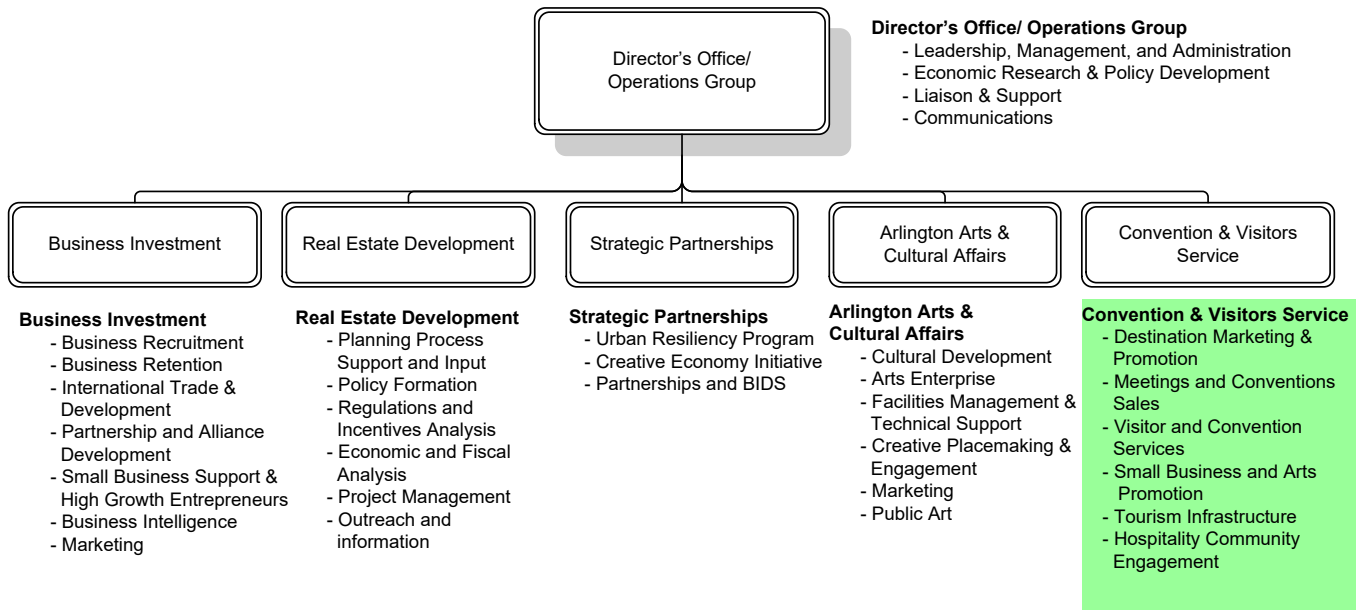


Our Mission: To continue to develop Arlington County as an economically vital, competitive, and sustainable community by providing leadership and services to the business, real estate development, and visitors services sectors of the Arlington economy

LINE OF BUSINESS



Shaded program is located in the Travel and Tourism Fund

SIGNIFICANT BUDGET CHANGES

The FY 2020 adopted expenditure budget for Arlington Economic Development is \$8,735,645, a less than one percent change from the FY 2019 adopted budget. The FY 2020 adopted budget reflects:

- The County Board added ongoing funding for the Cultural Affairs literary arts program (\$31,000) and one-time funding for the Cultural Affairs transition plan: staffing for the Scenic Studio (\$108,621), management of the rehearsal studios at 3700 South Four Mile Run (\$96,663), and the Mobile Stage (\$4,550). Additionally, the County Board directed the County Manager to convene a workgroup charged with comprehensively reviewing community arts programs in time for the FY 2021 budget development process.
- The County Board added one-time funding to the Lee Highway Alliance (\$20,000), the Clarendon Alliance (\$10,000), and the Columbia Pike Revitalization Organization (\$20,000).
- ↓ Personnel decreases due to the reductions itemized below, partially offset by the addition of a new small business support position (\$110,285, 1.0 FTE), employee salary increases, an increase in the County's cost for employee health insurance, increases due to reclassification of positions identified to be substantially below comparative pay studies (\$20,700), and adjustments to retirement contributions based on current actuarial projections.
- ↑ Non-personnel increases due to the County Board decisions discussed above for the Cultural Affairs transition plan and partnership funding, in addition to an increase in contractual services (\$25,000) for production services. These increases are offset by the reductions itemized below

and to adjustments to the annual expense for maintenance and replacement of County vehicles (\$2,104).

FY 2020 Adopted Budget Reductions

- ↓ Review the County's main cellular providers to achieve lower, more competitive rates (\$4,921).

IMPACT: The Department of Technology Services has been investigating the cost saving potential in selecting new wireless service providers for Arlington County funded devices. With increased competition and coverage availability, the County will achieve significant savings from additional providers.

Director's Office/Operations Group

- ↓ Reduce funding for administrative support services (\$11,000).

IMPACT: Various non-personnel budget areas will be impacted by this reduction, including staff membership subscriptions, parking validations for visiting AED's office at 1100 North Glebe Road address, and office equipment repairs.

Business Investment Group

- ↓ Reduce funding for data subscription licenses (\$35,500).

IMPACT: The number of data subscriptions will be reduced from 13 to 6, potentially delaying research requests. Reallocation of responsibilities may be required to facilitate research with the reduced number of licenses.

Cultural Affairs

- Retain the Scenic Studio technician with one-time funds (\$108,621).
IMPACT: Users will continue to have access to the studio year-round, however existing staff will provide levels of service consistent with demand. During the off-season, users will have to schedule according to staff availability. This will allow for staff to assist with the mobile stage, summer concerts, and festivals.
- Retain the facility manager at 3700 South Four Mile Run Drive with one-time funds (\$96,663).
IMPACT: The facility manager will continue existing operations and assist with the transition towards a revised cost recovery model that is being developed over the Spring and Summer of 2019. Additionally, the manager will provide the 0.12 FTE to support the Costume Lab.
- Retain the Facility Technical Services Director, however this position's ongoing funding will be replaced with one-time funding (\$151,202) for the duration of the employee's participation in the County's Deferred Retirement Option Plan (DROP). The incumbent will assist Cultural Affairs staff with transitioning its services to a new business model. The position will be eliminated once the DROP period concludes in FY 2022.
- ↓ Eliminate a vacant Audio Production Specialist position (\$108,143, 1.0 FTE), partially offset by adding \$25,000 in ongoing funding for contractual services.
IMPACT: Audio production support for CAD programming at Columbia Pike Library, Lubber Run Amphitheater, Rosslyn Jazz Fest, and Columbia Pike Blues Festival will be contracted out or performed by temporary staff.
- ↓ Eliminate a filled Cultural Affairs Specialist position in the Costume Lab (\$70,761, 1.0 FTE).
IMPACT: The Costume Lab will serve existing organizations by appointment only, thereby reducing available days and hours. Existing staff (up to 0.12 FTE) will absorb these duties. There will be limited inconvenience, since long lead times for theatre production will allow all organizations to plan accordingly.

ARLINGTON ECONOMIC DEVELOPMENT
DEPARTMENT BUDGET SUMMARY

DEPARTMENT FINANCIAL SUMMARY

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	% Change '19 to '20
Personnel	\$6,470,124	\$6,595,204	\$6,556,667	-1%
Non-Personnel	1,997,711	2,151,953	2,178,978	1%
Subtotal	8,467,836	8,747,157	8,735,645	-
Intra-County Charges	(66,666)	-	-	-
Total Expenditures	8,401,169	8,747,157	8,735,645	-
Fees (Earned Income)	160,312	192,000	181,000	-6%
Grants	4,500	5,000	5,000	-
Total Revenues	164,812	197,000	186,000	-6%
Net Tax Support	\$8,236,357	\$8,550,157	\$8,549,645	-
Permanent FTEs	50.70	47.40	46.40	
Temporary FTEs	5.50	5.50	5.50	
Total Authorized FTEs	56.20	52.90	51.90	

EXPENSES BY LINE OF BUSINESS

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	% Change '19 to '20	FY 2020 FTEs Adopted
Director's Office - Operations	\$2,551,401	\$2,803,089	\$2,816,821	-	15.00
Business Investment	2,092,139	2,238,092	2,256,191	1%	13.80
Real Estate Development	444,899	462,117	466,060	1%	3.00
Strategic Partnerships	631,126	575,500	595,500	3%	-
Arlington Arts & Cultural Affairs	2,681,604	2,668,359	2,601,073	-3%	20.10
Total Expenditures	\$8,401,169	\$8,747,157	\$8,735,645	-	51.90

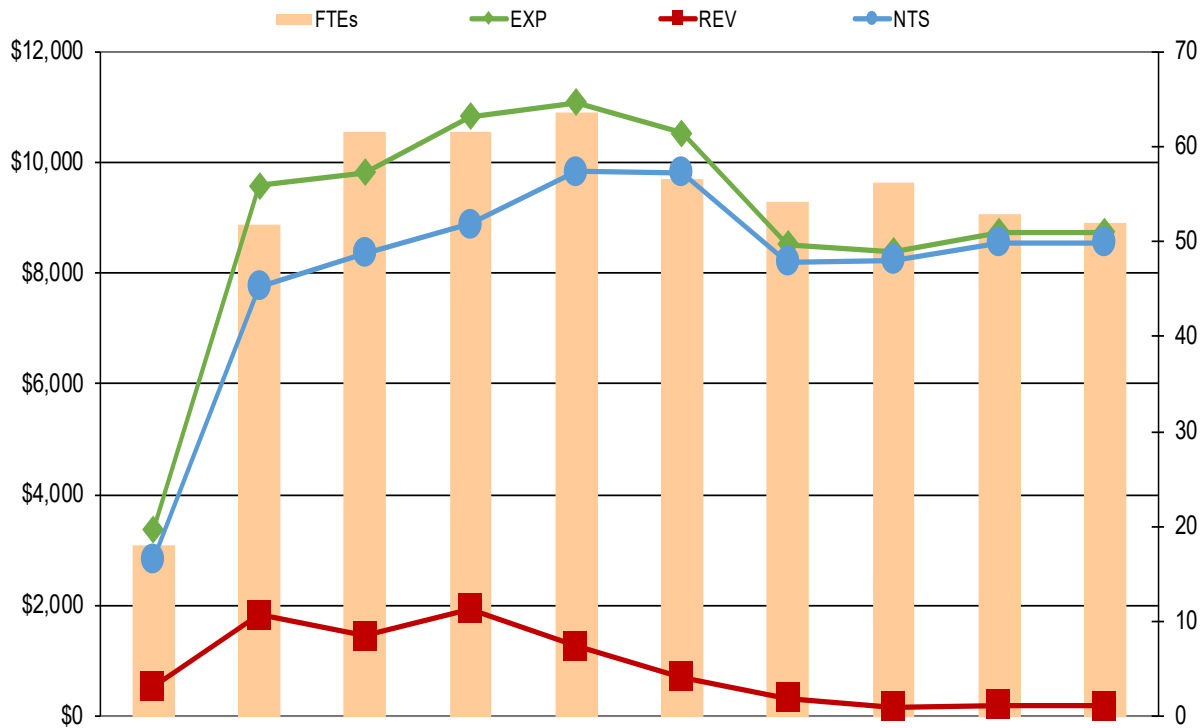
STRATEGIC PARTNERSHIPS FUNDING SUMMARY

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	% Change '19 to '20
Ballston Business Improvement District*	\$1,499,817	\$1,681,199	\$1,497,516	-11%
Crystal City Business Improvement District	2,614,094	2,585,894	2,763,656	7%
Rosslyn Business Improvement District	3,624,225	3,772,348	3,938,338	4%
Clarendon Alliance	80,000	80,000	90,000	13%
Columbia Pike Revitalization Organization (CPRO)**	400,000	355,000	370,000	4%
Lee Highway Alliance	60,500	85,500	80,500	-6%
Washington Board of Trade	10,000	10,000	10,000	-
Arlington Sister Cities Association	50,000	45,000	45,000	-
Total Expenditures	\$8,338,636	\$8,614,941	\$8,795,010	2%

*The FY 2019 budget for the Ballston Business Improvement District reflects the one-time adopted tax rate in CY 2019. The appropriation was resolved through a supplemental County Board action.

**The FY 2019 budget for CPRO excludes the \$50,000 allocated to DES for Columbia Pike cleaning program.

EXPENDITURE, REVENUE, NET TAX SUPPORT, AND FULL-TIME EQUIVALENT TRENDS



	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Adopted Budget
EXP	\$3,376	\$9,587	\$9,818	\$10,829	\$11,085	\$10,523	\$8,525	\$8,401	\$8,747	\$8,736
REV	\$538	\$1,829	\$1,448	\$1,939	\$1,254	\$712	\$320	\$165	\$197	\$186
NTS	\$2,838	\$7,758	\$8,370	\$8,890	\$9,831	\$9,811	\$8,205	\$8,236	\$8,550	\$8,550
FTEs	18.00	51.77	61.57	61.57	63.57	56.67	54.20	56.20	52.90	51.90

Fiscal Year	Description	FTEs
FY 2011	<ul style="list-style-type: none"> ▪ Reduced funding for the Ballston Science and Technology Alliance (\$2,500); Rosslyn Renaissance (\$10,000) and the Greater Washington Hispanic Chamber of Commerce (\$650). Eliminated funding for the Greater Washington Initiative (\$25,000). ▪ Reduced funding for the Nonprofit Technical Assistance Program (\$5,000) and the Think Arlington marketing campaign (\$45,000). ▪ Revenue decreased due to the reduction of transferred funds from a trust and agency account to support the Rosslyn Renaissance (\$10,000) and the end of a state grant during the fiscal year (\$74,350). ▪ Non-personnel expense decreased due the end of the state grant funds (\$74,350). 	
FY 2012	<ul style="list-style-type: none"> ▪ The County Board approved a one-time allocation of \$450,000 for promoting and marketing businesses and cultural events within Arlington County, as well as enhancing small business initiatives. The employees from the Travel and Tourism Promotion Fund will be carrying out these activities from January 1, 2012 through June 30, 2012. ▪ Non-personnel expenses decrease due to the elimination of funding for the Ballston Partnership (\$65,000) due to the creation of the Ballston Business Improvement District, the decrease in funding for the Rosslyn Renaissance (\$10,000), and decrease in lease expense for the Base Realignment and Closure (BRAC) Transition Center (\$23,588). This is partially offset by the restoration of funding for Greater Washington Initiative (\$25,000) and increase in the annual expense for maintenance and replacement of County vehicles (\$765). ▪ Revenues decrease due to the reduction in funding from the Rosslyn Fund trust and agency account for the Rosslyn Renaissance (\$10,000) and the end of grant funding from the Virginia National Defense Industrial Authority (VNDIA) (\$28,448). An extension to the length of the grant has been awarded which will keep the BRAC Transition Center open through mid-FY 2012. ▪ <i>Cultural Affairs, Cultural Affairs' Supplemental Fee Programs, and Artisphere were transferred to Arlington Economic Development from the Department of Parks and Recreation (expense \$5,284,614, revenue \$1,883,658).</i> 	33.77
FY 2013	<ul style="list-style-type: none"> ▪ The County Board added an Information Technology position (\$125,000). ▪ The County Board added one-year funding for the Base Realignment and Closure (BRAC) Coordinator position (\$148,137) which had been previously grant funded. ▪ The County Board added \$30,000 in one-time arts challenge grant funding. ▪ The County Board added matching grant funding for the Clarendon Alliance (\$15,000). ▪ The County Board added base operating funds (\$15,000) and matching 	1.0 1.0

Fiscal Year	Description	FTEs
	grant funding (\$5,000) for Columbia Pike Revitalization Organization.	
	<ul style="list-style-type: none"> ▪ Personnel expenses increase due to the County Board’s addition of funding for a new Step 19 and an increase in the living wage. ▪ Personnel includes the transfer of 3.0 FTEs from the Travel & Tourism Promotion Fund (TTPF) to the General Fund for organizational demands in the Director’s Office and the Business Investment Group (\$284,790). ▪ Convention and Visitors Service has been transferred from the Travel & Tourism Promotion Fund (TTPF) to the General Fund (\$385,624 personnel, \$114,376 non-personnel; 4.8 FTEs). ▪ Eliminated FY 2012 one-time funding for retail and small business promotion (\$450,000). ▪ Eliminated FY 2012 one-time funding for programming at Lubber Run (\$25,000). ▪ Eliminated funding for the Rosslyn Renaissance (\$30,000) and the associated transfer of funding from the Rosslyn Fund trust and agency account (\$30,000). ▪ Revenues decrease to reflect the relocation of the Virginia Export Assistance Center (\$30,000) and changes in Artisphere operations (\$228,519). 	<p>3.0</p> <p>4.8</p>
FY 2014	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for the Base Realignment and Closure (BRAC) Coordinator position (\$142,137). ▪ The County Board added one-time funding for nonprofit capacity building for two additional grants (\$20,000) and arts challenge grants (\$30,000). ▪ Removed FY 2013 one-time funding for the BRAC Coordinator (\$148,137). ▪ Removed FY 2013 one-time funding for arts challenge grants (\$30,000). ▪ The County Board added \$900,000 in one-time funding for Artisphere to support personnel and non-personnel expenses, which is partially offset by the elimination of ongoing funding in the amount of \$748,028. ▪ Revenue increased based on changes in Artisphere operational estimates for gifts and donations (\$20,000), facility rental (\$40,600), admission and ticket income (\$118,531), which is partially offset by reductions in catering income (\$132,753). ▪ Reduced the Arlington Arts Grants Program funding from \$249,100 to \$199,100 (\$50,000). ▪ <i>The County Board approved 2.0 marketing management FTEs as part of FY 2013 closeout (\$294,983).</i> 	<p>1.0</p> <p>(1.0)</p> <p>2.0</p>
FY 2015	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for arts challenge grants (\$30,000) and tourism promotion (\$200,000). ▪ Removed FY 2014 one-time funding for the Base Realignment and Closure (BRAC) Coordinator position (\$142,137). 	<p>(1.0)</p>

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Removed FY 2014 one-time funding for arts challenge grants (\$30,000) and nonprofit capacity building (\$20,000). ▪ Added additional funding for the Hispanic Business Counselor (\$50,000). ▪ Added ongoing funding (\$158,273) for the Base Realignment and Closure (BRAC) Coordinator position. ▪ Replaced ongoing funding with one-time for nonprofit capacity building (\$45,000). ▪ <i>Added personnel approved at FY 2014 close-out to correct the allocation for a Cultural Affairs Specialist (\$9,589, 0.1 FTE).</i> 	<p>1.0</p> <p>0.1</p>
FY 2016	<ul style="list-style-type: none"> ▪ The County Board eliminated funding for Artisphere (\$946,659, 14.5 FTEs, 1.0 temporary FTE) and Ballston Science and Technology Alliance (BSTA) (\$25,000). \$1.3 million in one-time funding remains in net tax support for Artisphere as a contingency in order to cover costs associated with the closure of that facility. ▪ The County Board, using a portion of the savings from the closure of Artisphere, reallocated funding to the Cultural Affairs Division in an effort to improve artistic programming across the county and particularly along its metro corridors (\$331,000 personnel, 3.5 FTEs; \$165,659 non-personnel). ▪ The County Board added on-going funding for business investment (\$600,000, 5.0 FTEs), marketing (\$300,000), arts grants (\$16,710), and the Columbia Pike Revitalization Organization (CPRO) (\$100,000). ▪ The County Board restored one-time funding for tourism promotion (\$200,000), and added one-time funding for TandemNSI (\$200,000). ▪ Removed one-time funding for nonprofit capacity building (\$45,000) and arts challenge grants (\$30,000). ▪ <i>Decreased one-time funding for the closure of Artisphere at FY 2015 close-out due to lower than anticipated closure costs (\$400,000).</i> 	<p>(15.5)</p> <p>3.5</p> <p>5.0</p>
FY 2017	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for the Marymount Non-Profit Resource Center to work with the Clarendon Alliance (\$25,000). ▪ The County Board shifted \$379,000 of Convention and Visitor Services funding from ongoing to one-time. This funding shift maintains the same level of support for the Travel and Tourism program. ▪ Increased fee revenue to align budget to actuals and anticipated receipts in Cultural Affairs programs (\$9,000). ▪ The temporary FTE count was adjusted to reflect the number of budgeted hours already funded within the Department's budget. There was no change to net tax support (3.33 FTEs). ▪ <i>After budget adoption, the County Board transferred Arlington Convention and Visitor Services from the General Fund to the Travel and Tourism Fund (\$626,148, 5 FTEs, 0.80 Temporary FTEs).</i> 	<p>3.33</p> <p>5.80</p>
FY 2018	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for Arts Challenge Grants 	

Fiscal Year	Description	FTEs
	(\$30,000) and one-time funding for AED to conduct a retail and market study along the Columbia Pike corridor on behalf of the Columbia Pike Revitalization Organization (\$150,000).	
	<ul style="list-style-type: none"> ▪ Conversion of a temporary employee from the Travel and Tourism Promotion Fund to permanent full-time to support the front desk and operations (conversion of non-personnel to personnel \$60,000; 1.0 FTEs). 	1.0
	<ul style="list-style-type: none"> ▪ The transfer in of a position from the Department of Technology Services to support the sales and marketing efforts of ConnectArlington and the transfer in of sales and marketing non-personnel funding for the promotion of ConnectArlington (\$130,000 personnel; 1.0 FTEs; \$50,000 non-personnel). 	1.0
	<ul style="list-style-type: none"> ▪ Removal of FY 2017 one-time funding for the Marymount Non-Profit Resource Center (\$25,000). 	
FY 2019	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for the Columbia Pike Revitalization Organization (CPRO) (\$5,000) and one-time funding for the Lee Highway Alliance (LHA) (\$25,000). 	
	<ul style="list-style-type: none"> ▪ Eliminated one vacant Strategic Partnerships Executive Liaison (\$143,231). 	(1.0)
	<ul style="list-style-type: none"> ▪ Eliminated funding for the Greater Washington Hispanic Chamber of Commerce (\$6,000) and decreased the ongoing commitment to Arlington Sister Cities Association (\$5,000). 	
	<ul style="list-style-type: none"> ▪ Eliminated the Cultural Affairs humanities program and its associated vacant position (\$77,172). 	(0.8)
	<ul style="list-style-type: none"> ▪ Eliminated a vacant Cultural Affairs new Media Curator position (\$36,225). 	(0.5)
	<ul style="list-style-type: none"> ▪ Eliminated the Connect Arlington marketing program (\$50,000) and associated vacant business development position (\$115,964). 	(1.0)
	<ul style="list-style-type: none"> ▪ Removed one-time funding for the Columbia Pike Retail Market Study (\$150,000) and Arts Challenge Grants (\$30,000). 	
	<ul style="list-style-type: none"> ▪ Removed expenses (\$160,825) associated with the closure of Spectrum Theatre. 	
	<ul style="list-style-type: none"> ▪ Transferred partnership funding (CPRO and LHA) from Non-Departmental (\$210,500). 	
FY 2020	<ul style="list-style-type: none"> ▪ The County Board replaced ongoing funding with one-time funding for the Scenic Studio program (\$108,621). 	
	<ul style="list-style-type: none"> ▪ The County Board replaced ongoing funding with one-time funding for the facility manager at 3700 South Four Mile Run Drive (\$96,663). 	
	<ul style="list-style-type: none"> ▪ The County Board added one-time funding for the Mobile Stage (\$4,550) 	
	<ul style="list-style-type: none"> ▪ The County Board added ongoing funding for the Cultural Affairs literary arts program (\$31,000). 	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ The County Board added one-time funding to the Lee Highway Alliance (\$20,000), the Clarendon Alliance (\$10,000), and the Columbia Pike Revitalization Organization (\$20,000). ▪ The County Board approved one-time funding to retain the Facility Technical Services Director (\$151,202). ▪ Added ongoing funding (\$110,285) for small business support position. ▪ Reduced funding for administrative support services (\$11,000). ▪ Reduced funding for data subscription licenses (\$35,500). ▪ Eliminated a vacant Audio Production Specialist position (\$108,143). ▪ Eliminated a filled Cultural Affairs Specialist position in the Costume Lab (\$70,761). ▪ Reduced wireless service charges as part of a County-wide review of wireless service providers (\$4,921). 	<p>1.0</p> <p>(1.0)</p> <p>(1.0)</p>