

RESTON'S CLOUDED FUTURE NEEDS HEROS

By William Nicoson

The Reston Association at the close of the millennium will find itself in a thicket of daunting financial challenges threatening its continuing capacity to protect and enhance both the life-style of Restonians and their property values. That's the unhappy message which will surely be conveyed to RA members at their annual meeting on April 13th (7 p.m. at the Hyatt) and in RA's annual report.

By comparison, the Reston Community Center will have enlarged its commitment to the community by establishing an outpost in Lake Anne, and the financial resources to pursue its growing mission will be assured. That's fortunate since RCC doesn't hold annual meetings or issue annual reports.

This year the RA assessment is \$370, closing in on the price-index cap on all assessments (\$383 currently). In future years the assessment will be forced higher than price-index escalation because at least a third of assessed units will have hit another cap based on property valuation. The annual assessment paid by two-thirds of the units will thus be pressured upward to compensate for units capped below the assessment.

Add to this the fact that next year for the first time no new assessable properties will contribute to RA's coffers. Build-out signals a restraint on RA's revenue stream never before experienced. Town Center properties are beyond RA's jurisdiction, and residents and employees at Town Center will enjoy RA's pathways while contributing nothing to maintenance costs.

And elsewhere on the expense side, RA faces mammoth challenges: stream erosion contributing to siltation and dredging costs in Reston lakes, replacement of at least three major facilities and, early in the new millennium, a quantum leap in cost of headquarters space.

As RA struggles for resources to pursue its mandate, RCC glides forward on a revenue stream based on assessed valuation of all Reston property, businesses and residences alike, in and out of Town Center. Moreover, because RCC is financed by a tax district, taxpayer contributions to RCC, unlike RA assessments, are deductible from federal and state income taxes.

Were RA financed like RCC, 59% of the current burden on RA members would disappear, combining the shift due to business participation with the tax savings. And RA would have turned assessment discrepancies into the much fairer world of ad valorem contributions, where only a home owner with property assessed today at more than \$485,000 would contribute more to RA than the current assessment. All others would contribute less and many much less.

RA to RCC: "Got a tax district to lend?" RCC to RA: "Hey, we're in the same business. Maybe if we work closer together, we can cut costs and save money."

The drawback in this scenario is obvious: the business tab for contributing to RA would be an increase in real estate taxes on business property of 8.5%. But today's business leaders in Reston don't wear eye-shades blotting out the long-term benefits of a community attractive to employees and customers. That's fortunate for Reston residents facing the uncertainties of the new millennium. They need heros.

William Nicoson is a former director of RA and a former publisher of Connection Newspapers.