

June 21, 2012

Mr. Walter Alcorn
Planning Commission Tysons Committee
12000 Government Center Parkway, Suite 330
Fairfax, VA 22035

SUBJECT: Strawman Document for Public Review and Comment – June 13, 2012 – Planning Commission Tysons Committee Recommendations to the Board on Certain Tysons-related Activities

Dear Commissioner Alcorn,

Cityline Partners LLC (“Cityline”) would like to begin by expressing its gratitude to all of those individuals and organizations who have participated over the last 14 months in the open discussion on several of the Board of Supervisor’s Follow-on Motions (1, 14, 17a, 17b, IDL) to the Tysons Corner Comprehensive Plan. Specifically we would like to thank Fairfax County’s Planning Commission Tysons Committee (“PCTC”), Fairfax County’s Departments’ of Transportation and Planning and Zoning and the Budget office as well as the Office of Community Revitalization. These County staff members, as well as many Tysons stakeholders, citizens and citizen’s groups have again dedicated countless hours, effort and analysis on these critical Tysons Corner issues.

While Cityline still has several major concerns regarding the PCTC recommendations regarding Follow-on Motion 1, we also believe it is time for the PCTC recommendations on Follow-on Motion 1 to be approved by the full Planning Commission so it can be sent to the Board of Supervisors for their review and Approval. It is time for Tysons Corner to truly begin its transformation from suburban to urban and approving the PCTC’s recommendations regarding Follow-on Motion 1 is another critical step in that process. Please allow this letter to serve as Cityline’s written comments on “Strawman Document for Public Review and Comment – June 13, 2012 – Planning Commission Tysons Committee Recommendations to the Board on Certain Tysons-related Activities – Follow-on Motion 1.”

The goal of the PCTC’s recommendation regarding Follow-on Motion 1 is to develop a comprehensive solution for funding the set of transportation infrastructure improvements in the Comprehensive Plan identified to support the 113 million square feet of development anticipated to occur by 2050; to develop a funding plan that allows for flexibility in funding options and sources, as well as for adjustments to be made based upon pace of development; and, to recommend a funding

plan that will provide a reliable funding mechanism that implements the visionary plan. Cityline believes that the PCTC has met this goal through the recommendations contained in the Strawman and that the Strawman provides an equitable financing plan for the necessary Tysons Corner transportation infrastructure.

The Strawman includes 22 recommendations regarding Follow-on Motion 1 and while Cityline supports most of those recommendations, we do have several comments on specific recommendations. Our detailed comments are as follows:

Recommendation 2: In-Kind Construction of the Grid of Streets: The PCTC recommendation states that “this would include the elements of the Grid that are located within and adjacent to development application areas, as well as off-site links, as determined necessary through the entitlement process.” Cityline believes that the following language should be added: “this would include the elements of the Grid that are located within and adjacent to development application areas, as well as **the appropriate pro-rata share of off-site links that were determined to be necessary through the applicable VDOT 527 study**, as determined necessary through the entitlement process. **The financing of other off-site links should be covered by the contributions to the Tysons Road Club.**”

Recommendation 3c: Tysons Road Club: The PCTC recommends the “escalation of the Tysons Road Club rates annually with construction cost inflation”. Cityline believes that the PCTC needs to state what measure will be used to escalate the construction costs, i.e. C.P.I. versus Engineering News Record or other.

Recommendation 17: Tysons-wide Road Improvements: The PCTC recommends that the funding within the landowner/developer share be allocated in the following manner: “Half of the funding (\$253,000,000 in 2012 dollars) should be generated by a Tysons-wide tax district.” **Cityline strongly supports this PCTC recommendation because the Tysons-wide road improvements will benefit all current and future residents and landowners who live, work, play and shop within Tysons.**

While there will be many who will suggest that the “Tysons Applicants”, both present and future, should pay more than the \$253,000,000 that is discussed in Recommendation 20 (discussed below) by decreasing the amount paid by the tax district discussed above, it is critically important to understand that the landowners and developers already will be paying for significantly more of the Comprehensive Plan’s transportation infrastructure requirements under the PCTC’s proposed recommendation. The “Tysons Applicants” will not only be participants in the Tysons-wide tax district, but they will also be responsible for their pro-rata share of “In-Kind Construction” of the new, urban Grid of Streets, they will be paying into the Tysons Road Club at rates that are 58% higher than current rates, AND they will be responsible for their share of the remaining half of the funding (\$253,000,000) of the Tysons-wide road improvements. The current PCTC recommendation regarding Tysons-wide road improvements is equitable and should be implemented as recommended.

The PCTC also recommends that the Board of Supervisors establish a Service District to implement the Tysons-wide tax district. Cityline strongly supports this recommendation because it believes that not only would an attempt to establish a self-imposed tax district take too long, and thus significantly complicate the transportation infrastructure financing, but that it is extremely unlikely that Tysons Landowners and developers would ever be able to obtain the required signatures representing 51% of the assessed value in Tysons.

Recommendation 20: Tysons-wide Road Improvements: The PCTC recommends that the “remaining half of the funding (\$253,000,000 in 2012 dollars) be funded through those properties seeking redevelopment within Tysons” and that the “primary method for raising this revenue should either be through a contribution of \$6.48 per square foot of new non-residential development; or through a contribution of \$5.63 per square foot of new non-residential development and \$1,000 per new residential unit.”

Cityline believes that the remaining half of the funding be funded through those properties seeking redevelopment within Tysons, **including all current and future applicants based upon the 2050 development levels projected by George Mason University in 2008.** Cityline also believes that this burden must be shared by residential development within Tysons and therefore only supports the option of \$5.63 per square foot of new non-residential development AND \$1,000 per new residential unit.

The PCTC also recommends that “alternative funding mechanisms, or a combination thereof, could be enacted, as long as they could be applied equitably and reasonably be expected to provide the recommended funding level in a timely manner.” Cityline strongly supports the recommendation that several funding mechanisms be made available and that a combination of thereof be allowed and we also believe that an option to make these payments over a mutually agreeable payment schedule tied to the applicant’s development horizon should be allowed.

Recommendation 22: Transportation Funding Monitoring and Review: The PCTC recommends that “any additions to Table 7 should be funded by the development that exceeds the 2050 threshold projected by George Mason University in 2008.” Cityline strongly supports the PCTC’s recommendation.

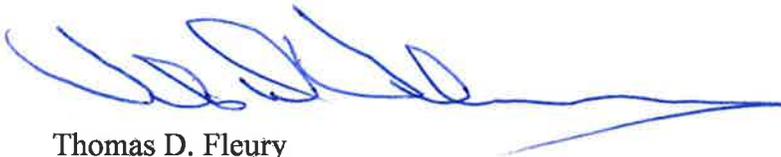
Cityline supports all of the other PCTC recommendations related to Follow-on Motion 1 in the Strawman Document for Public Review and Comment dated June 13, 2012. However, in light of the extremely significant financial burden being placed upon the landowners and developers to finance the required transportation infrastructure for Tysons Corner, Cityline strongly encourages the PCTC or County staff to review the current list of expected proffers, financial and otherwise, for those who desire to redevelop in Tysons, and that serious consideration be given to the removal of one or several of these other financial obligations. Cityline and other landowners and developers are very concerned that the financial burden being placed on those who wish to redevelop in Tysons has become so

significant that it is now discouraging development in Tysons.

Thank you for allowing Cityline the opportunity to provide our input on the PCTC recommendations. Cityline looks forward to continuing to work with the PCTC and County staff to make Tysons Corner the best place possible. Please contact me directly if you have any questions regarding our written comments.

Sincerely,

Cityline Partners LLC



Thomas D. Fleury
Executive Vice President