

ARLINGTON COUNTY FISCAL AFFAIRS ADVISORY COMMISSION
REPORT TO THE COUNTY BOARD

FY2018 PROPOSED BUDGET

BUDGET AREA:	CPHD
FAAC REVIEWERS:	Kevin Yam, Michael Shea, David Kinney
DATE OF FAAC ACTION:	March 21, 2017

FAAC Opinion

The FY 2018 proposed budget for CPHD is \$11.6 million, a 2% increase from the FY 2017 adopted budget. The FY 2018 proposed budget for the CPHD Development Fund is \$20.2 million, a 2% increase from the FY 2017 adopted budget.

A major component of the CPHD Development Fund budget is the continuation of investments in the County's One-Stop Arlington Initiative. FAAC supports this initiative in an effort to streamline business processes and provide superior customer service. The County Manager's proposed budget includes continued investments from the CPHD Development Fund in the new online permitting system, as well as planning efforts for a fully consolidated in-person customer service center for building permits.

The proposed budget also includes the addition of \$500,000 in one-time funding for the Lee Highway planning process. FAAC supports the continued community planning process to determine what the future of the Lee Highway Corridor will be.

Lastly, while the proposed budget reflects a continued commitment to the Affordable Housing Master Plan (AHMP) with a proposed \$13.7 million investment, FAAC continues to be concerned with: (i) the adequacy of current investment levels to achieve the supply goals outlined in the AHMP; and (ii) the dependence on close-out and one-time funds to invest in the AHIF.

FAAC Recommendation #1			
The FAAC recommends that the County Board support the County Manager's proposed FY18 budget for CPHD.			
Vote:	Yes:	No:	Abstain:
Comment:			

FAAC Recommendation #2			
The FAAC recommends that the County Board support the County Manager's proposed FY18 budget for the CPHD Development Fund.			
Vote:	Yes: 12	No: 1	Abstain: 0
Comment:			

FAAC Recommendation #3			
The FAAC recommends that the County Board support the County Manager's proposed FY18 budget for the Community Development Fund.			
Vote:	Yes: 11	No: 2	Abstain: 0
Comment:			

FAAC Recommendation #4			
The FAAC recommends that the County Board support the County Manager's proposed FY18 \$13.7 million funding of the Affordable Housing Investment Fund (AHIF).			
Vote:	Yes: 11	No: 1	Abstain: 1
Comment:	This was an important discussion among the FAAC members and is fully captured in future considerations.		

Future Considerations

FAAC is particularly focused on monitoring of implementation of One Stop Arlington. In particular, FAAC would like to see how this investment translates to quantifiable improvements in key performance metrics for both CPHD and DES. One Stop Arlington represents a major investment for the County, and FAAC will be focused on tracking implementation progress and associated costs, including possible future fee increases.

FAAC also encourages the County Board to seek ways to shift the County away from relying on close-out and one-time funds to invest in the AHIF, and solidify the County's commitment to affordable housing by incorporating AHIF investment into its ongoing funding commitments.

Finally, FAAC will also follow the implementation of the Air BNB permitting regulations and the potential fiscal impact.