

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 & 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 (LIHTC) program meet certain cost restrictions imposed by the Virginia Housing & Development Authority (VHDA). The TOAH Fund would 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 so that it can 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. 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. Beginning in FY 2016, revenues will increase due not only to the impact of a full year of real estate tax collections, but also due to redevelopment in the area.

COLUMBIA PIKE TAX INCREMENT FINANCING AREA

FUND SUMMARY

SIGNIFICANT BUDGET CHANGES

The FY 2015 adopted budget for the Columbia Pike Tax Increment Financing Area is \$119,950, which assumes a two percent growth in the tax base from CY 2014 to CY 2015.

PROGRAM FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Personnel	-	-	-	-
Non-Personnel	-	-	\$119,950	-
Total Expenditures	-	-	119,950	-
Total Revenues	-	-	\$119,950	-
Net Tax Support	-	-	-	-
Permanent FTEs	-	-	-	
Temporary FTEs	-	-	-	
Total Authorized FTEs	-	-	-	

**COLUMBIA PIKE TAX INCREMENT FINANCING AREA
FUND STATEMENT**

	FY 2013 ACTUAL	FY 2014 ADOPTED	FY 2014 RE-ESTIMATE	FY 2015 ADOPTED
ADJUSTED BALANCE, JULY 1				
Unallocated Fund Balance	-	-	-	-
TOTAL BALANCE	-	-	-	-
REVENUES				
Tax Increment Area	-	-	-	\$119,950
TOTAL REVENUES	-	-	-	119,950
TOTAL BALANCE AND REVENUES	-	-	-	119,950
EXPENSES				
TOAH Fund	-	-	-	119,950
TOTAL EXPENSES	-	-	-	\$119,950