

# Answers to Questions Resulting from the May 16<sup>th</sup> 2012 PCTC Meeting

## Justification for the Use of \$100/ Sq. Ft. In Grid Cost Calculations

Below is a sampling of recent real estate transactions which are indicators of land values in Tysons. These comps were obtained from sources within Fairfax County government that are deemed reliable by both the Economic Development Authority (EDA) and the Department of Tax Administration (DTA).

### Straight Vacant Land Sales:

1. 11/18/2011: Parcel #0303 28 0004C @ \$30,000,000. 340,000 SF of Office FAR @ \$88 per developable SF. This sale was for a fully entitled and FDP'd site adjacent to the Mitre Office Campus on Colshire Road. This site is within ¼ mile to Metro. Land Value per Dirt SF is \$235. Site size is 127,882 SF.
2. 01/18/2011: Parcel #0294 07D @ \$21,360,000. This portion of the Parkcrest High Rise project was sold to Northwestern Mutual Insurance Co. This site is planned for 534 Hi-rise units. The sale price per unit is \$40,000. This site is not within a ¼ mile to Metro. Site size is 194,447 SF. Land Value \$110/SF Dirt.
3. 09/01/2010: Parcel #0294 07E @ \$13,315,000. This portion of the Parkcrest High Rise apartment project was sold to Avalon Bay Apartment developers. This site is planned for 354 hi-rise units. The sale price per units is \$37,613. This site is not within a ¼ mile to Metro. The site has 115,028 SF and the Land Value \$116/SF Dirt.
4. 04/3/2007: Parcel #0292 15 C2 @ \$50,000,000. This sale was for USA Today's remaining approved office FAR. 537,519 SF of Office FAR sold for \$93 per developable SF. This site was fully FDP'd and was ready to build. This site is not within ¼ mile to Metro. The site has 263,279 SF of dirt. Land Value \$190/SF Dirt. (Note: this value was established before 2008 economic downturn).

### Sales of Parcels Purchased with Intent to Re-Develop:

1. 12/21/2010: Parcel #0293 01 0001B @ \$56,000,000. Former Moore Cadillac site. This site sold with redevelopment in mind and with the intent to raze all of the improvements except the parking garage. The site has not been rezoned to Metrorail densities, but sits close to the planned Spring Hill Metrorail station. Through extraction of the depreciated improvement value of the parking garage, the indicated Land Value is \$149/SF Dirt. There is currently a Walmart being built on the site under the current by right zoning. There is also a re-zoning application to change the site to the PTC zoning and have multi-family and retail added to the site. This site is within ¼ mile to Metro. The site has 303,915 SF of land.
2. 06/03/2011: Parcel #0294 02 A @ \$14,687,722. Sold as a vacant retail store (Former Bed Bath and Beyond on Leesburg Pike). The property has been leased since purchase to Petsmart. Through extraction of the depreciated improvement value of the improvements, the indicated Land Value is \$131/SF Dirt. This site is not within ¼ mile to Metro. The site has 88,784 SF of land.

As can be seen from the above examples, \$100 per sq. ft. is a conservative assumption.

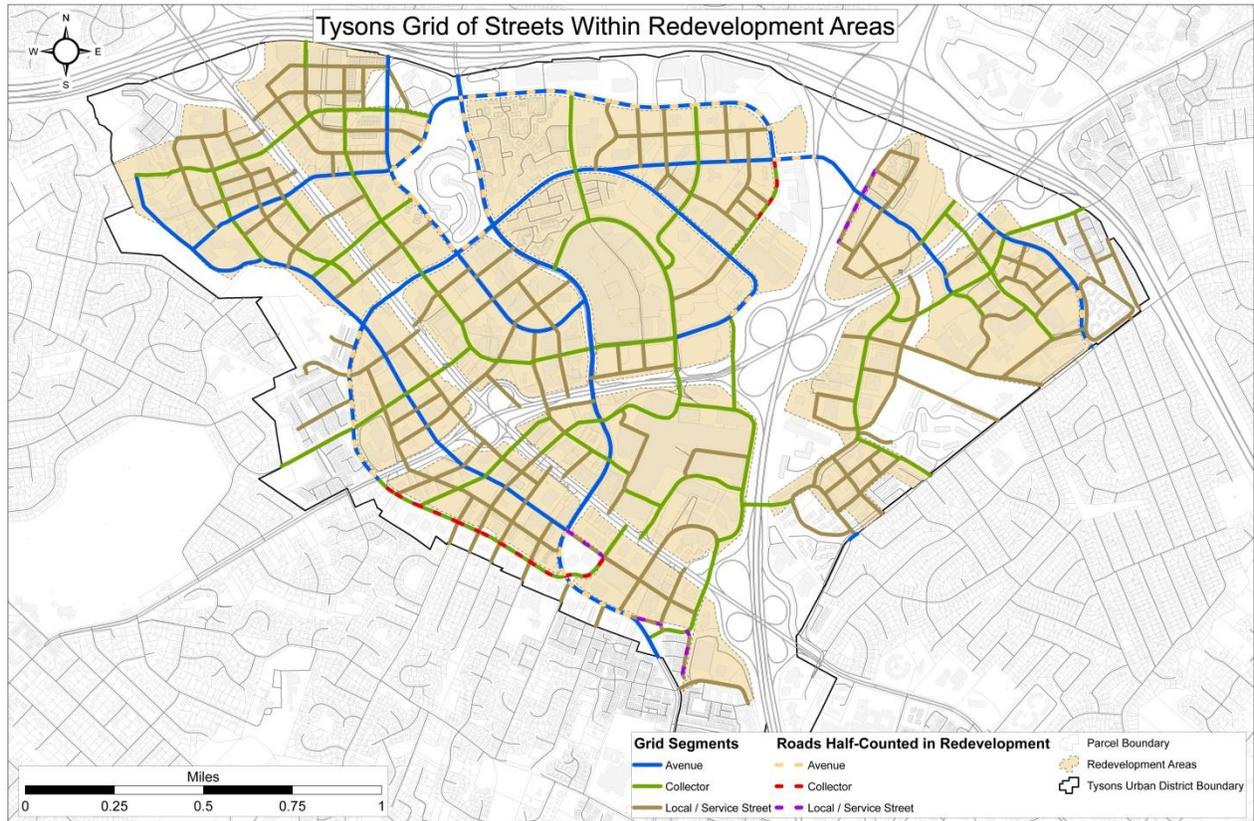
## Justification for the Assumption of the Road Club Addressing 20% of the Cost of the Grid of Streets

The 20% is a combination of two needs:

1. Some sections of the grid of streets are either adjacent to properties in Tysons without redevelopment options or traverse properties without redevelopment options – see graphic on the next page. For those sections located adjacent to these properties, the Road Club will have to fund 50% of the total cost. For those sections that traverse these properties, the Road Club will have to fund 100% of the total cost. DPZ determined the location of these properties. FCDOT used this information to determine the length of these sections of the grid of streets. For those sections of the grid of streets located adjacent to properties without redevelopment options, half the length was counted since half the cost will be funded by the Road Club. These sections are shown as dashed lines. The aggregate length of these sections is 6.3 miles. The graphic indicates the properties in Tysons with redevelopment options – colored light brown. The remainder of the properties is without redevelopment options and is shown in white.
2. At some locations in Tysons and at some points in future, there might be sections of the grid of streets that is critical for continuity and functioning of traffic. If these sections are located next to, or traverse a property or properties that will not apply for rezoning in a reasonable time, then the Road Club will have to step in and fund these sections of grid as well. It is estimated this will constitute about 10% of the grid of streets with redevelopment options. This amount to 3.18 miles.

The total of the two needs above is 9.48 miles which represents 21.5% of the total grid of streets. This is rounded to 20%. See table below.

Estimated Percentage of the Tysons Grid of Streets to be Funded by Road Club		
Line #		Miles
1	Miles of grid outside redevelopment area	6.30
2	Miles of grid next to properties with redevelopment options that might not redevelop	3.18
3	Miles of grid to be funded by Road Club (line 1 + line 2)	9.48
4	Total grid of street miles	44.02
5	Miles of grid to be funded by road club as a % of total grid miles (line 3 as a % of line 4)	21.5%
6	Rounded %	20%



### **Justification for Using Different Aggregate Land Use Growth Projections for the CTIA Analysis and the Road Club Analysis**

The CTIA analysis is based on a buildout land use assumption which will likely take place beyond 2050 while the Road Club estimates is based on the GMU high forecast for 2050 for the completion of the grid by 2050.

### **Superstreet Traffic Operations**

Traffic operations is best explained with a video and this is to be provided at the meeting.