
ACPS (1703 N/ Beauregard)	24,513,600	4.4%
WMATA Capital Contributions	16,260,000	2.9%
Minnie Howard Campus Project (City Colocated Facilities)	12,093,300	2.2%
FY 2023 Capital Budget Total	561,155,721	

FY 2022		
Project	Amount	% of Total
ACPS (High School Hard Costs)	30,000,000	10.2%
Waterfront Small Area Plan Implementation	22,000,000	7.5%
Landmark Mall Redevelopment Project	21,000,000	7.2%
DCHS Consolidation and Co-Location	20,424,000	7.0%
Storm Sewer Capacity Assessment	19,900,000	6.8%
WMATA Capital Contributions	11,950,000	4.1%
Municipal Fiber	11,353,000	3.9%
FY 2022 Capital Budget Total	293,102,842	

FY 2021		
Project	Amount	% of Total
ACPS Capital Program (Douglas MacArthur)	69,600,000	33.8%
WMATA Capital Contributions	17,600,000	8.6%
FY 2021 Capital Budget Total	205,803,815	

FY 2020		
Project	Amount	% of Total
ACPS (High School Soft Costs)	15,387,494	11.0%
Transit Corridor "B" - Duke Street	12,000,000	8.6%
FY 2020 Capital Budget Total	139,963,490	