

**FAIRFAX COUNTY PLANNING COMMISSION  
CAPITAL IMPROVEMENT PROGRAM COMMITTEE  
WEDNESDAY, MARCH 18, 2009**

COMMITTEE MEMBERS PRESENT:

Frank A. de la Fe, Hunter Mill District  
John L. Litzenberger, Jr., Sully District  
Rodney L. Lusk, Lee District  
Peter F. Murphy, Jr., Springfield District  
Timothy J. Sargeant, At-Large

OTHER PLANNING COMMISSION MEMBERS PRESENT:

Jay P. Donahue, Dranesville District  
Earl L. Flanagan, Mount Vernon District

STAFF PRESENT:

Leonard Wales, County Debt Manager, Department of Management and Budget (DMB)  
Martha Reed, Capital Programs Coordinator, DMB  
David Jillson, Planning Division, Department of Planning and Zoning  
Carey Needham, Chief, Building Design Branch, Planning and Design Division,  
Department of Public Works and Environmental Services  
Barbara J. Lippa, Executive Director, Planning Commission Office  
Kara A. DeArrastia, Deputy Clerk to the Planning Commission

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Planning Commission Chairman Peter F. Murphy, Jr., constituted the Committee at 7:31 p.m. in the Board Conference Room, at 12000 Government Center Parkway, Fairfax, Virginia, pursuant to Section 4-102 of the Commission's *Bylaws & Procedures* and indicated that the first order of business was to elect a Committee chairperson.

Commissioner de la Fe MOVED TO ELECT RODNEY L. LUSK AS CHAIRMAN FOR 2009.

Commissioner Murphy seconded the motion which carried unanimously.

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Chairman Lusk noted that Department of Management and Budget (DMB) staff would discuss the *FY 2010 – FY 2014 Advertised Capital Improvement Program (CIP), With Future Fiscal Years to 2019*, and address issues raised at the CIP workshop, held on March 5, 2009, as well as the public hearing, held on March 12, 2009. (A copy of the CIP is in the March 12, 2009 date file.)

Martha Reed, Capital Programs Coordinator, DMB, stated that the ratio of debt service to General Fund disbursements must be below 10 percent, in accordance with the *Ten Principles of Sound Financial Management*. She explained that staff had conducted a "next logical stopping point" review of all bond projects to determine if and when certain projects might be delayed.

Ms. Reed listed the proposed FY 2010 project delays, as contained on page iv of the CIP:

- Fair Oaks Police Station Renovation – delay construction bid for one year
- McLean Police Station Renovation – delay design start for one year
- Wolftrap Fire Station – delay construction bid for two years
- Herndon Fire Station – delay design start for one year
- Concept studies for the five oldest libraries – delay for one year

Ms. Reed responded to a question from Commissioner Litzenberger about the 2004 Library Bond Referendum. Leonard Wales, County Debt Manager, DMB, noted that feasibility studies to determine the scope and costs for potential renovations and expansions of the five oldest libraries were required to be completed prior to a future Library bond referendum.

Mr. Wales answered another question from Commissioner Litzenberger regarding the library feasibility studies.

Ms. Reed said staff had reviewed future bond referendum schedules in light of projected resources available to support identified CIP projects and developed a limited Paydown Program including funding to address only the most critical capital renewal needs at County facilities. She explained that staff was developing the concept of a revolving fund, supported by \$15 million annually through the sale of Economic Development Authority bonds, to help fund some of the capital renewal needs. Ms. Reed noted that included in the budget and CIP was a proposal to create a special service district with a levy of \$.015 per \$100 of assessed real estate value to help cover the operating and capital costs for the Stormwater Program. She said the CIP also provided a list of prioritized projects for the next five years and the long-term, beginning on page 37.

Mr. Wales described the staff review of the County's current debt capacity to manage debt service payments within projected General Fund availability. He pointed out that the debt service ratio for the unadjusted capital program would have exceeded the 10 percent threshold beginning in FY 2012. He reviewed the two graphs on page iii of the CIP, which depicted the debt capacity projections before any proposed adjustments to the bond program and after proposed adjustments. He said program managers would be provided an expenditure target and asked to plan and adjust individual project schedules as necessary. Mr. Wales explained that adjustments had been recommended to the general obligation bond program to ensure that the debt service ratio remain below the 10 percent threshold without drastic cuts to major programs. He stated that one recommendation was to establish planning caps for the following programs: \$20 million per year, or \$100 million for five years, each for transportation improvements and Metro; \$13.25 million per year, or \$66 million for five years, for parks; and \$140 million per year, or \$700 million for five years, for schools. He noted that since the Commercial Revitalization bond was 20 years old and included funds for only one project, upon completion of that project any remaining funds were recommended to be de-authorized. Mr. Wales said staff had been considering other means for funding revitalization projects, such as the creation of a Community Development Authority with a Tax Increment Financing component, in coordination with the developer of the Mosaic at Merrifield Town Center development.

In reply to a question from Chairman Lusk, Mr. Wales indicated that approximately \$2 to \$3 million was leftover in the Commercial Revitalization Bond Referendum.

Mr. Wales responded to a question from Commissioner de la Fe about the general obligation bonds.

Mr. Wales noted that while no project had been eliminated, some projects would experience a delay of approximately 1 year to 18 months. He stated without any revenue adjustments, the debt service ratio would be 9.93 percent in 2013 but if the Board of Supervisors (BOS) approved the proposed tax rate adjustment, the ratio would be reduced to 9.24 percent in 2013. He explained that this reduction would offer the BOS flexibility to manage the CIP, make judicious adjustments if needed, and absorb additional potential revenue shortfalls without radical changes to the program or re-energize selected projects if supported by additional revenues. Mr. Wales said the bond program would continue to provide approximately \$1.2 billion of capital construction over the next five years although approximately \$100 million would be moved to Year 6.

In response to questions from Commissioner Litzenberger, Ms. Reed indicated that the proposed real estate property tax rate was \$1.04 per \$100 of assessed value, the proposed Stormwater Service District rate was \$0.015 per \$100 of assessed value, and the FY 2009 actual property tax rate was \$0.92 per \$100 of assessed value.

Mr. Wales explained that one-tenth of one percent of the debt service ratio equated to approximately \$33 to \$35 million from any funding source.

Answering questions from Chairman Lusk, Mr. Wales said the County would maintain its "triple A" bond rating as long as its debt service ratio did not exceed the 10 percent threshold. He noted that the public safety project delays would be re-evaluated each year based on the given revenue projection.

In reply to a question from Commissioner Flanagan, Mr. Wales noted that the "Project Cost Summaries" table at the end of each program section indicated the source of funds for each project.

Responding to a question from David Jillson, Planning Division, Department of Planning and Zoning (DPZ), Ms. Reed said that projects labeled with a "B" under the "Source of Funds" column were funded by a bond referendum.

Ms. Reed told Commissioner Flanagan that she would provide him a list of the active bonded projects. She then asked him what types of projects he was interested in. Commissioner Flanagan responded that he was primarily interested in projects for facilities, such as libraries and recreation.

Replying to questions from Chairman Lusk, Ms. Reed pointed out that the allocation for the Fairfax-Falls Church Community Services Board's (CSB) model prototype barrier-free group home had been rounded up to \$2 million in the CIP.

Chairman Lusk asked if it would be feasible to move the priority ranking for the barrier-free group home from Number 2 to Number 1. Ms. Reed replied that Pam Gannon, Director, Facility Planning and Site Development, CSB, had been pursuing options with the Department of Housing and Community Development and DPZ to finance this project. Commissioner de la Fe inquired as to whether anticipated federal stimulus money could be used to support this project.

Commissioner de la Fe commented that the proposed renovation and expansion of the Reston Police Station should be funded by the 2006 Public Safety Bond Referendum and not be delayed any longer in anticipation of a public-private partnership.

In response to a question from Commissioner de la Fe, Mr. Wales stated that as part of the funding agreement between Fairfax County, the Metropolitan Washington Airports Authority (MWAA), and Loudoun County, Fairfax County would be responsible for 16.1 percent, or approximately \$830 million, of the total Dulles Metrorail project. He noted that the County's share of Phase I was expected not to exceed \$400 million, which would be funded through a special tax district. He explained that the options available to the County regarding Phase II were to establish a second special tax district, obtain an alternative funding source, or opt out of Phase II entirely, meaning that the rail line would not have any stations beyond Wiehle Avenue in Fairfax County and the County would be responsible for 16.1 percent of Phase I only. Mr. Wales said that the Western Alliance for Rail to Dulles (WARD), a group of landowners who controlled approximately 37 percent of the Western Dulles Corridor, had drafted a petition calling for a special tax district to fund Fairfax County's share of Phase II. He indicated that the petition would be circulated this summer, and if approved by at least 50 percent of the property owners in the district, it would be submitted to the BOS.

Carey Needham, Chief, Building Design Branch, Planning and Design Division, Department of Public Works and Environmental Services, addressed Commissioner de la Fe's earlier comment about the Reston Police Station. He explained that the proposed renovation and expansion of the station was not on hold pending a public-private partnership, but a study would be conducted to ensure that the station site would not be prohibitive to any partnership agreement on the balance of the land, and the design work was planned to commence this summer.

Commissioner de la Fe **MOVED THAT THE CIP COMMITTEE RECOMMEND TO THE PLANNING COMMISSION THAT IT ACCEPT THE ADVERTISED FAIRFAX COUNTY CIP FOR FISCAL YEARS 2010-2014, WITH FUTURE YEARS TO 2019, WITH THE FOLLOWING AMENDMENT:**

**THE FAIRFAX-FALLS CHURCH COMMUNITY SERVICES BOARD'S MODEL PROTOTYPE BARRIER-FREE GROUP HOME, INCLUDED IN THE "BEYOND 5-YEAR PERIOD" CIP PROJECT LIST, BE MOVED FROM PRIORITY RANKING 2 TO PRIORITY RANKING 1, AND IF POSSIBLE,**

FEDERAL STIMULUS MONEY BE CONSIDERED TO SUPPORT THIS PROJECT.

Commissioner de la Fe FURTHER MOVED THAT THE CIP COMMITTEE RECOMMEND THAT THE PLANNING COMMISSION REAFFIRM ITS SUPPORT FOR THIS PROJECT AND ENCOURAGE THE COMMUNITY SERVICES BOARD TO WORK WITH OTHER COUNTY AGENCIES TO EXPLORE OPTIONS FOR FINANCING THIS PROJECT.

Commissioner Litzenberger seconded the motion which carried unanimously.

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Commissioner de la Fe also expressed support for the Stormwater Program special district proposal.

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The meeting was adjourned at 8:10 p.m.  
Rodney L. Lusk, Chairman

An audio recording of this meeting is available at the Planning Commission Office, 12000 Government Center Parkway, Suite 330, Fairfax, Virginia 22035.

Minutes by: Kara A. DeArrastia

Administratively approved on: May 13, 2008

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Linda B. Rodeffer, Clerk  
Fairfax County Planning Commission