



Laurel Hill Project Advisory Committee

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Chris,

The Laurel Hill Project Advisory Committee is submitting the following questions for the Alexander Company and Fairfax County staff, as well as Fairfax County Executive Tony Griffin and County Debt Manager, Len Wales. The responses will help us formulate recommendations regarding the draft master plan for the Reformatory-Penitentiary area at Laurel Hill.

Financial Viability and Sustainability

Is there an opportunity for the County to determine the financial viability and sustainability of the Alexander Company master plan approach by contracting with an independent consultant? This may require a non-disclosure agreement to allow the examination of certain information related to Alexander's pro forma.

The Alexander Company has expressed an interest in being selected as the developer for the project. A consultant with experience in examining a development pro forma would provide an independent assessment of the financial feasibility of the Alexander master plan approach.

In particular, could the consultant be asked to determine the following:

- Whether the project has enough residential, commercial and retail development density (critical mass) to be viable and sustainable
- Whether the costs associated with rehabilitation and maintenance of historic structures make the reformatory-penitentiary site too expensive for residential and commercial tenants
- Whether commercial and retail lease rates for the site would be competitive
- An assessment of a possible special tax district or tax increment financing to help close the project's financial gap
- An assessment of the County proposal to maintain ownership of all land at the adaptive reuse site, including land used for owner-occupied dwellings
- A projection of office/retail rental rates in 2011 and later years when the project is likely to be implemented?

Historic Tax Credits

- Does the Virginia Department of Historic Resources review the entire site when considering an application for state historic tax credits or is their review project specific?
- Does a National Park Service or VDHR review the reformatory-penitentiary site and the Workhouse (Lorton Arts Foundation) site when considering a tax credit application?

Ball field area

- Please discuss the position of historic preservation stakeholders regarding your proposed use of the ball field for new construction.
- Please provide a detailed response to a proposal by a member of the South County Hawks baseball organization to preserve the ball field area by relocating the proposed town homes.

Town Homes

- What are the estimated costs of the town homes?
- If Fairfax County continues to own the reformatory-penitentiary site, please explain in detail how homeowners gain appreciation in the value of their homes.

Housing Design

- Please provide examples of other housing designs, in addition to town homes, that could be utilized at the reformatory-penitentiary site

Rental Housing Units

Alexander estimates that the proposed rental units in the reformatory site will be positioned in the market for approximately \$900.00 per month to \$1,600.00 per month, and rented by families making \$34,000 - \$64,000 – plus.

- Isn't this below Fairfax County's median income for individuals?
- Even with historic tax credits, doesn't this place the responsibility of paying for restoration and maintenance of contributing structures, such as the penitentiary wall, the prison chapel and other buildings, on the owners of the town homes, the occupants of office space and the county?

Office Rents

Alexander's Summary of Findings, dated September 10, 2008, identified the following:

Class A office Properties Rental Rate of \$35.75/ sq. ft - 4.4% vacancy rate

Class B & C Properties Rental Rate of \$19.91/ sq. ft. - 5% vacancy rate

- Are the proposed office uses at the penitentiary site Class A, B or C rental properties?
- How does this compare to the rental and vacancy rates at Lorton Station and Lorton Marketplace?

Construction of a 40,000 square foot office building in Lorton Station is nearly completed. The medical office building at Lorton Marketplace is still vacant.

- What makes the 50,000 square feet of proposed office space at the penitentiary site competitive with other nearby sites?
- Do the added costs of preservation and maintenance of historic structures make the penitentiary office spaces less attractive?

Magnet Housing Units

Alexander Company: The 53 proposed magnet housing units are potentially eligible for Virginia's Low-Income Housing Tax Credit Program:

- Who determines which occupational group is eligible?
- Explain how this government-sponsored program can be restricted to particular occupational groups
- Do the magnet housing units substitute for the County's affordable/workforce housing requirements?
- If not, how many affordable/workforce units are required

According to the Alexander Company's plan, "In 2009, a resident's household income would be restricted to \$43,140 for a one person household and \$59,300 for a two person household. Rents for 1BR and 2BR units would be restricted to \$1,107 and \$1,279 respectively"

- How does this compare to incomes for county police, teachers and firefighters?

The Green Areas

- The scale of the internal courtyards and (proposed) converted ball field appear very large in relation to the scale/density of the onsite population and nearby neighbors who might use these spaces. Please comment.
- Alexander has talked about festivals and farmers markets in the green areas. Who will be responsible for operating these events?
- Who pays for maintenance, security, etc.?

Neighborhood Retail and Mixed Use

The plan calls for 41,400 square feet of Neighborhood Retail and Mixed Use. This includes 8,000 square feet of the Power Plant which is located within the site and away from any main entrance.

- Isn't the power plant to be stabilized and secured until a user is identified and a full renovation can be completed?

Pad Sites

The draft plan calls for 55,000 square feet of mixed-use and retail pad sites. One pad site is external to the site and adjacent to the penitentiary wall. The other pad site is adjacent to the ball field.

- What is the estimated square footage of each pad site?
- What is the viability of the retail pad site adjacent to the ball field? It appears only to serve the proposed residential units in the ball field area and provides no incentive for external visitors to the site.

Timeframe for Development

- What is your planning horizon for the reformatory-penitentiary project?
- Would condominiums, such as those suggested for the Reformatory site in the Comprehensive Plan, become more feasible with a longer planning horizon?

Guard Towers

- Given that the towers are significant features, and given that the neighboring Spring Hill community HOA has registered its concerns over uses of the towers that may be intrusive to the privacy of its residents, what uses of the towers are there that do not include--or at least greatly restrict--public access?

Roadways

- The Fairfax County Architectural review Board (ARB) registered concern about the overall circulation pattern in terms of design, carrying capacity, and location of ingress points. Related to roadways were parking issues, both for the commercial/retail components and for residential locations (i.e., too much in the first instance and not enough in the second). Explain the rationale for the current roadway design and address categorically the concerns raised by the ARB.

Paths

- Elaborate on how the pedestrian features of the plan relate to the overall Laurel Hill trail plan (Cross-County Connector, Giles Run Trail, etc.). Address the concerns about wall penetrations for pedestrian ingress/egress and concerns by Spring Hill to keep non-SH users out of their gated community.

Laurel Hill House

- Do the estimates include the Laurel Hill House, or is the assumption that the Fairfax County Park Authority will take over this parcel?

Historic Preservation

- Please identify contributing structures that are proposed for demolition
- Why are these structures proposed for demolition?
- Why are these structures less historically significant than other structures?
- What does the Alexander Company consider to be the “historic core” of the reformatory-penitentiary site?
- How much of the penitentiary wall does the Alexander company propose for demolition and why?
- Under “Other Site Costs” in the draft plan, \$1,050,000.00 is estimated for restoration of the penitentiary wall. Please explain what is meant by restoration, and how much of the wall is to be restored?
- Under “Other Site Costs” in the draft plan, Demolition Costs include the removal of steel cellblocks in the former penitentiary buildings.
 - o How many cell blocks are proposed for removal?
 - o Doesn’t this require review and approval by the Virginia Department of Historic Resources and the National Park Service?
- Describe your proposed adaptation of the penitentiary buildings for office use, given the restrictions against new windows for the first floor.
- Why have you not recommended memorializing, as opposed to adaptive reuse, for any component of the reformatory-penitentiary project?

Questions for County Executive Tony Griffin

- Please discuss the likelihood of county investment in the reformatory-penitentiary adaptive reuse project.
- What level or range of investment could you anticipate?

Questions for County Debt Manager Len Wales

- Please explain the TIF/CDA concepts that could be used to close the financial gap in the reformatory-penitentiary reuse project.
- What costs do the residential and commercial tenants incur under a TIF or CDA financing mechanism?
- Does the County intend to maintain ownership of the entire site? If so, how do town home owners have the opportunity for appreciation in their investment?
- How much has the County invested at the Lorton Arts Foundation's Workhouse Arts Center?
- Does the County still serve as the guarantor if L.A.F experiences financial difficulty at the Workhouse?
- It is our understanding that the Lorton Arts Foundation utilized tax-exempt bond financing. Please explain this and why it would or would not work at the reformatory-penitentiary site?
- Please confirm that the Lorton Arts Foundation did not apply for federal historic tax credits.
- To date, how much money has been spent at the entire Laurel Hill site?
- To date, how much money has been spent for rehabilitation, stabilization, maintenance and security at the reformatory-penitentiary site?
- How much money is spent annually at the reformatory-penitentiary site?



Tim Sargeant, Chair
Laurel Hill Project Advisory Committee

CC: Tony Griffin, County Executive
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