FAIRFAX COUNTY PLANNING COMMISSION
CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE
WEDNESDAY, MARCH 9, 2016

PRESENT: Timothy J. Sargeant, At-Large, Chairman
Frank A. de la Fe, Hunter Mill District
Ellen J. Hurley, Braddock District
James T. Migliaccio, Lee District
Julie M. Strandlie, Mason District
Peter F. Murphy, Springfield District

ABSENT: None

OTHERS: James R. Hart, At-Large
Janyce N. Hedetniemi, At-Large
John C. Ulfelder, Dranesville District
Kenneth Lawrence, Providence District
Earl L. Flanagan, Mount Vernon District
Karen A. Keys-Gamarra, Sully District
Jill G. Cooper, Director, Planning Commission
Chris Caperton, Planning Division, Department of Planning and Zoning
Dennis Holder, Building Design and Construction, Capital Facilities, Department of Public Works and Environmental Services (DPWES)
Teresa Lepe, Building Design and Construction, Capital Facilities, DPWES
Katayoon Shaya, Building Design and Construction, Capital Facilities, DPWES
Joseph LaHait, Capital Programs, Department of Management and Budget (DMB)
Martha Reed, Capital Programs, DMB

ATTACHMENTS:

A. FY 2017 – FY 2021 CIP Workshop, March 3, 2016
B. Planning Commission March 3, 2016 Workshop Follow Up Questions
C. Fairfax County Silver Line Plan of Finance

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Planning Commission Vice Chairman Frank de la Fe constituted the Capital Improvement Program (CIP) Committee at 7:00 p.m. in the Board Conference Room of the Fairfax County Government Center, 12000 Government Center Parkway, Fairfax, Virginia 22035, pursuant to Section 4-102 of the Commission's *Bylaws & Procedures*. He indicated that the first order of business was to elect a Committee Chairperson.

Commissioner Migliaccio MOVED TO NOMINATE TIMOTHY J. SARGEANT AS CHAIRMAN OF THE 2016 CAPITAL IMPROVEMENT PROGRAM COMMITTEE.

Commissioner Hurley seconded the motion which carried by a vote of 6-0.

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Chairman Timothy Sargeant called the meeting to order at 7:01 p.m., in the Board Conference Room, 12000 Government Center Parkway, Fairfax, Virginia 22035.

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Joseph LaHait, Capital Programs, Department of Management and Budget (DMB) provided an overview of the Metrorail Silver Line Plan of Finance (included in Attachment C).

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Martha Reed, Capital Programs, Department of Management and Budget, gave a presentation on FY 2017-FY 2021 Advertised Capital Improvement Program. Ms. Reed highlighted the following topics:

- CIP Process in FY 2017
- Fall 2016 Bond Referendum

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Commissioner de la Fe made a motion to APPROVE THE CAPITAL IMPROVEMENT PROGRAM AS PRESENTED TO THE COMMITTEE, TO THE PLANNING COMMISSION AS A WHOLE.

Motion was seconded by Commissioners Hurley and Ulfelder and carried by a vote of 6-0.

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The meeting was adjourned at 8:02 p.m.
Timothy J. Sargeant, Chairman

An audio recording of this meeting is available in the Planning Commission Office, 12000 Government Center Parkway, Suite 330, Fairfax, Virginia 22035.

Minutes by: Inna Kangarloo

Approved: April 4, 2018

John W. Cooper
Clerk to the Planning Commission

ATTACHMENT A

FY 2017 – FY 2021 Capital Improvement Program

March 3, 2016
Workshop

CIP Process/Dates

PC Workshop/Public Hearing	March 3
PC CIP Committee Meeting	March 9
PC CIP Mark-up	March 16
BOS Public Hearings	April 5, 6, 7
BOS Mark-up/CIP Adoption	April 19

CIP Highlights

- Improved process started in FY 2016 continued in FY 2017
  - Started earlier and spent more time in CIP development
  - County Executive met with agencies throughout the fall
  - Future projects prioritized
  - Bond Referendum Plan reviewed and revised
- Bond Referendum Plan (CIP, Page 28)
  - A more detailed and long-range plan, outlining specific project schedules
  - More predictable plan for the Board, County agencies, FMD, and the public
  - Includes FCPS bond referenda at $310 million every other year
  - Includes County bond referenda in alternate years

Fall 2016 Bond Referendum

Fall 2016 Referendum Proposed at $312 million

<u>Human Services/Community Development</u>: <u>$85 million</u>
Eleanor Kennedy Shelter (Built in 1904, last renovated 1986)
Patrick Henry Shelter (Built in 1952, last renovated 1985)
Baileys Crossroads Shelter (Built in 1987)
Embry Rucker Shelter (Built in 1987)
Sully Community Center (currently located in VDOT Right-of-Way)
Lorton Community Center (current lease space to expire in 2018)

<u>Parks and Northern Virginia Regional Park Authority: $107 million</u>
Fairfax County Park Authority $94.7 million
NVRPA $12.3 million ($3 million per year for 4 years, $300,000 one time contribution for the Jean Packard Center)

<u>Metro Capital Contribution : $120 million</u>
Sustains Metro capital contribution at $30 million per year for 4 years

CIP Highlights

- Reviewed debt capacity
  - Bond Referendum Plan will need to be reviewed annually
  - Assumes FCPS sales at $155 million annually
  - Assumes County sales at an average of $128 million
  - Plan exceeds sales of $275 million in some years but can be managed annually (Board may want to consider raising sales limits in the next 5 years, last increased from $200m to $275m in 2007)
  - Includes average increase in debt service of $12 million
  - Maintains a level below 10 percent ratio (debt service to General Fund disbursements)

CIP Highlights

- Increased Capital Support through General Fund Paydown Program
  - $28,853,427 in FY 2017, an increase of $6,811,659 from FY 2016
  - ADA improvement requirements
  - Infrastructure maintenance requirements, including County buildings, parks facilities, trails/sidewalks, County maintained roads
  - Athletic Field Maintenance
    - Developed a 10 year replacement plan for turf fields
    - Increase in Athletic Service Fee revenue and General Fund support of $500,000 each, providing an additional $1,000,000 for turf replacements
    - Proposal includes an increase in Athletic Services Fee from $5.50 to $9.50 per participant per season and an increase in tournament fees from $15 to $25 per team per tournament for rectangular fields only
    - Currently 86 turf fields of which 63 are the responsibility of the County
  - Environmental Improvement projects
  - Other on-going development and planning projects
    - Design for Massey Building Demolition
    - Design for Burkholder Renovations
    - Planning for Original Mt Vernon High School interim and long term uses
    - Planning for other Public Private partnership projects

CIP Highlights

- Includes recommendation for the allocation of funds associated with the Capital Sinking Reserve Fund.
  - Capital Sinking Reserve Fund was created by the Infrastructure Financing Committee (IFC).
  - Populated for two years as part of the FY 2014 and FY 2015 Carryover Reviews (currently $8.4 million)
  - Allocation is based on a percentage of the total annual maintenance requirements as presented to the IFC for County and Park facilities, trails/sidewalks, County-owned Roads and Service Drives and Revitalization maintenance
  - This allocation of funds will be considered by the Board of Supervisors as part of the *FY 2016 Third Quarter Review*

CIP Highlights

- CIP includes an increase to the Stormwater rate from $0.0250 to $0.0275 per $100 of assessed real estate value (1/4 penny increase consistent with the 5 year plan approved by the Board)
- Staff continues to enhance the communication and collaborative efforts underway on Public Private Partnerships and Joint Venture projects. The CIP includes a separate section on these projects with additional details.

Websites

CIP Website

- http://www.fairfaxcounty.gov/dmb/fy2017/advertised/cip.htm
  - Will include all presentations from March 3rd workshop

Planning Commission Workshop March 3, 2016
Follow up Questions

Fairfax County Public Schools:

1. **Please explain the maps in the Schools CIP as compared to last year. Why is there a dramatic drop in "red" schools, indicating fewer significantly over-crowded schools?**

   Enrollment patterns are changing in FCPS. Each spring, FCPS produces a new 6-year projection set. Each fall, FCPS updates school capacity (as needed) based on how the building is being utilized. The CIP maps feature the 6th year in the student enrollment projection set as compared to the most recently calculated school capacity.

   Three factors influenced the changing enrollment patterns projected for FCPS. They are: a lowering number of births in Fairfax County, lowering birth to K (five years later) ratios, and a sharp decline in the overall net migration of students.

   First, there has been a decline in the number of live births in Fairfax County. Second, since SY 11-12, FCPS has experienced a lower yield of kindergarten students five years later. While in SY 11-12, 92% yields were experienced, in SY 15-16, 82% yields were seen. This trend indicates that smaller cohorts of students have been entering the system in kindergarten in recent years. This impacts the progression of these cohorts for the next five years as they move up through the system. More historical information can be found at the Birth to K dashboard: http://www.fcps.edu/fts/dashboard/btok/birthtokind15-16.html

   Lastly, there has been a decline in NET migration. Students leave and enter the system through the school year. Net migration adds new students to students who no longer attend FCPS. In SY 12-13, net migration totaled (+2,602 students). This dropped to (+2,356) in SY 13-14, then to (+1,790) in SY 14-15. Between SY 14-15 and SY 15-16, FCPS saw another drop from (+1,790) students in SY 14-15 to (+430) students in SY 15-16. For more information, see pages 14-15 in the CIP. http://www.fcps.edu/fts/planning/cip/cipbookfy2017-21.pdf

   Other factors considered included monitoring enrollment from new housing and overall system economic conditions.

2. **Are modular units, quads and or trailers included in the capacity percentages? Do quads count as "bricks and mortar"?**

   Temporary classrooms such as single trailers, duplexes and quads are not calculated as part of a school's capacity. A modular building, on the other hand, is included in the capacity count. This is because when a modular is added, this adds square footage to the permanent building.

   Temporary classrooms such as singles, duplexes and quads are not considered "brick and mortar" structures. Although they provide temporary instructional spaces, they are not counted towards capacity of a school. Only modular buildings are counted as a permanent structure. As an example, if a school is at 97% capacity and has a modular building and trailers on site, only the capacity of the school building and modular building is counted in the percentage, but not the trailers.

3. **What is the cost of a trailer vs. a quad vs., a modular unit?**

   The cost of a single trailer classroom is approximately $32,000; the cost of a duplex classroom is $67,000 on average and the cost of a quad trailer nearly $120,000. A modular building is vastly different than temporary classrooms as it is a self-contained school facility – with corridors, full sized classrooms and restroom facilities.

4. **When does it become more efficient to tear down a school and rebuild it vs. renovate it? What is the tipping point in terms of costs?**

   It is always more expensive to tear down a school and replace with a new building. The only time that FCPS would contemplate tearing down a facility is due to a change in the use of the building itself.

   In addition to the added cost of tearing down and replacing a building, the practice stands in direct conflict with both the FCPS and Fairfax County sustainability policies. As you may be aware, depending upon the building size it can take the earth anywhere from 40 to 80 years to absorb the carbon from the initial construction. Under this proposed scenario, we could conceivably be demolishing a building in which the original carbon has yet to be absorbed only to replace it with a similarly functioning building thus exacerbating the carbon footprint. This is the reason that FCPS believes in adaptively reusing our facilities. We extend the useful life of the building, at a lower cost and in a manner which is far more sustainable than replacing the facility.

5. **What percentage of "outside" funding supports Thomas Jefferson High School?**

   All of the initial costs for the renovation of Thomas Jefferson are being funded via the FCPS capital program. We have reached an agreement that the counties whose students comprise 18% of the TJ enrollment compensate FCPS for the capital expense. The compensation will be made over a 33 year time frame.

6. **Can you provide a status of the sewer line extension proposed to go through Park Authority property to replace the septic tank at Forest Hill Elementary in Great Falls? Is this project still on track?**

   The Forestville ES sanitary sewer project will begin within the next few months. It is expected to be completed near the start of 2017.

7. **Where is the Western High School proposed? Will it be in the Sully District? Is there a projected date for this school to be completed?**

   The location and timing of the proposed Western High School has not yet been determined. If the school is ultimately required, we believe that the best location would be at the junction of the Sully, Hunter Mill and Dranesville districts, just south of the Dulles Toll Road.

Stormwater:

1. **Can you provide an estimate of the future maintenance/operational costs for the Huntington Levee once completed?**

   Staff is working on a response to this question and should have something early next week.

2. **Are there any staff recommendations for the Planning Commission that could help reduce the number of developer defaults in the County?**

   Staff is working on a response to this question and should have something early next week.

Community Service Board:

1. **What kinds of waiting lists exist for CSB programs?**
   While waiting, interim outpatient services are offered. CSB staff continues to outreach and work with individuals while they are awaiting residential services. Yet unfortunately, this is often not enough help people maintain stability. Often individuals go into crisis and up in emergency rooms, crisis care centers, detox or jail. Paramedics are also often intervening with these individuals in the event of an overdose. If we know about an imminent crisis, we intervene and get the person to emergency services, detox or the hospital.

Transportation:

1. **Is the fence proposed for the Burke Station VRE unique or are other stations also constructing fences?**

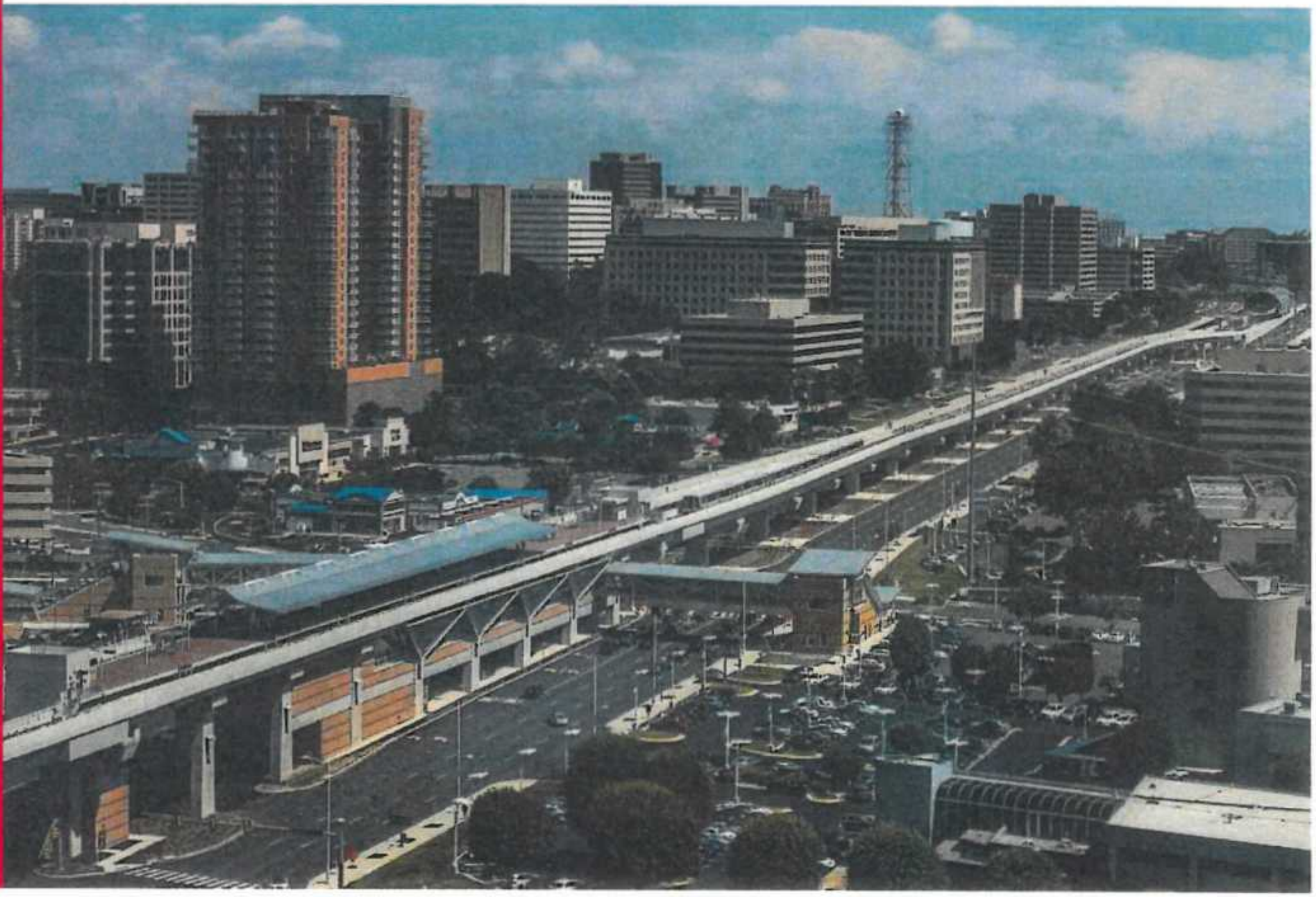
   The Burke VRE Station fence was requested by a citizen about a year ago regarding safety concerns – unlawful crossing of Norfolk Southern (NS) railroad tracks. It was about the time a young woman was hit by a train near the Burke Centre Station. The issue, and it relates to the entire country, is that the fencing goes on railroad property and there is so much "unfenced" railroads, the railroad companies are unwilling to pay for it. That being the case, the burden of costs to have them installed usually falls on the local jurisdictions or other users of a rail line, like VRE on NS and CSX lines. VRE has included in their capital facilities budget, a fence installation line item for most of the stations in their system. Burke is one of them and installation should begin this spring.

2. **Please provide an overview of the funding for the Silver Line Phases I and II. Of the financing plan, how much is bond proceeds? Does the 13 cents tax include commercial office space? How much revenue was generated in Phase I? Is the rate projected to go up or down in Phase II? Is the payment of the debt service or both phases staggered? Will we keep collecting special tax revenue in the future after the debt is paid off?**

   Several Slides will be provided and can be discussed at the Committee meeting as a response to these financing questions.

Fairfax County, Virginia

Presentation to the Fairfax County Planning Commission



Fairfax County Silver Line Plan of Finance

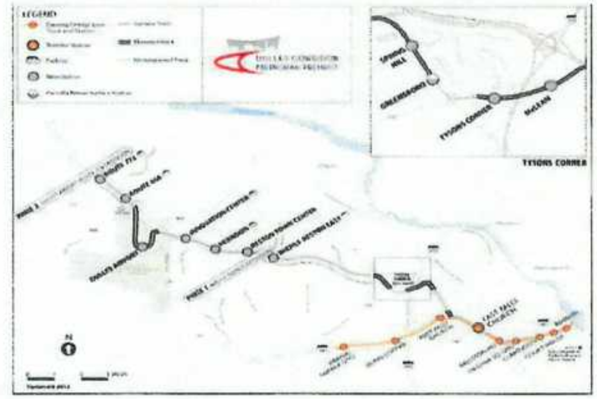
Joe LaHait,
Debt Coordinator

March 9, 2016

ATTACHMENT C

Introduction

- The Metrorail Silver Line Project branches off from the existing Metrorail Orange Line near the West Falls Church Station in the County and will extend to Dulles Airport
- Metropolitan Washington Airports Authority (MWAA) will design and construct the project in two phases
- Washington Metropolitan Area Transit Authority (WMATA) will assume ownership and operation of the Silver Line, also in two phases



Phase 1 *(Project Completed)*

- From Orange line to Wiehle Avenue in Reston (11.5 miles)
- 5 new stations in Fairfax
  - McLean
  - Tysons Corner
  - Greensboro
  - Spring Hill
  - Wiehle –Reston East
- Total Project Cost: $2.906 billion
- Service commenced July 26, 2014

Phase 2 *(Construction Underway)*

- From Wiehle Avenue to Route 772 (11.6 miles)
- 6 new stations
  - Reston Town Center (Fairfax County)
  - Herndon (Fairfax County)
  - Innovation Center (Fairfax County)
  - Dulles Airport (Loudoun County)
  - Route 606 (Loudoun County)
  - Route 772 (Loudoun County)
- Total Project Cost: $2.778 billion (Projected)
- Service scheduled to begin late 2019

Aggregate Silver Line Cost Allocation (Phase 1 + Phase 2)

Funding Partner	% Share - Baseline	$ Share - Baseline
Dulles Toll Road/Federal/State[(A)]	75.0%	$4,262,948,144
Fairfax County	16.1%	$915,112,868
Loudoun County	4.8%	$272,828,681
MWAA - Aviation Funds	4.1%	$233,041,165
Total	**100.0%**	**$5,683,930,858**

(A) Includes $900 million from FTA New Starts (15.8%), $575 million from Commonwealth (10.1%). Net to Dulles Toll Road is 49%.

Fairfax County Share (16.1%) of Silver Line Est. Project Costs

	Phase 1	Phase 2	Total
County Share @ 16.1% of $5.683 billion	**$400,000,000**	**$515,112,868**	**$915,112,868**
Less Tax Districts	$(400,000,000)	$(330,000,000)	$(730,000,000)
Net County Contribution	*$0*	*$185,112,868*	*$185,112,868*
Garages			
Herndon (A)	N/A	$56,700,000	$56,700,000
Innovation Center (A)	N/A	$57,400,000	$57,400,000
Total Garages (A)	**N/A**	**$114,100,000**	**$114,100,000**
TOTAL (Baseline + Garages)			**$1,029,212,868**

(A) Based on County 100% design completion; Garages will be funded with parking system revenue bonds issued by the County, estimated in Spring 2017.

Phase I Tax District Overview

- The Phase I Tax District was created in February 2004 upon the petition of the owners of approximately 53% of the commercial and industrial property in the District by assessed value
- FY 2017 Advertised Budget Plan reflects a tax rate of $0.19 per $100 of assessed value. This was a $0.02 reduction in the tax rate from FY 2016
- Transportation improvements financed by the Phase 2 District are capped at **$400** million of project capital costs
- Encompasses Tysons commercial submarket and ends at Wiehle-Reston East which will consist of mixed use Transit Oriented Development
- Tax Revenue restricted to pay project costs for Phase 1 and debt service costs (including reserves and coverage requirements) related to the project
- The District will be abolished once all debt is incurred and paid in full

Phase 1 Plan of Finance

- The County has completed its $400 million obligation for construction to Phase 1 of the Silver Line through a combination of cash (32.9%) and bond proceeds (67.1%)
- Revenues generated annually pay the debt service on the Series 2011 and 2012 bonds

	Phase 1
Uses of Funds	**$400,000,000**
Sources of Funds	
Series 2011 EDA Bonds	$220,000,000
Series 2012 EDA Bonds	$48,400,000
Phase 1 Tax District Cash Contributions	$131,600,000
Total Sources of Funds	**$400,000,000**

Phase 2 Tax District

- The Phase 2 Tax District was created in December 2009 upon the petition of approximately 60% of the owners of the commercial and industrial property in the District by Assessed Value
- The petition called for an initial tax rate of $0.05 per $100 of Assessed Value (FY 2011), increasing in $0.05 increments on an annual basis up to $0.20 per $100 of Assessed Value (FY 2014) and remains at $0.20 per $100 of Assessed Value in FY 2017.
- After passenger rail service begins, the tax rate may be increased to $0.25 per $100 of Assessed Value
- Transportation improvements financed by the Phase 2 District are capped at **$330** million of project capital costs
- District runs from just west of Wiehle Avenue to Loudoun County line, contains the three Phase 2 Metrorail stations: Reston Town Center, Herndon, and Innovation Center
- Tax Revenue restricted to pay project costs for Phase 2 and debt service costs (including reserves and coverage requirements) related to the project
- The District will be abolished once all debt is incurred and paid in full

Fairfax County Cash flow – Remaining Dulles Rail Financing

- The County's remaining financing needs for the Silver Line totals $515,112,868

Total County Share	$ 915,112,868
Less Phase 1 Tax District	(400,000,000)
Remaining Amount	**$ 515,112,868**

- Remaining $515.1 million to be paid via the following sources:

Source	Amount	Comments
County & Regional Transportation Projects Fund (C&I Revenues) – **TIFIA Loan**	$175,440,000	Internal allocation of roughly 44% of the $403.3 million TIFIA loan repayment of $175 million, drawn $51.6 million to date
Northern Virginia Transportation Authority (NVTA) Regional Revenue (70% funding)	$9,660,000	NVTA has approved funds for the Innovation Station component of the Phase 2 construction totaling $69 million; Portion is allocable to Fairfax's share of total project costs
Phase 2 Tax District – **TIFIA Loan**	$227,860,000	Internal allocation of roughly 56% of the $403.3 million TIFIA loan repayment and 69% of the $330 million Phase 2 Tax District Requirement
Phase 2 Tax District – Non-TIFIA Sources	$102,140,000	Remaining balance of $330 million Phase 2 Tax District Requirement after TIFIA loan; will come from either public bond sale or tax district revenue on hand