



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of April 22, 2006**

DATE: April 11, 2006

SUBJECT: Request to advertise an ordinance expanding the boundaries of the 2nd Road North Service District.

C. M. RECOMMENDATION:

Advertise a public hearing to be held on May 20, 2006 regarding the attached ordinance (Attachment I) expanding the boundaries of the 2nd Road North Service District to include the property located at 3313 2nd Road N. (RPC# 19-039-113).

ISSUE: None

SUMMARY: The owners of the three properties that make up the 2nd Road N. Service District and the owner of the parcel located at 3313 2nd Road N. have petitioned the County to expand the boundaries of the service district to include 3313 2nd Road N. The owner of the new parcel is developing the property with a single-family detached house and would like to connect with the service district's sanitary sewer, originally constructed in 2002 by the County, for which the cost of construction is being repaid to the County by the District through a property tax on property owners in the 2nd Road N. Service District.

BACKGROUND: At its July 20, 2002 meeting, the County Board adopted an ordinance creating the 2nd Road North Service District for the purpose of funding the extension of a sanitary sewer line along 2nd Road North. The cost of the sanitary sewer line was \$45,000 and was paid by the County. The owners of the three properties included in the district are paying the County over ten years at an annual rate of 6% interest. Funds to repay the County are being collected through a supplemental ad valorem tax levied by the district that the owners pay as a part of their real estate tax bill. The tax rate is determined each year depending of the annual real estate assessed value for the properties in the 2nd Road North Service District.

DISCUSSION: The District has been in effect for four years and has an additional six years remaining on its repayment schedule to the County for the cost of construction of a sanitary sewer line in 2nd Road N. When the Service District was established in CY 2002, the County and Service District participants agreed that any new parcels added to the district would be subject to the same ad valorem tax for the remainder of the life of the Service District. The owners also have acknowledged that such future properties would not be charged any retroactive amount to

County Manager: _____

County Attorney: _____

Staff: Richard Stephenson, Revenue Analyst, Department of Management and Finance

recoup expenses previously paid by the original members of the Service District. Rather, new properties would pay only from the point they become part of the district.

According to the developer, construction is expected to be completed late summer or early fall. Since the CY 2006 tax rates and property assessments have been set for the year, there is no way to adjust the tax rate or apply an ad valorem tax to the new parcel being added to the District in this calendar year. All parties involved are aware that the new property being added to the District this calendar year will not be subject to the additional ad valorem service district tax until CY 2007.

FISCAL IMPACT: None.

ATTACHMENT I

ARLINGTON, VIRGINIA #1 COURTHOUSE PLAZA

ORDINANCE AMENDING THE SECOND ROAD NORTH SERVICE DISTRICT

Be it Ordained that the County Board of Arlington County hereby amends the Second Road North Service District boundaries in accordance with the following:

- (1.) The Service District boundaries shall encompass the property located at 3313, 3316, 3320, and 3324 Second Road North and identified on Attachment II, attached hereto and incorporated herein;
- (2.) The purpose of the Service District is to fund the design and construction of public sewer service to all properties in the District;
- (3.) The plan proposed for providing the foresaid public sewer service shall include the levy of an ad valorem property tax within the District to fund the cost of providing public sewer service to property in the District; and
- (4.) The benefits expected to be obtained from the District include protection of public health and the County's environmental interests by extending public sewer service and thereby enabling remediation of failed or failing private sewerage systems in the District.