



CITY OF ALEXANDRIA

FISCAL YEAR 2026 PROPOSED BUDGET

FY 2026 – FY 2035 Capital Improvement Program (CIP)

Planning Commission

April 1, 2025





CITY CHARTER

► Excerpt from Section 6.14 – Capital Budget.

“The city manager shall obtain and transmit to the council the advisory recommendations of the planning commission with regard to the consistency of proposed capital improvement projects with the master plan and the priority and timing of those projects in comparison to other elements in the master plan.”



CIP DEVELOPMENT PROCESS

▶ **Fall 2024:**

- ▶ Guidance to City departments and ACPS to remain within the funding levels contemplated for FY 2026 – FY 2034 in the Approved FY 2025 – FY 2034 CIP
- ▶ City Council budget guidance resolution approved November 26, 2024
- ▶ Capital needs, and CIP affordability/sustainability discussed at:
 - ▶ Joint City Council/School Board session
 - ▶ Annual City Council Retreat

▶ **Winter 2024/2025:**

- ▶ City Office of Management and Budget (OMB) staff and the City Manager's Office craft a CIP recommendation for the City Manager and to outline major funding/policy challenges
- ▶ Recommendations shared with the CIP Steering Committee for feedback:
 - ▶ Members are from the most capital intensive City departments (T&ES, RPCA, DGS, ITS, DPI, and P&Z), and is chaired by Deputy City Manager Emily Baker
- ▶ Recommendations presented to City Manager in January 2025. The City Manager worked with OMB to finalize the project composition and funding levels recommended in the Proposed FY 2026 – FY 2035 CIP presented to City Council on February 25, 2025.



PROPOSED CIP HIGHLIGHTS

- ▶ **Continues to execute previously approved CIP**
 - ▶ Continues commitment to Schools' capital plan from approved CIP
 - ▶ Maintains investments in state of good repair of City capital assets
- ▶ **City projects were reprioritized and reduced, and one-time funding sources were deployed to increase funding for select capital investments without increasing overall City funding**
- ▶ **Further highlights in *CIP Overview* in budget documents**

Year 1 (FY 2026) Capital Budget

\$205.87 million

10-Year Proposed Funding

\$2.08 billion

FY 2026 General Fund Cash Capital

\$30.5 million

FY 2026 General Fund Debt Service

\$105.5 million

Cash / Borrowing Split

46% Cash / 54% Borrowing

September 2024 Bond Rating

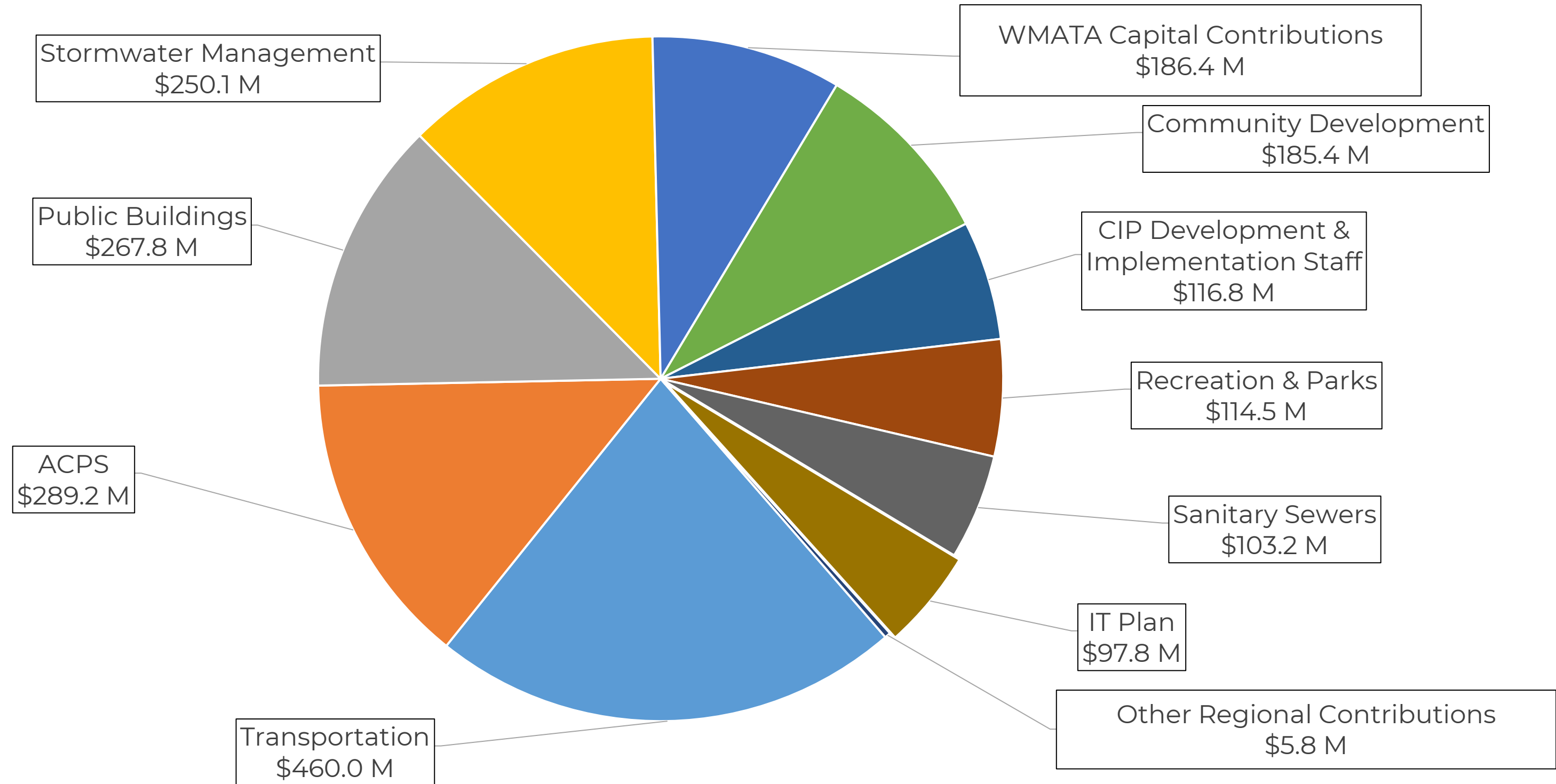
AAA/Aaa (32nd Consecutive Year)



PROPOSED FY 2026 – FY 2035 CIP

Uses - \$2.08 billion

► **Appendix B of the CIP lists all project and their funding levels sorted by Reporting Area Location**





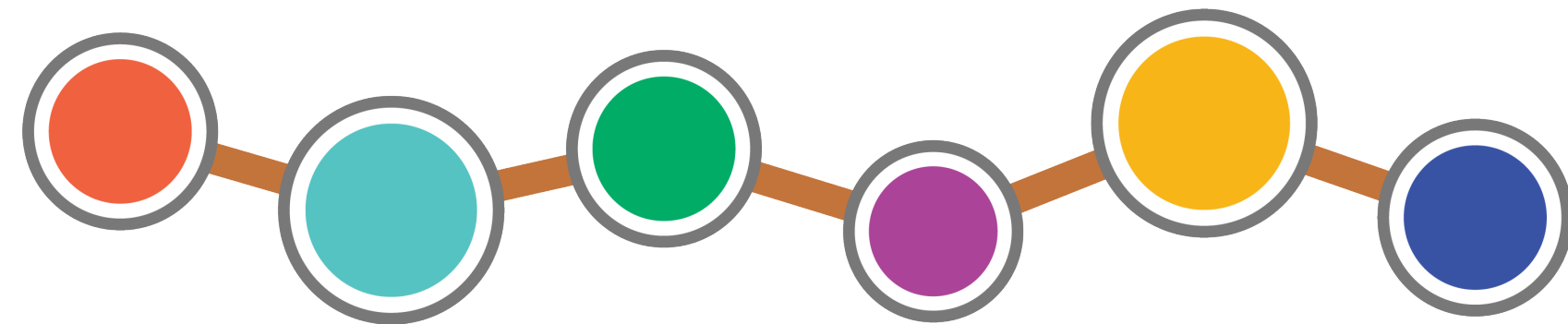
PLANNING & DEVELOPMENT STUDIES

▶ Development Studies Project (10-yr, \$1.25M)

- ▶ Provides on-going funding stream for feasibility, planning and design studies to support or implement small area plans.
- ▶ Allocated to projects consistent with City Council's Long Range Planning Work Program

▶ FY 2026

- ▶ Upcoming Duke Street Corridor Plan will utilize previously allocated funding and potentially federal grant funding

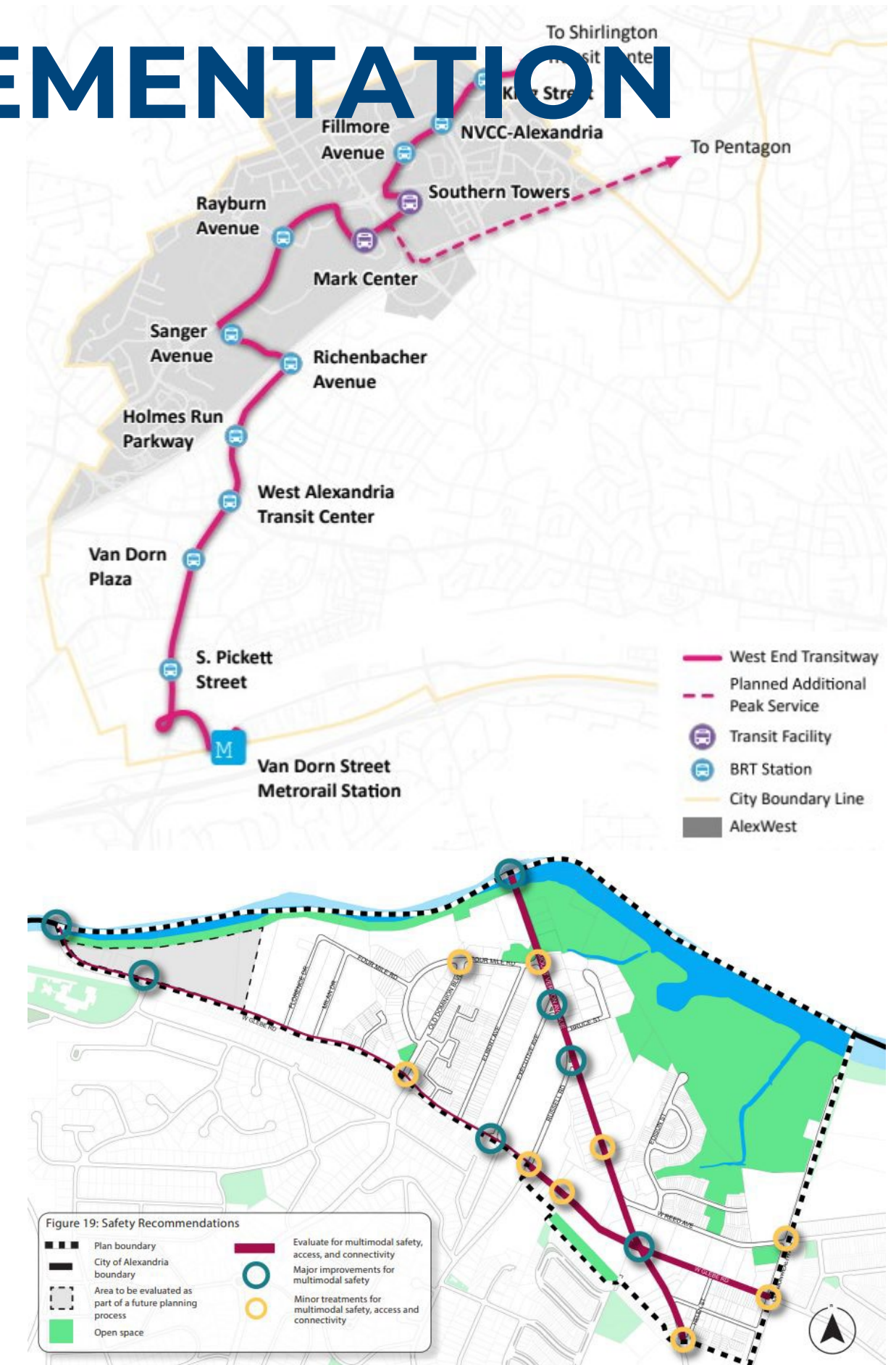


DUKE STREET LAND USE PLAN



SMALL AREA PLAN IMPLEMENTATION

- ▶ **Landmark Van Dorn/Eisenhower West**
 - ▶ Mall site redevelopment; transit center; access improvements
 - ▶ South Van Dorn Street bridge improvements
- ▶ **Alexandria West**
 - ▶ Recreation Center planning
 - ▶ West End Transitway; Southern Towers Transit Center
 - ▶ West End high crash intersection improvements
- ▶ **Duke Street Transit Corridor**
- ▶ **Southwest Quadrant**
 - ▶ South Patrick Street pedestrian safety streetscape improvements
- ▶ **Arlandria-Chirilagua**
 - ▶ Mt. Vernon Avenue North Complete Streets
- ▶ **Waterfront Plan**
 - ▶ Lower King Street closure; Flood mitigation





FY 2026 BUDGET DEVELOPMENT CALENDAR

- ▶ **April 3:** Add/Delete Submissions due from City Council
- ▶ **April 8:** Tax Rate Public Hearing; Add/Delete Public Hearing
- ▶ **April 22:** Non-Real Estate Tax Public Hearing; Budget Work Session #6 – Preliminary Add/Delete
- ▶ **April 28:** Budget Work Session #7 – Final Add/Delete (if needed)
- ▶ **April 30:** Budget Adoption