

The Strawman will be reviewed for final edits at the September 6th meeting of the Planning Commission's Tysons Committee.

Planning Commission Tysons Committee
Recommendation to the Planning Commission
Draft
Strawman IV
September 10, 2012

Planning Commission Tysons Committee
Recommendations to the Board on Certain Tysons-related Activities

1 At its meeting on March 29, 2011, the Board of Supervisors (“the Board”) requested that
2 the Planning Commission, working with staff, develop an inclusive process to address
3 Tysons Follow-On Motion #1, related to financing infrastructure; Follow-On Motion #14,
4 related to options for providing commuter parking at Metrorail stations on an interim
5 basis; Follow-On Motion #17 related to affordable housing contributions from non-
6 residential developments and refinement of the County policy on walking distances in
7 Transit Oriented Developments (TODs); and the Initial Development Level (IDL) set
8 forth in the Comprehensive Plan (“the Plan”), given the number of rezoning applications
9 that have been submitted.

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11 To address these issues, the Planning Commission reconstituted its Tysons Committee
12 (“the Committee”), which is chaired by At-Large Commissioner Walter Alcorn. The
13 Committee adopted an inclusive process, which included 24 meetings over a period of
14 ~~fourteen-seventeen~~ months. During its deliberations, the Committee sought information
15 and input from all stakeholders. Based upon this input, the Committee developed
16 recommendations regarding the issues identified by the Board. These
17 recommendations were then approved by the Planning Commission on XXX, 2012, by a
18 vote of XXX.

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20 The Planning Commission is pleased to forward this report of its recommendations to
21 the Board.

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23 Follow on Motion #1 – Financing Infrastructure.

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25 The Plan links development to the timely provision of the infrastructure needed to
26 support it, and provides general strategies for phasing developments to achieve a
27 sustainable balance between development and infrastructure and public facilities
28 throughout Tysons. Prior to investigating potential transportation infrastructure

29 financing options, the Committee undertook a discussion among Committee members,
30 staff, and members of the community that confirmed that the transportation
31 improvements contained in Table 7 of the Plan (Attachment 1) are still valid for planning
32 purposes. The Committee then affirmed via a working consensus that the Plan's
33 recommendations for the provision of the necessary transportation improvements and
34 for transit operating costs should rely on multiple funding sources, including those from
35 both the public and private sectors; that the overall funding plan should be reliable,
36 timely, bondable as appropriate, and sufficient; that each element of the funding plan
37 should be legally sustainable; and, that the pace for achieving the level of development
38 envisioned in the Plan should be linked to the provision of the required transportation
39 improvements.

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41 While the staff had provided an initial proposal to fund 20 years of transportation
42 improvements, by the time that the Committee began its deliberations, the County had
43 received development proposals that exceeded the projected 2030 level of
44 development, based upon the 2008 George Mason University's estimates of growth. As
45 a result, the Committee extended the funding and transportation improvements horizon
46 from 2030 to 2050. This horizon year change also affects the Initial Development Level
47 element of the Plan, as discussed below.

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49 The Planning Commission's recommendations are based upon the goals of developing
50 a comprehensive solution for funding the set of infrastructure improvements identified in
51 the Plan to support the 113 million square feet of development anticipated to occur by
52 2050; the need for a funding plan that allows for flexibility in funding options and
53 sources, as well as for adjustments to be made based upon pace of development; and,
54 the need to provide a reliable funding mechanism that implements the visionary plan. In
55 making its recommendations, the Planning Commission also recognized that
56 transportation infrastructure problems exist in Tysons today.

57
58 The Planning Commission has included provisions designed to assure review and
59 verification~~revalidation~~ of the assumptions under which the proposed financing
60 mechanism was developed in its recommendations. It is understood that the
61 technology of transportation, the procedures for cost estimation, and the means for
62 testing the balance between development and infrastructure will very likely change over
63 the long planning period that the proposed financing arrangements cover. This will very
64 likely affect the assumptions and estimates. However, the Planning Commission
65 recommends that as the Tysons transportation improvement funding arrangements are
66 reviewed and adjusted if necessary to accommodate the expected changes, there
67 should be no disproportionate change in the share of the total burden that is borne by
68 Fairfax County taxpayers.

70 The dollar estimates in this document are best estimates in 2012 dollars of the costs to
71 complete the projects in Table 7 (Attachment 1). Based upon the priorities established
72 in Table 7, staff has developed a cashflow model to guide the implementation of the
73 Tysons transportation improvements. The funding plan expands upon, but does not
74 include, currently funded projects such as the Silver Line, existing bus service and
75 maintenance of state roads.

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77 The Planning Commission recommends that all sources of funding be used in an
78 efficient and effective manner to maximize the use of those resources and to minimize
79 costs to the maximum extent possible. Furthermore, the Planning Commission believes
80 that investing in Tysons is investing in the long-term future of Fairfax County and that
81 such an investment benefits the County as a whole.

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83 The Planning Commission’s recommendations are set forth below:

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85 State, Federal, and Regional Funding Responsibility

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87 The majority of the existing and future roads in Tysons will be public streets. The
88 Virginia Department of Transportation (VDOT) is responsible for maintaining
89 public streets in most counties of the Commonwealth, including those within
90 Fairfax County. As such, these funding recommendations do not include costs
91 for maintaining streets that are within the state system. The Planning
92 Commission strongly believes that the Commonwealth has a responsibility to
93 provide significant contributions to the transportation infrastructure in Tysons, in
94 addition to its responsibilities related to street maintenance and other
95 transportation operating and maintenance costs.

96
97 Furthermore, the Planning Commission believes that the economic benefits of
98 Tysons to Virginia should be recognized and that Virginia should strengthen its
99 investment in Tysons, based on its economic benefits to the Commonwealth.

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101 The Planning Commission also believes that it is appropriate for the Federal
102 Government to continue to participate in funding transportation improvements in
103 Fairfax County, including those in Tysons.

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105 RECOMMENDATION:

106 The Planning Commission recommends:

- 107
108 1) All stakeholders in Tysons, including the County, residents, landowners,
109 businesses, and developers engage together in a proactive, concerted
110 and sustained effort to lobby and secure funds for Tysons from the state
111 and federal governments, and any regional entities.

Transportation Infrastructure Improvements

The Planning Commission has categorized the infrastructure improvements needed to serve Tysons into four categories: Grid of Streets; Neighborhood Improvements; Transit; and, Tysons-wide Improvements. Each component is addressed separately below.

Grid of Streets

The urban street network described within the Plan is needed to provide convenient connections within Tysons, distribute multi-modal traffic efficiently, and enhance the quality of the network through the use of “complete streets”, which include building zones, sidewalks, planting areas, bike lanes, on-street parking, travel-ways, and transit facilities. The Grid of Streets (“the Grid”) is comprised generally of the street network that provides site access and local circulation within Tysons.

The Plan recommends that private sector development be responsible for on-site improvements, including construction of the on-site portions of the Grid, as well as for contributions to the Tysons Road Fund to support the construction of off-site portions of the Grid.

RECOMMENDATION:

The Planning Commission recommends the cost for construction of the Grid be the responsibility of the Tysons’ landowners/developers. The Planning Commission recommends that the Grid be implemented through two mechanisms:

- 2) In-Kind Construction: Landowners/developers who seek to redevelop their properties should construct those portions of the Grid needed to support their development applications. 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 through the entitlement process to be necessary to support the development.

Staff estimates that the value of these improvements is \$561,000,000 (in 2012 dollars).

- 3) Tysons Road Fund: Important sections of the Grid are not expected to be provided through initial phases of redevelopment. These sections may be ~~at-~~located in areas where development may not

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take place at all, or may not occur for some time. Nevertheless, these sections of the Grid are essential to the continuous functioning of Tysons to maintain an acceptable level of traffic flow, as well as provide for bus routes, and bicycle and pedestrian connectivity. These links are referred to as the “missing links”.

Staff estimates that the value of these improvements is \$304,000,000 (in 2012 dollars).

To fund construction of the “missing links”, the Planning Commission recommends that the Board adopt the following changes to the existing Tysons Road Fund:

- a) Designate the primary purpose of the Tysons Road Fund as funding the construction of the “missing links”;
- b) Modify the Tysons Road Fund rates to an amount necessary to fund the anticipated cost of the “missing links” in the planned 2050 Grid.

Based on the anticipated need and the anticipated level of development, the Planning Commission recommends that the revised Tysons Road Fund rates for 2012 be set at \$1,000 per new dwelling unit and \$6.44 per square foot of new non-residential development, subject to credit for the construction of any off-site portions of the Grid not needed to support the proposed development based on traffic impact studies submitted in conjunction with the application;
- c) Adjust the Tysons Road Fund rates annually in a manner that is consistent with other adjustments to other County road funds and the Code of Virginia;
- d) Prioritize projects periodically; and,
- e) Evaluate the Tysons Road Fund on a periodic basis to ensure that the funding contribution levels are sufficient and that the funding available is being allocated efficiently.

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194 **Neighborhood and Access Improvements**

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196 Intersection improvements are needed now and in the future in Tysons
197 and in the communities adjacent to Tysons. These intersections either
198 currently experience traffic flow problems, or are expected to reach traffic
199 flow problem levels if left unaddressed over the next five to ten years.

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201 A number of projects necessary to enhance multimodal access to and
202 from the four new Tysons Metrorail stations and to improve the safety of
203 pedestrian and bicycle access within and in the vicinity of Tysons, were
204 identified through the Tysons Metrorail Station Access Management Study
205 (TMSAMS). These pedestrian and intersection projects include
206 improvements to sidewalks and walkways, bicycle facilities, trails in the
207 vicinity of Tysons, and crosswalks at specific intersections. A three-mile
208 radius from the stations was used for bus, bus stop, bicycle, and some
209 trail enhancements. A one-mile radius from the stations was used to
210 identify missing links and safety improvements for sidewalks and
211 crosswalks. The projects were prioritized and recommendations for road
212 improvements, funding, and implementation were included. The TMSAMS
213 recommendations and project list were approved by the Board on May 22,
214 2012.

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216 The Fairfax County Department of Transportation (FCDOT) has
217 developed a Four-Year Plan, covering the Fiscal Years 2013-2016
218 (Attachment 2) which programs current and projected revenues for
219 countywide projects and begins to address long term transportation
220 infrastructure needs. The Four-Year Plan includes federal funding for a
221 portion of the TMSAMS recommendations. The Board adopted the Four-
222 Year Plan on July 10, 2012.

223 Staff estimates the value of these improvements at \$77,000,000 (in 2012
224 dollars). To date \$23,400,000 million in funding has been identified from
225 FY13-FY18. Of the funding currently identified, \$23,400,000 (100%) is
226 from federal/state government sources. Staff will continue to seek out
227 federal and state funding opportunities to acquire additional funding
228 needed to complete the recommended projects.

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RECOMMENDATION:

The Planning Commission recommends:

- 4) The primary funding responsibilities for the intersection and TMSAMS related improvements should come from state, federal, regional, and countywide funding sources. These funding sources have traditionally paid for sidewalk, trail, and spot intersection improvements not associated with a particular development. In addition, funds from these sources are more likely to be able to be timed to the needed improvements.

Transit

To leverage the investment in the Metrorail Silver Line expansion into Tysons and beyond, to implement the Fairfax County Transit Development Plan, and to create the environment for the type of transit-oriented development envisioned for Tysons, public transportation must serve an increasingly higher percentage of trips to, from, and within Tysons. FCDOT is implementing plans to expand the Metrobus and Fairfax Connector service within Tysons to increase transit access and is studying implementation of a circulator system within Tysons to aid movement within Tysons, as recommended in the Plan.

Staff estimates the value of these new services at \$889,000,000 (in 2012 dollars), which does not include funding for existing bus services or County Metro payments to WMATA that are part of the multi-jurisdictional compact. This estimate consists of \$155,000,000 in capital costs and \$734,000,000 in operating costs to provide the expanded service from 2013 – 2050.

It is estimated that the operating and capital costs for this service will be covered by state and local funds. State support for transit varies yearly, according to established funding formulas. In FY2012, the state provided a 50% reimbursement for capital costs and 18% of operating costs. These percentages were used to project future State funding contributions throughout the aforementioned cashflow analysis. Over the 40 year period, based on these percentages, transit capital costs are estimated to be funded at \$77,500,000 (50%) from local funding sources, and \$77,500,000 (50%) from state funding sources. Over the 40 year period, based on these percentages, transit operating costs are estimated to be funded at \$602,000,000 (82%) from local funding sources, and \$128,000,000 (18%) from state funding sources.

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RECOMMENDATION:

The Planning Commission recommends:

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- 5) The primary responsibility for funding the expanded transit service should come from state, federal, regional, and countywide funding sources. These funding sources have traditionally paid for the capital and operating costs of transit improvements not associated with a particular development. In addition, funds from these sources are more likely to be able to be available when needed for the identified improvements.

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Funding for new Fairfax Connector services related to the Silver Line will be included in the FY2014 Fairfax Connector budget and the Four-Year Plan addresses additional transit requirements for Tysons during this period (FY13-FY16). These additional services are based on recommendations from the Fairfax County Transit Development Plan. The planned service changes include the realignment, enhancement and addition of new feeder service to the new rail stations and implementation of a circulator bus system within Tysons.

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- 6) Some elements of the transit system, including a portion of operating costs, transit stop facilities, and rights-of-way for future transit systems should be the responsibility of the private sector. These elements should be funded to the extent possible through public/private partnerships, proffers associated with redevelopment and other creative mechanisms that minimize the burden on County taxpayers.

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- 7) Increased participation from the private sector and new funding sources should be explored for the transit service, particularly for those services expected to occur after 2030. For example, owning and operating private jitney services may prove to be economically feasible for the private sector without a direct subsidy by the public sector.

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Tysons-wide Road Improvements

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A number of improvements to the existing roadway and transportation infrastructure are necessary to improve access to, and within, Tysons. These improvements are identified in Table 7 of the Plan under the

314 heading of ‘Tysons-wide Road Improvements’. These projects include
315 new access points from the Dulles Toll Road to Tysons, expanded
316 capacity on select primary and minor arterial roads, and the creation of
317 new minor arterial roads to support the Grid.

318
319 The Plan recommends that these necessary transportation improvements
320 will need to rely upon public and private sources of funding and makes
321 recommendations as to the types of funding mechanisms that may be
322 appropriate.

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324 The Committee spent a significant portion of its deliberations on the issues
325 related to the Tysons-wide Road Improvements. The deliberations
326 involved understanding each of the specific improvements listed in Table
327 7, investigating all of the potential funding mechanisms that are currently
328 available under existing legislation, and understanding the relationship
329 between the transportation improvements and the potential funding
330 mechanisms.

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332 The Board of Supervisors’ previous Four-Year Plan (FY09-FY12) included
333 a number of projects pertinent to Tysons. Studies included: Tysons
334 Corner connections to the Dulles Toll Road; conceptual engineering and
335 design for the Boone Boulevard and Greensboro Drive extensions, and
336 the Grid; the Tysons Corner Circulator Feasibility Study; and, the Tysons
337 Corner Transportation and Urban Design Study.

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339 Table 7 roadway projects entirely or partially funded under the current
340 Four-Year Plan (FY13-FY16) include: the extension of Jones Branch
341 Drive to inside I-495 (connecting Jones Branch to Route 123); the Route 7
342 widening from Route 123 to I-495; and, the partial acquisition of right-of-
343 way for the Route 7 widening from the Dulles Toll Road to Reston Avenue.

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345 Staff estimates the value of the Tysons-wide Road Improvements at
346 \$1,207,000,000 (in 2012 dollars). To date, \$85,000,000 in funding has
347 been identified from FY13-FY18. Of the funding currently identified,
348 approximately \$59,000,000 (70%) is from County funding sources,
349 \$23,000,000 (27%) is from federal government sources, and \$2,800,000
350 (3%) is from funds received from landowners/developers.

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RECOMMENDATION:

The Planning Commission recommends:

- 8) All of the Tysons-wide Road Improvements included in Table 7 should be addressed in the funding plan, as all are needed to support future growth.
- 9) The Tysons-wide Road Improvements should be separated into two categories - those that occur outside of Tysons and those that occur inside of the Tysons. The Planning Commission believes that splitting these projects into two groups based on their location allows the projects to be funded primarily by the groups receiving the greatest benefit of the improvements.
- 10) The Tysons-wide Road Improvements that occur outside of Tysons should be funded primarily by state, federal, regional, and countywide (including countywide sources derived from commercial and industrial landowners) funding sources, since transportation analyses show that the majority of the trips are not the result of redevelopment in Tysons.
- 11) The Tysons-wide Road Improvements that occur inside of Tysons should be funded primarily from Tysons specific private sector funding sources, as the majority of the impacts result from the Tysons development and redevelopment.
- 12) There may be situations where the landowners/developers may be responsible for an improvement outside the boundaries of Tysons. Conversely, there are instances where state, federal, regional, or countywide funding sources may be responsible for projects inside the boundary of Tysons. As such, the Planning Commission determined that, for the purposes of this recommendation, “primary responsibility” means 90% of the cost associated with the improvements. However, to preserve flexibility this allocation ~~assignment~~ is used to calculate overall financial responsibility but is not necessarily how funding for individual projects will be provided.
- 13) The Board should continue to build upon the Four-Year Plan, which, as stated previously, includes funding for some of the Tysons-wide Road Improvements.

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14) The Board should direct staff to develop a Tysons’ Transportation Funding Plan to determine initial priorities, a preliminary schedule of construction, and a cashflow analysis for the Tysons-wide Road Improvements, based upon the recommendations in Table 7 and the recommendations of the Planning Commission. The priorities and cashflow analysis should be updated periodically as needed.

15) To minimize the impacts of funding the transportation infrastructure on County taxpayers, the Board should direct staff to continue to maximize outside revenue sources to place the responsibility of transportation funding where it more appropriately resides, i.e. with our state and federal funding partners. FCDOT should continue its current process of acquiring funding from outside sources wherever possible. County funding should be used as the source of last resort for Tysons-wide Road Improvements.

FCDOT staff should continue proactively searching for federal, state and other funding opportunities not dependent upon countywide funding sources to determine which County transportation projects best fit these programs. The planned Tysons-wide Road Improvements are currently included in this evaluation process.

The foregoing allocation of responsibilities results in a cost breakdown of \$701,000,000 (in 2012 dollars) provided from state, federal, regional, and County funding sources and \$506,000,000 (in 2012 dollars) from the private sector for the Tysons-wide road improvements.

The Tysons-wide road improvements will benefit all residents and landowners who live, work, play and shop within Tysons, whether they are new office workers or long-time residents. Therefore, a portion of the cost of these improvements should be borne by all Tysons landowners.

While the roads will serve everyone accessing Tysons, the Plan includes redevelopment options for certain areas within Tysons that call for substantial additional development value, and thus these redevelopment options add to the need for the Table 7 Tysons-wide Road Improvements. Therefore, a portion of the Tysons-wide Road Improvements should be borne by the applicants for proposed new developments, in that they have a Plan development potential that is enabled by such improvements.

436 RECOMMENDATION:

437 The Planning Commission recommends that the funding within the
438 landowner/developer share be allocated in the following manner:

- 439
- 440 16) Half of the funding (\$253,000,000 in 2012 dollars) should be
441 generated by a Tysons-wide tax district, whose boundary would be
442 generally consistent with the Tysons Corner Urban Center. Most of
443 the Tysons-wide Road Improvements will be contained within this
444 boundary and the improvements will ~~serve to~~ benefit the entire
445 community within Tysons.

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447 The Planning Commission strongly encouraged landowners within
448 Tysons to gain the requisite number of signatures to petition the
449 Board to establish a transportation improvement district (TID) to
450 generate the recommended level of revenue for the needed
451 improvements by approximately 2050. The TID revenue
452 mechanism was used to establish the Dulles Phase I Tax District,
453 currently providing funding for Phase I of the Metrorail Silver Line
454 Extension.

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456 The landowners within Tysons, as represented by the Tysons
457 Partnership, do not believe they are able to provide such a petition
458 to the Board to establish a TID. Therefore, the Planning
459 Commission recommends that the Board establish a Service
460 District for the same purpose.

461 The service district should be established effective January 1,
462 2013, with initial tax rates supportive of the Tysons' Transportation
463 Funding Plan referenced in Recommendation #14 above set
464 concurrent with the County's 2014 budget process. ~~Consideration~~
465 ~~should be given to phasing in the tax rate, although doing so will~~
466 ~~impact the cash flow analysis.~~

- 467
- 468 17) The Tysons wide service district should fund projects that benefit all
469 of Tysons' residential and non-residential land owners. Initial
470 projects should be those that are anticipated to provide the most
471 benefit to the most properties within Tysons. It is further
472 anticipated that accumulated cash and/or funds derived from
473 revenue bonds can be used towards these initial projects. From
474 time to time, and especially when the bonds financing the initial
475 projects near maturity, the County should conduct a review with
476 input from a Tysons Transportation Service District Advisory Board

(see Recommendation #20, below) concerning the status of the initial projects, yearly tax rates, future increments of projects and their timing. Alternative funding mechanisms 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.

- 18) Establishment of a Service District including all landowners within the Tysons Corner Urban Center would, by law, also include residential property owners. These residential property owners are currently exempt from the Dulles Phase I Rail District taxation, but would be subject to this service district. As of January 1, 2012, residential property owners make up approximately 10% of the total assessed value of properties in Tysons.

The Planning Commission recommends the Board consider seeking legislation that would permit residential property to be exempt from inclusion within a service district or establish a differential rate for residential properties within a service district.

- 19) Funding from the revenues generated from the Service District to construct Tysons-wide Road Improvements should be prioritized based upon the greatest benefit to the residents and landowners in Tysons. As such, the Board should set a policy to spend approximately 10% of the Service District funding on transportation projects that have a direct benefit to the residential landowners in Tysons. These may include capital infrastructure such as improved sidewalks and trails. Such funding should be accelerated to the earlier phases of the construction schedule to best serve existing residents. This funding may also provide support for increased and improved transit services that might be of a particular benefit to the existing and future residents.

- 20) The Board establish a Tysons Transportation Service District Advisory Board to provide input on the annual tax rate for the proposed Service District, the transportation project priorities for those projects funded all or in part by the tax district, and review project implementation schedules. In addition, the Tysons Transportation Service District Advisory Board may also provide input on the annual adjustment of Road Fund rates related to the Grid of Streets and Tysons-wide Transportation Road Improvements Fund (see below). ~~Membership of the Tysons~~

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~~Transportation Advisory Board should include representatives from communities within and adjacent to Tysons, as well as the Tysons Partnership~~

- 21) The remaining half of the funding (\$253,000,000 in 2012 dollars) should be funded through those properties seeking redevelopment within Tysons.

The primary method for raising this revenue should be through a contribution of \$5.63 per square foot of new non-residential development and \$1,000 per new residential unit in 2012 into a Tysons-wide Road Improvements Fund. This rate should be adjusted annually in a manner that is consistent with other adjustments to other County road funds and the Code of Virginia.

~~The previously discussed Tysons Road Fund could be expanded to include the construction of the Tysons-wide Road Improvements or an additional funding pool could be established to administer this contribution.~~

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. Alternative funding mechanisms which could be suitable, and which could be creditable against the contribution amount set forth above, include;

- Proffered in-kind construction of specific transportation improvements beyond those needed to support the requested development, as determined by the traffic impact analysis submitted with the application;
- Proffered financial contributions to funding specific transportation improvements;
- A second, smaller tax district, such as a Transportation Improvement District, if such is determined to be legally sustainable; and/or
- Revenue from paid parking fees, a parking district, or a system of parking districts associated specifically with future

560 rezonings in which a certain amount of money per space per
561 day is used to fund the transportation improvements.

562 On June 11, 2012, the Tysons Partnership endorsed this two pronged
563 financing approach with certain caveats (Attachment 3).

564

565 Transportation Funding Monitoring and Review

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567 The Planning Commission recognizes that transportation improvements will be
568 monitored and amended on an annual basis as part of the annual budget
569 process and the five-year Capital Improvement Plan (CIP) processes. These
570 existing processes, which identify specific projects and include funding sources
571 on a project-by-project basis, are important annual reviews that provide a
572 transparent process with public hearings at both the Planning Commission and
573 Board of Supervisors.

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575 As previously discussed, the Planning Commission recommends the Tysons
576 Transportation Funding Plan include all of the projects anticipated in the Plan to
577 be needed for 113 million square feet of development, as projected by the
578 George Mason University 2008 study, through 2050. This extended planning
579 horizon contains a number of assumptions that will need to be comprehensively
580 monitored over time to ensure that the assumptions made today remain valid in
581 the future.

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583 The project cost estimates and funding levels determined to support construction
584 of the Tysons improvements will need to be flexible to provide for changes in
585 future construction costs as well as to address any funding overruns or shortfalls
586 identified in the future. The cost estimates may also need to be adjusted as
587 development occurs throughout Tysons.

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589 The Planning Commission's recommended funding plan assumes that resources
590 will come from a number of sources, as previously discussed. These funding
591 mechanisms vary in the amount of funds that they can raise, bonding capacity,
592 total revenue generated, and timing of the delivery of funds. In general, it is
593 expected that the state, federal, regional, and countywide funding sources will
594 provide the majority of funding for projects early in the 40-year period, due
595 primarily to the bonding and revenue capacity of those sources. The
596 landowner/developer Tysons specific revenue sources are expected to provide
597 funding later in the 40-year redevelopment time span to allow those revenue
598 sources to accrue sufficient revenue for "pay as you go" funding, or to build up
599 reserves to leverage other funding options when needed.

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601 The Consolidated Transportation Impact Analyses (CTIAs) for the East, Central,
602 and West portions of Tysons have been conducted by the County to determine
603 the combined impact of the current redevelopment proposals and the potential
604 future redevelopment on parcels where such options are available under the
605 Plan. The CTIA analyses resulted in the identification of several additional
606 transportation projects in the Tysons East area beyond those listed in Table 7,
607 and may result in additional transportation projects in the Tysons Central and
608 Tysons West areas beyond those included in Table 7.
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610 RECOMMENDATION:

611 The Planning Commission recommends:

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613 22) The Board of ~~Supervisors~~ reaffirm the importance of the
614 transportation improvements to the successful redevelopment of
615 Tysons and its commitment to seek to achieve the construction of
616 the transportation infrastructure improvements in a timely manner,
617 in partnership with the private sector. In this regard, it is critical that
618 the public and private sectors partner to achieve the maximum
619 possible contribution for public sector costs from federal, state and
620 regional funding sources and to minimize the burden on residential
621 homeowners.
622

623 23) To ensure a sustainable balance between development and
624 transportation infrastructure, as part of the annual CIP and budget
625 processes, the Board review ~~on at least a five year basis, or more~~
626 ~~frequently if warranted by circumstances and events,~~ the pace and
627 location of residential and non-residential development, as well as;
628 the construction schedule_; funding status_; and_; the funding
629 mechanisms for transportation improvements. The review may
630 result in adjustments as necessary to ensure that: the estimated
631 funding levels for such improvements are coordinated with the
632 anticipated construction spending and the timing of construction;
633 that the funding is being spent in an appropriate and efficient
634 manner; and, that the pace of the transportation improvements and
635 the pace of residential and non-residential development are
636 proceeding substantially in tandem, as set forth in the
637 Comprehensive Plan.
638

639 This review should be based on the most current data and
640 information available at the time of the review, including whether
641 the assumptions upon which the proposed finding mechanisms
642 were based are still valid or whether they should be changed. The

643 review, and should include a process that incorporates
644 participation from relevant stakeholders, such as representatives of
645 the communities within and adjacent to Tysons, the Tysons
646 Partnership, and the Tysons Transportation Service District
647 Advisory Board, the Vienna Town Council, the McLean Citizens
648 Association (MCA) and the Providence District Council.

649
650 24) The Board should consider the financial benefits of growth in
651 Tysons when making countywide funding decisions.

652
653 25) The level of development tested by the CTIAs exceeds the level of
654 development anticipated by the George Mason University 2008
655 study to occur by 2050. Any additions to Table 7 should be funded
656 by the development that exceeds the 2050 threshold projected by
657 George Mason University in 2008. Alternatively, if improvements
658 beyond those identified in Table 7 are needed before 2050, and
659 such are considered to be more effective in addressing traffic
660 congestion, consideration should be given to substituting those
661 improvements for projects currently included in Table 7, provided
662 that such adjustments are consistent with and sustain the integrity
663 of the Planning Commission’s policies and funding
664 recommendations to the Board, as set forth in this document.
665

666 Transportation Funding – Relationship to Tax Rate

667
668 Fairfax County will be responsible for funding a portion of the transportation
669 improvements in and near Tysons, as set forth in Table 7. As such, concern was
670 raised about the impact of the Tysons recommendations on the County’s real
671 estate tax rates. The Planning Commission concurs with the following.

672
673 It is likely that some of the funds for the County’s share will be generated through
674 the sale of bonds. Bond financing makes it possible to build facilities and
675 infrastructure with capacities based on future population estimates and to spread
676 the cost over the useful life of the facilities. This kind of financing allows the cost
677 of a facility to be spread over a number of years, so that each generation of
678 taxpayers contributes a proportionate share for the use of these long-term
679 investments.

680
681 Borrowing entails interest costs. Since the interest earned by holders of
682 municipal bonds is exempt from federal taxes, interest rates for the County’s
683 bonds generally are lower than the rates charged for private loans. As a result of

684 the County’s reputation for sound financial management, Fairfax County has the
 685 highest credit rating possible for a local government: “AAA” from Moody’s
 686 Investors Service Inc.; from Standard & Poor’s Corp.; and from Fitch Ratings. As
 687 of May, 2012, Fairfax County is one of only eight states, 39 counties, and 34
 688 cities to hold a “AAA” rating from all three rating agencies. For this reason,
 689 Fairfax County’s bonds sell at low interest rates, even when compared with other
 690 tax-free bonds.

691
 692

693 The County’s bond program is not anticipated to contribute to an increase in the
 694 tax rate. Fairfax County has adopted a financial management policy designed to
 695 protect its “AAA” rating. It calls for the County’s net long-term debt to not exceed
 696 3 percent of the total market value of taxable real and personal property in the
 697 County. It also provides that annual debt service (the cost of principal and
 698 interest payments) be kept below 10 percent of annual combined general fund
 699 spending, and that bond sales not exceed an average of \$275 million per year or
 700 \$1.375 billion over 5 years. For Fiscal Year 2013, the County’s actual net long-
 701 term debt is 1.26 percent of the market value of all taxable real and personal
 702 property. Debt service costs in Fiscal Year 2013 are 8.5 percent of the combined
 703 general fund disbursements. The Fiscal Year 2013-2017 CIP adopted by the
 704 Fairfax County Board of Supervisors on April 24, 2012, anticipates issuance of
 705 an average of \$244 million of bonds per year.

706
 707

708 This policy is expected to keep debt service at approximately 9.0 percent of
 709 general fund disbursements, which will maintain a balance between operating
 710 expenses and long-term capital needs. As long as debt service remains a
 711 constant or near-constant percentage of general fund disbursements, the
 712 County’s debt for acquisition and construction of public facilities would not cause
 713 any increase in the property tax rate. Over the past 20 years, the share of taxes
 714 used to pay debt service has fluctuated from 7.5 percent to a high of 9.3 percent.
 715 Currently, the rate is about 8.5 percent and is projected to remain under 9.0
 716 percent based on current market and revenue forecasts and the anticipated bond
 717 program.

718
 719

Follow on Motion #14 – Interim Commuter Parking

720

721 Follow-On Motion #14 directed staff to explore options for providing commuter parking
 722 at Metrorail station(s) in Tysons Corner on an interim basis until Tysons development
 723 reaches a level where such commuter parking is not practical or desirable.

724

725 To complete this task, FCDOT prepared an inventory of potential sites that could
 accommodate such parking. Subsequent to developing the inventory, staff contacted

726 the owners of the larger sites to gauge interest in providing interim parking and
727 investigated the zoning regulations governing the provision of commercial parking. In
728 most cases, a commuter parking agreement, approved by the Board, would be required
729 to allow commercial parking. Such an agreement can contain any terms the Board
730 deems appropriate and that are agreed upon by all parties.

731
732 Although a handful of property owners expressed initial interest when contacted, staff
733 ultimately exhausted all identified possibilities with no property owners willing to move
734 forward.

735
736 RECOMMENDATION:

737 The Planning Commission recommends:

- 738
739 26) A formal Tysons Corner Interim Parking Request for Interest (RFI) be issued and
740 sent to all property owners proximate to the Metrorail stations;
741
742 27) The RFI include the target requirements and necessary steps for property
743 owners to obtain interim parking agreements with Fairfax County and be
744 released no later than 12 months before the scheduled opening of the Metrorail
745 stations;
746
747 28) If an interim parking location is identified, that signage be posted at the location
748 clearly indicating the interim status of the parking. In addition, the availability of
749 these parking locations should be included in County transit marketing materials;
750 and,
751
752 29) DOT staff should work with the Tysons Partnership at key steps for their input
753 and assistance on developing interim parking and related services on private
754 property

755
756 Follow on Motion #17a – Affordable Housing Policy.

757
758 This motion asked that the Planning Commission examine modifying the Policy Plan to
759 incorporate a policy supporting a non-residential contribution to affordable housing
760 similar to the recommendation in the Tysons Plan. Since this proposed policy will be
761 applicable countywide, the effort will take more time and require extensive public
762 outreach before a recommendation can be made by the Planning Commission.

763
764

765 Follow on Motion #17b – TOD Walking Distance Policy

766

767 Under separate cover, the Planning Commission will forward to the Board a proposed
768 revision to the Policy Plan that would amend the County’s Guidelines for Transit-
769 Oriented Development (TOD) and request that the amendment be authorized for public
770 hearing. To reflect elements of the Tysons Plan, this proposed amendment would
771 refine the description of walking distance, as it relates to transit proximity.

772

773 Board Motion –Initial Development Level (IDL)

774

775 The Plan recommends that an Initial Development Level (IDL) of 45 million square feet
776 of total office development built and approved within Tysons should be set to implement
777 the first 20 year increment of growth. Office uses were the trigger for the IDL due to
778 their being the majority of existing uses and having high peak period vehicle trip
779 generation characteristics. There is currently approximately 27 million square feet of
780 office use in Tysons and another 6.5 million square feet of approved but unbuilt office
781 use. The applications in Tysons that are currently under review represent a potential
782 additional 15.2 million square feet of office use.

783

784 If all of the current applications under review were approved with their current
785 entitlement requests and the IDL were calculated using the development levels shown
786 on the Conceptual Development Plans (CDP), the Plan IDL level of 45 million square
787 feet of total office development would be exceeded by approximately 3.4 million square
788 feet, or approximately 8 percent. However, based on the development levels shown on
789 the Final Development Plans (FDP) that have been approved or submitted, there would
790 be over 11 million square feet of office development remaining before IDL is reached.

791

792 The Plan recommends that the following criteria be considered when determining an
793 increase in the IDL for office uses:

794

- 795 a) Progress achieved toward the realization of the vision for Tysons;
- 796
- 797 b) Market demand for office space, as demonstrated by new building
798 construction, vacancy rates, and revised forecasts;
- 799
- 800 c) Balance between land use and transportation, including provision of
801 infrastructure and achievement of vehicle trip reduction levels identified for
802 the year 2030 and TDM performance that exceeds the targets outlined in
803 Table 5 in the Transportation section; and
- 804

805 d) Funding arrangements for transportation improvements and progress, so that
806 timely completion of improvements for the period beyond 2030 can
807 confidently be expected.

808
809 The current applications represent development beyond the 2030 time period used to
810 set the IDL. To address this issue, the Commission has proposed a funding
811 recommendation that, if implemented, would provide for the timely completion of all of
812 the currently identified transportation improvements for the 2050 time period.
813 Implementing the proposed funding solution would result in a circumstance that
814 warrants revisiting current limitations on office development.

815
816 **RECOMMENDATION:**

817 As the Planning Commission’s recommendations for financing infrastructure (identified
818 above) addresses the increment beyond 2030 to the 2050 time period, the Planning
819 Commission recommends:

820
821 30) The Board direct staff to incorporate within the next Tysons-wide plan
822 amendment consideration of a change to the current IDL of 45 million square
823 feet of office use.

Attachments:

1 – Table 7 Improvements

2 – Fairfax County Board of Supervisors Four-Year Transportation Program
(FY 2013 – FY2016)

3 – Tysons Partnership Letter to Tysons Committee, June 12, 2012 / Annotated June 14

4 – Planning Commission Tysons Committee Policy Recommendations on
Transportation Responsibility

5 – Summary of Cash Flow Analysis

6 – Web link to 2011 Planning Commission Tysons Committee Minutes;
<http://www.fairfaxcounty.gov/planning/2011tysonspresentations.htm>

7– Web link to 2012 Planning Commission Tysons Committee Minutes;
<http://www.fairfaxcounty.gov/planning/2012tysonspresentations.htm>