



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item Meeting of February 21, 2009
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DATE: January 30, 2009

SUBJECT: Request to advertise the Crystal City Business Improvement Service District (“Crystal City BID”) tax rate as part of the overall real estate tax rate.

C. M. RECOMMENDATION:

Advertise for the public hearing on March 26, 2009 for a proposed Calendar Year (CY) 2009 tax rate for the Crystal City Business Improvement Service District (“Crystal City BID”) of \$0.043 that is in addition to the current real estate rate, using the attached resolution (Attachment I).

ISSUES: As part of the regular budget process, authorization from the County Board is being requested to advertise a public hearing to set the tax rate for the Crystal City Business Improvement District (CCBID) to fund the FY 2010 budget and workplan of the CCBID. The setting of this additional tax rate requires a public hearing, and this hearing must be publicly noticed.

SUMMARY: The proposed tax rate of \$0.043 per \$100 of assessed value for CY 2009 is unchanged from the rate in CY 2008. A CY 2009 tax rate of \$0.043 would fully fund the FY 2010 proposed budget and work plan submitted by the Crystal City Business Improvement District, Inc.

BACKGROUND: In April 2006, the County Board approved the Crystal City Business Improvement District (“Crystal City BID”) to further promote the development of Crystal City as Arlington’s best downtown area. Modeled after the Rosslyn BID created in 2002, the Crystal City BID was designed to provide marketing (branding / promotion / place-making), community events, transportation, public improvements and public safety. The district, which began operation on July 1, 2006, was created with a five (5) year term, at which time the County Board will be required to reauthorize the District.

The service district levies an ad valorem property tax on real estate located within the district. The District includes only commercial properties, including residential rental properties, commercial office and retail properties. By law, the extra services provided in the District must be directed at properties included within the District. The additional tax levy is established,

County Manager: _____
County Attorney: _____
Staff: Colleen Donnelly, Management and Finance

assessed and collected through the normal County tax billing and collection processes. The County Board, as the governing body, approves the services, appropriation level and management of the District.

DISCUSSION: The business improvement district comprises 138 parcels in the Jefferson Davis Metro corridor. The proposed budget and workplan funds enhanced services in the following categories: 1) Marketing, Branding and Promotion; 2) Community Activities and Events; 3) Transportation, Parking, Pedestrian Access and Programs; 4) Public Improvements; and other services as deemed desirable by the Board of Directors and as approved by Arlington County. The proposed tax rate of \$0.043 per \$100 of assessed value will generate \$2,219,885 in revenues to fund the proposed Crystal City BID Work Plan for the third year of operation.

FISCAL IMPACT: There is no fiscal impact to the County for the additional tax rate imposed on the Crystal City Business Improvement District. The County receives 1% of the service district's supplemental tax rate revenue to offset the costs of administering the Crystal City Business Improvement District. These funds are included in the Manager's FY 2010 Proposed Budget.

ATTACHMENT I

RESOLUTION ESTABLISHING A 2009 TAX LEVY RATE FOR THE CRYSTAL CITY BUSINESS IMPROVEMENT DISTRICT (“CRYSTAL CITY BID”)

RESOLVED, that the County Board of Arlington County, acting as the governing body of the Crystal City Business Improvement Service District (“Crystal City BID”), does hereby establish a calendar year 2009 tax levy for the District in the amount of \$0.043 per one hundred dollars of assessed value of all taxable real estate located within the boundaries of the Crystal City Business Improvement Service District (“Crystal City BID”), and;

BE IT FURTHER RESOLVED, that such taxes, when and if appropriated by the County Board, acting as the governing body of the Crystal City Business Improvement Service District (“Crystal City BID”), shall be used solely to fund the Budget and Work Program of the District as adopted by the County Board for the purposes of the District.

Hope Halleck, Clerk
Arlington County Board

