

# 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 2020 Proposed budget reflects a decrease of \$213,710 (51.7%) from the FY 2019 Adopted Budget. Notable adjustments include:

- **Transfer to General Fund, a decrease of \$203,710 (100.0%)**
  - No return of Old Town Service District tax revenue to the General Fund in FY 2020.

**FY 2020 Proposed Budget - City of Fairfax, Virginia**

**City of Fairfax, Virginia  
FY 2020 Old Town Service District  
Budget Summary**

	<b>FY 2018 <u>Actual</u></b>	<b>FY 2019 <u>Budget</u></b>	<b>FY 2019 <u>Estimate</u></b>	<b>FY 2020 <u>Proposed</u></b>	<b>Variance to <u>Budget \$</u></b>	<b>Variance to <u>Budget %</u></b>
<b>Fund Balance - Beginning</b>	\$ 603,486	\$ 319,889	\$ 370,520	\$ 7,146		
<b>Revenues</b>						
Marketing Contributions	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	0.00%
Transfer from General Fund	202,438	203,710	210,336	215,671	11,961	5.87%
Transfer from Transportation Tax Fund	-	-	-	-	-	0.00%
<b>Total Revenues</b>	<b>\$ 202,438</b>	<b>\$ 203,710</b>	<b>\$ 210,336</b>	<b>\$ 215,671</b>	<b>\$ 11,961</b>	<b>5.87%</b>
<b>Expenses</b>						
Old Town Redevelopment	\$ 100,876	\$ -	\$ -	\$ -	\$ -	0.00%
Old Town Signal Pole Painting	-	-	-	35,000	35,000	0.00%
Old Town Improvements and Expenses	58,592	210,000	210,000	165,000	(45,000)	-21.43%
Transfer to General Fund	275,936	203,710	363,710	-	(203,710)	-100.00%
<b>Total Expenses</b>	<b>\$ 435,404</b>	<b>\$ 413,710</b>	<b>\$ 573,710</b>	<b>\$ 200,000</b>	<b>\$ (213,710)</b>	<b>-51.66%</b>
<b>Less: Non-Spendable Funds</b>	-	-	-	-		
<b>Available Fund Balance - Ending</b>	<b>\$ 370,520</b>	<b>\$ 109,889</b>	<b>\$ 7,146</b>	<b>\$ 22,817</b>		

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