

Our Mission: To provide a supplemental financial mechanism to fund affordable housing initiatives needed to mitigate the impact of redevelopment along Columbia Pike.

In December 2013, the Arlington County Board established a tax increment financing area to help finance affordable housing initiatives in support of the Columbia Pike Neighborhoods Area Plan.

In 2009, the Land Use and Housing Study process began to study the multi-family housing areas along Columbia Pike with the goal of producing the next major plan for Columbia Pike. The process was completed in July 2012 and resulted in the adoption of the Columbia Pike Neighborhoods Area Plan (the Plan). This 30-year plan establishes the future vision for the primarily multi-family residential areas located between the commercial nodes along the Columbia Pike corridor. The Plan established a goal of preserving all existing 6,200 market rate affordable units (MARKS). Columbia Pike Tax Increment Financing Area (TIF) revenues are utilized to fund affordable housing initiatives needed to mitigate the impact of redevelopment along Columbia Pike, particularly related to the preservation of affordable housing. TIF revenues are used to fund the Transit Oriented Affordable Housing Fund (TOAH Fund). The TOAH Fund is a tool designed to help affordable housing developers utilizing the Low-Income Housing Tax Credit program pay for certain County fees and infrastructure costs of these projects.

TIF is a mechanism used to support development and redevelopment by capturing the projected increase in property tax revenues in the area and investing those funds in improvements or mitigation efforts associated with the project. Unlike a special district, it is not an additional or new tax; rather, it redirects and segregates a portion of the increased property tax revenues that would normally flow to the General Fund to be used for a specified purpose. The amount of the tax increment revenue is determined by setting a baseline assessed value of all property in the area on January 1, 2014, and in each subsequent year, tracking the incremental increase in assessed values relative to the base year and segregating the incremental real estate tax revenue generated in a separate fund. The Board approved allocating 25 percent of the incremental real estate tax revenues to the Columbia Pike TIF area. This percentage can be revisited as part of the annual budget process. The TIF area includes the Columbia Pike Neighborhoods Special Revitalization District and the Columbia Pike Special Revitalization District as noted on the General Land Use Plan.

In the adopted FY 2018 budget, the County Board adjusted the TIF's baseline to the CY 2018 assessed value of \$3,066,510,900. In FY 2021, revenues are based on a 7.3 percent growth in real estate tax assessments in the TIF area.

In response to the County Board's direction for significant investments in affordable housing, the FY 2021 adopted budget includes a dedication of Columbia Pike TIF balances and future funding to affordable housing investments.

SIGNIFICANT BUDGET CHANGES

The FY 2021 adopted expenditure budget for the Columbia Pike Tax Increment Financing Area is \$1,014,000. FY 2021 revenue projections reflect a 7.3 percent growth in real estate tax assessments in the TIF area.

- ↑ Revenue projection increases in the tax district due to increases in real estate assessments from CY 2019 to CY 2020.

PROGRAM FINANCIAL SUMMARY

	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted	% Change '20 to '21
Personnel	-	-	-	-
Non-Personnel	\$45,128	\$496,660	\$1,014,000	104%
Total Expenditures	45,128	496,660	1,014,000	104%
Total Revenues	189,070	\$496,660	968,520	95%
Change in Fund Balance	\$143,942	-	(\$45,480)	-
Permanent FTEs	-	-	-	
Temporary FTEs	-	-	-	
Total Authorized FTEs	-	-	-	

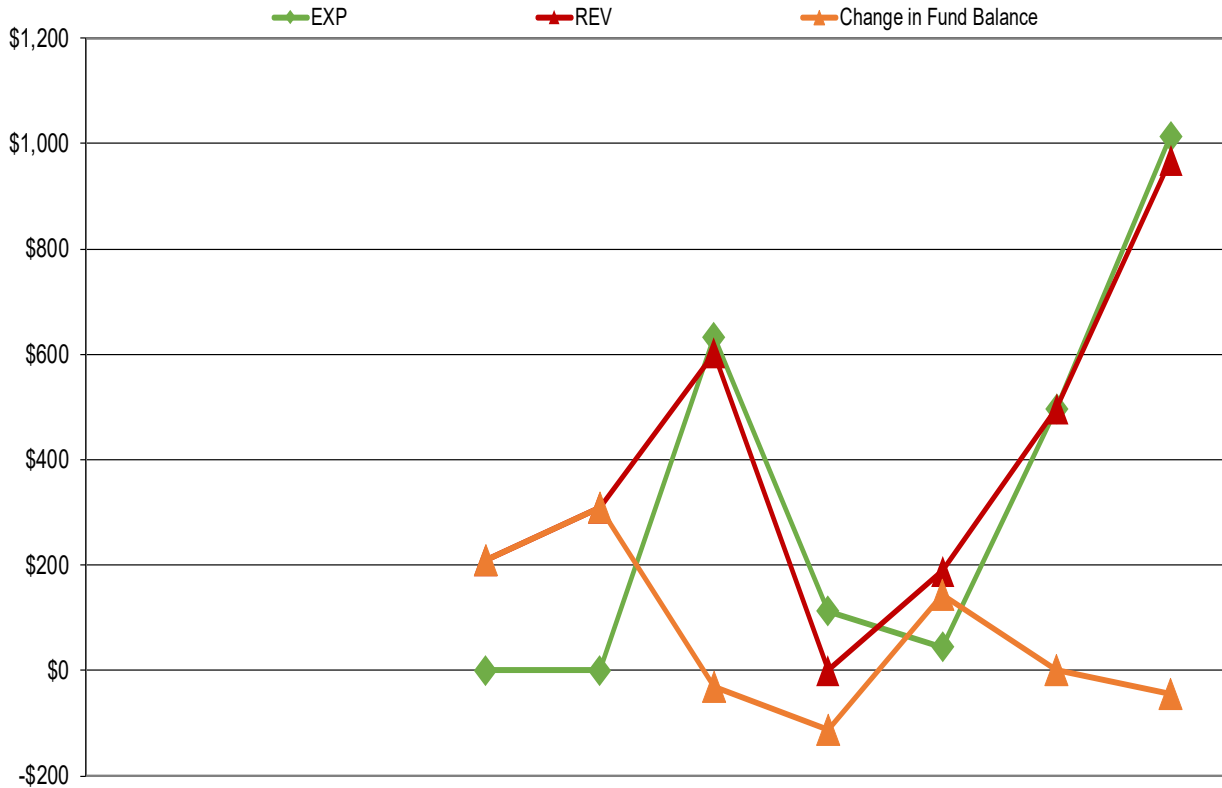
COLUMBIA PIKE TAX INCREMENT FINANCING AREA FUND STATEMENT

	FY 2019 ACTUAL	FY 2020 ADOPTED	FY 2020 RE-ESTIMATE	FY 2021 ADOPTED
ADJUSTED BALANCE, JULY 1	\$374,083	\$507,838	\$518,025	\$1,191,355
REVENUE				
Tax Increment Area	189,070	496,660	673,330	968,520
TOTAL REVENUE	189,070	496,660	673,330	968,520
TOTAL REVENUE & BALANCE	563,153	1,004,498	1,191,355	2,159,875
EXPENDITURES				
TOAH Fund - Current Year	45,128	496,660	-	1,014,000
TOTAL EXPENDITURES	45,128	496,660	-	1,014,000
BALANCE, JUNE 30	\$518,025	\$507,838	\$1,191,355	\$1,145,875

The FY 2021 expenditures column reflects staff's current estimate that \$30,000 will be used for the Arlington Mill Dark Fiber Project and \$984,000 will be used for a proposed Arlington View Terrace East affordable housing development.

COLUMBIA PIKE TAX INCREMENT FINANCING AREA
TEN-YEAR HISTORY

EXPENDITURE AND REVENUE TRENDS



	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted Budget	FY 2021 Adopted Budget
EXP				-	-	\$633	\$112	\$45	\$497	\$1,014
REV				\$209	\$309	\$602	-	\$189	\$497	\$969
Change in Fund Balance				\$209	\$309	-\$31	-\$112	\$144	-	-\$45

COLUMBIA PIKE TAX INCREMENT FINANCING AREA
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2015	<ul style="list-style-type: none"> ▪ In December 2013, the Arlington County Board established a tax increment financing area to help finance affordable housing initiatives in support of the Columbia Pike Neighborhoods Area Plan. The baseline assessment for the TIF area is \$2.7 billion. A two percent increase in assessments between CY 2014 and CY 2015 will yield approximately \$119,950 in partial year revenues in the spring of FY 2015. This estimate is based on capturing the full 25 percent of the tax increment for FY 2015. 	
FY 2016	<ul style="list-style-type: none"> ▪ Revenue projections in the tax district increased due to a full year of tax collections and increases in real estate assessments. 	
FY 2017	<ul style="list-style-type: none"> ▪ Revenue projections in the tax district increased due to increases in real estate assessments. 	
FY 2018	<ul style="list-style-type: none"> ▪ The County Board adjusted the TIF's baseline assessed value to CY 2018 and adjusted the funding allocation to the district in FY 2018. By resetting the calculated tax base for the district, no new FY 2018 funding will be directed to the district. However, existing fund balances will remain in the fund and future real estate tax revenue over the CY 2018 base year will be allocated to the Columbia Pike TIF based on the incremental real estate tax revenue percentage adopted by the County Board. 	
FY 2019	<ul style="list-style-type: none"> ▪ Revenue projections in the tax district increased due to increases in real estate assessments. 	
FY 2020	<ul style="list-style-type: none"> ▪ Revenue projections in the tax district increased due to increases in real estate assessments and the County Board adopted tax rate increase. 	
FY 2021	<ul style="list-style-type: none"> ▪ Revenue projections in the tax district increased due to increases in real estate assessments. 	