

*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 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 \$2.7 billion. In FY 2018, revenues assume a four percent growth in real estate tax assessments in the TIF area.

**SIGNIFICANT BUDGET CHANGES**

The FY 2018 proposed budget for the Columbia Pike Tax Increment Financing Area is \$881,550, a seven percent decrease from the FY 2017 adopted budget. When the FY 2017 budget was adopted, additional assessed value was mistakenly included in the Columbia Pike TIF calculation. Based on the actual assessed tax base for FY 2018, the change is a four percent growth off the corrected assessment base.

**PROGRAM FINANCIAL SUMMARY**

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Proposed	% Change '17 to '18
Personnel	-	-	-	-
Non-Personnel	-	\$952,180	\$881,550	-7%
<b>Total Expenditures</b>	-	952,180	881,550	-7%
<b>Total Revenues</b>	\$308,369	\$952,180	\$881,550	-7%
<b>Net Tax Support</b>	-	-	-	-
Permanent FTEs	-	-	-	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	-	-	-	

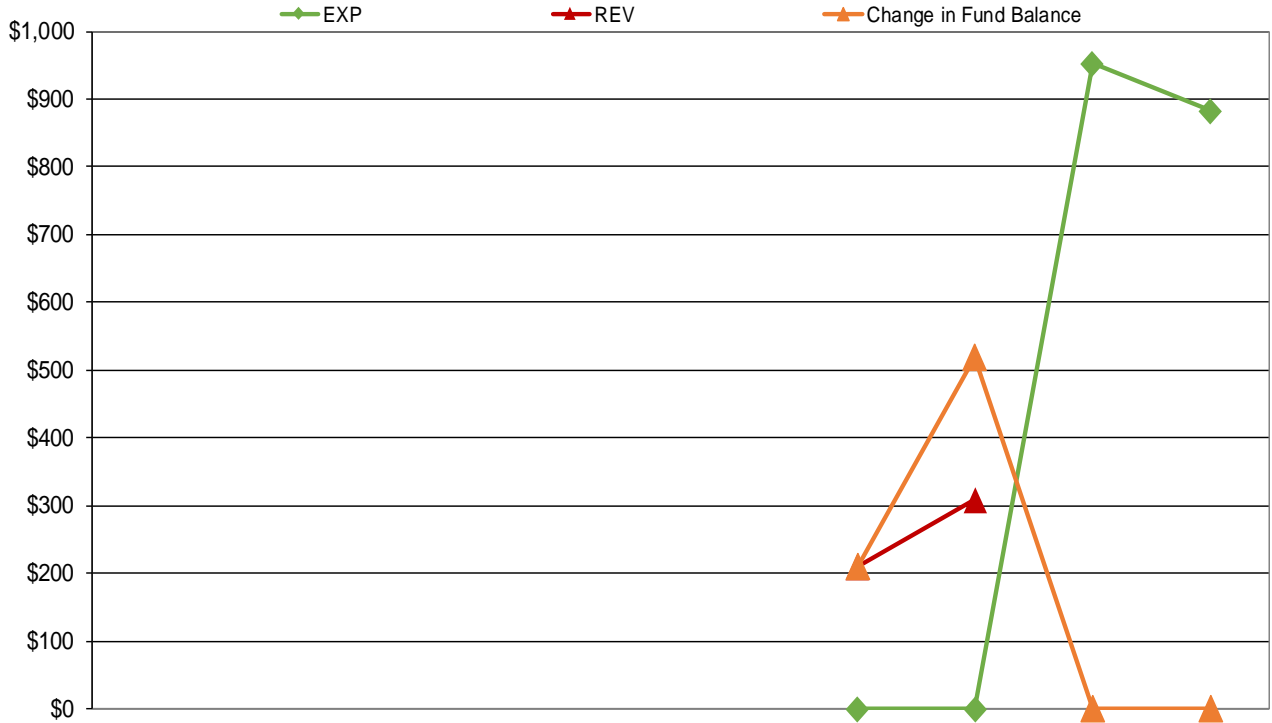
COLUMBIA PIKE TAX INCREMENT FINANCING AREA FUND STATEMENT

	FY 2016 ACTUAL	FY 2017 ADOPTED	FY 2017 RE-ESTIMATE	FY 2018 PROPOSED
<b>ADJUSTED BALANCE, JULY 1</b>				
Unallocated Fund Balance	209,168	\$63,220	\$517,537	\$365,479
<b>TOTAL BALANCE</b>	<b>209,168</b>	<b>63,220</b>	<b>517,537</b>	<b>365,479</b>
<b>REVENUES</b>				
Tax Increment Area	\$308,369	952,180	593,240	881,550
<b>TOTAL REVENUES</b>	<b>308,369</b>	<b>952,180</b>	<b>593,240</b>	<b>881,550</b>
<b>TOTAL BALANCE AND REVENUES</b>	<b>517,537</b>	<b>1,015,400</b>	<b>1,110,777</b>	<b>1,247,029</b>
<b>EXPENSES</b>				
TOAH Fund - Current Year	-	952,180	745,298	881,550
<b>TOTAL EXPENSES</b>	<b>-</b>	<b>\$952,180</b>	<b>745,298</b>	<b>881,550</b>
<b>CLOSING BALANCE, JUNE 30</b>	<b>\$517,537</b>	<b>63,220</b>	<b>\$365,479</b>	<b>\$365,479</b>

FY 2017 Re-Estimate column reflects staff's current estimate that \$745,298 will be used for the Gillam Place East and West affordable housing development. CPHD Housing staff will review applications submitted as part of the FY 2018 Notice of Funding Availability (NOFA) process and will come back to the County Board with potential projects that may be eligible for TOAH funding.

**COLUMBIA PIKE TAX INCREMENT FINANCING AREA  
TEN-YEAR HISTORY**

**EXPENDITURE AND REVENUE TRENDS**



	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted Budget	FY 2018 Proposed Budget
<b>EXP</b>							-	-	\$952	\$882
<b>REV</b>							\$209	\$309	\$952	\$882
<b>Change in Fund Balance</b>							\$209	\$518	-	-

**COLUMBIA PIKE TAX INCREMENT FINANCING AREA**  
**TEN-YEAR HISTORY**

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<b>Fiscal Year</b>	<b>Description</b>	<b>FTEs</b>
FY 2015	<ul style="list-style-type: none"><li>▪ 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.</li></ul>	
FY 2016	<ul style="list-style-type: none"><li>▪ 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.</li></ul>	
FY 2017	<ul style="list-style-type: none"><li>▪ Revenue projections in the tax district increase due to increases in real estate assessments from CY 2016 to CY 2017.</li></ul>	