

**FAIRFAX COUNTY
BOARD OF SUPERVISORS
April 27, 2021**

AGENDA

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| 10:00 | Approved | Board Decision on the County's and Schools' FY 2021 Third Quarter Review |
| 10:00 | Approved | Board Markup of the County Executive's FY 2022 Advertised Budget Plan and the FY 2022 Add-On Package |
| 10:00 | Approved | Board Decision on the Fairfax County Capital Improvement Program (CIP) for Fiscal Years 2022 - 2026 (With Future Fiscal Years to 2031) |

Board Agenda Item
April 27, 2021

10:00 a.m.

Board Decision on the County's and Schools' FY 2021 Third Quarter Review

ISSUE:

Board decision on the County's and Schools' *FY 2021 Third Quarter Review* to include Supplemental Appropriation Resolution (SAR) AS 21190 and Amendment to the Fiscal Planning Resolution (FPR) AS 21901.

RECOMMENDATION:

The County Executive recommends that the Board approve staff recommendations including the County's and Schools' *FY 2021 Third Quarter Review*.

TIMING:

The public hearings on the *FY 2021 Third Quarter Review* were held April 13, 14, and 15, 2021. Action should be taken on the *FY 2021 Third Quarter Review* prior to the mark-up of the FY 2022 Advertised Budget Plan so that a revised FY 2021 General Fund ending balance will be known.

ENCLOSED DOCUMENTS:

The *FY 2021 Third Quarter Review* was sent electronically on March 21, 2021, and is available online at: www.fairfaxcounty.gov/budget/fy-2021-third-quarter-review.

STAFF:

Bryan J. Hill., County Executive
Joe Mondoro, Chief Financial Officer
Christina Jackson, Director, Department of Management and Budget
Philip Hagen, Deputy Director, Department of Management and Budget

Board Agenda Item
April 27, 2021

10:00 a.m.

Board Markup of the County Executive's FY 2022 Advertised Budget Plan and the FY 2022 Add-On Package

ISSUE:

Board markup of the County Executive's FY 2022 Advertised Budget Plan and the FY 2022 Add-On Package.

RECOMMENDATION:

The County Executive recommends that the Board approve staff recommendations in the FY 2022 Advertised Budget Plan and the FY 2022 Add-On Package.

TIMING:

The public hearings on the FY 2022 Advertised Budget Plan were held on April 13, April 14, and April 15, 2021, and the markup is scheduled for today, April 27, 2021.

ENCLOSED DOCUMENTS:

Memorandum to the Board of Supervisors from Bryan J. Hill, County Executive, with attachments transmitting the FY 2022 Add-On Package, is available online at:

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/fy2022/fy2022-addon-package.pdf>.

The FY 2022 Advertised Budget Plan is available online at:

<https://www.fairfaxcounty.gov/budget/advertised-budget-plan>.

STAFF:

Bryan J. Hill, County Executive

Joe Mondoro, Chief Financial Officer

Christina Jackson, Director, Department of Management and Budget

Philip Hagen, Deputy Director, Department of Management and Budget

Board Agenda Item
April 27, 2021

10:00 a.m.

Board Decision on the Fairfax County Capital Improvement Program (CIP) for Fiscal Years 2022 - 2026 (With Future Fiscal Years to 2031)

ISSUE:

Board decision on the Fairfax County Capital Improvement Program (CIP) for Fiscal Years 2022 - 2026 (With Future Fiscal Years to 2031).

RECOMMENDATION:

The County Executive recommends that the Board of Supervisors approve the FY 2022 – FY 2026 Advertised Capital Improvement Program (With Future Fiscal Years to 2031), as presented on February 23, 2021 and discussed at the March 16, 2021 budget committee meeting. The following motions are recommended:

- Support the Planning Commission motions as approved on April 7, 2021.
- Make all necessary adjustments to reflect actions taken during the Board's decision on the *FY 2021 Third Quarter Review* and the FY 2022 Adopted Budget Plan that impact the CIP.

TIMING:

The Advertised Capital Improvement Program was discussed at the Board's Budget Committee meeting on March 16, 2021 and final adoption of the CIP is scheduled for April 27, 2021.

BACKGROUND:

The Board of Supervisors considered the FY 2022 – FY 2026 Advertised Capital Improvement Program (With Future Fiscal Years to 2031) at a budget committee meeting on March 16, 2021. The Planning Commission conducted its markup of the CIP on April 7, 2021. The Planning Commission proposed several CIP motions. All motions were approved unanimously by the Planning Commission. The Planning Commission verbatim excerpt is included as Attachment I.

Therefore, the following actions are recommended to the Board of Supervisors:

- Approval of the advertised Fairfax County Capital Improvement Program for fiscal years 2022 through 2026 with future fiscal years to 2031;

Board Agenda Item
April 27, 2021

- Recommend that staff be directed to propose public investment opportunities presented by the Capital Improvement Program for Comprehensive Plan-designated revitalization districts.
- Recommend that the Board of Supervisors direct the Fairfax County Department of Housing and Community Development to work with the Planning Commission and its Housing Committee and the relevant committees of the Board of Supervisors to develop a recommendation to establish an enhanced funding mechanism to capitalize the existing statewide Virginia Affordable Housing Trust Fund.

FISCAL IMPACT:

As shown on page 22 of the FY 2022 – FY 2026 Advertised Capital Improvement Program (With Future Fiscal Years to 2031), the total CIP cost including all program elements, is \$11.336 billion (including \$0.877 billion for Non-County Managed Programs such as the Northern Virginia Regional Park Authority and the Water Supply). This includes \$1.828 billion authorized or expended through FY 2021, \$6.508 billion scheduled over the FY 2022 – FY 2026 period, and \$3.000 billion projected in the FY 2027 – FY 2031 period. These estimates may be adjusted slightly to accommodate actions taken during the Board's decision on the *FY 2021 Third Quarter Review* and the FY 2022 Adopted Budget Plan that impact the CIP.

ENCLOSED DOCUMENTS:

Attachment I – Planning Commission Verbatim Transcript

STAFF:

Bryan J. Hill, County Executive
Joe Mondoro, Chief Financial Officer
Christina Jackson, Director, Department of Management and Budget
Martha Reed, Department of Management and Budget

**County of Fairfax, Virginia
Planning Commission Meeting
April 7, 2021
Verbatim Excerpt**

**CAPITAL IMPROVEMENT PROGRAM (CIP) – FISCAL YEARS 2022 – 2026 ADVERTISED
(With Future Fiscal Years to 2031)**

During Commission Matters

(Decision Only) (Public Hearing on this item was held on March 11, 2021)

Commissioner Sargeant: Thank you, Mr. Chairman. When the Planning Commission started its work on the FY 2022 to FY 2026 Capital Improvement Program, it had been almost one year since the pandemic began to impact the local, national, and global economy. In the past year, it was difficult to project future impacts to the County budget and the CIP. Fairfax County CIP serves as a planning instrument to identify needed capital projects and to coordinate the financing and timing of these improvements. It's clear that some of the timing and financing for the capital program may change as a result of both the effects of the pandemic and work being conducted by the newly formed Joint County Board – School Board CIP Committee. The Planning Commission will also play a role in the joint CIP Committee. The Planning Commission began our initial review at the February 25th committee meeting. For the first time, we hosted our Annual Agency CIP Workshop virtually on Thursday, March 11th, with a public hearing the same night. We had the opportunity to hear from nine County representatives about CIP projects and solicited feedback on the CIP from residents of the County. The Planning Commission held a committee meeting to discuss and clarify their CIP recommendations for the Board of Supervisors on March 25th. At this time, I'd like to take this opportunity to thank staff for all of their hard work during this extraordinary CIP process. Particular, I'd like to thank all of County staff that presented their capital programs to the Commission at the March workshop and the CIP staff coordinators, in particular Martha Reed, Elif Ekingen, Dennis Holder, Tiya Raju, Michelle Stahlhut, and Evelyn Mitchell. I'd also like to thank my fellow Planning Commissioners for their thoughtful discourse during the process and for the motions solicited that we will hear this evening. Each year, this staff reviews and updates the CIP to ensure that it's affordable and that it conforms to the Ten Principles of Sound Financial Management. Staff are currently working with the newly formed joint County Board School Board CIP Committee, and are discussing ideas for both the County and schools capital programs. It's anticipated that the committee will be reviewing the entire debt program and that a key part of the discussions will be affordability, as debt services only one of the many operational demands on the County budget. In addition, for several years, staff has been working to more closely align the CIP with the Comprehensive Plan. The Department of Planning and Development has begun the process of updating the Public Facilities Plan portion of the Comprehensive Plan and the Planning Commission looks forward to those updates and how they may impact the CIP. With this background in mind, I'd like to now make a series of motions on the CIP, Mr. Chairman. I MOVE THAT THE PLANNING COMMISSION RECOMMEND THAT THE BOARD OF SUPERVISORS APPROVE THE ADVERTISED FAIRFAX COUNTY CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2022 THROUGH 2026, WITH FUTURE FISCAL YEARS TO 2031.

Commissioner Clarke: Second by Commissioner Clarke.

Commissioner Niedzielski-Eichner: Second. Niedzielski-Eichner.

Chairman Murphy: Seconded by Commissioner Niedzielski-Eichner. Is there a discussion of that motion? All those in favor of the motion as articulated by...

Commissioner Niedzielski-Eichner: Mr. Chairman?

Chairman Murphy: Yes.

Commissioner Niedzielski-Eichner: This is – this is Commissioner Niedzielski-Eichner.

Chairman Murphy: Yes.

Commissioner Niedzielski-Eichner: I just wanna quickly acknowledge that I did receive responses to questions that I raised at our meeting, particularly from the school system and from the Police Department. And I was satisfied with the – the responses from both the agencies. In particular, I wanted to note that the school system has done, I think, an excellent job of looking at the matters of ventilation of the buildings throughout it's complex. Hundreds of buildings. And I'm satisfied that the – the CIP, though it doesn't contain any additional resources specific to ventilation in the school system, as a consequent – as a result of – of the COVID-19 crisis, I am of – satisfied that the school system has invested resources and the necessary analysis to – to give comfort to this – to these – the parents, teachers, and students, that there is – that the matter of ventilation is on the front burner with the school system. Thank you, Mr. Chairman.

Chairman Murphy: Thank you. Further discussion? All those in favor of the motion as articulated by Commissioner Sargeant, say aye.

Commissioners: Aye.

Chairman Murphy: Opposed? Motion carries.

Commissioner Sargeant: Thank you, Mr. Chairman. We have two additional motions this evening. And I will turn to Commissioner Cortina for the second motion.

Commissioner Cortina: Actually, that will be Commissioner Lagana will be making....

Commissioner Sargeant: Oh, excuse me.

Commissioner Cortina: That motion.

Commissioner Sargeant: Commissioner Lagana. I'm sorry. Go ahead.

Commissioner Lagana: Thank you. Thank you very much. Thank you, Mr. Chairman. First, I'll make a motion and then I will provide some background before we – we vote. I MOVE THAT THE PLANNING COMMISSION RECOMMEND TO THE FAIRFAX COUNTY BOARD OF SUPERVISORS THAT STAFF BE DIRECTED TO PROPOSE PUBLIC INVESTMENT OPPORTUNITIES PRESENTED BY THE CAPITAL IMPROVEMENT PROGRAM FOR COMPREHENSIVE PLAN DESIGNATED REVITALIZATION DISTRICTS.

Commissioner Cortina: Second.

Chairman Murphy: Seconded by Commissioner Cortina. Is there a discussion? Mr. Lagana, you wanna continue?

Commissioner Lagana: Yes. I will – I will provide some additional background. And before I start. Thank you to the fellow members of the Planning Commission. I think that we had a – a thoughtful and robust discussion during the CIP process this year. And in particular for the background information and motion – excuse me, background information for the motion, which I’m about to read. I – I wanna thank Commissioner Cortina and Commissioner Niedzielski-Eichner for their thoughtful input and their leadership and partnership on crafting the motion, and I think framing the discussion. So, thank you very much to both of them. The Fairfax County Planning Commission, pursuant to its duties, may annually recommend a Capital Improvement Program based on the Comprehensive Plan of the locality. In recent years, the Commission has recommended co-location of public facilities, where uses are compatible. The Fairfax County Executive and department leadership have successfully pursued and set forth a vision for facility co-location as evidenced by projects now coming to fruition, such as the Kingstowne Center and Lorton Library complex. The Commission acknowledges and commends staff for their ongoing collaborations, particularly from the following departments and authorities:

- The Department of Planning and Development;
- The Department of Management and Budget;
- The Department of Public Works and Environmental Services, with a particular note for the Building Design Branch;
- Human Services Office of Strategic Management;
- The Fairfax County Public Library;
- The Fairfax County Park Authority;
- Fairfax County Public Schools, and
- The Police and Fire Departments.

The Fairfax County Capital Improvement Program presents a unique opportunity to integrate across departments to both improve resource allocation and develop public investment strategies that may help the underinvestment in revitalization districts and act as a catalyst for private investment. As many revitalization districts overlap areas of the County that are aging, lack transportation infrastructure and other amenities, and housing and commercial investment, County investment and strategies, including repurposing commercial structures, co-location, land swaps, and public-private partnerships, may well be important revitalization tools. Furthermore, and importantly, applying the County’s capital investment dollars to promote revitalization is consistent with the Board of Supervisor’s One Fairfax Policy, and the Comprehensive Plan Policy Plan Board goal for Revitalization. And I’ll read that. Revitalization initiatives should encourage business development, promote public and private investment and reinvestment, and seek to prevent or eliminate the negative effects of deteriorating commercial and industrial areas. Revitalization efforts should work in concert with other community programs and infrastructure improvements and strive to foster a sense of place unique to each area, thereby contributing to the social and economic well-being of the community and the County. As a logical evolution of the successful co-location efforts, the Planning Commission recommends that the CIP planning process consider public facilities, including parks, open space, and pedestrian and bicycle improvements, especially in areas of the County that have experienced little to no private investments or proffer commitments for public improvements and evidence of equity disparities.

In addition, the Planning Commission recommends that staff intentionally consider equitable revitalization in the upcoming public facilities update to the Comprehensive Plan. And that, Mr. Chairman, is the – is the full text. I did want to say, once again, thank you to Commissioner Niedzielski-Eichner and Commissioner Cortina for the very thoughtful partnership and leadership on the issue. I'm looking forward to seeing this in the upcoming CIP. So, thank you very much.

Chairman Murphy: Okay. Thank you very much. Well done. A lot of good effort into that. I just have one announcement...

Commissioner Sargeant: We need to – we need to vote.

Chairman Murphy: Oh. Oh, I'm sorry. That's right, we didn't vote. All those in favor of the motion as articulated...

Commissioner Niedzielski-Eichner: Mr. Chairman? Mr. Chairman. I – I – this is Commissioner Niedzielski-Eichner. I wanted to state my own alignment with the perspectives that were offered by Commissioner Lagana and to also commend both Commissioners Lagana and Cortina for their initiative in this regard. Thank you, Mr. Chairman.

Chairman Murphy: Further discussion? Okay. All those in favor of the motion as articulated by Mr. Lagana, say aye.

Commissioners: Aye.

Chairman Murphy: Opposed? Motion carries. And I'll say it again. Well done. Just one announcement, tomorrow...

Commissioner Sargeant: Wait. Mr. Chairman?

Chairman Murphy: Yes.

Commissioner Sargeant: Mr. Chairman? Commissioner Sargeant here. We have second motion – a third motion for consideration this evening regarding the CIP from Commissioner Strandlie.

Chairman Murphy: Okay. I didn't get that. So, I'm sorry. I didn't know. Commissioner Strandlie, please.

Commissioner Strandlie: Thank you, Mr. Chairman. It was circulated this afternoon about the same time as the other motion. I appreciate the opportunity to present this. I worked with Tom Fleetwood and his team in preparing this. During the CIP meeting, during the affordable – the housing presentation, I had discussed the opportunity to look at some additional funding mechanisms to provide additional funding for affordable housing. I'll go ahead make the motion and then add a couple more comments. I MOVE THAT THE PLANNING COMMISSION RECOMMEND THAT THE BOARD OF SUPERVISORS DIRECT THE FAIRFAX COUNTY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT TO WORK WITH THE PLANNING COMMISSION AND ITS HOUSING COMMITTEE, AND THE RELEVANT COMMITTEES OF THE BOARD OF SUPERVISORS, TO DEVELOP A

RECOMMENDATION TO ESTABLISH AN ENHANCED FUNDING MECHANISM TO
CAPITALIZE THE EXISTING STATEWIDE VIRGINIA AFFORDABLE HOUSING TRUST
FUND.

Commissioner Niedzielski-Eichner: Second. Niedzielski-Eichner.

Chairman Murphy: Commissioner Niedzielski-Eichner seconds – seconds the motion. Is there a discussion of the motion?

Commissioner Strandlie: Just to add, Mr. Chairman, during the CIP discussion we learned that multiple affordable housing projects in Fairfax County have benefited from the Virginia Affordable Housing Trust Fund. And the CIP discussions shows that potential opportunity to future raise revenue for locality affordable housing. The funding mechanism that I had mentioned during the discussion, it would be analogous to an Interest on Lawyer Trust Account and might be like the Maryland Affordable Housing Trust whereby interest generated by title company escrow provides funding for the existing Virginia affordable housing trust. Thank you.

Chairman Murphy: Okay. Is there any more discussion on this motion? Okay. All those in favor of the motion as articulated by Commissioner Strandlie, say aye.

Commissioners: Aye.

Chairman Murphy: Opposed? Motion carries.

Each motion carried by a vote of 11-0. Commissioner Ulfelder was absent from the meeting.

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