



## ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item  
Meeting of April 21, 2007**

**DATE:** April 2, 2007

**SUBJECT:** Adopt the Chain Bridge Road Service District tax rate as part of the real estate tax rate.

**C. M. RECOMMENDATION:**

Adopt a Calendar Year 2007 tax rate for the Chain Bridge Road Service District of \$0.053 that is in addition to the current real estate rate using the attached resolution (Attachment I).

**ISSUE:** None

**SUMMARY:** The Chain Bridge Road Service District would incur an additional levy in ad valorem property tax of \$0.053 per \$100 of assessed value on real estate located within the district for the purpose of repayment for the design and construction of the sewer line extension along Chain Bridge Road to Private Utility Management, L.L.C. The public hearing was held and completed on March 29, 2007.

**BACKGROUND:** At its March 17, 2001 meeting, the County Board adopted an ordinance creating the Chain Bridge Road Service District for the purpose of funding the extension of a sanitary sewer line within the Service District along Chain Bridge Road. The Board also authorized the County Manager to execute an agreement on behalf of the Service District with the construction company (Private Utility Management Project, L.L.C.) that funded the design and construction of the sewer line extension and will be reimbursed by the Service District properties in an amount not to exceed \$500,000 (except for obligations arising out of reimbursable litigation costs). The annual repayment by the Service District to the construction company started with the County's Fiscal Year 2003 budget and continues through FY 2009. The agreement outlined the Service District's commitment, subject to annual appropriations, to levy a Service District tax to generate sufficient funds to repay the construction company over the seven-year period. The tax rate each year will depend upon annual assessed values of the properties identified as part of the Chain Bridge Road Service District.

**DISCUSSION:** The Chain Bridge Road Service District comprises twenty-five (25) properties along Chain Bridge Road in Arlington County. Taxes are to be levied on the Service District based on the existing property assessments of the District properties. The actual tax rate will vary each year according to property assessments and repayment balance due. The annual installment

County Manager: \_\_\_\_\_

County Attorney: \_\_\_\_\_

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

payment to the construction company is \$71,429. Based on the Calendar Year 2007 assessments of the affected properties, a Service District tax rate of \$0.053, in addition to the current real estate tax rate, is required to recoup the annual installment of \$71,429 from the twenty-five properties.

**FISCAL IMPACT:** The revenue and expense are included in the FY 2008 Budget.

**ATTACHMENT I  
ARLINGTON, VIRGINIA  
#1 COURTHOUSE PLAZA**

**RESOLUTION FIXING CHAIN BRIDGE ROAD SERVICE DISTRICT TAX LEVY**

**BE IT RESOLVED AND ORDERED** by the County Board of Arlington County, Virginia, acting as the governing body of the Chain Bridge Road Service District, that there is hereby levied for the tax year (CY) 2007, a tax of \$0.053 per one hundred dollars of assessed valuation of all taxable real estate located in the Chain Bridge Road Service District of the County.

**IT IS FURTHER ORDERED** that such taxes, when and if appropriated by the County Board acting as the governing body of the Chain Bridge Road Service District, shall be used to defray the Cost of the Project as identified in the Agreement for Design and Construction of Sewer Line between the Service District and Private Utility Management Project, LLC.

**IT IS FURTHER ORDERED** that such taxes charged to the Chain Bridge Road Service District for the aforesaid intended purposes, whether appropriated or not and otherwise unused to defray the Cost of the Project, shall return to the General Fund of the Chain Bridge Road Service District to be used to defray the Cost of the Project for the next fiscal year.