

PAC Recommendations – December 16, 2009

PAC RECOMMENDATION	STATUS – FEBRUARY 2014
Planning Considerations	
1. While concurring with the Master Plan’s “community green” concept, identify and establish a new baseball field before project construction begins.	County staff identified optional locations for a new 90’ field in the South County area; the Park Authority is undertaking planning activities to establish this field.
2. Proceed with an amendment to the National Register nomination as it relates to the reformatory/penitentiary ball field area to provide clarification to consideration of support for historic tax credits.	Staff initiated the National Register amendment process in May 2010. The revisions were accepted by the National Park Service on March 27, 2012.
3. Do not include the Laurel Hill House in any proffer or funding considerations for the reformatory/penitentiary adaptive reuse project.	The Laurel Hill House is excluded in the proffer and funding considerations for the reformatory/penitentiary adaptive reuse project.
4. Review further the placement of parking and retail within the adaptive reuse site, as consideration of the Master Plan moves forward.	Parking and retail in the site were planned with input from the ARB, VDHR, NPS, Zoning, and the County DOT.
5. Make every effort in the final design to orient as much traffic to and from the adaptive reuse site to Lorton Road, to take advantage of planned road improvements.	The White Spruce Way entrance and new entrance from Silverbrook Road will serve as the primary entrances for retail and new residential. The Lorton Road entrance is planned for improvements and will serve the southern portion of the development.
Housing	
6. Consider the implementation of a targeted workforce housing program, consistent with the description in the current Comprehensive Plan text, as the Master Plan process moves forward.	It is the County’s intent to work with the developer team to identify targeted workforces for housing at the Adaptive Reuse site.
7. Limit residential development to the current level proposed in the Master Plan.	No change to the Master Plan’s baseline residential density; 352 living units comprised of 165 adaptive reuse apartments, 24 single-family detached units, 6 Condo units, and 157 new townhomes. Options for additional historic residential to ensure historic buildings do not remain empty if commercial uses are not viable; Power Plant (up to 12) and Penitentiary cell block buildings (up to 48).
Financial Considerations	
8. Adopt and implement all recommendations in the Alvarez & Marsal Financial Assessment.	Alvarez & Marsal (A&M) conducted a financial re-review in the Spring of 2013 to verify the financial assumptions of the project, funding options, and revenue forecasts. Findings indicate that the 2009 assumptions remain valid. A&M is currently reviewing the revised budget to re-verify the findings.

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<p>9. The Alexander Company estimates the project’s financial gap will be \$9 million to \$13 million. The County should establish a reasonable limit within that range to manage project costs and stakeholder expectations.</p>	<p>The financial gap range is \$9.7M – \$13M. The fluid nature reflects market interest rates and developer assumptions re construction costs. A final amount representing the County Contribution will be made part of the Master Development Agreement.</p>
<p>10. Give serious consideration to the use of tax-exempt bond financing to fund the estimated \$20.2 million for new infrastructure.</p>	<p>The County is seriously considering all options for closing the gap. Preparations are underway to begin assembling the County’s FY2015 Budget, the first opportunity to place the project it in the budget. Contributions are still expected to go toward infrastructure.</p>
<p>11. Limit the use of low-income housing tax credits to the proposed amount of \$5 million, which will cover the cost of the 44 affordable dwelling units required by Fairfax County’s Affordable Dwelling Unit (ADU) ordinance.</p>	<p>The developer team is keeping a number of financing options open, including Low Income Housing Tax Credits, a HUD Loan, and others. Other variables will continue (amount of credits awarded to the project, tax credit rate announced by the IRS, etc.). The project continues to include 44 ADUs.</p>
<p>12. Take all prudent steps to lower project costs. (Examples cited include waiving fees and reducing proffered monies).</p>	<p>County staff identified fees and proffers that add to the cost of the project and made recommendations related to those fees and proffers for the Board of Supervisors to consider.</p>
<p>Board of Supervisors</p>	
<p>13. Undertake the developer selection process in a way that is efficient, transparent and promotes competition.</p>	<p>The RFP was competed nationally and The Alexander Company was selected to develop the Master Plan with the County and community. Phase II of the RFP process allowed the County to continue to work with the developer upon successful completion of the Master Plan. The September 2011 interim development agreement between County and developers allow allowed The Alexander Company to begin the land use entitlement process.</p>
<p>14. The PAC encourages state elected officials as well as Fairfax County Supervisors to engage in direct dialogue with the National Park Service and Virginia Department of Historic Resources regarding project qualification for federal and state historic tax credits. Elected officials also should request regular updates from County staff regarding tax credit discussions.</p>	<p>The developer team worked closely with the staff at VDHR and NPS. The developer took the lead in applying for state and federal Historic Tax Credits, but county staff attended project meetings and provided input to suggested changes.</p>
<p>15. The PAC recommends that the County work with elected officials in the U.S. Senate and House of Representatives to pursue further legislative modifications that would allow Fairfax County’s targeted magnet/workforce housing programs to become eligible for Low Income Housing Tax Credit financing.</p>	<p>County staff forwarded the PAC recommendation to counterparts in the Department of Housing and Community Development. No County action to date.</p>