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Tysons Corner Implementation Plan OUTLINE FOR TASK FORCE DISCUSSION

Introduction

Transforming Tysons Corner into a 21st century transit-oriented, pedestrian friendly urban center and meeting the goals and objectives established by the Tysons Land Use Task Force (TLUTF) and the new Master Plan as embodied in the revised Comprehensive Plan, will require a high degree of cooperation and coordination among landowners, employers, workers, residents of Tysons Corner and the surrounding communities, Fairfax County, and the State of Virginia. Such cooperation and coordination cannot be achieved through the piecemeal and uncoordinated development processes that have been the norm in the past.

In addition, redevelopment of existing urban areas like Tysons, with construction of large-scale infrastructure improvements and extensive new development, presents a range of challenges that can span multiple decades and involve ongoing refinement of the Master Plan based on new opportunities and needs, require large scale borrowing to finance new infrastructure, entail a range of public-private partnerships, and in general require both a greater focus and more specialized expertise than local governments are often able to provide. It will require new means of evaluating proposed zoning changes that will bring speed, clarity and predictability to the process, new means of planning and paying for infrastructure improvements and public amenities, and new means of facilitating the movement of people and motor vehicle traffic within and through Tysons Corner.

The TLUTF, therefore, proposes that a new organization be established to oversee, manage and implement the future development in the Tysons Corner area as proposed in the adopted Tysons Corner plan in conjunction with, and supplemental to, the Fairfax County process. This organization would help overcome many of the current problems and would be fully focused on assuring that the new Master Plan/comprehensive plan is implemented effectively and in a coordinated manner.

Discussed below, in outline form, is the need for and the purpose of the implementing organization, the forms that such an organization can take, organizational tasks and responsibilities, and the tools available and necessary to the organization to carry out its responsibilities.

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Need for an Implementing Organization

A. New Master Plan/Comprehensive Plan needs Comprehensive Approach to Implementation

There is currently no overarching, detailed Master Plan for Tysons Corner. We assume that such a plan will exist following the Task Force process. The TLUTF and the new Tysons Corner comprehensive plan envisages a walkable, bikable, pedestrian-oriented, urban place for Tysons Corner. The elements of the plan are related and, together, form an integrated approach to all of Tysons Corner.

To carry out such a plan requires implementation of many elements across property boundaries. Much of the infrastructure and many of the public amenities that are needed for the plan to be successful are collective needs that cannot be the sole financial responsibility of any single landowner or development project. Therefore, effectively and successfully implementing the Tysons Corner plan will require a comprehensive approach that guides and coordinates individual projects so that the overall vision and goals for all of Tysons Corner are achieved.

The current process for Tysons Corner is to plan, review, and implement developments on a project-by-project basis that is usually independent of surrounding properties and of the overarching goals and objectives of the plan. The process is also exceedingly lengthy and costly and subjects development proposals to independent review by many different departments with differing and separate priorities, not necessarily focused on the ultimate overall “best” use for Tysons. The process makes it very difficult to achieve needs that are a common responsibility and must be implemented collectively. The process also makes it difficult to achieve common standards and design objectives that serve to integrate projects and implement plan elements that cross property boundaries. Continuing such a process will be highly detrimental to achieving what Tysons Corner should become as proposed in the Tysons Corner plan.

Many of the problems with the current development process can be overcome by establishing an implementing organization representing property owners, and other stakeholders in Tysons Corner that will insure that the overarching vision, goals, and objectives of the comprehensive plan are implemented.

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Purpose of an Implementing Organization

The purpose of such an organization is to

- Assure that the overarching goals and objectives of the revised comprehensive plan for Tysons Corner are implemented.
- Be the “keeper” of the vision that emerges from the TLUTF process and is specified in the Tysons Corner comprehensive plan.
- Work to make Tysons Corner a great place to live, work, shop, and play.
- Improve and sustain the quality of life through initiatives to promote economic development, and enrich community life by enhancing public safety, improving the physical environment, strengthening urban amenities and facilitating mobility/transit throughout Tysons. Encourage in-town living and street-level shops, all to support thriving commercial, arts, and cultural facilities.

Powers and Responsibilities of the Implementing Organization

- Work with Fairfax County to develop new **Zoning Ordinance** language and categories for the Tysons area to address the unique requirements of a vibrant, urban downtown area that is unlike any other area in Fairfax County and which would support the Planning guidelines and Master Plan set out in the revised Comprehensive Plan
- Work with Fairfax County to develop new formulas and **Urban Standards** for determination of appropriate infrastructure needs
- Develop a set of **Design Guidelines** to reflect the “vision” and to supplement the zoning codes as necessary to further define the new urban “downtown”. These would be used to insure that new development meets the vision of a vibrant downtown with a 24-7 life and coordinates with adjacent properties in support of the overarching Master Plan.
- In order to promote the plan's comprehensive vision, the organization will need the ability to participate in the zoning process. A **Design Review Committee** (which would both represent stakeholders but include appropriate design and technical professionals) would be established to work with all applicants and County staff* to insure that applications are integrated with surrounding properties, and are in accordance with the design guidelines, the Comprehensive plan and zoning requirements. While ultimate authority will continue to rest with the Planning Commission and Board of Supervisors, recommendations of this new entity will be given deference as the most knowledgeable and consistent party of what the plan envisions and whether proposals for new developments

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meet the plan. The new entity would thus be in a position to serve as a liaison between the private and public sectors. It would also be in a position to use incentives such as bonus density, tax incentives and other financial tools in order to make Tysons Corner a viable community. The organization would also provide technical assistance to all applicants wishing to develop or provide improvements in Tysons Corner. By giving the organization this authority and deference, applications recommended by it would be given expedited processing (with specific time limits) by County staff, the Planning Commission and the Board of Supervisors, thus giving applicants an incentive to work with the new entity through a speedy, clear and more predictable process that does not change with changing political views.

*We assume and recommend that DPZ set up a dedicated division to deal only with planning and zoning issues for Tysons Corner

- Continuously **monitor and review** the Master Plan/Comp Plan, zoning codes and development progress and recommend changes as necessary
- Gather information and with the guidance of the Plan and an assessment of current development progress, **set priorities**, on an annual basis, for infrastructure improvements and public amenities (including transit operations, road and traffic improvements, public safety, environment, cultural and recreational facilities, etc.) – on both a neighborhood and area basis. These would form the basis for the work of the Design Review committee in order to best coordinate development with appropriate infrastructure and public amenities
- **Plan and implement initiatives** to enhance the quality of life in Tysons Corner in accordance with the goals of the Plan in such areas as:

Common Elements

Work with developers and government (through Design Review process and the Capital Improvement Process) and further supplement as necessary, the common elements in Tysons such as: public facilities, schools, parks, affordable housing, environmental enhancements etc.

Transportation

e.g. develop/operate coordinated, comprehensive internal circulator systems not provided by local governments, develop/coordinate additional transit options not met by public bodies. Provide traffic control at peak hours. Coordinate/lobby for needed transportation improvements with Federal, State and County governments

Streetscapes

e.g. Install streetlights, benches, flowers, build or rebuild appropriate sidewalks etc.

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Public Safety

e.g. Develop and operate programs to help maintain the perception and reality of Tysons Corner as a safe and secure environment. This could be accomplished by such means as augmenting the Fairfax County police resources assigned to Tysons Corner, providing a highly visible presence on the streets, installing and operating security cameras and other monitoring systems, and working with County police, building managers, businesses, condominium associations, transportation providers, and community organizations to coordinate and share information about unlawful activity and security issues.

Physical Environment

e.g. Develop and operate programs that keep the Tysons Corner's physical environment clean and attractive and contribute to the perception of Tysons Corner as a safe environment, for instance litter control, light maintenance of streetscapes and public street features, removing graffiti, and maintaining flower boxes and street trees. The program would work with Fairfax County and the Virginia Department of Transportation to have public sidewalks repaired, potholes filled, and damages street signs replaced. The program would support the Fairfax County Park Authority with maintenance of stream valley parks and trails

Cultural

e.g. establish programs for cultural events and performances and plans for installing public art in Tysons Corner.

- **Raise and expend funds** for all of the types of improvements and initiatives listed above

Type of Implementing Organization

There are two options for this new entity:

- an authority established by the Board of Supervisors (CDA or other authority)
- an independent 501(c)(4?) of stakeholders who can turn the vision into reality.

Each type of organization has its pros and its cons. They can be summarized as follows:

Although from a legal perspective, both types of organizations have the ability to carry out all of the Responsibilities listed above:

-While the independent organization, made up of stakeholders who are its members, would have greater independence and flexibility; an authority established by the Board of Supervisors would probably be given more authority since the Board would have indirect control through the appointment process. However, if the authority option is selected, there should be a Memorandum of Understanding entered into detailing the qualifications

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of the commissioners and what authorities and responsibilities are granted to the authority.

-State law specifically authorizes creation of 'authorities' to do the kinds of things we envision the new entity doing. An independent entity could do many of those things, but there may be many legal issues about its powers.

Tools for Implementation

The most important TOOL for the Implementation of the new vision for a transit-oriented, livable, walkable, urban Tysons Corner will be the new Master Plan itself along with the new zoning ordinances to support it.

To insure the success of the Design Review process and the financing of the necessary improvements and amenities, many additional tools will be necessary. Neither the private developers nor the public entities can finance all of the improvements and amenities needed to support this new Plan. The new organization will have available both financial and non financial tools which can be used separately or in tandem. Some are better suited for large single projects while others can successfully be used on all projects. Attached is the list of tools first handed out at the Implementation Outreach program. The key will be to determine when best to use one tool or the other and how we link these tools to actually implementing the plan.

Finally, even using increased density as an incentive for developers to provide needed infrastructure, CDAs, and other incentives like tax abatement and transferable development rights, there probably will not be enough funding to provide all of the infrastructure shown in the new Tysons plan, and probably not *when* it is needed. Nor are State and local governments expected to be able to fund the required infrastructure, not funded by developers, through the ordinary legislative processes. **Therefore, the use of Tax Increment Financing (TIF) will be critical.** Since the new Tysons Corner plan will provide for significant new density that will provide significant new tax revenues for Fairfax County, the only viable way to pay for the additional infrastructure is through the use of TIF. The TLUTF recommends that 25% of the tax revenue increase generated by the new development be set aside for Tysons infrastructure improvements in accordance with the priorities set by the entity. These funds will be used to either directly pay for needed infrastructure improvements in and around Tysons Corner or as a revenue source for bond-funded improvements. The new overall entity would have a role in recommending how these funds will be used by settling the priorities for their use.

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DEFINITIONS OF KEY TOOLS FOR PLAN IMPLEMENTATION

Since 2006 the Implementation Subcommittee of the Tysons Land Use Task Force has been meeting to study and analyze the tools that will be needed to help transform Tysons Corner. This document contains definitions of some of the key tools and terms that have been identified. These tools address the three (3) areas that will necessarily impact the implementation of the New Tysons Plan: organizational, financial and regulatory. The list below is not exhaustive, and some of these vehicles will fall into more than one category.

I. **Public-Private Partnerships**

According to the 2002 Urban Land Institute publication, Ten Principles for Reinventing America's Suburban Business Districts, "In most cases, the successful transformation of a suburban business district depends on the *ability of the private and public sectors to cooperate under a partnership arrangement* that engenders community support, minimizes project risk, and delivers place-making dividends to all stakeholders. The place-making dividend accrues to both the developer and the community. Therefore, it is only fair that both should invest in its creation by way of a partnership that leverages the investments of both." (page 20)

Virginia state law permits the formation of public-private partnerships in several ways, three of which are described below.

A. **Community Development Authority (CDA)**

Under Virginia law, *CDAs* are broad managerial and funding mechanisms available to implement capital projects and/or larger development plans through various means, including taxing, issuing debt, setting up Special Districts, and using financial tools such as Tax Increment Financing and others discussed below. *CDAs* may be created by counties upon petition by 51 percent of landowners by land area or by assessed value. The Board of Directors of the *CDA* is appointed by the Board of Supervisors from among property owners in the *CDA* district. Services and public investments can be financed by special real estate taxes within the district, not to exceed 25 cents per hundred of assessed value unless petitioned each year by all property owners in the district. Services and investments can also be financed by special assessment with no limit. *CDAs* are allowed to issue debt.

Recent projects making use of *CDAs* include Dulles Town Center (Loudoun County) and Virginia Gateway and Heritage Hunt in Prince William County.

B. Improvement Districts

An Improvement District is an organizing and financing mechanism used by property owners in specified areas. In Virginia counties, Improvement Districts are permitted as a type of Special District, in order to upgrade amenities and improve services that the government does not, or cannot provide. Unlike Special Assessment Districts, Improvement Districts can address a wide variety of services and are not limited to specific projects.

Services provided by Improvement Districts may include construction and maintenance of public facilities; transportation; water; sewer; street cleaning; economic development and business promotion; recreation and cultural activities; beautification and landscaping; cleaning and snow removal; and public parking. Property owners benefiting from the enhanced services in an Improvement District pay a special real estate tax assessment to cover their operating costs. (In Virginia, Special Districts are not allowed to issue debt.)

Other types of Special Districts include Special Assessment Districts and Parking Districts.

1. In a Special Assessment District, properties that will benefit directly from an infrastructure improvement are taxed for the cost of the specific improvement only.

2. In a Parking District, garage construction is funded by a real property tax on properties located within the district. (Construction is also funded by parking fees.) Properties in the Parking District are not required to provide parking in new developments. Parking Districts are being used in Bethesda, Maryland.

C. Public-Private Education and Infrastructure Act of 2002 (PPEA)

PPEA allows Virginia local governments to form partnerships with the private sector to develop non-transportation related projects. These may include buildings for principal use by a public entity; equipment or improvements to enhance public safety and security of such buildings; utility and telecommunications and other communications infrastructure; and recreational facilities. *PPEA* funds may be used for both new construction and renovation, expansion, operation and maintenance of qualifying projects.

II. **Public Financing Tools & Terminology**

A. **Tools**

1. **Tax Increment Financing (TIF)**

Virginia counties can identify *TIF* districts in which the current real estate tax base is held constant or frozen in place. Subsequently, new real estate taxes from redevelopment within the district are allocated to a special *TIF* fund. The county can then issue *TIF* bonds for specific public amenities identified within the overall Plan for the District, including roads, water, sewer, parks and open space. Once the bonds are paid off, the tax increment goes to the County.

2. **Tax Abatement**

Fairfax County's current Tax Abatement Program provides incentives to property owners within commercial revitalization areas. Owners of buildings that are older than 25 years are encouraged to make improvements that increase value by 25% or more. In return, the County grants the owners full abatement of property taxes on the increased value for 12 years. The tax abatement transfers with the property.

3. **Transfer of Development Rights (TDR) and Air Rights**

TDR programs allow landowners to sever development rights in their properties which are in designated low-density areas, and sell them to purchasers who want to increase the density of their development in areas selected for higher density. The property owner who is transferring development rights receives compensation from the property owner who wants to increase density. *TDRs* can be used, for example, to preserve and/or create open space, or to encourage higher density development in Transit Oriented Development areas. Buying and selling Air Rights to adjacent buildings or over government property, including roads, is another way to shape the form and location of new development. *TDRs* have been used by Montgomery County, Maryland, to protect over 40,000 acres in its agricultural reserve. In Washington, D.C., *TDRs* are being used to concentrate high density development in the designated Central Business Districts while keeping densities lower in surrounding areas.

4. **Impact Fees**

Impact fees are payments by developers to local governments for their proportionate share of the cost of construction or expansion of infrastructure. Fees are calculated based on the need for additional facilities generated by a specific development project. Impact fees are typically collected prior to construction and earmarked for future construction of related infrastructure or facilities. In Virginia impact

fees are being used by the City of Newport News and by Arlington and Henrico Counties.

B. Terminology

1. Capital Improvement Program (CIP)

Government expenditures may be divided into operating costs and capital costs. Operating costs are generally ongoing expenditures for staff and for operating and maintaining capital facilities. Capital costs may be one-time expenditures for the construction of facilities such as public buildings and infrastructure. Local governments generally maintain both an annual operating budget and a multi-year capital budget, called the Capital Improvement Program or *CIP*. The *CIP* projects the needs for capital facilities out 5 to 6 years in the future. This is intended to permit the local government to acquire land, design new facilities, and construct them in time to serve expected new development. In this way, the *CIP* links the County's budget to the planning process.

2. Bonded Debt

Capital facilities are often funded through the use of bonded debt. The County may issue bonds backed by its general revenues; these are called General Obligation Bonds. The County may also issue Revenue Bonds; these are backed by special revenues associated with the capital facility, such as parking fees from a garage.

III. Planning & Zoning Tools & Terminology

A. Comprehensive Plan

Most states require that a local government draft and update a Comprehensive Plan. This plan provides guidance on appropriate development for different geographic areas of the jurisdiction. The Plan is "comprehensive" in that it includes a number of elements in addition to Land Use. In Fairfax County, these elements include Transportation, Housing, Environment, Heritage Resources, Public Facilities, Parks and Recreation, and Trails. The existing Comprehensive Plan for Tysons Corner may be found at www.fairfaxcounty.gov/dpz/comprehensiveplan/area2/tysons1.pdf. The Tysons Land Use Task Force is currently working with the citizens of Fairfax County and its consulting team to draft a new plan for Tysons Corner.

B. Zoning Ordinance

The Zoning Ordinance contains the regulations through which a local government implements its Comprehensive Plan. The ordinance includes requirements regarding acceptable uses, densities and floor area ratios, building heights, setbacks,

and parking. These requirements must be carefully described in the ordinance so that they reflect and support the Plan.

In Fairfax County, rezoning applications currently receive initial review by staff from the Department of Planning and Zoning, with input from more than a dozen other County, state and regional agencies. Staff reports are presented at public hearings before the Planning Commission and then the Board of Supervisors.

C. **Proffer**

In Fairfax County, applicants seeking an amendment to the zoning map often submit a proffer statement in support of their application. Proffer statements typically address such issues as environmental protection, noise mitigation, tree preservation, buffering, and transportation and public facility impacts. Proffers are required to be signed by all owners and contract purchasers of property subject to a rezoning application. Once a rezoning is approved, the proffers become a part of the property's zoning and must be complied with.

D. **Incentive Zoning**

Incentive zoning offers developers higher Floor Area Ratios (square feet in building divided by square feet of land on the site, or FAR) and/or greater heights, in exchange for community benefits like parks, affordable or workforce housing, and mixed use development. There are many different ways this type of incentive is structured in the different jurisdictions where it is used.

Incentive zoning has been successfully used in the Rosslyn-Ballston corridor in Arlington County and in the revitalization of Silver Spring in Montgomery County, to make sure there are adequate public amenities to support the desired development.

E. **Form-Based Codes**

Form-based codes are a form of zoning that concentrates on the visual aspect of development, or the places created by buildings. They address the relationship between building facades and streets and sidewalks, the form and mass of buildings in relation to one another, and the scale and types of streets and blocks. The regulations and standards in form-based codes are presented in both diagrams and words and are keyed to a regulating plan that designates appropriate form and scale. Arlington County has optional form-based codes for redevelopment along the Columbia Pike corridor.

This type of zoning is appealing to developers as it greatly expedites the approval time for their projects if they meet the Code requirements. The jurisdictions

end up with the “Place” they are hoping to see develop. The drawback to this type of zoning is its lack of flexibility as times and needs change.

F. Transportation Demand Management (TDM)

Transportation Demand Management or *TDM* is an umbrella term for strategies that change travel behavior, such as how, when and where people travel. The purposes of *TDM* include reducing traffic congestion and improving mobility for pedestrians and bicyclists. *TDM* strategies include improved transportation options, such as light rail and bus rapid transit, shuttle services, ridesharing and carsharing; incentives to reduce driving such as High Occupancy Vehicle (*HOV*) priority; and parking and land use management strategies, such as transit oriented development (*TOD*). *TDMs* are financed through various means including government funding, developer *TDM* plans, Improvement and Special Assessment Districts, to name a few. *TDM* plans submitted by developers need to be enforced.

In order to implement the “Blueprint” for Midtown Atlanta, Midtown Transportation Solutions, an initiative of the Midtown Alliance, has promoted a comprehensive transportation system to improve mobility. Their system complements and coordinates public transit and individual corporate programs and includes discounted transit passes, car and vanpools, and bicycle racks and other facilities.