Sally K. Horn
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Written Statement to the Planning Commission's Tysons Corner Committee
Regarding Its Strawman Recommendations to the Board on
Certain Tysons-Related Activities
June 21, 2012

I am Sally K. Horn, current President of the McLean Citizens Association, or MCA. MCA is the informal town council for the McLean area of Fairfax County, an area comprising some 26,000 households.

MCA supports an approach to funding Tyson's transportation infrastructure that is open; transparent; and consistent with both the Comprehensive Plan Amendment principles and the numerous MCA resolutions and letters on Tysons Corner's redevelopment as an urban center, including our most recent letter of May 15, 2012. Such an approach will ensure that the substantial costs of building the necessary infrastructure to make Tysons work do not fall disproportionately upon Fairfax County taxpayers but are equitably shared among all stakeholders.

We thank the Commissioners and County staff for their very thoughtful and creative efforts in this regard. Yours has not been an easy task.

There is much in the Strawman Recommendations to the Board on Certain Tysons-Related Activities that we can support.

Our concerns are primarily, although not exclusively, with regard to the treatment of public sector costs. Our principal interest is in protecting County taxpayers from shouldering a disproportionate share of the costs. Our overarching recommendations are:

- First, that the Strawman more explicitly address the magnitude of the financial obligations and risks that Tysons' redevelopment will entail for County taxpayers and provide stronger protections for taxpayers against uncertain and possibly unlimited taxpayer financial obligations for infrastructure to support an urbanizing Tysons; and
- Second, that, prior to deciding the approach for funding Tysons transportation improvements, given the financial stakes involved for all Fairfax County taxpayers, public meetings be held at convenient locations throughout the County to brief County residents on the proposed approach; to hear residents' concerns; and to consider whether

any modifications to the financial strategy might be in order. The meetings should be widely publicized so as to encourage maximum public participation and acceptance of the final plan.

Our specific concerns and recommendations are, as follows:

- Costs should be stated not only in 2012 dollars, but also in 2050 dollars, adjusted for inflation and debt servicing. Providing 2050 cost estimates will better enable taxpayers to gauge the magnitude of their financial obligations over the life of the Comprehensive Plan Amendment.

- The total potential financial burden expected to be borne by Fairfax County taxpayers needs to be explicitly stated. We, the public, must know the full extent of our possible liability now, and not later. The Strawman should tell us what kind of tax increases we, as County taxpayers, may be facing. Give us a best and worst case estimate, over the next five years, ten years, and for the entire planning horizon, including an estimate that assumes, as does Recommendation16, that only County funding sources may be available.

    a. We taxpayers, just like the Tysons development and landowner community, deserve to know our potential "bottom line" obligation, even if that potential "bottom line" is only the public equivalent of the "soft cap" or "target" that County staff has discussed and the Strawman provides for the Tysons developer community and Tysons landowners.

    b. As you know, in our letter of May 15, MCA specifically requested that County staff and the PCTC disaggregate the expected public contribution into three categories – Fairfax County, Virginia, and Federal. While County staff has expressed concern that such disaggregation might disadvantage the County in securing state or federal funding, that argument holds no water for us, for two reasons:

        i. The strawman calls for all stakeholders, including those within Tysons, to come together to lobby and secure funds for Tysons from state and federal governments, and any regional entities. It is difficult to lobby for funding absent a clear understanding of the consequences of not receiving that funding.
        ii. Recommendation 16 calls for using County funding sources "as a last resort" for "outside Tysons" Tysons Road Improvements should state, federal and/or regional revenue sources not

materialize. A reasonable person, therefore, could assume that the Strawman does envision, in a worst case scenario, that County taxpayers would be liable for all or most of the "public funding." This public sector tab, expressed in 2012 dollars in the Strawman, is $1.186 B, or over 46% of the total tab for Tysons transportation infrastructure improvements. Isn't that statement the equivalent of telling state and federal sources that there is the expectation that we would go it alone, if necessary?

- A potential burden of upwards of 46% of the total tab for the Tysons-related transportation infrastructure, the share that could accrue to Fairfax County taxpayers under Recommendation 16 in a worst case scenario, exceeds that which is fair and equitable. This is particularly so, in light of (1) the relative benefits to the private sector vs. County taxpayers of the increased densities that the Plan permits at Tysons and (2) the actual contribution to the County coffers that has been and is expected to be received from Tysons commercial development, as articulated by Len Wales in a May 8, 2012 meeting with the Tysons Partnership.

    a. MCA's steadfast position continues to be that the contribution of County taxpayers to the development and construction of the required Tysons infrastructure should be limited to no more than 25% of the total cost, just as it has not exceeded 25% for transportation improvements in the Route 28 corridor. Further, based on the Strawman discussion of what are properly state and federal funding responsibilities for County transportation infrastructure projects, the County should strive to make it even lower.

- The current Strawman calls upon County taxpayers to make up for any shortfall in state and/or federal funding of "public sector" projects, "as a last resort." We do not believe that County taxpayers should be expected to shoulder such a potentially significant financial burden.

    a. Recommendation 16 should be revised along the following lines: "County funding sources should not be used as the source of last resort for Tysons-wide Road improvements that are properly and historically a state or federal responsibility."
    b. As MCA stated in our May 15 letter, the financial plan should include an option or options for funding the "public" sector contribution in the event that Virginia state and Federal contributions do not materialize.

c. If the developers and landowners who stand to profit from urbanization of Tysons are unable or otherwise not prepared to increase their contributions to help County taxpayers cover any shortfall in state and federal funds, then development must be adjusted so that it keeps pace with – and does not outpace – the required transportation infrastructure. The MCA consistently has insisted that costs be paired with gains. It is wrong to privatize gain, while making burdens public.
d. We, therefore, request that language along the following lines be added to the Strawman, including at the end of Recommendation 16: "To the extent that funding from state and/or federal sources is not available to meet these responsibilities and the private sector is unwilling or unable to help Fairfax County cover the shortfall, development must be adjusted so that, as called for in the Comprehensive Plan, development keeps pace with – and does not outpace – the acquisition of the transportation infrastructure required to make Tysons urbanization work and to ensure that the massive increases in density permitted in the plan do not overwhelm the transportation network."

- We appreciate the intent behind Recommendation 19 to set aside approximately 10% of the Service District funding on transportation projects to provide for some immediate benefit to the current residential landowners within Tysons. We would note, however, that the examples cited -- improved sidewalks, trails, and transit services -- more properly are considered neighborhood and access improvements and not "within Tysons" Tysons-wide Road Improvements, as those terms are defined in the Strawman.

    a. The Strawman needs to identify the offsets that it would propose so that the "public" funding burden is not increased.
    b. We are concerned that otherwise, sufficient "private" funds would not be available to cover the private sector's share of the "within Tysons" Tysons-wide Road Improvements.

- While the Strawman does not speak to caps, in several meetings, there has been discussion of caps, including both "hard caps" and "soft caps."

    a. To avoid any misunderstanding regarding the nature of both the private and public sector financial commitments, we strongly recommend that language be added to the Strawman that states that the costs outlined in the document are best estimates of the costs of the Table 7 projects that the private and public sectors have committed to complete and that both

the private and public sectors would be expected to cover the entire cost (or their share, in the case of shared projects) of the projects with which they are associated in Table 7. This includes, but is not limited to, debt servicing, cost overruns and increases due to inflation.

b. While MCA strongly opposes setting caps, if caps are to be set, they need to apply equally to both developers/landowners and Fairfax County taxpayers so that funding sources are treated equitably.

- Two of the Tysons Partnership caveats articulated in its June 12 letter that is appended to the Strawman Plan concern MCA: (1) its call for a prohibition on additions to the Table7 inventory of required transportation infrastructure projects, and (2) its call for consideration of a reduction in "proffer requirements."

  a. The support for – or at least acquiescence of – the citizens of Fairfax County, and particularly those in the surrounding communities, to the increased densities approved in the Comprehensive Plan Amendment was predicated upon the commitments offered by Fairfax County – and the developer community when lobbying for the increased densities – of no decrement to the quality of life in the surrounding communities, no increase in traffic congestion, and the availability of necessary amenities within Tysons to enable it to function as a contained urban center.
  b. County staff already has identified additional transportation projects that will be required to fulfill this commitment to the surrounding communities over the planning horizon; the developer community must contribute its fair share to funding those projects. Further, follow-through on the proffers is essential to fulfillment of the commitments made to the surrounding communities related to quality of life and traffic reduction and to help offset non-transportation-related capital costs associated with providing the basic services required by the permitted density, such as schools, libraries, parks, public safety and utilities.
  c. To the extent that necessary road improvements are not forthcoming or proffers are reduced, development also must be scaled back. All too often in the past, we, County residents, have suffered because commitments made by the development community or County were allowed to be ignored. Not so, this time. We expect those commitments to be honored, just as we honor ours as County taxpayers.

- MCA has no objection to the County floating bonds to front money to the developer/landowner community for a portion of the private sector's contribution to the transportation infrastructure requirements, provided that:

    a. The concerns articulated above are satisfactorily addressed;
    b. The public has an input into which projects are advanced money and into the tax rate that is set for the Tysons Service District;
    c. Debt servicing charges and opportunity costs to the County of floating the bonds are included.
    d. The proposed Tysons Tax, or Service, District is implemented in 2013; the tax rate is set at a level such that the Tysons community begins to make contributions immediately to retire its debt to the County; and the County taxpayers are made whole within the shortest amount of time but in any case in less than 40 years.
    e. Until the debt is fully repaid, the County defer consideration or approval of any proposals to increase density beyond the Comprehensive Plan if those proposals would require additional transportation infrastructure to be built and if the private sector requests or needs the County to front funding for the private sector portion of those costs.

- The first recommendation in the Strawman -- for all stakeholders in Tysons to engage together in a proactive and concerted effort to lobby and secure funds for Tysons from the state and federal governments, and any regional entities – lacks the necessary specificity to make it actionable.

    a. The recommendation needs to identify the projects that stakeholders should press for and how they should proceed.
    b. At a minimum, the recommendation should state that the Planning Commission recommends that all stakeholders band together to lobby and secure funds for Tysons from the state and federal governments and any regional entities to cover the costs (identified in Recommendation 16) of projects that are traditionally funded by state, federal and regional entities. Further, it should recommend that the County bring together the key stakeholders to identify and prioritize specific projects to seek funding for and to develop a time-phased plan for that purpose. This should include County staff, the Partnership, the MCA, the town of Vienna, and other appropriate stakeholders.

- The importance of interim parking at one or more of the new Metro stations at Tysons Corner cannot be underscored enough.

a. All of the taxpayers in Fairfax County have shouldered a tremendous financial burden for bringing Metro to Tysons Corner, but the taxpayers in the surrounding communities have borne the lion's share of the inconvenience engendered by the construction of the Metro line through Tysons. Most have been "good soldiers" about the inconveniences, because they expected that once the Metro arrived at Tysons, they would reap the benefit of being able to use it.
b. But, the reality is that without parking at one or more of the stations, the residents of the surrounding communities will not benefit. Public transit, as envisioned in the Strawman, simply will not reach the vast majority of the residents in the surrounding communities of McLean or Great Falls. Instead of receiving a net benefit, these residents and taxpayers will be even further disadvantaged by all the traffic and congestion that the years of construction in and around Tysons will bring.
c. We, therefore, fully support Recommendation #14. The County needs to work more aggressively with the private sector to find interim parking solutions – whether through tax or other incentives that encourage greater private sector interest.

In conclusion, thank you for the opportunity to present MCA's concerns with regard to the draft Strawman Recommendations on Certain Tysons-Related Activities. As I indicated at the outset, we see much to commend in the draft Strawman. We hope you will consider our comments as they are intended: constructive reflections of our concerns and recommendations on how to strengthen the protections for the public and ensure a fair and equitable sharing of Tysons' costs and benefits. And, we ask that you reflect our concerns in your markup and incorporate our recommendations into your submission to the Planning Commission and Board of Supervisors.