

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

Planning Commission
Recommendations to the Board on Certain Tysons-related Activities
September 20, 2012

1 Preamble

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3 On June 22, 2010, the Board of Supervisors adopted an amendment to the
4 Comprehensive Plan for Tysons. This action was the culmination of a multi-year effort
5 that created a new vision for Tysons as the walkable, transit-oriented downtown for
6 Fairfax County. This vision reflected the status of Tysons as the County’s urban center
7 and the powerful economic engine that Tysons brings to both the County and to the
8 Commonwealth.

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10 When the Board adopted the Plan, it also adopted 20 Follow-on Motions to facilitate
11 Plan implementation. The recommendations below address several of these key
12 implementation elements. In developing this document, the Planning Commission was
13 cognizant of the importance that Tysons has to the County, but also recognized that the
14 needs of Tysons must be balanced with the needs of other places in the County,
15 particularly those activity centers identified in the Concept for Future Development
16 which has guided planning decisions for the past two decades. For example, the
17 funding recommendations for non-rail transportation infrastructure to serve the people
18 living and working in and around Tysons integrate the guidance in the adopted
19 Comprehensive Plan with the County's long term financial plans and fiscal policies. By
20 adopting this philosophy, the Planning Commission believes that its recommendations
21 will benefit not only Tysons but the County as a whole.

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24 Issue

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26 At its meeting on March 29, 2011, the Board of Supervisors (“the Board”) requested that
27 the Planning Commission, working with staff, develop an inclusive process to address
28 Tysons Follow-On Motion #1, related to financing infrastructure; Follow-On Motion #14,
29 related to options for providing commuter parking at Metrorail stations on an interim
30 basis; Follow-On Motion #17 related to affordable housing contributions from non-
31 residential developments and refinement of the County policy on walking distances in
32 Transit Oriented Developments (TODs); and the Initial Development Level (IDL) set

33 forth in the Comprehensive Plan (“the Plan”), given the number of rezoning applications
34 that have been submitted.

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36 To address these issues, the Planning Commission reconstituted its Tysons Committee
37 (“the Committee”), which is chaired by At-Large Commissioner Walter Alcorn. The
38 Committee adopted an inclusive process, which included 24 meetings over a period of
39 seventeen months. During its deliberations, the Committee sought information and
40 input from all stakeholders. Based upon this input, the Committee developed
41 recommendations regarding the issues identified by the Board. These
42 recommendations were then approved by the Planning Commission on September
43 20XXX, 2012, ~~by a vote of XXX.~~

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45 The Planning Commission is pleased to forward this report of its recommendations to
46 the Board.

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48 Follow on Motion #1 – Financing Infrastructure.

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50 The Plan links development to the timely provision of the infrastructure needed to
51 support it, and provides general strategies for phasing developments to achieve a
52 sustainable balance between development and infrastructure and public facilities
53 throughout Tysons. Prior to investigating potential transportation infrastructure
54 financing options, the Committee undertook a discussion among Committee members,
55 staff, and members of the community that confirmed that the transportation
56 improvements contained in Table 7 of the Plan (Attachment 1) are still valid for planning
57 purposes. The Committee then affirmed via a working consensus that the Plan’s
58 recommendations for the provision of the necessary transportation improvements and
59 for transit operating costs should rely on multiple funding sources, including those from
60 both the public and private sectors; that the overall funding plan should be reliable,
61 timely, bondable as appropriate, and sufficient; that each element of the funding plan
62 should be legally sustainable; and, that the pace for achieving the level of development
63 envisioned in the Plan should be linked to the provision of the required transportation
64 improvements.

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66 While the staff had provided an initial proposal to fund 20 years of transportation
67 improvements, by the time that the Committee began its deliberations, the County had
68 received development proposals that exceeded the projected 2030 level of
69 development, based upon the 2008 George Mason University’s estimates of growth. As
70 a result, the Committee extended the funding and transportation improvements horizon
71 from 2030 to 2050. This horizon year change also affects the Initial Development Level
72 element of the Plan, as discussed below.

73

74 The Planning Commission’s recommendations are based upon the goals of developing
75 a comprehensive solution for funding the set of infrastructure improvements identified in
76 the Plan to support the 113 million square feet of development anticipated to occur by
77 2050; the need for a funding plan that allows for flexibility in funding options and
78 sources, as well as for adjustments to be made based upon pace of development; and,
79 the need to provide a reliable funding mechanism that implements the visionary plan. In
80 making its recommendations, the Planning Commission also recognized that
81 transportation infrastructure problems exist in Tysons today.

82
83 The Planning Commission has included provisions designed to assure review and
84 verification of the assumptions under which the proposed financing mechanism was
85 developed in its recommendations. It is understood that the technology of
86 transportation, the procedures for cost estimation, and the means for testing the
87 balance between development and infrastructure will very likely change over the long
88 planning period that the proposed financing arrangements cover. This will very likely
89 affect the assumptions and estimates. ~~However, the Planning Commission recommends~~
90 ~~that as the Tysons transportation improvement funding arrangements are reviewed and~~
91 ~~adjusted if necessary to accommodate the expected changes, there should be no~~
92 ~~disproportionate change in the share of the total burden that is borne by Fairfax County~~
93 ~~taxpayers.~~

94
95 The dollar estimates in this document are best estimates in 2012 dollars of the costs to
96 complete the projects in Table 7 (Attachment 1). Based upon the priorities established
97 in Table 7, staff has developed a cashflow model to guide the implementation of the
98 Tysons transportation improvements. The funding plan expands upon, but does not
99 include, currently funded projects such as the Silver Line, existing bus service and
100 maintenance of state roads.

101
102 The Planning Commission recommends that all sources of funding be used in an
103 efficient and effective manner to maximize the use of those resources and to minimize
104 costs to the maximum extent possible. Furthermore, the Planning Commission believes
105 that investing in Tysons is investing in the long-term future of Fairfax County and that
106 such an investment benefits the County as a whole.

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

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110 State, Federal, and Regional Funding Responsibility

111
112 The majority of the existing and future roads in Tysons will be public streets. The
113 Virginia Department of Transportation (VDOT) is responsible for maintaining
114 public streets in most counties of the Commonwealth, including those within
115 Fairfax County. As such, these funding recommendations do not include costs

116 for maintaining streets that are within the state system. The Planning
117 Commission strongly believes that the Commonwealth has a responsibility to
118 provide significant contributions to the transportation infrastructure in Tysons, in
119 addition to its responsibilities related to street maintenance and other
120 transportation operating and maintenance costs.
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122 Furthermore, the Planning Commission believes that the economic benefits of
123 Tysons to Virginia should be recognized and that Virginia should strengthen its
124 investment in Tysons, based on its economic benefits to the Commonwealth.
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126 The Planning Commission also believes that it is appropriate for the Federal
127 Government to continue to participate in funding transportation improvements in
128 Fairfax County, including those in Tysons.
129

130 **RECOMMENDATION:**

131 The Planning Commission recommends:
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- 133 1) All stakeholders in Tysons, including the County, residents, landowners,
134 businesses, and developers engage together in a proactive, concerted
135 and sustained effort to lobby and secure funds for Tysons from the state
136 and federal governments, and any regional entities.

137 **Transportation Infrastructure Improvements**

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

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146 The urban street network described within the Plan is needed to provide
147 convenient connections within Tysons, distribute multi-modal traffic
148 efficiently, and enhance the quality of the network through the use of
149 “complete streets”, which include building zones, sidewalks, planting
150 areas, bike lanes, on-street parking, travel-ways, and transit facilities. The
151 Grid of Streets (“the Grid”) is comprised generally of the street network
152 that provides site access and local circulation within Tysons.
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154 The Plan recommends that private sector development be responsible for
155 on-site improvements, including construction of the on-site portions of the

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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 located where development may not 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.

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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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Neighborhood and Access Improvements

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

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

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

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

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RECOMMENDATION:

The Planning Commission recommends:

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- 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.

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Transit

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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.

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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

280 compact. This estimate consists of \$155,000,000 in capital costs and
281 \$734,000,000 in operating costs to provide the expanded service from
282 2013 – 2050.

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284 It is estimated that the operating and capital costs for this service will be
285 covered by state and local funds. State support for transit varies yearly,
286 according to established funding formulas. In FY2012, the state provided
287 a 50% reimbursement for capital costs and 18% of operating costs.
288 These percentages were used to project future State funding contributions
289 throughout the aforementioned cashflow analysis. Over the 40 year
290 period, based on these percentages, transit capital costs are estimated to
291 be funded at \$77,500,000 (50%) from local funding sources, and
292 \$77,500,000 (50%) from state funding sources. Over the 40 year period,
293 based on these percentages, transit operating costs are estimated to be
294 funded at \$602,000,000 (82%) from local funding sources, and
295 \$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

321 public/private partnerships, proffers associated with redevelopment
322 and other creative mechanisms that minimize the burden on County
323 taxpayers.

324
325 7) Increased participation from the private sector and new funding
326 sources should be explored for the transit service, particularly for
327 those services expected to occur after 2030. For example, owning
328 and operating private jitney services may prove to be economically
329 feasible for the private sector without a direct subsidy by the public
330 sector.

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332 **Tysons-wide Road Improvements**
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334 A number of improvements to the existing roadway and transportation
335 infrastructure are necessary to improve access to, and within, Tysons.
336 These improvements are identified in Table 7 of the Plan under the
337 heading of ‘Tysons-wide Road Improvements’. These projects include
338 new access points from the Dulles Toll Road to Tysons, expanded
339 capacity on select primary and minor arterial roads, and the creation of
340 new minor arterial roads to support the Grid.

341
342 The Plan recommends that these necessary transportation improvements
343 will need to rely upon public and private sources of funding and makes
344 recommendations as to the types of funding mechanisms that may be
345 appropriate.

346
347 The Committee spent a significant portion of its deliberations on the issues
348 related to the Tysons-wide Road Improvements. The deliberations
349 involved understanding each of the specific improvements listed in Table
350 7, investigating all of the potential funding mechanisms that are currently
351 available under existing legislation, and understanding the relationship
352 between the transportation improvements and the potential funding
353 mechanisms.

354
355 The Board of Supervisors’ previous Four-Year Plan (FY09-FY12) included
356 a number of projects pertinent to Tysons. Studies included: Tysons
357 Corner connections to the Dulles Toll Road; conceptual engineering and
358 design for the Boone Boulevard and Greensboro Drive extensions, and
359 the Grid; the Tysons Corner Circulator Feasibility Study; and, the Tysons
360 Corner Transportation and Urban Design Study.
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362 Table 7 roadway projects entirely or partially funded under the current
363 Four-Year Plan (FY13-FY16) include: the extension of Jones Branch
364 Drive to inside I-495 (connecting Jones Branch to Route 123); the Route 7
365 widening from Route 123 to I-495; and, the partial acquisition of right-of-
366 way for the Route 7 widening from the Dulles Toll Road to Reston Avenue.
367

368 Staff estimates the value of the Tysons-wide Road Improvements at
369 \$1,207,000,000 (in 2012 dollars). To date, \$85,000,000 in funding has
370 been identified from FY13-FY18. Of the funding currently identified,
371 approximately \$59,000,000 (70%) is from County funding sources,
372 \$23,000,000 (27%) is from federal government sources, and \$2,800,000
373 (3%) is from funds received from landowners/developers.

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RECOMMENDATION:

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The Planning Commission recommends:

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8) All of the Tysons-wide Road Improvements included in Table 7
379 should be addressed in the funding plan, as all are needed to
380 support future growth.

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9) The Tysons-wide Road Improvements should be separated into two
383 categories - those that occur outside of Tysons and those that
384 occur inside of the Tysons. The Planning Commission believes
385 that splitting these projects into two groups based on their location
386 allows the projects to be funded primarily by the groups receiving
387 the greatest benefit of the improvements.

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10) The Tysons-wide Road Improvements that occur outside of Tysons
390 should be funded primarily by state, federal, regional, and
391 countywide (including countywide sources derived from commercial
392 and industrial landowners) funding sources, since transportation
393 analyses show that the majority of the trips are not the result of
394 redevelopment in Tysons.

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11) The Tysons-wide Road Improvements that occur inside of Tysons
397 should be funded primarily from Tysons specific private sector
398 funding sources, as the majority of the impacts result from the
399 Tysons development and redevelopment.

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12) There may be situations where the landowners/developers may be
402 responsible for an improvement outside the boundaries of Tysons.

403 Conversely, there are instances where state, federal, regional, or
404 countywide funding sources may be responsible for projects inside
405 the boundary of Tysons. As such, the Planning Commission
406 determined that, for the purposes of this recommendation, “primary
407 responsibility” means 90% of the cost associated with the
408 improvements. However, to preserve flexibility this allocation is
409 used to calculate overall financial responsibility but is not
410 necessarily how funding for individual projects will be provided.

- 411
- 412 13) The Board should continue to build upon the Four-Year Plan,
413 which, as stated previously, includes funding for some of the
414 Tysons-wide Road Improvements.
- 415
- 416 14) The Board should direct staff to develop a Tysons’ Transportation
417 Funding Plan to determine initial priorities, a preliminary schedule
418 of construction, and a cashflow analysis for the Tysons-wide Road
419 Improvements, based upon the recommendations in Table 7 and
420 the recommendations of the Planning Commission. The priorities
421 and cashflow analysis should be updated periodically as needed.
- 422
- 423 15) To minimize the impacts of funding the transportation infrastructure
424 on County taxpayers, the Board should direct staff to continue to
425 maximize outside revenue sources to place the responsibility of
426 transportation funding where it more appropriately resides, i.e. with
427 our state and federal funding partners. FCDOT should continue its
428 current process of acquiring funding from outside sources wherever
429 possible. ~~County funding should be used as the source of last
430 resort for Tysons-wide Road Improvements.~~

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

438 The foregoing allocation of responsibilities results in a cost breakdown of
439 \$701,000,000 (in 2012 dollars) provided from state, federal, regional, and
440 County funding sources and \$506,000,000 (in 2012 dollars) from the
441 private sector for the Tysons-wide road improvements.
442

443 The Tysons-wide road improvements will benefit all residents and
444 landowners who live, work, play and shop within Tysons, whether they are
445 new office workers or long-time residents. Therefore, a portion of the cost
446 of these improvements should be borne by all Tysons landowners.
447

448 While the roads will serve everyone accessing Tysons, the Plan includes
449 redevelopment options for certain areas within Tysons that call for
450 substantial additional development value, and thus these redevelopment
451 options add to the need for the Table 7 Tysons-wide Road Improvements.
452 Therefore, a portion of the Tysons-wide Road Improvements should be
453 borne by the applicants for proposed new developments, in that they have
454 a Plan development potential that is enabled by such improvements.
455

456 RECOMMENDATION:

457 The Planning Commission recommends that the funding within the
458 landowner/developer share be allocated in the following manner:
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- 460 16) Half of the funding (\$253,000,000 in 2012 dollars) should be
461 generated by a Tysons-wide tax district, whose boundary would be
462 generally consistent with the Tysons Corner Urban Center. Most of
463 the Tysons-wide Road Improvements will be contained within this
464 boundary and the improvements will benefit the entire community
465 within Tysons.
466

467 The Planning Commission strongly encouraged landowners within
468 Tysons to gain the requisite number of signatures to petition the
469 Board to establish a transportation improvement district (TID) to
470 generate the recommended level of revenue for the needed
471 improvements by approximately 2050. The TID revenue
472 mechanism was used to establish the Dulles Phase I Tax District,
473 currently providing funding for Phase I of the Metrorail Silver Line
474 Extension.
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476 The landowners within Tysons, as represented by the Tysons
477 Partnership, do not believe they are able to provide such a petition
478 to the Board to establish a TID. Therefore, the Planning
479 Commission recommends that the Board establish a Service
480 District for the same purpose.

481 The service district should be established effective January 1,
482 2013, with initial tax rates supportive of the Tysons' Transportation

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Funding Plan referenced in Recommendation #14 above set concurrent with the County’s 2014 budget process.

17) The Tysons wide service district should fund projects that benefit all of Tysons’ residential and non-residential land owners. Initial projects should be those that are anticipated to provide the most benefit to the most properties within Tysons. It is further anticipated that accumulated cash and/or funds derived from revenue bonds can be used towards these initial projects. From time to time, and especially when the bonds financing the initial projects near maturity, the County should conduct a review with 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

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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 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).

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.

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

566 sustainable; and/or

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- Revenue from paid parking fees, a parking district, or a system of parking districts associated specifically with future rezonings in which a certain amount of money per space per day is used to fund the transportation improvements.

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

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Transportation Funding Monitoring and Review

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

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

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

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The Planning Commission's recommended funding plan assumes that resources will come from a number of sources, as previously discussed. These funding mechanisms vary in the amount of funds that they can raise, bonding capacity, total revenue generated, and timing of the delivery of funds. In general, it is expected that the state, federal, regional, and countywide funding sources will provide the majority of funding for projects early in the 40-year period, due primarily to the bonding and revenue capacity of those sources. The landowner/developer Tysons specific revenue sources are expected to provide

607 funding later in the 40-year redevelopment time span to allow those revenue
608 sources to accrue sufficient revenue for “pay as you go” funding, or to build up
609 reserves to leverage other funding options when needed.

610
611 The Consolidated Transportation Impact Analyses (CTIAs) for the East, Central,
612 and West portions of Tysons have been conducted by the County to determine
613 the combined impact of the current redevelopment proposals and the potential
614 future redevelopment on parcels where such options are available under the
615 Plan. The CTIA analyses resulted in the identification of several additional
616 transportation projects in the Tysons East area beyond those listed in Table 7,
617 and may result in additional transportation projects in the Tysons Central and
618 Tysons West areas beyond those included in Table 7.

619

620 RECOMMENDATION:

621 The Planning Commission recommends:

622

623 22) The Board reaffirm the importance of the transportation
624 improvements to the successful redevelopment of Tysons and its
625 commitment to seek to achieve the construction of the
626 transportation infrastructure improvements in a timely manner, in
627 partnership with the private sector. In this regard, it is critical that
628 the public and private sectors partner to achieve the maximum
629 possible contribution for public sector costs from federal, state and
630 regional funding sources and to minimize the burden on residential
631 homeowners.

632

633 23) To ensure a sustainable balance between development and
634 transportation infrastructure, as part of the annual CIP and budget
635 processes, the Board review the pace and location of residential
636 and non-residential development, as well as the construction
637 schedule, funding status, and the funding mechanisms for
638 transportation improvements. The review may result in
639 adjustments as necessary to ensure that: the estimated funding
640 levels for such improvements are coordinated with the anticipated
641 construction spending and the timing of construction; that the
642 funding is being spent in an appropriate and efficient manner; and,
643 that the pace of the transportation improvements and the pace of
644 residential and non-residential development are proceeding
645 substantially in tandem, as set forth in the Comprehensive Plan.

646

647 This review should be based on the most current data and
648 information available at the time of the review, including whether

649 the assumptions upon which the proposed finding mechanisms
650 were based are still valid or whether they should be changed. The
651 ~~review should~~review should include a process that incorporates
652 participation from relevant stakeholders, such as the Tysons
653 Partnership, the Tysons Transportation Service District Advisory
654 Board, the Vienna Town Council, the McLean Citizens Association
655 (MCA), ~~and the Providence District Council~~ and the Fairfax County
656 Chamber of Commerce.

657
658 ~~23)~~24) As the Tysons transportation improvement funding arrangements
659 are reviewed and adjusted if necessary to accommodate the
660 expected changes, there should be no disproportionate change in
661 the share of the total burden that is borne by Fairfax County
662 taxpayers.

663
664 ~~24)~~25) The Board should consider the financial benefits of growth in
665 Tysons when making countywide funding decisions.

666
667 ~~25)~~26) The level of development tested by the CTIAs exceeds the level of
668 development anticipated by the George Mason University 2008
669 study to occur by 2050. Any additions to Table 7 should be funded
670 by the development that exceeds the 2050 threshold projected by
671 George Mason University in 2008. ~~Alternatively, if~~ improvements
672 beyond those identified in Table 7 are needed before 2050, and
673 such are considered to be more effective in addressing traffic
674 congestion, consideration ~~cs~~ should be given to substituting those
675 improvements for projects currently included in Table 7, provided
676 that such adjustments are consistent with and sustain the integrity
677 of the Planning Commission's recommended policies and ~~funding~~
678 ~~recommendations to the Board~~ overall allocation of funding
679 responsibilities, as set forth in this document.

680
681 Transportation Funding – Relationship to Tax Rate

682
683 Fairfax County will be responsible for funding a portion of the transportation
684 improvements in and near Tysons, as set forth in Table 7. As such, concern was
685 raised about the impact of the Tysons recommendations on the County's real
686 estate tax rates. The Planning Commission concurs with the following.

687
688 It is likely that some of the funds for the County's share will be generated through
689 the sale of bonds. Bond financing makes it possible to build facilities and

690 infrastructure with capacities based on future population estimates and to spread
691 the cost over the useful life of the facilities. This kind of financing allows the cost
692 of a facility to be spread over a number of years, so that each generation of
693 taxpayers contributes a proportionate share for the use of these long-term
694 investments.

695
696 Borrowing entails interest costs. Since the interest earned by holders of
697 municipal bonds is exempt from federal taxes, interest rates for the County's
698 bonds generally are lower than the rates charged for private loans. As a result of
699 the County's reputation for sound financial management, Fairfax County has the
700 highest credit rating possible for a local government: "AAA" from Moody's
701 Investors Service Inc.; from Standard & Poor's Corp.; and from Fitch Ratings. As
702 of May, 2012, Fairfax County is one of only eight states, 39 counties, and 34
703 cities to hold a "AAA" rating from all three rating agencies. For this reason,
704 Fairfax County's bonds sell at low interest rates, even when compared with other
705 tax-free bonds.

706
707 The County's bond program is not anticipated to contribute to an increase in the
708 tax rate. Fairfax County has adopted a financial management policy designed to
709 protect its "AAA" rating. It calls for the County's net long-term debt to not exceed
710 3 percent of the total market value of taxable real and personal property in the
711 County. It also provides that annual debt service (the cost of principal and
712 interest payments) be kept below 10 percent of annual combined general fund
713 spending, and that bond sales not exceed an average of \$275 million per year or
714 \$1.375 billion over 5 years. For Fiscal Year 2013, the County's actual net long-
715 term debt is 1.26 percent of the market value of all taxable real and personal
716 property. Debt service costs in Fiscal Year 2013 are 8.5 percent of the combined
717 general fund disbursements. The Fiscal Year 2013-2017 CIP adopted by the
718 Fairfax County Board of Supervisors on April 24, 2012, anticipates issuance of
719 an average of \$244 million of bonds per year.

720
721 This policy is expected to keep debt service at approximately 9.0 percent of
722 general fund disbursements, which will maintain a balance between operating
723 expenses and long-term capital needs. As long as debt service remains a
724 constant or near-constant percentage of general fund disbursements, the
725 County's debt for acquisition and construction of public facilities would not cause
726 any increase in the property tax rate. Over the past 20 years, the share of taxes
727 used to pay debt service has fluctuated from 7.5 percent to a high of 9.3 percent.
728 Currently, the rate is about 8.5 percent and is projected to remain under 9.0
729 percent based on current market and revenue forecasts and the anticipated bond
730 program.

731

732 Follow on Motion #14 – Interim Commuter Parking

733

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

737

738 To complete this task, FCDOT prepared an inventory of potential sites that could
739 accommodate such parking. Subsequent to developing the inventory, staff contacted
740 the owners of the larger sites to gauge interest in providing interim parking and
741 investigated the zoning regulations governing the provision of commercial parking. In
742 most cases, a commuter parking agreement, approved by the Board, would be required
743 to allow commercial parking. Such an agreement can contain any terms the Board
744 deems appropriate and that are agreed upon by all parties.

745

746 Although a handful of property owners expressed initial interest when contacted, staff
747 ultimately exhausted all identified possibilities with no property owners willing to move
748 forward.

749

750 RECOMMENDATION:

751 The Planning Commission recommends:

752

753 | ~~26)~~27) A formal Tysons Corner Interim Parking Request for Interest (RFI) be issued and
754 sent to all property owners proximate to the Metrorail stations;

755

756 | ~~27)~~28) The RFI include the target requirements and necessary steps for property
757 owners to obtain interim parking agreements with Fairfax County and be
758 released no later than 12 months before the scheduled opening of the Metrorail
759 stations;

760

761 | ~~28)~~29) If an interim parking location is identified, that signage be posted at the location
762 clearly indicating the interim status of the parking. In addition, the availability of
763 these parking locations should be included in County transit marketing materials;
764 and,

765

766 | ~~29)~~30) DOT staff should work with the Tysons Partnership at key steps for their input
767 and assistance on developing interim parking and related services on private
768 property

769

770

771 Follow on Motion #17a – Affordable Housing Policy.

772

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

778

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

780

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

786

787 Board Motion –Initial Development Level (IDL)

788

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

797

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

805

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

808

- 809 a) Progress achieved toward the realization of the vision for Tysons;

810

- 811 b) Market demand for office space, as demonstrated by new building
812 construction, vacancy rates, and revised forecasts;
813
- 814 c) Balance between land use and transportation, including provision of
815 infrastructure and achievement of vehicle trip reduction levels identified for
816 the year 2030 and TDM performance that exceeds the targets outlined in
817 Table 5 in the Transportation section; and
818
- 819 d) Funding arrangements for transportation improvements and progress, so that
820 timely completion of improvements for the period beyond 2030 can
821 confidently be expected.
822

823 The current applications represent development beyond the 2030 time period used to
824 set the IDL. To address this issue, the Commission has proposed a funding
825 recommendation that, if implemented, would provide for the timely completion of all of
826 the currently identified transportation improvements for the 2050 time period.
827 Implementing the proposed funding solution would result in a circumstance that
828 warrants revisiting current limitations on office development.
829

830 RECOMMENDATION:

831 As the Planning Commission's recommendations for financing infrastructure (identified
832 above) addresses the increment beyond 2030 to the 2050 time period, the Planning
833 Commission recommends:
834

- 835 31) The Board direct staff to incorporate within the next Tysons-wide plan
836 amendment consideration of a change to the current IDL of 45 million square feet
837 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>