

Fund 40180

Tysons Service District

Focus

On June 22, 2010, the Board of Supervisors (Board) adopted an amendment to the Comprehensive Plan for Tysons. This action was the culmination of a multi-year effort that created a new vision for Tysons as the walkable, transit-oriented downtown for Fairfax County. This vision reflected the status of Tysons as the County's urban center and the powerful economic engine that Tysons brings to both the County and to the Commonwealth.

On March 29, 2011, the Board requested that the Planning Commission, working with staff, develop a process to address financing the infrastructure in Tysons. In response, the Planning Commission reconstituted its Tysons Committee (Committee). The Committee adopted an inclusive process, which included 24 meetings over a period of 17 months. During its deliberations, the Committee sought information and input from all stakeholders. Based upon this input, the Committee developed recommendations, which were then approved by the Planning Commission on September 20, 2012. On October 16, 2012, the Board heard public comment on the Planning Commission's recommendations. The Board endorsed the Planning Commission's funding plan and directed staff to come forward with an item for authorization of a public hearing on the proposed District, and on October 30, 2012, the Board authorized the advertisement of the public hearing for December 4, 2012. The Board then voted to establish the District on January 8, 2013.

The funding plan is a multi-faceted approach to funding transportation infrastructure in Tysons. Funding sources are proposed for each of the four major components of the infrastructure: the grid of streets is proposed to be funded primarily by in-kind and per square foot/per unit road fund contributions from developers/landowners; neighborhood and access improvements and transit are proposed to be funded primarily from public sources; and the Tysons-wide Road Improvements are proposed to be funded primarily by public sources for the projects outside of the boundaries of Tysons and by developer/landowner sources for the improvements inside of Tysons. This fourth category is projected to cost approximately \$506 million in 2012 dollars. Funding for that component is proposed to come from two sources in equal amounts: \$253 million (50 percent) from per square foot/per unit road fund contributions from developers/landowners and \$253 million (50 percent) from a Tysons Service District.

The District has a boundary generally consistent with the Tysons Corner Urban Center, as defined in the Comprehensive Plan. Most of the Tysons-wide Road Improvements are contained within the proposed boundary and the improvements therein would benefit the entire community within Tysons. The Planning Commission also recommended that a Tysons Service District Advisory Board (Advisory Board) be created to aid the Board in developing recommendations related to the annual tax rates for the service district. All Advisory Board members are appointed by the Board.

The District would fund projects that benefit all of the residential and non-residential landowners within Tysons and initial projects were anticipated to be those that would provide the most benefit to the most properties. The Planning Commission also made a recommendation that the County conduct a review concerning the status of the initial projects, yearly tax rates, future increments of projects and their timing.

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Tyson Service District

The FY 2020 Advertised Budget Plan reflects no change in the tax rate of \$0.05 per \$100 of assessed value. Discussion on this tax rate, updated district assessed values, and project funding needs will occur during meetings with the Advisory Board prior to the Board's adoption of the budget in spring 2019.

FY 2020 Funding Adjustments

The following funding adjustments from the FY 2019 Adopted Budget Plan are necessary to support the FY 2020 program.

- ◆ FY 2020 funding remains at the same level as the FY 2019 Adopted Budget Plan.

Changes to FY 2019 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2019 Revised Budget Plan since passage of the FY 2019 Adopted Budget Plan. Included are all adjustments made as part of the FY 2018 Carryover Review, and all other approved changes through December 31, 2018.

- ◆ **Carryover Adjustments** **\$11,562,586**
As part of the *FY 2018 Carryover Review*, the Board of Supervisors approved funding of \$11,562,586 based on the carryover of unexpended project balances in the amount of \$6,450,000 and a net adjustment of \$5,112,586. This adjustment includes \$3,500,000 to support the preliminary engineering costs associated with the widening of Route 7, and \$1,612,586 to support the construction costs associated with the bike and pedestrian improvements at the Tysons/Old Meadow Road.

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FUND STATEMENT

Fund 40180, Tysons Service District

	FY 2018 Actual	FY 2019 Adopted Budget Plan	FY 2019 Revised Budget Plan	FY 2020 Advertised Budget Plan
Beginning Balance	\$20,676,660	\$21,469,923	\$28,105,339	\$24,510,710
Revenue:				
Real Estate Taxes-Current ¹	\$7,204,363	\$7,967,957	\$7,967,957	\$8,395,515
Interest on Investments	224,316	0	0	0
Total Revenue	\$7,428,679	\$7,967,957	\$7,967,957	\$8,395,515
Total Available	\$28,105,339	\$29,437,880	\$36,073,296	\$32,906,225
Expenditures:				
Capital Projects	\$0	\$0	\$11,562,586	\$0
Total Expenditures	\$0	\$0	\$11,562,586	\$0
Total Disbursements	\$0	\$0	\$11,562,586	\$0
Ending Balance²	\$28,105,339	\$29,437,880	\$24,510,710	\$32,906,225
Debt Service Reserve ³	\$2,146,992	\$2,943,788	\$2,451,071	\$3,290,623
Pay-As-You-Go (PAYGO) Funding ⁴	19,322,931	26,494,092	22,059,639	29,615,602
Unreserved Balance	\$6,635,416	\$0	\$0	\$0
Tax rate per \$100 Assessed Value	\$0.05	\$0.05	\$0.05	\$0.05

¹ FY 2020 estimate based on January 1, 2019 assessed values at an advertised tax rate of \$0.05 per \$100 of assessed value.

² The ending balance will be accumulating in anticipation of the sale of bonds and equity contributions to fund \$253 million toward the District's share of transportation infrastructure improvements in Tysons. The available Pay-As-You-Go (PAYGO) funding will continue to accrue as projects move from design to construction and can span several years until substantial completion. PAYGO funding will also reduce the need for long term district bond financing.

³ Set-aside of 10 percent of ending balance to cash fund debt service reserves for future bond sale.

⁴ Current funds available for ongoing project needs in the service district.

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FY 2020 Summary of Capital Projects

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Project	Total Project Estimate	FY 2018 Actual Expenditures	FY 2019 Revised Budget	FY 2020 Advertised Budget Plan
Rt 123 Widening (Old Courthouse to Rt 7) (2G40-117-000)	\$2,250,000	\$0.00	\$2,250,000.00	\$0
Rt 123 Widening (Rt 7 to I-495) (2G40-116-000)	2,000,000	0.00	2,000,000.00	0
Rt 7 Widening (I-495 to I-66) (2G40-150-000)	3,500,000	0.00	3,500,000.00	0
Rt 7 Widening (Rt 123 to I-495) (2G40-118-000)	2,200,000	0.00	2,200,000.00	0
Tysons/Old Meadow Rd Bike/Pedestrian Improvements (2G40-149-000)	1,612,586	0.00	1,612,586.00	0
Total	\$11,562,586	\$0.00	\$11,562,586.00	\$0