



June 26, 2012

Walter Alcorn, Vice Chairman  
Fairfax County Planning Commission  
12000 Government Center Parkway, Suite 330  
Fairfax, VA 22035

*TRANSMITTED VIA E-MAIL*

Dear Vice Chairman Alcorn:

Thank you very much for the opportunity to share an overview of Tysons Corner Center's (the "Center") thoughts on the proposed straw-man at the Planning Commission's Transportation Committee meeting last Thursday. Please accept this letter with additional detailed comments as part of the record for the Commission's consideration as it reviews options for the funding of transportation improvements in Tysons.

The Center recognizes that there are significant challenges ahead, particularly with transportation, as the vision for Tysons is implemented. Tysons Corner Center has invested in the construction of the Westpark Bridge and International Drive and worked with the Commonwealth to facilitate the inclusion of the Jones Branch connection to the Beltway as part of the 495 Express Lanes project. The Center was among the first to petition for the Phase I Metro Tax district. To date, the Center has contributed more than \$17 million to the rail tax district and \$5.8 million in C&I taxes. Beyond these special tax payments, Tysons Corner Center pays approximately \$15 million annually in property taxes and last year alone collected almost \$9 million in sales taxes for Fairfax County.

The Center has concerns with the service tax district as it is currently contemplated. There is uncertainty in the phasing of improvements in Table 7 and whether future development will materialize to necessitate the improvements and fund the developer share of Table 7. History has shown that actual demand for new commercial space in Tysons is far below the projections reflected in the analysis undertaken to-date.

The Center supports an equitable and incremental approach to achieving priority transportation improvements in Tysons. Just weeks ago, the leading solution to the private sector funded transportation solutions seemed to be the use of commercial proffers and

micro tax districts (i.e. small tax districts) that could be phased in with development as it occurs. This approach continues to be our preferred solution.

Understanding the scale and urgency of addressing the present transportation needs in Tysons Corner, we believe that an affordable and appropriate list of immediate Tysons regional transportation improvements can be identified, funded and constructed to benefit all who live, work and visit Tysons. This short list could be prioritized by County staff and an advisory board comprised of traffic experts, property owners and stakeholders selected by the Planning Commission or Board of Supervisors. The shortlist would be fully funded by the tax district, with the remaining Table 7 projects funded by direct developer investment (i.e. proffered improvement, small tax district, Tysons Road Fund, etc.). Those funding the special district would realize the benefit of needed improvements regardless of whether additional development moves forward. If an appropriate and affordable list of projects is selected, the Center could support a service tax district that would be created to construct those projects.

As stated above, our preference to address the Tysons transportation needs related to the densities contemplated in the current Comprehensive Plan is the small tax districts. Alternatively, we propose that the County reduce the size and scope of the proposed service tax district so that an affordable and appropriate list of Tysons regional transportation projects can be financed and completed in the next five years. In combination with this, the County could utilize developer-initiated small tax districts and/or direct developer investment for specific improvements (similar to those that have been created in Merrifield and elsewhere in northern Virginia). We believe these tax districts can and should play a significant role as part of the funding solution. The Center would be happy to assist with the effort to refine the County's tax/service district effort if this would be beneficial to the County and Planning Commission.

Thank you again for your consideration of our concerns and suggestions. Please let me know if we may answer any questions or provide additional information.

Sincerely,

John E. Harrison  
Vice President, Development

cc: Members of the Fairfax County Planning Commission (at the 6/26/12 meeting)  
Barbara Lipka, Director of the Fairfax County Planning Commission