
Refinancing Update

Mosaic District Community Development Authority
Fairfax County, Virginia

Revenue Refunding Bonds,
Series 2020A & 2020A-T

September 24, 2020



Mosaic Refunding Update

- In 2011, the Fairfax County Community Development Authority (“CDA”) issued Revenue Bonds, Series 2011A (Tax-Exempt) & Series 2011A-T (Taxable) to finance development of the Mosaic District
- CDA Bonds were not backed by Full Faith and Credit of the County; and carried no investment grade ratings
- The County plans to refinance the 2011A Bonds on a tax-exempt basis and the 2011A-T Bonds on a taxable basis for savings
- Debt service on 2020 Bonds will be level to provide predictability
- Staff & Financial Advisor pursuing Investment Grade Ratings

	Series 2020A	Series 2020A-T	Total
NPV Savings (\$)	\$13.7 million	\$4.6 million	\$18.3 million
NPV Savings (%)	30.9%	25.7%	29.4%
Annual Cash Flow Savings	-\$2.5 mil in FY21 -Ascending savings ranging from \$422k in FY22 to \$2.0 mil in FY36	-\$1.0 mil in FY21 -Ascending savings ranging from \$109k in FY22 to \$759k in FY36	-\$3.5 mil in FY21 -Ascending savings ranging from \$532k in FY22 to \$2.8 mil in FY36

*Assumes market conditions as of September 8, 2020 & assumes credit rating in ‘Baa2’ category

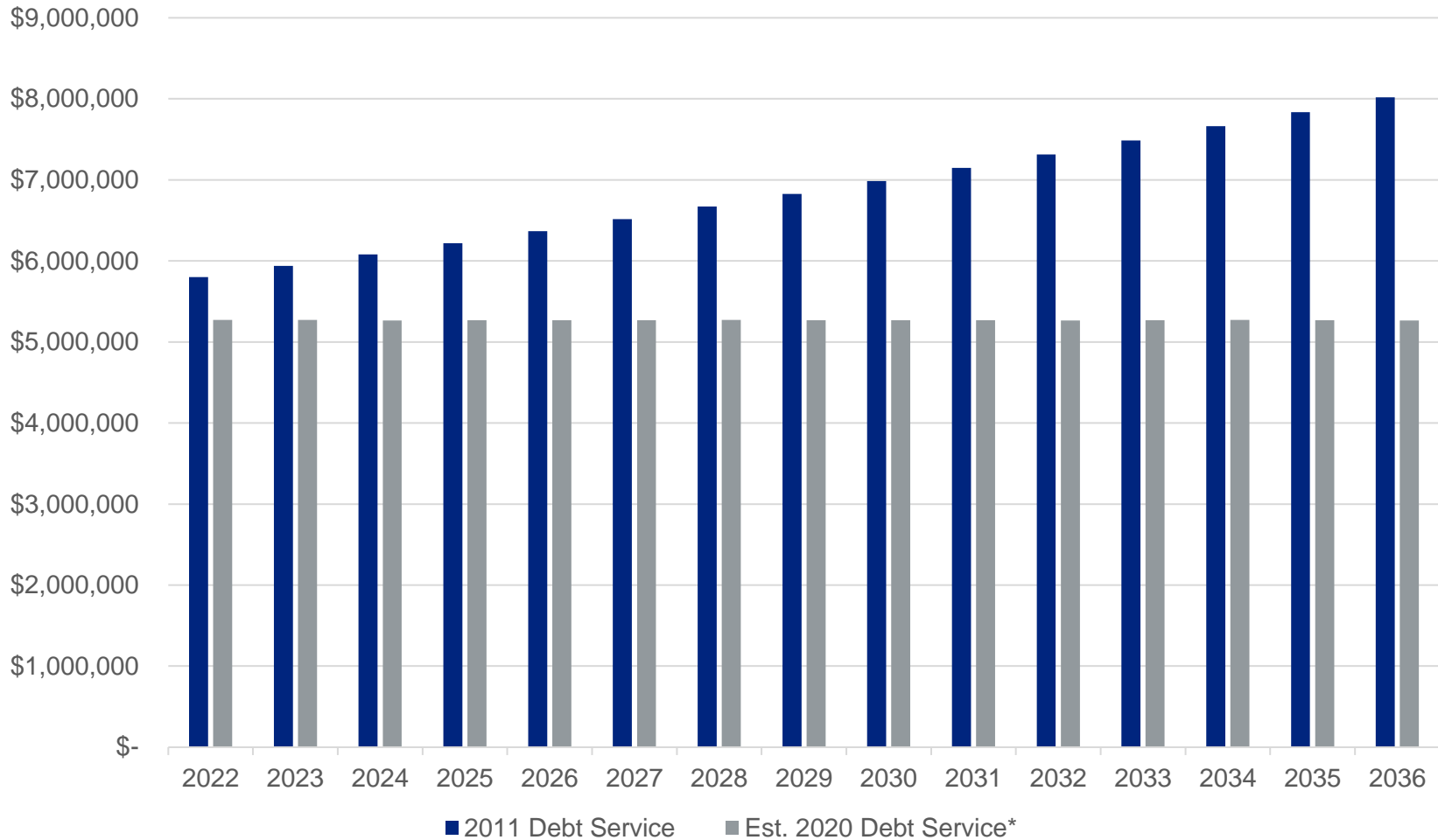
FY 2021 Mosaic CDA TIF Calculation

Item	Amount
Assessed Value 1/1/20	\$672,598,740
Less 2007 Base Value	\$38,271,740
Net Assessed Value for TIF Calculation	\$634,327,000
Fairfax County Real Estate Tax Rate	1.15
TIF Revenues	\$7,294,761
Debt Service	\$5,664,600
TIF Revenues Over / (Under) Debt Service*	\$1,630,161

*Retained in the County's General Fund

Debt Service Structure

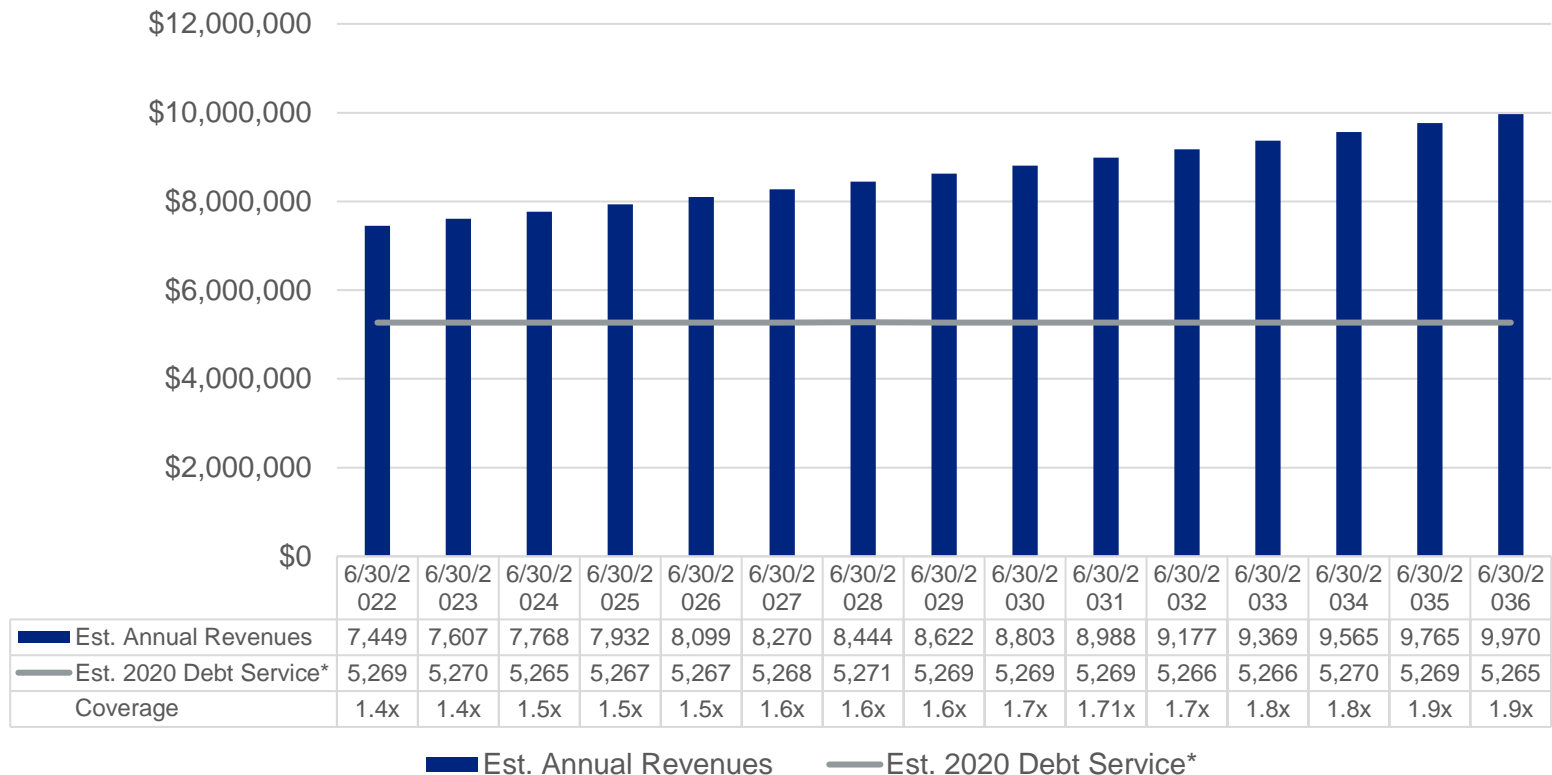
The Series 2020A & 2020A-T Bonds will be structured with level debt service, eliminating uncertainty of an escalating debt service structure.



*Market rates as of 9/8/20

Revenue Forecast

- The District administrator (Municap) has prepared updated revenue forecasts
- Key assumptions
 - 2% annual AV growth
 - Tax rate of \$1.15/\$100 of assessed value remains unchanged



*Market rates as of 9/8/20

Surplus Fund

- Current balance of \$5.4 million
- Expect to release approximately \$1.6 million to use as a source of funds to reduce amount of Series 2020 bonds to be issued; leaving \$3.8m balance
- Requirements in MOU to deposit amounts into Surplus Fund will remain the same
- Draft language in trust indenture to permit release of amounts in future, at CDA's request
 - Aligned with provisions in MOU
 - Requires minimum balance of one half of annual debt service of approximately \$2.5 million
 - Anticipate release of additional \$1.3 million
- Funding to be maintained to safeguard against any future need for a Special Assessment

Bond Sale Timeline

Date	Item
September 24, 2020	CDA Board Meeting
September 29, 2020	Board of Supervisors Meeting
Week of October 26, 2020	Bond Sale Pricing
Week of December 7, 2020	Bond Sale Closing

Staff Recommendation

- Approval of a Resolution for the Mosaic District Community Development Authority Revenue Refunding Bonds Series 2020A and Revenue Refunding Bonds Taxable Series 2020A-T