

Strategic Option Overview

Department(s): Department of Environmental Services

Strategic Option Description: Arlington County government will seek to be a model in green house gas emissions reduction, and the County Board has instituted a broad environmental initiative, **Fresh AIRE** (Arlington Initiative to Reduce Emissions).

The goal of Fresh AIRE is to significantly reduce greenhouse gas emissions in Arlington and to demonstrate that the choices made by local governments – and local communities – can make a real difference in the global effort to reduce emissions that cause harmful climate change.

Specifically, Fresh AIRE aims to:

- cut the County government's greenhouse gas emissions by 10% by 2012;
- establish and implement a strategic energy plan and a climate action plan for the County government and whole community;
- encourage, educate, and assist our residents and local businesses in energy conservation and emissions reduction efforts;
- partner with Arlington Public Schools, and other localities in the region and in the nation to reduce emissions.

As part of the FY 2008 proposed base budget for the Department of Environmental Services (DES), the County has funded:

- the purchase of twice the amount of renewable wind power for County facilities;
- the purchase of five hybrid-electric vehicles;
- the purchase of environmentally friendly fuels;
- the continued replacement of incandescent lighting with compact fluorescent lighting in County government buildings.

Arlington County is a leader – and we can do more. This strategic option will reach beyond efforts and funding in the FY 2008 base budget -- it proposes to expand and institutionalize the County's efforts to reduce greenhouse gas emissions in FY 2008 and in the future. Through this initiative we can:

- Enhance outreach, via the Web, print media, live workshops and seminars, and other community tools to residents and businesses on energy efficiency, green power, and other emissions reduction methods;
- Increase the number and scope of energy efficiency upgrades to County facilities, to dramatically reduce energy consumption, energy and operating costs, and greenhouse gas emissions as a model for the private sector;
- Expand pedestrian, bicycle, and transit options throughout the community, and improve environmental design in all County projects;
- Fund innovative energy demonstration projects (e.g. advanced solar technology; remote real-time metering and monitoring; wireless automatic building controls, etc.);
- Implement, facilitate, and integrate Fresh AIRE objectives with collaboration from across the County government, our residents, local businesses, and other localities. Work on the initiative will be accomplished by two existing FTEs plus four new positions. These environmental experts will work closely with the County's new Environmental Leadership Council and the Environmental Programs Committee.

FY 2008 PROPOSED BUDGET STRATEGIC OPTION
ENVIRONMENTAL SUSTAINABILITY FUND

Funding Source:

Currently, Arlington has a utility tax that only commercial properties pay based on usage of natural gas and electricity. It is proposed that a residential utility tax be established that would be based on the amount of electricity (kWh) and natural gas (CCF) consumed by residential properties (single-family detached/ townhouse/apartment unit/condominium unit). The tax amount per month would be capped at \$1.10 for each utility (electricity and natural gas) and the rate for each utility would be structured so some tax savings could be achieved if utility usage is minimal or reduced below a certain threshold per month.

Jurisdictional Comparison: All other jurisdictions in northern Virginia currently have a residential utility tax in place. The proposed Arlington rate of \$1.10 per month maximum would be less than half of the lowest rate of any surrounding Virginia jurisdiction (the lowest is the City of Fairfax's rate equaling \$2.25/month/utility). Arlington estimates that it will realize \$1.5 million annually from this charge for the environmental sustainability fund.

Funding Information		
	FY 2008	Projected FY 2009
Expense:		
Outreach to residents and businesses	272,000	272,000
Energy efficiency improvements to County facilities	600,000	600,000
Innovative energy demonstration projects	200,000	200,000
Implement program objectives	428,000	445,000
Total Expense	\$ 1,500,000	\$ 1,517,000
Revenue:		
Utility tax established for the consumption of electricity and natural gas for residential properties	1,500,000	1,517,000
Total Revenue	\$ 1,500,000	\$ 1,517,000
Net Tax Support	\$ 1,500,000	\$ 1,517,000
New FTEs	4.0	0.0

FY 2008 PROPOSED BUDGET STRATEGIC OPTION
ENVIRONMENTAL SUSTAINABILITY FUND

Performance Measures

	FY 2005	FY 2006	FY 2007	FY 2008*	Analysis
Change in greenhouse gas emissions from County government operations (in tons of CO2), from prior year total	-400	-200	-200	-2,000	Boosting investments in energy efficiency in County operations and increasing renewable energy use will bring a substantial reduction in greenhouse gas emissions.
Change in greenhouse gas emissions across the entire community (in tons of CO2), from prior year total	+20,000	+20,000	+20,000	+5,000	Enhancing outreach and programs to residential and commercial sectors, with complementary transit improvements, will curtail and reduce emissions growth rate.

*Anticipated performance with strategic option approved