



Our Mission: To utilize strategic public investments in a private development project that benefits the community as a whole and results in a net positive fiscal impact to the County.

In July 2016, the County Board approved the Ballston Quarter Community Development Authority (CDA), the first CDA to be created in Arlington. This was the first step in creating a public-private partnership with the intent to transform the Ballston Common Mall into Ballston Quarter, a mixed-use urban retail center in the heart of the Ballston neighborhood. Creation of the CDA gives the County a financing mechanism to fund certain public infrastructure costs associated with the Ballston Quarter public-private redevelopment. The CDA boundaries include the parcels of the Ballston Common Mall owned by Forest City Realty Trust, Inc.

The Ballston Quarter CDA issued its \$59.87 million Series 2016A and Series 2016B Revenue bonds on November 17, 2016. The bonds funded \$43.4 million of public infrastructure improvements, as well as a debt service reserve fund, capitalized interest through project stabilization, and certain costs of issuance.

To fund these bonds issued for public infrastructure improvements, the Ballston Quarter Development and Financing Agreement created the Ballston Quarter Tax Increment Financing (TIF) district. TIF funding of up to 65 percent of the incremental real property, sales and use, and meals tax revenues generated within the TIF district boundaries is pledged, in each year following the base year set as of January 1, 2015 and until the earlier of the final maturity of the bonds, March 1, 2046, or the date on which all of the bonds have been paid in full.

SIGNIFICANT BUDGET CHANGES

The FY 2024 adopted expenditure budget for the Ballston Quarter Tax Increment Financing Area is \$1,841,669, a ten percent increase from the FY 2023 adopted budget. The funds will be transferred to the trustee for the Ballston Quarter CDA to fund the project stabilization fund and to pay debt service as part of the Ballston Quarter CDA Series 2016A and Series 2016B bond issuance. The FY 2024 budget reflects:

- ↓ Revenue decreases based on lower projected sales and meals tax revenue partially offset by slight increase to real estate revenue. This increase is due to a combination of a rising assessment tax base offset by higher anticipated refunds/reliefs.
- ↓ Expenditures decrease due to lower projected revenues in FY 2024 and the requirement to transfer all collected TIF revenues to the Ballston Quarter CDA to pay debt service.

PROGRAM FINANCIAL SUMMARY

	FY 2022 Actual	FY 2023 Adopted	FY 2024 Adopted	% Change '23 to '24
Debt Service	\$2,822,008	\$2,039,119	\$1,841,669	-10%
Total Expenditures	2,822,008	2,039,119	1,841,669	-10%
Total Revenues	2,913,249	\$2,039,119	\$1,841,669	-10%
Change in Fund Balance	\$91,241	-	-	-

BALLSTON QUARTER TAX INCREMENT FINANCING AREA FUND SUMMARY

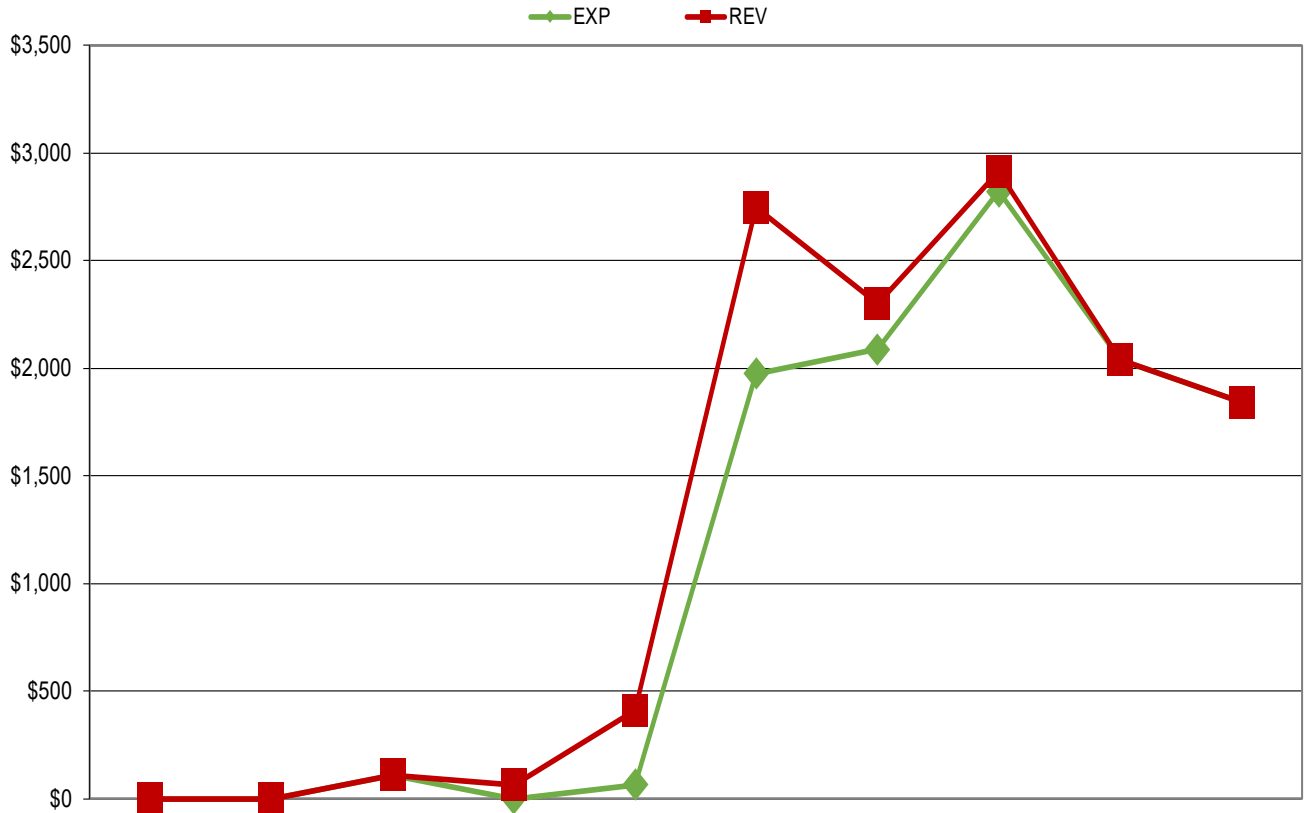
**BALLSTON QUARTER TAX INCREMENT FINANCING AREA
FUND STATEMENT**

	FY 2022 ACTUAL	FY 2023 ADOPTED	FY 2023 RE-ESTIMATE	FY 2024 ADOPTED
BALANCE, JULY 1	\$ 1,395,959	-	\$ 1,487,200	-
REVENUES				
Real Estate Tax	1,276,995	\$1,290,600	1,356,388	\$1,291,548
Sales Tax	2,829	50,444	33,781	-
Meals Tax	501,925	698,075	700,666	550,121
Special Assessment	1,131,500	-	1,120,000	-
TOTAL REVENUES	2,913,249	2,039,119	3,233,835	1,841,669
TOTAL BALANCE AND REVENUES	4,309,208	2,039,119	4,721,035	1,841,669
EXPENSES				
Transfer to Ballston Quarter CDA Trustee	2,822,008	2,039,119	4,721,035	1,841,669
TOTAL EXPENSES	2,822,008	\$2,039,119	\$4,721,035	\$1,841,669
BALANCE, JUNE 30	\$1,487,200	-	-	-

The FY 2023 re-estimate column reflects special assessment revenues of \$571,500, and TIF revenues of \$915,700 collected in FY 2022 but disbursed in FY 2023. All revenues will be transferred to the Ballston Quarter CDA Trustee to fund debt service.

BALLSTON QUARTER TAX INCREMENT FINANCING AREA
TEN-YEAR HISTORY

EXPENDITURE, REVENUE AND FULL-TIME EQUIVALENT TRENDS



\$ in 000s	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted Budget	FY 2024 Adopted Budget
EXP	-	-	\$112	-	\$65	\$1,974	\$2,087	\$2,822	\$2,039	\$1,842
REV	-	-	\$112	\$65	\$410	\$2,745	\$2,302	\$2,913	\$2,039	\$1,842

Change in Fund Balance	-	-	-	\$65	\$345	\$771	\$215	\$91	-	-
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BALLSTON QUARTER TAX INCREMENT FINANCING AREA
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2017	<ul style="list-style-type: none"> ▪ The Ballston Quarter CDA was created in July 2016, setting aside 65 percent of incremental real estate tax, sales tax, and meals taxes generated within the TIF district. A baseline value for these three taxes was set as of January 1, 2015. Expenditures increased based on increases in real estate assessments in the TIF district in FY 2016 compared to CY 2015. 	
FY 2018	<ul style="list-style-type: none"> ▪ Revenue projections in the tax district decreased due to decreases in real estate tax assessments in CY 2017 compared to CY 2016. 	
FY 2019	<ul style="list-style-type: none"> ▪ Revenue projections in the tax district increased due to increases in real estate tax assessments in CY 2018 compared to CY 2017. 	
FY 2020	<ul style="list-style-type: none"> ▪ Revenue projections increased in the tax district increased due to increases in real estate assessments, the County Board adopted a real estate tax rate increase in CY 2019, and there were increases to the sales and meals taxes generated in the TIF district in FY 2020. 	
FY 2021	<ul style="list-style-type: none"> ▪ Revenue increases based on higher CY 2020 real estate assessments generating additional real estate taxes offset by lower projected sales and meals tax revenues due to the impact of COVID-19. 	
FY 2022	<ul style="list-style-type: none"> ▪ Revenue decreases based on lower CY 2021 real estate assessments generating less real estate tax revenue partially offset by higher projected meals tax revenue as the impact of COVID-19 subsidies. 	
FY 2023	<ul style="list-style-type: none"> ▪ Revenue increases based on higher projected meals and sales tax revenues as the impact of COVID-19 subsidies, partially offset by a decrease in CY 2022 real estate assessments generating less real estate tax revenue. ▪ Expenditures increase due to the requirement to transfer all collected TIF revenues to the Ballston Quarter CDA to pay debt service. 	
FY 2024	<ul style="list-style-type: none"> ▪ Revenue decreases based on lower projected sales and meals tax revenue partially offset by slight increase to real estate revenue. This increase is due to a rising assessment tax base offset by higher anticipated refunds/reliefs. ▪ Expenditures decrease due to lower projected revenues in FY 2024 and the requirement to transfer all collected TIF revenues to the Ballston Quarter CDA to pay debt service. 	