

CITY OF FALLS CHURCH
Six-Year Capital Improvements Program
Fiscal Years 2022 – 2027

Presented to the
City of Falls Church Planning Commission
February 3, 2021

Introduction

The development of the City's Six-Year Capital Improvements Program (CIP) allows the City to take the shared and competing visions for the development of our public facilities through a disciplined evaluation process. In FY2019, the City shifted to a six-year planning window along with a 10-year look ahead. The six-year window aligns better with most grant-funding agencies. The 10-year look ahead will allow for improved forecasting of projects as well as funding needs. It is important to note that the 10-year look ahead is entering into the second year so this effort is more refined but will require another rule to fully flesh out the long-view. By identifying projects and capital needs several years into the future, the City accomplishes the following objectives:

- Cost estimates for long-term objectives and identified needs are linked to available resources, and placed on a schedule for implementation;
- Major expenditures are scheduled in the context of a balanced Annual Operating Budget and a six-year financial forecast.

Capital projects are new, one-time project with a useful life of more than **five** years, and costing **\$150,000** or more. The cost estimates included in the CIP capture the entire estimated project cost, including, as applicable, land acquisition, design, negotiated agreements, and construction. The total request for each project is evaluated, and based upon available funding, then prioritized to meet the needs of the City.

As of FY2017, the City embarked on a new two-year CIP cycle process, whereby CIP odd numbered years will be for minor updates to the approved CIP, and even numbered years are open for more significant changes and consideration of new projects. The goal of this “biennial CIP” approach is to allow staff to focus more time and effort on carrying out already approved projects, by redirecting some of the time and effort that is currently dedicated to developing and vetting new projects each year.

FY2022 is an even numbered year and by practice is a year that new projects are considered to be added. However, given fiscal constraints and current capital project work load, new projects were limited to out-years, except for IT core infrastructure, as well as long-range planning window of the seven to 10 out-years or an existing project is eliminated or significantly reduced. The financial strain of COVID-19 and decrease in revenues is a widespread issue that can also be observed in the budgets of regional organizations and State agencies, including grant programs, which the City uses to fund many

CIP transportation projects. Coordination with these agencies is still ongoing to ensure that existing project budgets remain intact and the projects are delivered on time. In this year's CIP there are four new project sheets introduced by staff. The project needs, funding constraints and staff allocation resources have been considered in the development of this six-year plan including the new projects. Several project cost estimates have increased due to cost escalation as well as with refined scope and therefore additional grant applications with match requirements have been updated in this CIP.

CIP Projects versus Maintenance Projects

CIP projects generally require significant engineering design and construction, whereas maintenance projects (like road paving, crosswalk painting, sidewalk section replacement, roof replacement, carpet and landscaping) require routine upkeep every one to six years.

What is Capital Infrastructure?

This term refers to the built environment that makes the City of Falls Church safe, healthy, engaging, and beautiful and helps fulfill the City Council's vision of "A Special Place." Projects can be mandatory, like police emergency radios, but others build a quality community. Some construction project examples include:

- roads, sidewalks, crosswalks, bus shelters, traffic signals
- stormwater detention and pipes, sewer system, restoring flooding stream banks
- tennis and basketball courts, park trails, park play equipment
- HVAC, roofs, WiFi and fiber connectivity, renovation and expansion for public buildings (schools, City Hall, community center, library, police station, courts)
- police emergency radios and 911 equipment

The projects contained in the CIP support the goals and objectives outlined in the City's Comprehensive Plan and establish the long-term spending priorities identified by the City Council and are consistent with their 2025 Vision/Comprehensive Plan/Strategic Plan as well as adopted Financial Policies. Updates to the CIP occur annually and changes may happen with each update.

Due to COVID-19 impact, the City community input process was minimal this cycle but includes website updates and relevant Board and Commission input. Information will be available at www.fallschurchva.gov/CIP.

Key Policy Decisions

The Six-Year CIP for the period of FY2022 through FY2027 continues with some past commitments by right sizing to accurate cost estimates as well as addressing new and significant challenges. As with last year's CIP, major funding is provided for City public facility improvements, transportation improvements on the primary corridors, storm water mitigation and park improvements, primarily funded through grants, debt or enterprise. ***The overarching budget theme continues the financial foundation sustainability and a community commitment to funding capital infrastructure. This CIP proposes critical projects to address deferred systems and infrastructure maintenance as well as establishing needed long-range project planning. Additionally, this CIP balances long-term sustainable funding requirements for C&I equivalent, Pay As You Go, capital reserve and debt service in a constrained fiscal climate due to COVID-19 pandemic economic impact.***

The financial challenges have driven what and how projects can be funded; however, strong planning underpinnings remain important to address the long-term infrastructure needs of the City.

An overview of the major policy discussions in this CIP are provided below:

Sound Finances and Financial Sustainability:

City Council continues to strengthen the financial position of the City as expressed in its adopted Vision statement on Sound Finances, and Financial Policies. The FY2020 Budget Guidance continues to place strong emphasis on planning for, and funding, the City's wide ranging infrastructure needs.

The City's Financial Policies sets limits on the minimum size of the reserve balance and debt capacity. Refer to Tab 2 for summary details and full document included as an attachment.

It is worth noting that "debt capacity" in terms relating strictly to policy guidance does not address the separate *issue of affordability within current tax rates* so the CIP has been developed with both **policy compliance and affordability** in mind. The ratio of annual debt service to total General Fund expenditures is a constraint that bears close attention. This ratio is used by bonding agencies to assess fiscal health, and must be used by the City to assess the affordability of specific projects and the six-year CIP as a whole. The projects in this FY2022-2027 CIP stay within the City's policy constraints based on the assumptions used in this forecasting tool.

The proposed FY2022-2027 CIP is within policy compliance and does not contemplate additional real estate tax rate increase for the ongoing financial commitment to capital investment. The ongoing economic development for the West Falls Church 10-acre redevelopment project is a key factor in sustaining the financial plan for the CIP.

Fiscal Challenges:

Although the City is projecting moderate overall revenue growth, the decline in some local tax revenues is noticeable, due to the continued economic uncertainty brought on by the COVID-19 pandemic. There also remain unknown consequences of federal and state policies as well as federal COVID-19 relief funding. Costs of providing City services, including the WMATA transit system, continue to rise, and along with the pressures of remaining competitive for personnel hiring and retention, are considerations that need to be taken into account in our budget deliberations. The FY2022-2027 CIP allocates local funding and grants when they are available and includes debt issuance when necessary with intestinal plan to limit FY2022 debt. The debt issuance contemplated in this six-year CIP is fairly reasonable and are within the current tax rates and capital reserves, with the exception of the debt anticipated for the Sanitary Sewer and Stormwater Funds. A rate study is nearing completion for these two funds to determine affordability of the FY2022-FY2027 CIP, however, no rate increase is planned for FY2022. The projects, their timing, and funding source may change with the outcome of the study.

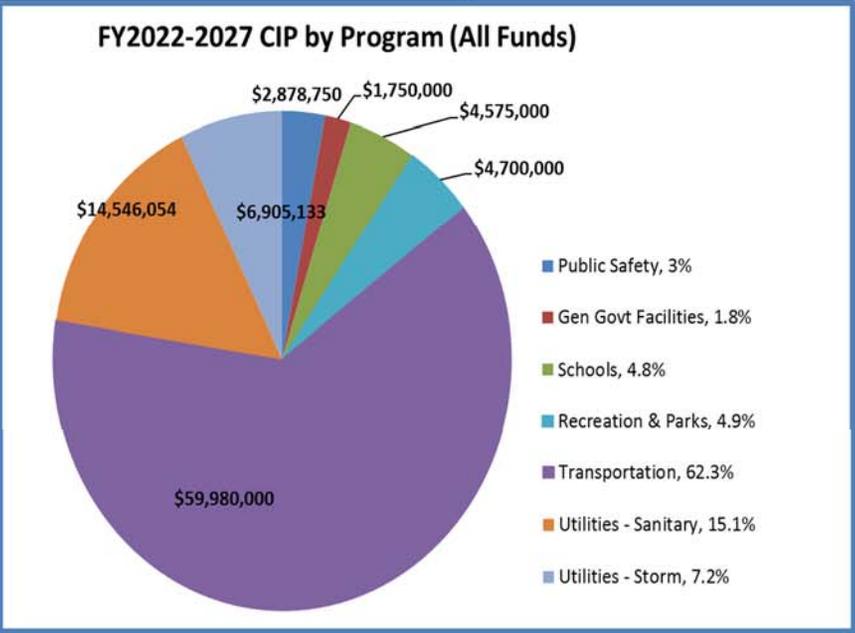
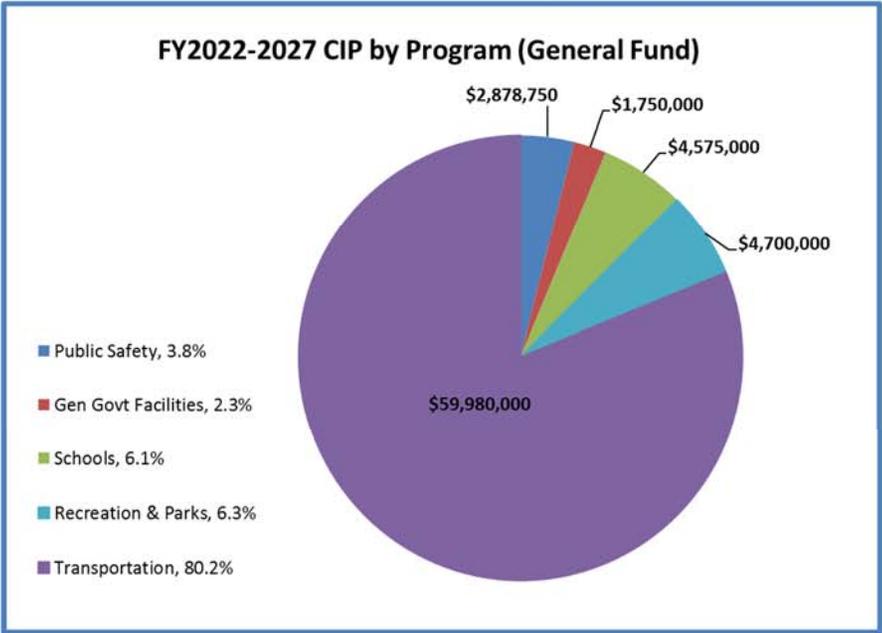
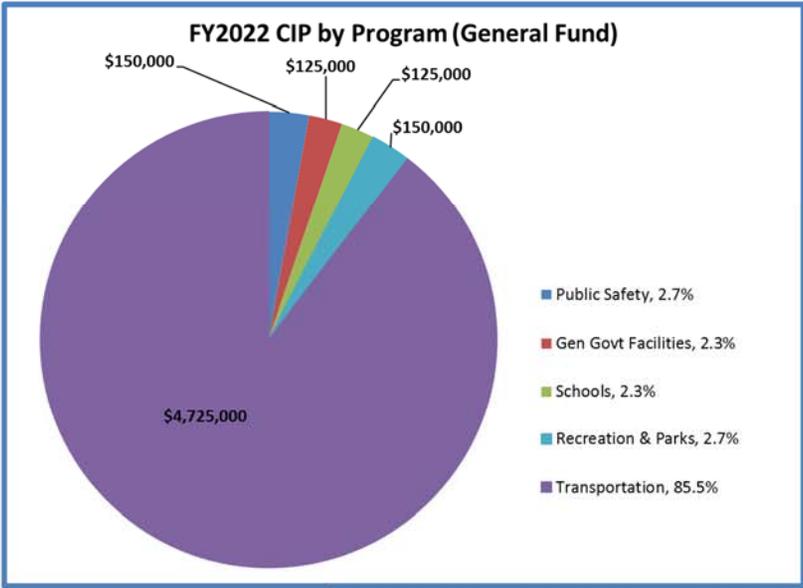
Key policy discussion and decisions required for this CIP development include the following challenges and opportunity topics:

- **Determine desired level of services for health, safety and community amenities in terms of balancing financial affordability, sustainability and service expectations;**
- **Assess all projects against the piloted diagnostic Equity Lens tool;**
- **Determine desired balance between capital and operating budget components with Council priority for capital and directive for operating constraints;**
- **Determine level of commitment for staffing resources/workload and complexities of non-local funding sources;**
- **Set prioritization and timing of projects within six-years and ensures consistency with long-range Comprehensive and Area Plans;**
- **Determine desired level of local Pay As You Go funding;**
- **Assess economic development revenue opportunities balanced with community vision and goals; and**
- **Continue dedicated Pay As You Go funding for facilities, traffic calming, sidewalks and consideration for establishing Equipment and Vehicle Replacement and/or Capital Reserve.**

CIP Project Implementation:

There are previously approved active CIP projects being implemented that are further described under the existing general government project status report, the Snapshot, below. New projects proposed within the FY2022-2027 CIP have taken constrained staff as well as funding resources in mind and therefore phased, this is especially true in the area of transportation.

The following pie charts provide a visual look at how CIP projects allocation by functional areas for the General/School, Special Transportation and Utility Funds:



Recreation and Parks:

There is \$1.7M requested for park master plan improvements over 6-years along with allocating voluntary concession funding, \$400K for Fellows Park construction of the master plan community engagement and design are completed as well as an additional \$2M in open space funding. The open space funding is noted as unfunded since debt financing cannot be issued without an identified property. The open space funding was delayed by one-year from the Recreation and Advisory Board recommendation. There is a new project for synthetic turf replacement to begin planning for a staggered 3-year cycle but is currently not funded; challenge is that this is not eligible for debt financing as only the opt layers of the field require replacement versus full foundation installation. The Recreation and Parks Advisory Board concurred with staff project submissions. See Tab 9.

Information Technology:

There is a new CIP project to establish a comprehensive plan to reinvest in all core infrastructure and backend systems to be able to improve overall systems security, modernize support, continue providing flexibility and greater access to staff to better serve the public by improving efficiency and response time up to date with secure industry standard options. The project sheet provides further details and timing for the key infrastructure needs with includes firewalls, switches, servers, E-911 and wireless components. See Tab 4.

Transportation:

The City continues to define transportation CIP items at the “program” scale, with each project being connected to a single source of grant funding and organized into CIP “programs”. The program areas are infrastructure-bridges, infrastructure-pavement, infrastructure-traffic signals, Downtown Area POA, North and South Washington POA, West Broad Street POA, Multimodal Connectivity and Accessibility, Neighborhood Traffic Calming (“NTC”) and Streetlights and Sidewalks (“Sidewalks”). This reorganization allows the City to focus investment in specific areas of the City and to coincide with the geographic Planning Opportunity Areas identified in the Comprehensive Plan. For example, the draft CIP includes a program for the Downtown Planning Opportunity Area (POA). Infrastructure specific CIP programs account for projects that involves citywide systems and not confined to a single Planning Opportunity Area. The examples of citywide infrastructure programs include traffic signals, bridges and pavement.

Organizing the CIP by program enables staff to better plan for future expenditures for a 10-year window, identify funding needs, and give the City greater flexibility in project scheduling, capitalizing on funding opportunities and allowing staff to coordinate related projects. Ongoing analysis of staff capacity to manage existing projects determines a realistic schedule for implementation; refer to updated 6-year schedule at end of Tab 1. The proposed transportation CIP realistically schedules project implementation based on project priorities and existing staff levels. Due to construction cost escalation for fuller defined project scope, many existing projects cost estimates doubled. Additional grants, with required match, have been submitted to “right size” the transportation projects. The only new project, in the 6-year window, is for Sidewalks and LED Streetlights to address community priority. Pay as You Go funding has been prioritized to NTC and Sidewalks projects.

The proposed WMATA budget continues to increase reinvestment into the system for safety and reliability as well as offset COVID-19 ridership loss. The City policies support transit, and is legally required through the WMATA agreement to allocate funding.

To further long-term planning, several POA projects are included in the outer years to refine scope and identify funding sources; listed as unfunded for this FY2022-FY2027 CIP. A FY2027 parking garage option is broken out from the Downtown POA but is designated as unfunded until legal and financing for public dollars for private property to be resolved. See Tab 8.

Schools:

The George Mason High School (GMHS) and Mary Ellen Henderson Middle School (MEHMS) new construction projects are completed and move in is underway. The new FY2020 facility reinvestment concept continues to provide for regular reinvestment in all school facilities over the 10-year planning horizon. These facility needs cannot be debt financed so must be Pay Go. There is currently no local cash available to allocate to these projects so shown as unfunded. The FY2020 second budget amendment provided funding for FY2021 projects as result of the virtual revenue sharing agreement. Options to fund these facility needs will continue in collaboration with the School Board.

The School Board adopted CIP is available under Tab 6.

General Government Facility Reinvestment:

Ongoing reinvestment into existing public facilities remains a priority and is an area where dedicated capital replacement reserves is recommended. For FY2022-2027, there is \$1.75M Pay Go local funding for general government facility reinvestment. See Tab 6.

Facility Security Systems:

This project will upgrade security measures across public facilities so they are part of one centric system that are monitored in the Public Safety Dispatch Center. City buildings include: City Hall, Property Yard, Community Center, Library, Aurora House, Cherry Hill Farm House, Cherry Hill Barn, Gage House, and Fire Station 6. The project was moved out two fiscal years to accommodate other public safety operational projects as well as COVID-19 workload impacts.

Improvements to the system would include all locking access control doorways, alarms (e.g., intrusion, panic and fire), and interior and exterior cameras. Many security measures do exist within the listed facilities; however, the centralization of all security measures would allow for the optimization of the facilities' systems with a comprehensive, customized solution of cameras, alarms, pass card systems all tied back to public safety; one system that makes buildings safe, productive, efficient. Several of the existing systems are also at the end of their useful life cycle. See Tab 5 for details.

Storm Water Infrastructure:

In many parts of the City, the storm water system is aging, undersized, and unable to convey the standard 10-year storm event. These deficiencies result in frequent flooding along some of the City streets and damage to private property. As the City carries out repairs to its existing storm water infrastructure, there will be opportunities for the implementation of measures that will improve capacity and flooding issues. After the July 8, 2019 storm, Council appointed a Stormwater Task Force. The goal of the Task Force was to identify and rank six priority project that reduce flooding

throughout the City by June 30, 2020. Based on the selected projects the City initiated a rate study to fund the priority projects as well as out-year green infrastructure projects. To determine the out year project Council re-activated the Stormwater Task Force in December 2020. The re-activated Task Force’s goal is to select and prioritize green infrastructure project by March 2021. Additionally, grants will be researched for funding options for both the priority projects and out year projects with the intent of keeping the stormwater rates as low as possible. See Tab 10.

Sanitary Sewer Fund:

The Sewer Fund is impacted by EPA-mandated projects to upgrade the Arlington and Alexandria wastewater treatment plants that the system uses. In addition to these EPA mandated projects, the City is quickly approaching its allotted capacity at the Alexandria Wastewater plant. To offset this concern, the City undertook a capacity study to project future needs and is currently working with Fairfax County on a possible capacity swap. This swap will ensure enough capacity is available for the City’s use until FY2025, at which time the City will likely need to purchase additional capacity. Funds to purchase this additional capacity will come from projected tap fees and money available from the lining and rehabilitation of pipe due to the impacts of COVID-19. Due to the ongoing COVID-19 pandemic, there is a surplus of funds in the rehabilitation account so deferring the yearly contributions to offset the cost of additional capacity will have minimal impact on the program in future years. The CIP projects provide preliminary projected cost needs pending completion of this work. The City has begun a rate study to determine how to fund these required projects while ensuring the fund remains healthy. See Tab 10.

Existing Projects Snapshot

The following provides an update on current CIP projects, as of January 2021, authorized for FY2021 and prior.

A SNAPSHOT: General Government CIP Projects January 2021 Update

Interactive Project map: www.fallschurchva.gov/CIPmap

Category (# of funding sources)	Project Name	Description/Schedule (funding source)	Progress
Parks			
(2)	Berman Park Daylighting & Trail Crossings	(Local) Daylighting and adjacent trail COMPLETE; 2 nd half of trail scheduled for FY22 funding; construction planned in FY23. On track. <i>(HSIP)</i> Project Kick-off meeting held in November 2020, sight distance evaluation complete, survey underway, currently working on 30% design plans.	
	Big Chimneys Park	(Local) Construction on schedule and more than 95% complete. Completion of the park scheduled for January/February 2021. The installation of ADA ramps including sidewalk enhancements on the park side, the	

		installation of a Rectangular Rapid Flashing Beacon (RRFB), ADA work and a painted crosswalk across Annandale to the Harris Teeter side is scheduled after park completion in January 2021.	
Facilities			
	City Hall Public Space & Safety Improvements	(Local) Construction complete. Commissioning and punch list complete. Successfully achieved LEED Silver certification.	
	Library Renovation & Expansion	(Local) Construction began March 2020. Site work and demolition complete. Brick Masonry work complete, building structure nearly complete with all interior work complete, roof is 85% complete. Electrical overhead/wall rough-ins are being completed. Fire sprinkler and HVAC is 70% complete.	
	Facility Reinvestment	(Local) Facility reinvestment work is ongoing. Many resources have been diverted to COVID-19 emergency response & preparedness for City buildings reopening.	
Stormwater and Sanitary Sewer			
	Wren's Branch Drainage	(Local) 60% plans complete; Minor changes requested by residents; Consultant updating final plans.	
	West End Pipebursting	(Local) 90% design plans complete and under review. Expect to have 100% plans late Summer 2020 and move into easement acquisition phase in Fall 2020. Note that the project is not fully funded. Will utilize debt funding from sanitary fund to fully fund the project. Construction expected to begin FY22.	
	Stormwater Improvements at Poplar/Laura and Midvale	(Local) Both projects in engineering phase during August. Construction planned for Fall 2020.	
	Ellison Branch/Railroad Ave	(Local) Expecting all easements signed by early August; issue Notice to Proceed for construction early August. Construction complete Fall 2020.	
Technology			

	Telecommunications & Infrastructure	(Local) Main PBX successfully deployed; originally planned voicemail server (Zeacom) procured. Installation to be completed by late Fall/Winter 2021.	
Public Safety			
	Fire Station 6 HVAC Phase 2	(Local) Phase 2 initiated November 2019 and completed January 2020. DPW Ops replaced sewer lines concurrently. FY21 bay door replacement is pushed to FY22 due to COVID-19 debt issuance delay.	
Transportation			
(3)	Park Ave Great Streets	(SmartScale x2, NVTA 70%) Full scoping of Park Avenue Great Streets revealed project was underfunded; project schedules for all Park Ave projects aligned to extend original schedule. Revised schedule and estimates approved by VDOT; all projects along Park Ave coordinated. Scope included in NVTA grant; \$8.3M awarded to fully fund all improvement projects along Park. NVTA funds available in FY24. New ad date is 11/26/2024. PM hiring process underway.	 
(2)	S. Washington St Transit Plaza and Streetscape Improvements	(SmartScale, SAFTEA-LU VA-04-0029-01) Federal IFB closed in March. Fort Myer started construction in August 2020. Curbs and gutters installed on the west side of S Washington, conduits for streetlights and irrigation system for planters installed on the west side. Currently, signal pole and streetlight pole foundations being installed, storm water installation on the east side and demolition of existing traffic island to follow next. Estimated completion late Fall/Winter 2021.	 
	S. Wash & S. Maple Intersection and Traffic Signal	(SYIP) Advertisement date extended to February 2021. 100% plans have been developed and reviewed by the City and Fairfax County, about to be sent to VDOT for review. IFB package as well as most recent estimate provided to VDOT in late December 2020. Project was over budget; additional funds identified and allocated to fully fund it; project back on track.	

	S Washington & Annandale Intersection	(Rev Share) Planning to submit future grant application for FY25 and FY26 to cover funding deficit, preliminary engineering and design scheduled for FY22 upon confirmation of COVID-19 SYIP allocations; current advertisement date is 1/20/25. New PM TBD.	
	S Maple & Annandale Signal	(Rev Share) Grant application for additional funds submitted in Sept. 2019. Not fully funded due to reordering of fiscal year SYIP allocations due to COVID-19. Consultant procurement phase completed and RDA selected as consultant. Project kick-off meeting was in January 2021. VDOT's revised advertisement date is 3/1/2023.	
	Oak Street Bridge	(RSTP) 90% design complete. Awaiting ROW authorization from VDOT. City submitted \$928K application for SGR funds available in FY21. Revised COVID-19 SYIP allocations have the City's requested SGR funds distributed in out years which is not feasible, therefore; the City is coordinating with VDOT to possibly administer this project, instead of the City, as they have funding flexibility needed to construct project in FY21 and FY22.	
	N. West and Great Falls St Traffic Signal	(Rev Share) The City has a Joint Powers Agreement (JPA) with Fairfax County for construction of this project, executed April 2019. The installation of new signal equipment including pedestrian signals, milling and paving, sidewalk improvement, signing and marking is complete, remaining work includes the removal of DVP utility poles and the old signals as well as the punch list to be identified at a later date; expected completion date is end of February 2021.	
	N. Washington and Columbia St Traffic Signal	(Rev Share) In ROW acquisition phase now for permanent City easements on 3 of the 4 corner properties; signatures of the property owners have been obtained for one of the properties, Columbia Baptist has agreed to the ROW package presented by	

		the City but going through their own recording process, Crossman Methodist Church is submitting a counteroffer to be reviewed by the City. Application for additional Rev Share funds submitted September 2019; funding award also impacted by COVID-19 SYIP allocations; in process of getting funds advanced now to keep project on time.	
(2)	Neighborhood Traffic Calming	(Local) <u>Annandale/Gundry</u> : Completed and closed out. <u>W Jefferson</u> : Completed. <u>Lincoln</u> : Completed. <u>Noland</u> : Completed. <u>N Oak and Great Falls/Little Falls</u> : reaching back out to community with revised plans, after feedback from initial designs. <u>S Oak/Lee</u> : based on community input on the first iteration, a set of light solutions finalized and community follow up on proposed plan being developed. <u>Greenway Downs</u> (HSIP, federal): community outreach began in Fall 2020. RFP to consultants by end of January 2021.	
	Bike-Share Operations & Maintenance	(NVTC I-66 Commuter Choice) Integrated Capital Bikeshare with Google Maps. Operations and Maintenance RFP bid evaluation currently in process.	
	Broad St Ped Crossings (HAWK signals)	(SmartScale) ROW authorization from VDOT received and project currently in ROW/easement acquisition phase. Compensation agreements and offer packages reviewed and verbally approved by all property owners, currently going through final easement documents language revisions and obtaining owners' as well as City officials' signatures before the package is sent to title company for the closings and compensation checks are mailed. Revised ad date is September 2021.	
	Broad Street Multimodal Improvements	(SmartScale) 30% plans submitted to VDOT as well as revised cost estimate reflecting the agreed scope change to use concrete instead of brick paver sidewalks, removing proposed streetscapes which	

		were not in the original grant scope, and some other minor changes to stay within budget. Revised scoping completion date is 3/31/21. VDOT Advertisement date: 7/29/22. Construction estimated to start late Fall/Winter 2022.	
(2)	W&OD Park and Greenway projects: Trail Crossings and Dual Trails	(TAP, RSTP,) 90% plans complete and under review. Expect to have 100% plans in late February or early March 2021. RFPs for construction expected Spring 2021. Construction start expected in Fall 2021. Project slated for completion Spring 2022. Dual Trails (NVTA 70%) Construction underway as of August 2020. Project is slated for construction by end of June 2021.	
	West Falls Church and Joint Campus Revitalization	(NVTA 70%) \$15.7M allocated in FY20. Dry utility underground conduit complete, easements with Dominion, Verizon and Cox have been approved and wires pulled to the new high school. RCN conduit has been installed for FCCTV. Work is complete on sanitary sewer to serve new high school and new development. Demolition of old high school is scheduled for February 2021. Currently preparing safe walking/cycling routes guidance for students and parents during demolition phase. Design underway for private development and streetscape improvements.	
	Haycock Road Ped Crossing (HAWK)	(HSIP) HSIP grant approved for \$750k; allocated in FY21. Project scope is part of West Falls Church Revitalization project, to be completed by developer, City staff are working with VDOT to initiate the project agreement process. Will request scope change so the City can implement a full signal instead of the previously proposed HAWK; which should still be covered by NVTA. The City will coordinate with developer to ensure funding for this project remains separate.	

	West Falls Church Access to Transit and Multimodal Connectivity	(NVTA 70%) \$6.9M awarded for FY24 appropriation. Agreement on hold.	
	LED Streetlight Conversion	Draft memo prepared reflecting type of fixtures to be used in different spaces and land uses throughout the City, also indicating proposed kelvin temperature, color, and wattage. Still waiting for input from Public Safety regarding use of 4000K temperature in select areas in City. Memo to be presented to Planning Commission on February 3 rd for their input before it is finalized. Next step is pilot program, potentially in February 2021.	

Process Overview

Section 6.19 of the City Charter and Section 17.08 of the City Code provide the requirements for the annual consideration and adoption of a six-year Capital Improvements Program. The inset below contains the relevant Code and Charter provisions:

Sec. 17.08. ... The city manager shall subsequently submit to the commission a proposed capital improvements program together with a report on the financial condition of the city, insofar as it may relate to any contemplated capital fund projects. In the preparation of its capital improvement recommendations, the commission shall consult with the city manager, the school board, the heads of departments and interested citizens and organizations, and shall hold such public hearings as it shall deem necessary. It shall submit its recommendations to the city council, at such time as the council shall direct, together with estimates of cost of such projects and the means of financing them, to be undertaken in the ensuing fiscal year and in the next four (4) years.

Sec. 6.19. Capital budget.

At the same time that he submits the current expense budgets, the city manager shall submit to the council a program previously acted upon by the city planning commission, as provided in Chapter 17 of this Charter, of proposed capital improvement projects, including schools, as defined in section 7.02 of this Charter, for the ensuing fiscal year and for the four (4) fiscal years thereafter, with his recommendations as to the means of financing the improvements proposed for the ensuing fiscal year. This program shall be termed the "capital budget" and may be adopted by resolution.

The adoption of the CIP by the City Council signifies the Council's identification of a set of priorities for capital spending over a six-year period. However, the City Council may delay or limit the construction or improvement of any proposed project over the course of the six-year period as economic conditions, available resources, and needs may dictate.

Organization

The CIP material serves as a working document as it goes through the Planning Commission review. As a working document, the CIP is either in a notebook binder or in an electronic format so that pages may be easily amended as staff incorporates the Planning Commission's comments and requests for information into the program.

The CIP is organized in a ten-tab format:

Tabs 1 – 3	Overview/Existing Project Status, Financial Status/Polices, Glossary, Project Recommendations and Financial forecasting tools
Tabs 4 – 9	Project Descriptions for the General/School Fund and Special Transportation Fund
Tab 10	Project Descriptions for the Utility Funds

The project categories represent the function versus the department to ensure an integrated and coordinated CIP between the General Government and Schools. For example, all facility related projects are in one category versus split between Parks and Fields, Public Works, Public Safety and Schools. Additionally, the financial components included at the front of the CIP provide the context in which the various infrastructure projects are considered.

Procedures, Schedule, and Community Engagement

Planning Commission Procedure

Section 6.19 of the City Charter and Section 17.08 of the City Code states the Planning Commission requirement for the annual consideration and adoption of a six-year Capital Improvements Program. The inset below contains the relevant Code provision.

Sec. 17.08. ... The city manager shall subsequently submit to the commission a proposed capital improvements program together with a report on the financial condition of the city, insofar as it may relate to any contemplated capital fund projects. In the preparation of its capital improvement recommendations, the commission shall consult with the city manager, the school board, the heads of departments and interested citizens and organizations, and shall hold such public hearings as it shall deem necessary. It shall submit its recommendations to the city council, at such time as the council shall direct, together with estimates of cost of such projects and the means of financing them, to be undertaken in the ensuing fiscal year and in the next four (4) years.

The development of the CIP starts with each department head submitting to the City Manager a detailed listing of all immediate and long-range capital improvement needs, together with cost estimates and recommendations as to priority and timing of the projects listed. An additional factor considered is that CIP projects that are inactive for three fiscal years are re-appropriated or eliminated. If an approved CIP has no expenditure activity for three-years, it must be re-appropriated. The specific code section relevant to this issue is: "No appropriation for a capital improvement project contained in the capital budget shall lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided that any project shall be deemed to have been abandoned if three (3) fiscal years elapse without any expenditure from or encumbrance of the appropriation therefor."

Schedule

Staff will present the CIP to the Planning Commission on February 3, 2021. The Commission will evaluate the proposed CIP in the context of the Comprehensive Plan, and hold public hearing(s) to obtain community input. The Planning Commission will conduct the public hearing, adopt its CIP recommendations on February 17, 2021, and forward them to the City Manager. Following the delivery of the Planning Commission recommendations, the City Manager will make his final CIP recommendation to the City of Falls Church Council as part of the overall presentation for the City's FY2022 operating and six-year capital budget.

Community Engagement

For the FY2022-2027 CIP, the community engagement processes were within standard Planning Commission and planned City Council public hearings and town hall meetings due to COVID-19 pandemic impacts, General Fund financial constraints, staff workload and focus on implementing current projects. The CIP is consistent with the adopted Comprehensive Plan Vision and updated chapters, Planning Opportunity Area and Master Plans as well as School Board and Recreation and Parks Advisory Board recommendations. During the remainder of this budgeting cycle, staff will continue utilizing website postings, social media messaging and town hall meetings.

Council Approval Process

The City Council will evaluate the Planning Commission recommendations and hold its public hearings in the months of March and April. Upon adoption by the Council, the Operating Budget and the Capital Improvements Program/Capital Operating Plan will go into effect at the beginning of the new fiscal year on July 1, 2021. The scheduled date for Operating Budget and CIP for concurrent adoption is April 26, 2021. However, given the impact of the final tax rate and expenditure reductions on the undesignated fund balance the Council has the option to separate the CIP adoption, by no more than 28 days per City Code Section 6.19, from the operating budget so an alternative adoption date might be not later than May 24, 2021. The full tentative budget calendar is on the City website at: <http://www.fallschurchva.gov/budget>.

Staff will provide a report to the Planning Commission at the end of the process, after Council has adopted the final Operating Budget and CIP, to review the final document. As planned, the final report is scheduled for May 2021.

The adoption of the CIP by the City Council signifies the Council's identification of a set of priorities for capital spending over a six-year period. However, the City Council may delay or limit the construction or improvement of any proposed project over the course of the six-year period as economic conditions, available resources, and needs may dictate.