

## **Determination of a New Tysons Road Club Rate for Funding Part of the Grid of Streets Costs (May 9, 2012)**

The attached tables provide estimates for a new Tysons Road Club to be used for funding part of the total cost of the grid of streets in Tysons. The following bullet points provide background information.

- The purpose of the new Tysons Road Club is to provide funding for important sections of the grid of streets which are not anticipated to be provided with development but are necessary to maintain an acceptable level of traffic flow, bus route connectivity, and bicycle and pedestrian connectivity over time. Typically these sections will be at locations where development most likely will not take place at all or not in a timely way.
- It is estimated that 20% of the total cost of the grid of streets will be provided by the new Tysons Road Club. The total cost of the grid of streets is estimated at \$1,521 million (in 2012 dollars). 20% of the total cost is \$304 million. These are the latest costs after converting 2009 dollars to 2012 dollars by using a 3% inflation rate per year (recommended by VDOT), adjusting the cost of right-of-way from \$70 per sq. ft. to \$100 per sq. ft. (newer information became available), and adjusting the route miles of the grid of streets due to further analysis.
- The new Tysons Road Club Rate can be based on the cost of the grid and estimated development from today to 2030, or from today to buildout of the grid of streets, assumed to occur in 2050. It is assumed that 60% of the grid of streets will be developed by 2030 and the remaining 40% will occur from 2030 to 2050.
- The land use estimates are based on the GMU high projections.
- Recently approved zoning cases proffered to contribute to the existing Tysons road club. The present rate of this fund is \$4.07 per sq. ft. for non-residential development and \$903 per dwelling unit. In the following tables, the contributions from these developers (MRP, Park Crest, Tysons Corner Center, Tysons II, Towers Crescent, and MITRE 4) were deducted from the 20% of the grid of street cost to be provided by the new Tysons Road Club.
- A contribution of \$1,000 per dwelling unit to the new Tysons Road Club was assumed in the attached tables. This is a rate proffered by the Georgelas group earlier this year.

**Tysons Road Club Rate for New Non-Residential Development Based on 2012 to 2030 Estimates (May 9, 2012)**

(2012 Dollars)

Line #	Description of Line Item		Totals
1	<b>Grid Cost, 2012 to 2030 (assumed to be 60% of total grid cost from 2012 to 2050)<sup>1</sup></b>		
2	Right-of-Way Cost	\$568,974,732	
3	Construction Cost	\$343,633,138	
4	Total Cost (line 2 + line 3)	\$912,607,870	<b>\$912,607,870</b>
5			
6	<b>Portion of Total Cost of Grid to be Funded by Road Club (20% of grid cost from 2012 to 2030) (20% of line 4)</b>		<b>\$182,521,574</b>
7			
8	<b>New Development, 2012 to 2030 (excluding approved development)<sup>2</sup></b>		
9	Residential SF	13,622,142	
10	Residential DU	11,382	
11	Non-Residential SF	18,724,106	
12			
13	<b>Approved Development (assume buildout amounts to 75% of approved zoning rights and occurs from 2012 to 2030)<sup>3</sup></b>		
14	Residential SF	3,258,242	
15	Residential DU	2,769	
16	Non-Residential SF	4,376,137	
17			
18	<b>Contributions to New Road Club by Approved Development and New Residential Development<sup>4</sup></b>		
19	Approved Development Contribution to Road Club (based on existing rate)	\$19,784,886	
20	New Residential Contribution to Road Club (based on \$1,000 per DU) (line 10 x \$1,000)	\$11,382,000	
21	Total Contributions (line 19 + line 20)	\$31,166,886	<b>\$31,166,886</b>
22			
23	<b>Portion of Road Club Funds to be Provided by New Non-Residential Development (line 6 - line 21)</b>		<b>\$151,354,688</b>
24			
25	<b>New Road Club Rate for New Non-Residential Development (per sq. ft.) (line 23/line 11)</b>		<b>\$8.08</b>
26	<b>New Road Club Rate for New Residential Development (per DU)<sup>5</sup></b>		<b>\$1,000</b>

Notes:

1. The grid cost estimates were updated in March 2012 by applying an inflation factor of 3% per year and by increasing the cost of right-of-way from \$70 to \$100 per sq. ft.
2. The New Development estimates for 2012 to 2030 are based on GMU high forecasts and excludes approved development
3. Approved development includes MRP, Park Crest, Tysons Corner Center, Tysons II, Towers Crescent, and MITRE 4
4. Approved development contribute to the existing Tysons Road Club at the rate of \$4.07 per sq. ft. for non-residential and \$903 per DU. Specific proffer conditions apply.
5. A contribution of \$1,000 per dwelling unit to the new Tysons Road Club was assumed. This is a rate proffered by the Georgelas group earlier this year.

**Tyson's Road Club Rate for New Non-Residential Development Based on 2012 to 2050 Estimates (May 9, 2012)**

(2012 Dollars)

Line #	Description of Line Item		Totals
1	<b>Grid Cost, 2012 to 2050 (assume 100% of grid to be constructed by 2050)<sup>1</sup></b>		
2	Right-of-Way Cost	\$947,910,426	
3	Construction Cost	\$572,650,687	
4	Total Cost (line 2 + line 3)	\$1,520,561,113	<b>\$1,520,561,113</b>
5			
6	<b>Portion of Total Cost of Grid to be Funded by Road Club (20% of grid cost) (20% of line 4)</b>		<b>\$304,112,223</b>
7			
8	<b>New Development, 2012 to 2050 (excluding approved development)<sup>2</sup></b>		
9	Residential SF	39,546,544	
10	Residential DU	32,976	
11	Non-Residential SF	39,057,412	
12			
13	<b>Approved Development (assume buildout amounts to 75% of approved zoning rights and occurs from 2012 to 2030)<sup>3</sup></b>		
14	Residential SF	3,258,242	
15	Residential DU	2,769	
16	Non-Residential SF	4,376,137	
17			
18	<b>Contributions to Road Club by Approved Development and New Residential Development<sup>4</sup></b>		
19	Approved Development Contribution to Road Club (based on existing rate)	\$19,784,886	
20	New Residential Contribution to Road Club (based on \$1,000 per DU) (line 10 x \$1,000)	\$32,976,000	
21	Total Contributions (line 19 + line 20)	\$52,760,886	<b>\$52,760,886</b>
22			
23	<b>Portion of New Road Club Funds to be Provided by New Non-Residential Development (line 6 - line 21)</b>		<b>\$251,351,337</b>
24			
25	<b>New Road Club Rate for New Non-Residential Development (per sq. ft.) (line 23/line 11)</b>		<b>\$6.44</b>
26	<b>New Road Club Rate for New Residential Development (per DU)<sup>5</sup></b>		<b>\$1,000</b>

Notes:

1. The grid cost estimates were updated in March 2012 by applying an inflation factor of 3% per year and by increasing the cost of right-of-way from \$70 to \$100 per sq. ft.
2. The New Development estimates for 2012 to 2050 are based on GMU high forecasts and excludes approved development
3. Approved development includes MRP, Park Crest, Tyson's Corner Center, Tyson's II, Towers Crescent, and MITRE 4
4. Approved development contribute to the existing Tyson's Road Club at the rate of \$4.07 per sq. ft. for non-residential and \$903 per DU. Specific proffer conditions apply
5. A contribution of \$1,000 per dwelling unit to the new Tyson's Road Club was assumed. This is a rate proffered by the Georgelas group earlier this year.