

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 will be 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 will be 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 meet certain cost restrictions imposed by the Virginia Housing & Development Authority (VHDA). The TOAH Fund will be used to help pay for certain County fees and infrastructure costs of these projects to the extent necessary to meet the VHDA cost restrictions.

TIF is a mechanism used to support development and redevelopment by capturing a portion of 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 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.

The baseline assessment for the TIF area is \$2.9 billion. In FY 2017, revenues are based on a 2.2 percent growth in real estate tax assessments in the TIF area.

SIGNIFICANT BUDGET CHANGES

The FY 2017 adopted budget for the Columbia Pike Tax Increment Financing Area is \$952,180, a 78 percent increase from the FY 2016 adopted budget. The growth in FY 2017 is based on a 2.2 percent increase in real estate tax assessments in the TIF area. The FY 2017 adopted budget reflects:

- ↑ Revenue projections in the tax district increase due to increases in real estate assessments from CY 2016 to CY 2017.
- FY 2017 revenue projections increase from the FY 2016 Adopted Budget due to the CY 2016 real estate assessment increase of 2.2 percent which will be recovered in June 2016 real estate payments.

PROGRAM FINANCIAL SUMMARY

	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	% Change '16 to '17
Personnel	-	-	-	-
Non-Personnel	-	\$536,150	\$952,180	78%
Total Expenditures	-	536,150	952,180	78%
Total Revenues	\$209,168	\$536,150	\$952,180	78%
Net Tax Support	-	-	-	-
Permanent FTEs	-	-	-	
Temporary FTEs	-	-	-	
Total Authorized FTEs	-	-	-	

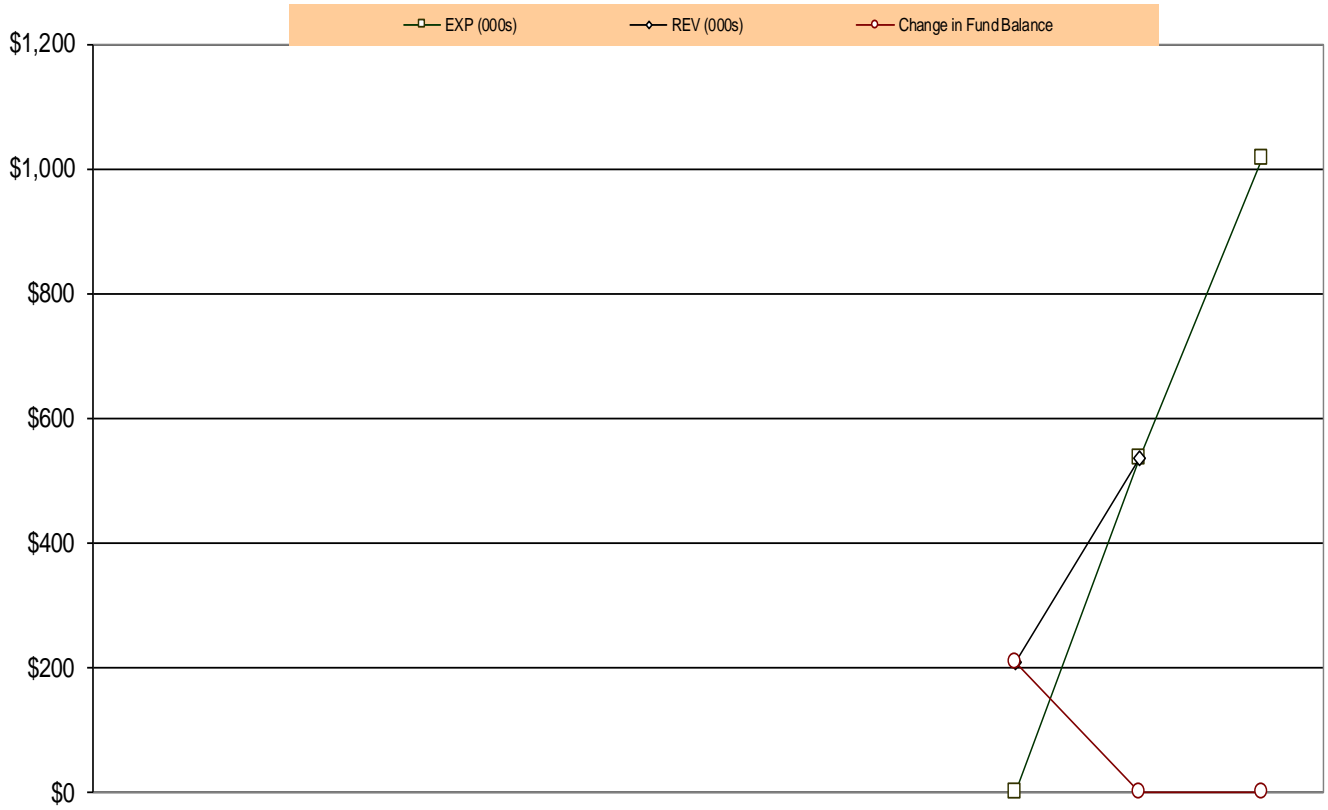
COLUMBIA PI KE TAX I NCREMENT FI NANCING AREA FUND STATEMENT

	FY 2015 ACTUAL	FY 2016 ADOPTED	FY 2016 RE-ESTIMATE	FY 2017 ADOPTED
ADJUSTED BALANCE, JULY 1				
Unallocated Fund Balance	-	\$185,920	\$209,168	\$63,220
TOTAL BALANCE	-	185,920	209,168	63,220
REVENUES				
Interest Earned on Fund Balance		-	-	-
Tax Increment Area	\$209,168	536,130	599,350	952,180
TOTAL REVENUES	209,168	536,130	599,350	952,180
TOTAL BALANCE AND REVENUES	209,168	722,050	808,518	1,015,400
EXPENSES				
TOAH Fund - Current Year	-	536,130	745,298	952,180
Carry-Over	-	185,920	-	63,220
TOTAL EXPENSES	-	\$722,050	745,298	\$1,015,400
CLOSING BALANCE, JUNE 30	\$209,168	-	\$63,220	-

FY 2016 Re-Estimate column reflects staff's current estimate that \$745,298 will be used for the Gillam Place East and West affordable housing development.

COLUMBIA PIKE TAX INCREMENT FINANCING AREA
TEN-YEAR HISTORY

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2017 Adopted Budget
EXP (000s)								-	\$536	\$1,015
REV (000s)								\$209	\$536	\$1,015
Change in Fund Balance								209	-	-

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 increase due to a full year of tax collections and increases in real estate assessments from CY 2015 to CY 2016.	
FY 2017	<ul style="list-style-type: none">▪ Revenue projections in the tax district increase due to increases in real estate assessments from CY 2016 to CY 2017.	