FAIRFAX COUNTY PLANNING COMMISSION
TYSONS CORNER COMMITTEE
WEDNESDAY, OCTOBER 21, 2009

COMMITTEE MEMBERS PRESENT:
Walter L. Alcorn, Chairman, At-Large
Frank A. de la Fe, Hunter Mill District
Jay P. Donahue, Dranesville District
Kenneth A. Lawrence, Providence District
Rodney L. Lusk, Lee District

COMMITTEE MEMBERS ABSENT:
None

OTHER COMMISSIONERS PRESENT:
James R. Hart, At-Large
Timothy J. Sargeant, At-Large

FAIRFAX COUNTY STAFF PRESENT:
James Zook, Director, Department of Planning and Zoning (DPZ)
Fred Selden, Director, Planning Division (PD), DPZ
Matthew Ladd, PD, DPZ
Pamela Nee, PD, DPZ
Noel Kaplan, PD, DPZ
David Molchany, Deputy County Executive
Kambiz Agazi, Environmental Coordinator, Office of the County Executive
Joe Gibson, Dranesville District Supervisor's Office
Barbara J. Lippa, Executive Director, Planning Commission Office
Linda B. Rodeffer, Clerk to the Planning Commission

TYSONS LAND USE TASK FORCE MEMBERS PRESENT:
Irfan Ali
George Barker
Stella Koch
Michelle Krocker
Keith Turner

OTHERS PRESENT:
Scott Adams, McGuire Woods
Elizabeth Baker, Walsh Colucci
Elizabeth Bazzetta, Student, George Mason University
Bruce Bennett
Elaine Cox, Hunton and Williams
Erin Dawson, Tyco LP
Roger Diedrich, Sierra Club

Jim Emery
Dave Edwards
Chris Janoski, Citizens for Traffic-Calming on Old Courthouse Road
Matthew McCulloch, Dolley Madison
Don McIlvaine, Tyco Road, LP
Emily Metzger, MuniCap, Inc.
Patti Nicoson, Dulles Corridor Rail Association
Jill Parks, Cooley Godward
Keenan Rice, MuniCap, Inc.
Bob Stoddard, WRIT
Rob Whitfield
Hillary Zahm, Macerich
Mark Zetts, McLean Citizens Association

ATTACHMENTS:

A. Fiscal Impact Analysis PowerPoint presentation
B. Tysons Corner Urban Center Fiscal Impact Analysis
C. Energy-related Excerpts from the Environmental Stewardship Section and Suggested Revisions
D. Tysons Strawman II Plan Text Regarding Coordinated Development and Parcel Consolidation

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Chairman Walter L. Alcorn called the meeting to order at 7:05 p.m. in Conference Rooms 2/3 of the Fairfax County Government Center, 12000 Government Center Parkway, Fairfax, Virginia 22035.

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Commissioner Lawrence MOVED THAT THE MINUTES OF OCTOBER 14, 2009 BE APPROVED.

Commissioner de la Fe seconded the motion which carried unanimously.

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FISCAL IMPACT STUDY

Following introductory remarks by James Zook, Director, Department of Planning and Zoning (DPZ), Keenan Rice, MuniCap, Inc. delivered a PowerPoint presentation, Attachment A, an excerpt from the detailed report found in Attachment B. He said because it was not possible to provide precise calculations, four principles had been used in the fiscal impact analysis:

- Use of actual historical objective data
- Clear identification of assumptions
- Use of reasonable conservative standards
- Coverage between revenue and expenses.

Mr. Rice said two scenarios had been reviewed:

- Scenario A – development of 74.3 million square feet in existing Comprehensive Plan based on a build out shown to occur by 2030.
- Scenario B – urban center development based on assumptions used in the George Mason University Forecast for High Growth for 82.4 million square feet by 2030, with projected growth to 2050.

He reviewed the following slides contained in the presentation:

- Chart 1 – Comparison of Commercial Development Forecasts
- Chart 2 – Comparison of Residential Development Forecasts
- Key assumptions used:
  - Constant 2009 dollars and current tax rates
  - FY 2009 adopted budget used to project full range of operating costs
  - General government operating costs projected to increase per resident and per employee
  - School operating costs projected to increase per student.
- Infrastructure costs assumed in analysis:
  - Two elementary schools and secondary school expansion
  - Two new fire stations
  - New community library
  - Transportation costs not included (to be estimated separately)
  - New urban standards for parks and recreation facilities to be funded primarily by developers
- Chart 5 – Projected Revenues vs. Expenditures for Scenario A vs. Scenario B.
- Revenue sources
  - Real property taxes
  - Sales taxes
  - Personal property taxes
  - Business, professional, and occupational license taxes
  - Other sources, including hotel occupancy and recordation taxes
- Chart 7 – Comparison of incremental surplus net of capital costs
- Reasons for results
  - Scenario B included more new development of all types than Scenario A
  - Scenario B included more new development in TODs than Scenario A (75 percent vs. 66 percent)

Development in TODs valued 10 percent higher than development in non-TOD districts
Scenario B generates higher revenues, especially from real property taxes.

- Table L – Cumulative Incremental Surplus Net of Capital Costs
  Scenario A net impact 2030 – $1,006,861,492
  Scenario B net impact 2030 – $1,218,887,494
- Conclusions
  By 2030 annual revenues exceed expenditures – $376 million for Scenario A and $405 million for Scenario B.
  By 2030 cumulative net revenues reach $1 billion for A and $1.2 billion for B
  Results indicate positive impact of significant residential development planned at Tysons.

In response to a question from Commissioner de la Fe, Mr. Zook said Scenario A on Chart 2, Comparison of Residential Development Forecasts, was based on buildout with the assumption that there would be four Metro stations instead of the three identified in the current Plan.

Responding to a question from Commissioner Lawrence, Mr. Rice said that the purpose of the fiscal analysis was not to give precise numbers but to test concepts.

In response to a question from Commissioner Hart, Mr. Zook said he could not say whether the surplus amount projected in the fiscal analysis would cover transportation costs. He noted that estimates and funding recommendations for transportation would be presented to the committee soon.

Responding to a question from Commissioner Lawrence, Mr. Zook said the public sector might have to contribute funding for parks if they could not be fully funded by the private sector.

In response from a question from Chairman Alcorn, Mr. Rice said an analysis was not done to project a net increase of zero or less although this was sometimes useful.

ENERGY EFFICIENCY AND CONSERVATION

Noel Kaplan, Planning Division (PD), DPZ, distributed an excerpt from the Environment Stewardship Section of Strawman II. He reviewed revisions suggested by the Fairfax County Energy Efficiency and Conservation Coordinating Committee (EECCC), as shown in Attachment C.

Following discussion about the EECCC recommendation on page 79 that there be no net increase of greenhouse gas emissions from Tysons Corner, Mr. Kaplan said he was not sure how this would be measured and pointed out that it was an aspirational goal. Commissioner Hart said without a benchmark, this statement did not have an objective meaning. George Barker,

Chairman, Draft Review Committee (DRC), Tysons Land Use Task Force (TLUTF) said the intent was that there would be no net increase after 2030.

In response to a question from Commissioner Sargeant, Mr. Kaplan said it would be difficult to dedicate land for distributive generation because it was not known what would be developed where. He pointed out that although it could be easily done for a campus-sized development, it would be difficult to link multiple disparate sites. Commissioner Sargeant said not addressing this issue in Plan language could discourage implementation of new technologies in the future.

Commissioner Lawrence pointed out that even though it may not be practical now to dedicate land for this purpose, Plan language should be flexible enough to address this issue as well as green building techniques in the future as technology changed.

Responding to a question from Commissioner Lusk, Mr. Kaplan said the purpose of the reference to green roofs in the last sentence of paragraph three on page 83 was to recognize that there were alternatives to green vegetative roofs. He pointed out that page 93 contained a recommendation that vegetated and/or highly reflective roofs were an example of an effort that should be pursued. Mr. Zook suggested that the language on page 83 be revised to state that the use of reflective materials "should be considered." Commissioner Lusk agreed. Commissioner Lawrence said this was another issue in which flexibility was needed to address not only green and reflective roofs, but solar roofs as well.

Commissioner Sargeant expressed support for the language setting future environment goals for Tysons shown on page 94 of Attachment C and said it would be helpful if dedicating land for future energy use was addressed.

Mr. Barker said the DRC had no issues with this section. Stella Koch, TLUTF, said that it was important to make sure that there was a clear understanding that these were goals and to ensure nothing got in the way of achieving them.

GREEN BUILDING BONUSES AND INCENTIVES

Mr. Zook said staff was still working on its recommendations on these issues and evaluating information received from the demonstration project indicating that it could be difficult to achieve Silver LEED certification. He explained that staff was researching Virginia law about the feasibility of a tax abatement in lieu of a density increase as a way of offsetting costs to achieve Silver, Gold, or Platinum certification. He said if staff was not entirely comfortable with only one recommendation, alternatives could be advertised for public hearing.

In response to a question from Chairman Alcorn, Mr. Zook said that if the Building Code was going to require LEED Silver certification, the recommendation for bonuses might have to be adjusted. Mr. Kaplan pointed out that LEED was a comprehensive green building rating system,

with energy as only one component; therefore, the best energy efficient building, even if it exceeded Code requirements, would not necessarily attain LEED Silver certification.

Responding to a question from Commissioner Lawrence, Mr. Kaplan said that the Building Code representative on the EEECC had stressed the idea “of enhanced commissioning” which would strengthen the process to ensure that after construction a building would function the way it was supposed to. He said the commissioning agent would be involved earlier in the process and checks and balances and training manuals would be required.

Responding to a question from Kambiz Agazi, Environmental Coordinator, Office of the County Executive, Commissioner Lawrence stated that he wanted accountability for the execution of a building, not the design.

Commissioner de la Fe pointed out, as he said he had done every time this issue was raised, that the marketplace demanded green building and he did not support granting bonuses for what the marketplace demanded.

HOUSING BONUSES

Mr. Zook stated that this issue also needed additional work and was being informed by the demonstration project. He said the DRC felt that 20 percent affordable housing should be required both inside and outside TOD areas whereas the Planning Commission's committee had directed that Strawman II recommend 20 percent only in TOD Districts and 12 percent outside. Mr. Zook pointed out that since a developer had the option of providing 20 percent affordable housing anywhere in the County, staff could support the DRC recommendation.

Mr. Zook explained that the demonstration project proposed 20 percent affordable housing subject to the FARs in the Plan and the flexibility in Strawman II with regard to consideration of additional intensity with substantial public improvements. He said, however, that this issue was still being discussed.

Mr. Zook noted that a non-residential contribution to the Housing Trust Fund was still being evaluated and had not been negotiated as part of the demonstration project yet. He said research was being done about the requirements in other jurisdictions.

The committee discussed the application of density recommendations to affordable housing requirements in the current Plan and Strawman II for TOD and non-TOD areas.

Chairman Alcorn said he would like to know if developers would be likely to submit rezoning applications under the current Plan options if higher workforce housing commitments were expected outside of TOD areas. Mr. Zook said staff would look into that.

Commissioner de la Fe commented that he was under the impression that when new Plan language was adopted for Tysons, there would be no "current" Plan, although the zoning would be different. Chairman Alcorn replied that he had been under that impression too up until two weeks ago. He pointed out that current Plan language had been carried forward in the district text. Mr. Zook explained that this was due to a long-term agreement not to downzone properties since Tysons was making contributions for rail transit through a tax district. Commissioner de la Fe said this issue was not going to be solved tonight. Mr. Zook agreed.

Responding to a question from Commissioner Lawrence, Mr. Zook said staff had not come to a conclusion about whether it would be appropriate to use incentives to preserve existing housing stock or to create new affordable housing. Chairman Alcorn questioned the wisdom of up planning property that was providing workforce housing only to turn around and buy it at a higher price for the same purpose. He said this was a significant public policy issue.

Following discussion about affordable housing, Mr. Barker noted that the DRC was working with staff, landowners, and people with experience in the development of workforce and affordable housing to gain their perspectives to reach a consensus on this issue. He said the DRC strongly believed that there should be a 20 percent bonus density and a 20 percent requirement outside one-half mile of the station area to make Tysons function effectively. Commissioner Lusk said he would like to see data from the industry about the feasibility of providing 20 percent affordable housing outside a TOD area because it might be difficult to achieve.

Ms. Koch and Commissioner Lusk commented on the importance of evaluating the cumulative impact each component, such as affordable housing and stormwater management, would have on the redevelopment as a whole.

Hillary Zahm, representing Macerich Corporation, developer of Tysons Corner Center, said 20 percent affordable housing was very high and would be difficult to achieve. She said she had not seen an economic analysis from the County showing how it could work.

Irfan Ali, TLUTF, pointed out that it was much more expensive to construct high-rise buildings than stick buildings.

Michelle Krocker, TLUTF, said that there was a dire shortage of affordable housing in the County which would only increase and that a whole array of tools should be available to provide it on a case-by-case basis. She added that this was a very important public policy issue.

Elizabeth Baker, Walsh Colucci, said she represented clients both inside and outside TOD areas and more study was needed to determine the impact of 12 percent versus 20 percent as well as concrete construction versus stick. She offered her assistance in this matter.

Commissioner Lawrence agreed with Ms. Krocker that an array of tools was needed to provide affordable housing because if the only incentive were density, it would not work. He said such tools as tax abatement and unusual financing, among others, should be considered.

Commissioner Hart commented that legislation could be necessary to provide an array of tools and could take a long time, if ever, to be passed.

COORDINATED DEVELOPMENT AND PARCEL CONSOLIDATION

Mr. Zook said that staff believed consolidation was critical to achieve the vision for Tysons. He pointed out that the Strawman language did not require that properties had to be contiguous to be considered for consolidation and that they could be in the same general area with shared boundaries and accomplished through companion zoning applications. He said the demonstration project had shown that a grid of streets could become a reality over a broader area than originally envisioned. Mr. Zook asked for assistance from the committee about phasing development.

Matthew Ladd, PD, DPZ, provided a summary of Areawide and District recommendations in the Land Use Section concerning coordinated development and parcel consolidation as shown in Attachment D.

Mr. Zook and Commissioner Lawrence discussed the number of acres necessary for optimal consolidation and development. Mr. Barker said flexibility was needed to allow consolidation of smaller areas. Mr. Ali cautioned against inadvertently discouraging consolidation by requiring triggers and phasing language that would make it difficult to obtain financing. Chairman Alcorn commented that if phasing were not possible, alternatives would have to be considered. Mr. Ali agreed and said this issue needed to be discussed.

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The meeting was adjourned at 9:30 p.m.
Walter L. Alcorn, Chairman

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

Minutes by: Linda B. Rodeffer
Approved: October 28, 2009

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Linda B. Rodeffer, Clerk
Fairfax County Planning Commission