



June 23, 2025

Re: **Office of Climate Action Carryover Work – FY2025 to FY2026**

To City Manager Jim Parajon

CC Mayor Gaskins, Vice Mayor Bagel, and City Councilmembers

Dear Mr. Parajon,

It is our understanding that the City of Alexandria City Manager's Office is currently evaluating carryover work from FY 2025 budget that should extend into FY 2026. Additionally, we understand that the City uses the following criteria to determine eligibility for carryover:

- The project was planned and budgeted for in FY 2025,
- The project is currently underway (not in planning phase, under design, or under construction/implementation),
- The project was not completed in FY 2025, and,
- The department expects to finish the fiscal year with an overall surplus.

In FY 2025, a significant portion of the Office of Climate Action's **in-progress planned and budgeted work** was paused due to the unforeseen delays of planned federal grants.¹

For example, the Office of Climate Action anticipated spending \$150,000 in FY 2025 that would have provided incentives for energy efficiency and electrification improvements for residents. This was to be supplemented with a \$100,000 grant from the U.S. Department of Energy. That project award was delayed, and with increasing uncertainty in confidence of reimbursement, this work was not completed in FY 2025 as planned by staff.

The Alexandria Environmental Policy Commission (EPC) is writing this letter to encourage the City of Alexandria to perform the following actions while evaluating carryover budget:

- 1) Consult with the Office of Climate Action to understand if any of the at-risk or paused federal grants are likely to be reinstated, and,
- 2) Carry over the unspent FY 2025 budget that would have been used to match federal grant funds if those federal grants are likely to be reinstated.

With so much uncertainty on climate goals at the federal level, it is more important than ever for cities to address climate change at the local level where possible. We encourage the City, with its meaningful climate goals and responsible financial stewardship, to leverage carryover to continuing to fund OCA work will help advance critical efforts aimed at protecting the health, safety, and welfare of Alexandrians.

Sincerely,

A handwritten signature in dark ink, appearing to read "Marta Schantz".

Marta Schantz, Chair
Alexandria Environmental Policy Commission

¹ <https://www.alexandriava.gov/budget-memos-fy26/fy-26-budget-qa-016-can-someone-tell-me-the-amount-of-money-allocated-for-the>