

TAX INCREMENT
FINANCE/COMMUNITY
DEVELOPMENT
AUTHORITY PROGRAM

SPRINGFIELD BUSINESS
DISTRICT

FAIRFAX VIRGINIA

TIF/CDA BOARD OF SUPERVISOR PROPOSED ACTION ITEM

- IMPLEMENT A TAX INCREMENT FINANCING/COMMUNITY DEVELOPMENT AUTHORITY PROGRAM IN THE SPRINGFIELD COMMERCIAL REVITALIZATION DISTRICT AND SURROUNDING BUSINESS AREAS

TIF/CDA PROGRAM OBJECTIVES

- ENCOURAGE REVITALIZATION AND REDEVELOPMENT OF THE SPRINGFIELD COMMERCIAL REVITALIZATION DISTRICT AND GREATER BUSINESS AREA
- CREATE AN ATTRACTIVE, CONNECTED AND FUNCTIONALLY EFFICIENT BUSINESS AREA
- SECURE PRIVATE SECTOR FUNDING OF PUBLIC INFRASTRUCTURE INVESTMENT IN SUPPORT OF SPRINGFIELD REDEVELOPMENT

TIF/CDA PROGRAM

SPRINGFIELD TIF/CDA WILL:

- PROVIDE FOR PRIVATE SECTOR FUNDING OF PUBLIC INFRASTRUCTURE INVESTMENTS WITH REIMBURSEMENT THROUGH FUTURE INCREMENTAL TAX REVENUES
- PERMIT FAIRFAX COUNTY TO LEVERAGE LIMITED PUBLIC FUNDS TO SECURE PUBLIC POLICY AND COMMUNITY REVITALIZATION GOALS

TIF/CDA PROGRAM

- PUBLIC IMPROVEMENTS ARE PROVIDED UPFRONT BY THE DEVELOPER AS PART OF THE REDEVELOPMENT
- IMPROVEMENTS (PLUS INTEREST) OUT OF FUTURE INCREMENTAL TAX REVENUES GENERATED AS A RESULT OF THE REDEVELOPMENT. RISK RESTS WITH THE DEVELOPER
- PROJECT MUST BE SUCCESSFUL TO GENERATE THE TAX REVENUE NEEDED TO REPAY THE DEVELOPER

FISCAL IMPACT

- THE ESTIMATED POTENTIAL VALUE OF CURRENT AND PROSPECTIVE REDEVELOPMENT PROJECTS IN THE SPRINGFIELD BUSINESS AREA IS \$2+ BILLION
- MAXIMUM ESTIMATED AVAILABLE COMBINED ANNUAL INCREMENTAL TAX REVENUE IS \$18.5 MILLION

FISCAL IMPACT

- ANNUAL INCREMENTAL TAX REVENUE WILL SUPPORT \$182 MILLION IN NEW BOND FINANCE REVENUE
- NEW BOND FINANCE REVENUE AVAILABLE TO:
 - INVEST IN INFRASTRUCTURE TO SUPPORT NEW DEVELOPMENT AND
 - ADDRESS PUBLIC POLICY AND COMMUNITY REVITALIZATION GOALS

MAP OF SPRINGFIELD AREA



PROGRAM BOUNDARIES

- PROPOSED SPRINGFIELD TIF/CDA PROGRAM BOUNDARIES
 - CURRENT SPRINGFIELD COMMERCIAL REVITALIZATION DISTRICT AREA
 - SPRINGFIELD MALL AND SURROUNDING BUSINESS AREA
 - GSA WAREHOUSE AND SURROUNDING BUSINESS AREA
 - ENGINEER PROVING GROUND

TIF/CDA PROGRAM

- STEPS TOWARD IMPLEMENTING A TIF/CDA PROGRAM
 - INITIATE DISCUSSIONS WITH PROPERTY OWNERS AND DEVELOPERS TO DEFINE THE PHYSICAL BOUNDARIES OF THE TIF/CDA PROGRAM AND CREATE A COMMUNITY DEVELOPMENT AUTHORITY

WHAT IS A COMMUNITY DEVELOPMENT AUTHORITY (CDA)

- A COMMUNITY DEVELOPMENT AUTHORITY (CDA) IS AN INDEPENDENT LEGAL CORPORATE ENTITY WITH THE ABILITY TO SELL BONDS, COLLECT REVENUE, MAKE EXPENDITURES
- A CDA MAY BE USED TO FINANCE PUBLIC INFRASTRUCTURE PROJECTS, SUCH AS SEWERS, STORMWATER DRAINAGE, ROADS, AND SIDEWALKS, PUBLIC FACILITIES, SUCH AS RECREATIONAL AND CULTURAL FACILITIES AND PUBLIC PARKING

WHAT IS A COMMUNITY DEVELOPMENT AUTHORITY (CDA)

- DEBT IS NOT THE GENERAL OBLIGATION OF THE COMMONWEALTH OR THE LOCALITY, RATHER IT IS SECURED BY THE CDA REVENUES

TIF/CDA PROGRAM IMPLEMENTATION

- WITH CDA PREPARE A DETAILED TIF/CDA PLAN THAT IDENTIFIES AND DESCRIBES THE SPECIFIC PUBLIC INFRASTRUCTURE PROJECTS THAT ARE PROPOSED FOR FUNDING
- PREPARE A FINANCING PLAN TO FUND THE PROPOSED TIF/CDA INFRASTRUCTURE REINVESTMENT

TIF/CDA PROGRAM

- PREPARE MEMORANDUM OF UNDERSTANDING AMONG CDA, DEVELOPER, LANDOWNERS, AND COUNTY BOARD OF SUPERVISORS
- SECURE BOARD OF SUPERVISOR APPROVAL FOR COUNTY/CDA INVESTMENT AND FINANCE PLANS