

OLD TOWN SERVICE DISTRICT

FUNCTION: Old Town Service District
DEPARTMENT:
DIVISION OR ACTIVITY:

BUDGET COMMENTS:

The City Council established the Old Town Service District in 2000 which levies special assessment taxes against properties located in Old Town Fairfax; the sunset date for the Old Town Service District is June 30, 2020. The special district tax rate is 6 cents per \$100 of assessed value of real property and improvements. Taxes collected pursuant to this ordinance are levied for and used to provide additional government services not being offered uniformly throughout the entire City including, but not limited to, economic and business development and promotional activities intended to foster business retention; business recruitment and developer recruitment; physical improvements to public facilities which are unique to the downtown area; and planning for the acquisition and development of public spaces needed for the downtown area. Past facility improvements in the Old Town Service District include, but are not limited to, the construction of a new library, the undergrounding of overhead utility lines and road improvements throughout the Old Town Service District.

Annual debt service (principal debt of approximately \$23 million) relating to the financing of the library, which opened in January 2008, is offset by reallocating payments due for library operating costs (due to the County of Fairfax) from the County of Fairfax to the financing institution. The library is owned and operated by the County of Fairfax; however, because of the library's location in the heart of the City of Fairfax, the City is a major beneficiary.

Financing of the Old Town Service District's undergrounding of overhead utility lines and road improvements (totaling approximately \$16 million) is supported in part by revenue generated from the Old Town District special assessment and increased revenues realized and anticipated from the ongoing redevelopment of the downtown area.

The FY 2019 Adopted budget reflects a decrease of \$72,226 or 14.9% from the FY 2018 Adopted Budget. Notable adjustments include:

- **Transfer to General Fund, a decrease of \$72,226 (14.9%)**
 - Return of Old Town Service District tax revenue to the General Fund to help offset the debt service relating to the financing of the Old Town undergrounding of utilities and road improvements.

FY 2019 Adopted Budget - City of Fairfax, Virginia

**City of Fairfax, Virginia
FY 2019 Old Town Service District
Budget Summary**

	<u>FY 2017 Actual</u>	<u>FY 2018 Budget</u>	<u>FY 2018 Estimate</u>	<u>FY 2019 Adopted</u>	<u>Variance to Budget \$</u>	<u>Variance to Budget %</u>
Fund Balance - Beginning	\$ 653,883	\$ 600,025	\$ 603,486	\$ 319,889		
Revenues						
Marketing Contributions	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	0.00%
Transfer from General Fund	192,220	200,936	202,339	203,710	2,774	1.38%
Transfer from Transportation Tax Fund	-	-	-	-	-	0.00%
Total Revenues	\$ 192,220	\$ 200,936	\$ 202,339	\$ 203,710	\$ 2,774	1.38%
Expenses						
Old Town Redevelopment	\$ 87,294	\$ -	\$ -	\$ -	\$ -	0.00%
Old Town Square	-	-	-	-	-	0.00%
Old Town Improvements and Expenses	61,823	210,000	210,000	210,000	-	0.00%
Transfer to General Fund	93,500	275,936	275,936	203,710	(72,226)	-26.17%
Total Expenses	\$ 242,617	\$ 485,936	\$ 485,936	\$ 413,710	\$ (72,226)	-14.86%
Less: Non-Spendable Funds	-	(315,025)	-	-		
Available Fund Balance - Ending	\$ 603,486	\$ -	\$ 319,889	\$ 109,889		

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