



# Public Facilities Policy Plan Amendment

November 17, 2022



PLANNING & DEVELOPMENT

Planning Commission

Land Use Process  
Review Committee



# Agenda

- PPEA (Public Private Partnerships) Presentation
  - Discussion / Questions
- Co-location and Public Facilities Presentation
  - Discussion / Questions

# Public Private Partnership (P3) Framework

## What is a Public Private Partnership?

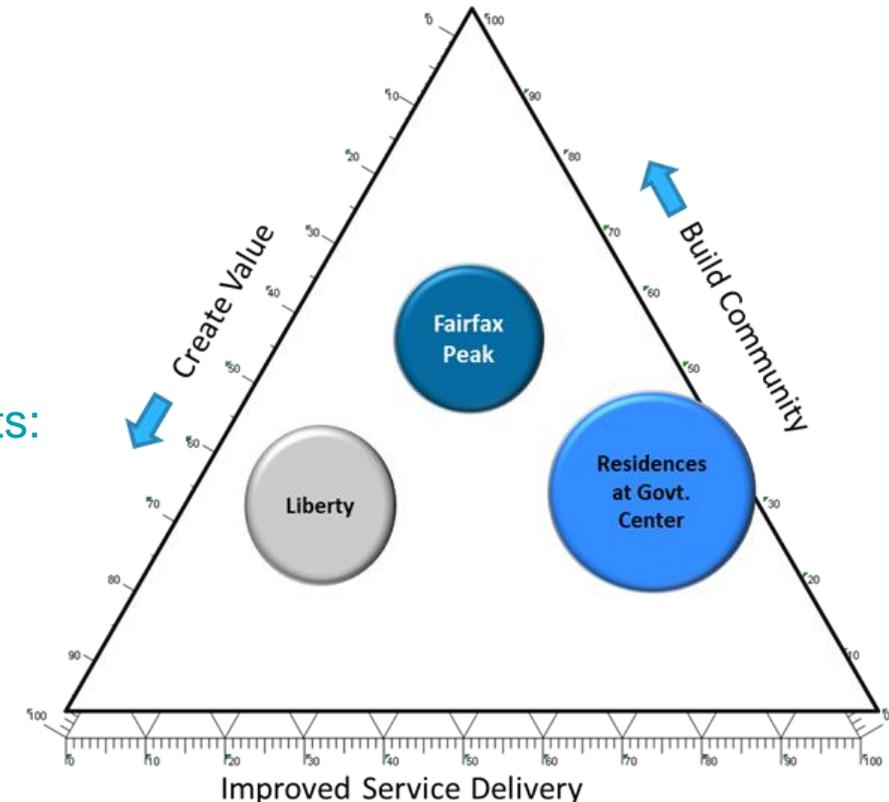
- Contractual agreement between a public sector entity (federal, state, or local) and a private sector entity to share resources, risks, and rewards of delivering an essential public project/service/program.
- Most partnerships are with private entities, however, some include regional, state, federal, and/or non-profit partners.
- P3s are not for routine projects and work best when they leverage existing resources, tools, and processes to provide projects or services.
- In P3s, public sector can allocate or shift some or all of the associated risks to the private partner, but the risk allocation is not free.
- Key Statutes:
  - The Public-Private Educational Facilities and Infrastructure Act of 2002 (PPEA)
  - The Public-Private Transportation Act of 1995
- P3 projects have existed in many forms and been utilized by both the county and the school board



# P3 Framework - P3 Benefits

In P3s, public sector can allocate or shift some or all of the associated tasks to the private partner, but the allocation is not free.

- Factors to optimize efficiencies:
  - Risk allocation
  - Private financing
  - Performance-based contracts
- The efficiency gains may be offset by a combination of several costs:
  - Costs of transferring selected tasks to the private sector
  - Higher cost of private financing
  - Higher transaction costs
  - Increased monitoring



- Best deal is the sweet spot where there a public outcome that can only be met through a partnership arrangement

# Project Examples

## **Solicited PPEA**

Liberty (Laurel Hill Adaptive Reuse)  
*Elm Street Development/The Alexander Company*

Residences at Government Center  
*Stratford Capital Group Development*

## **Unsolicited PPEA**

Fairfax Peak  
*Alpine-X*

## **Joint Development**

Sharon Bulova Center (Merrifield Center)  
*Inova Health System*

# Liberty - Solicited PPEA



## LEGEND

	ADAPTIVE REUSE RESIDENTIAL BUILDING		NEW RESIDENTIAL ATTACHED
	ADAPTIVE REUSE COMMERCIAL BUILDING		NEW RESIDENTIAL LOT
	ADAPTIVE REUSE COMMUNITY AND CIVIC BUILDING OR FEATURES		ADAPTIVE REUSE OPEN SPACE
	NEW BUILDING - COMMERCIAL		

### Phase One

- 165 Apartments
- 83 Townhouses
- 24 Single Family Detached
- Clubhouse
- Swimming Pool
- Chapel
- Power House

### Phase Two

- 6 Apartments
- 74 Townhouses
- 50,000 SF Commercial (Adaptive)
- 60,000 SF Commercial (new)

## Illustrative Site Plan Phase 1 & 2

# Liberty - Solicited PPEA

- ▶ Partnership between Fairfax County, The Alexander Company and Elm Street Development
- ▶ Creation of a vibrant mixed-use community by private developer returning an area closed off the community for 100+ years
  - ▶ Redevelopment cost estimated at \$188,000,000
    - ▶ County provided \$12,765,000 for public infrastructure design and development
  - ▶ Adaptive reuse of former structures
    - ▶ Residential apartments and commercial spaces
  - ▶ New Construction
    - ▶ New infrastructure, recreational areas, and townhomes

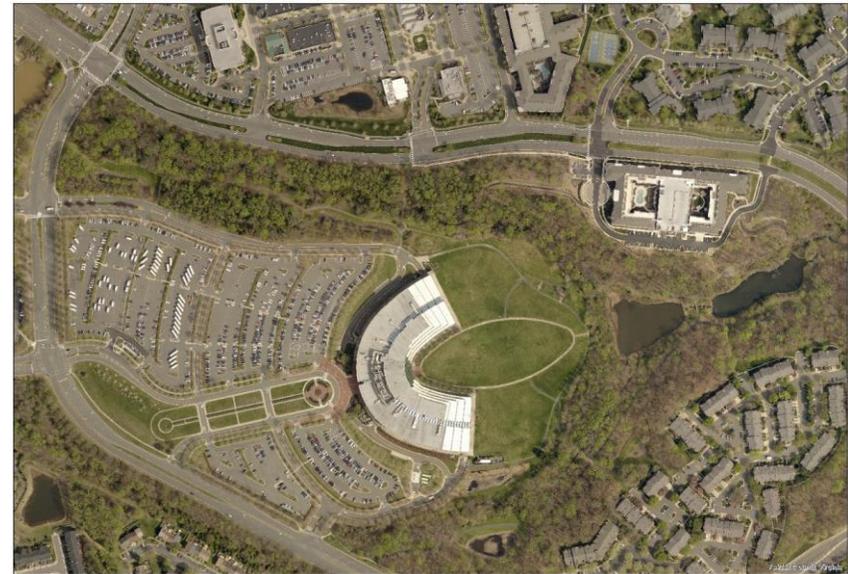


## Liberty at Laurel Hill Timeline



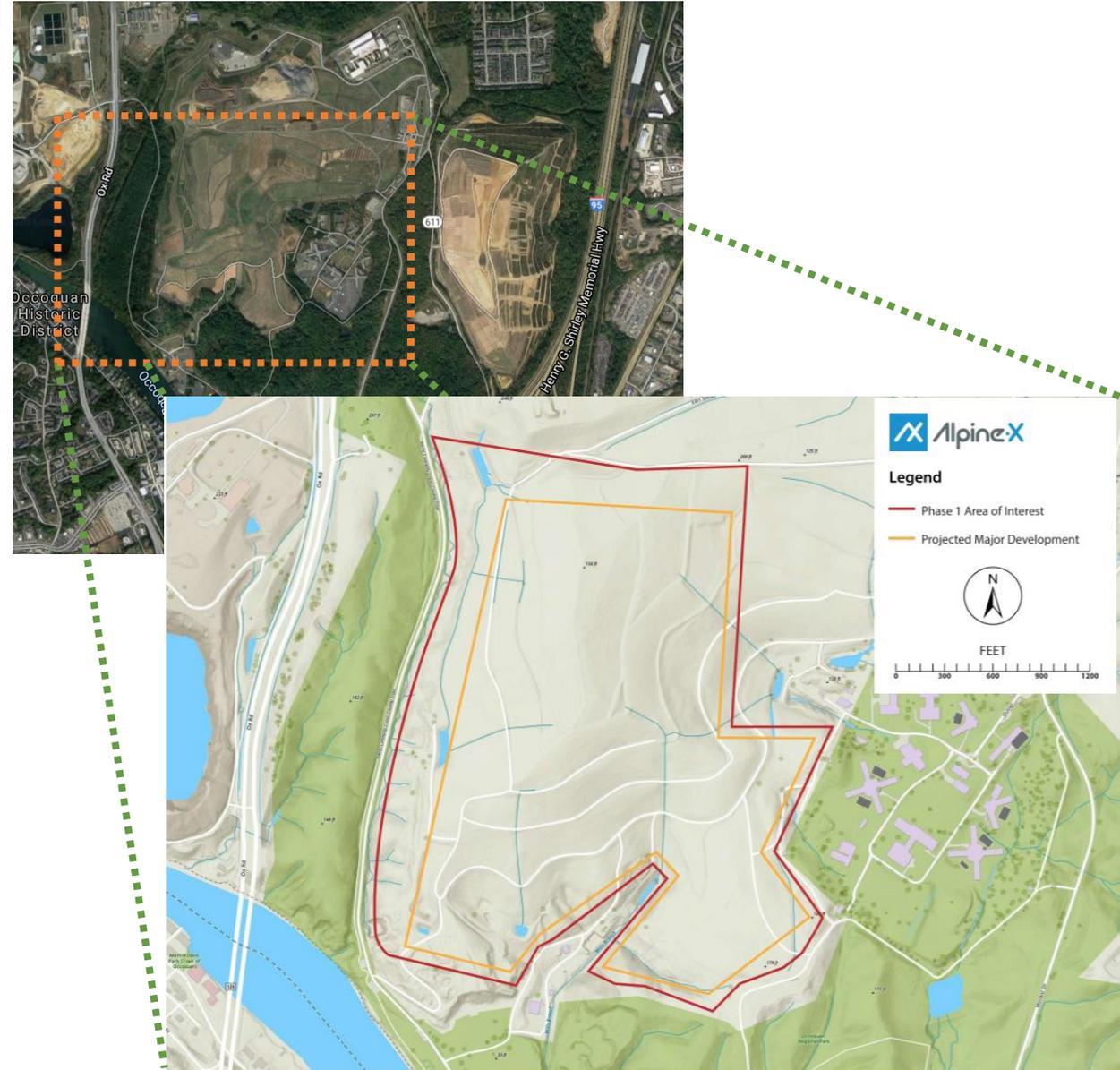
# The Residences at Government Center - Solicited PPEA

- Utilize existing County land asset to expand affordable housing opportunities within Fairfax
  - 270 units (216,668 square-foot rentable space) in 4-stories
  - 8 acres
  - Occupancy began in 2017
- Financing through hybrid tax credits, tax-exempt bonds, and other sources
  - Serves households earning between 50 & 60% of the area median income
- Entry level professionals and lower-income employees and residents



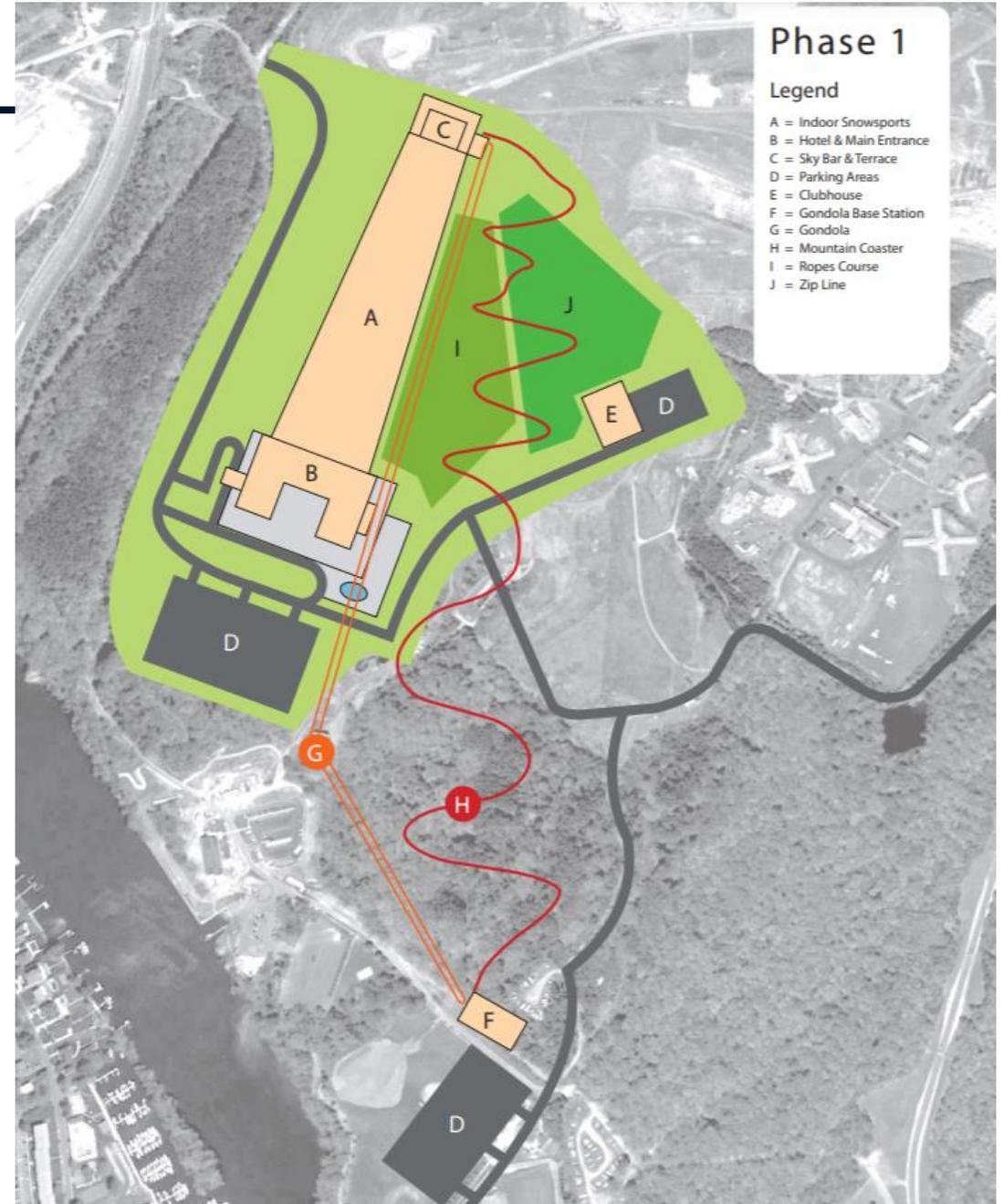
# Fairfax Peak - Unsolicited PPEA

- December 2018 - Unsolicited proposal received by Fairfax County
- May 2019 - Request for Competing Proposals
- September 2019 - County selected Alpine X to begin investigating proposed use



# Fairfax Peak - Unsolicited PPEA

- Restaurants, ski shop and dining terrace at the summit;
- A 100-plus room hotel at the base of the indoor snow facility;
- A gravity-powered, mountain coaster that will slide from the summit to Occoquan Regional Park; and,
- A ropes course and other outdoor activity areas.



# Bulova Center - Joint-Development Project

- 200,000 Gross SF Class A Office Building designed and constructed by county,
- The building provided a replacement for Woodburn MHC and the consolidation of six leased sites for CSB
- 695 space – 3-bay parking structure with expansion capability
- 20,000 GSF lease back to Inova for 10 years

**Total Project Estimate: \$85 million**

**Opened: January 2015**



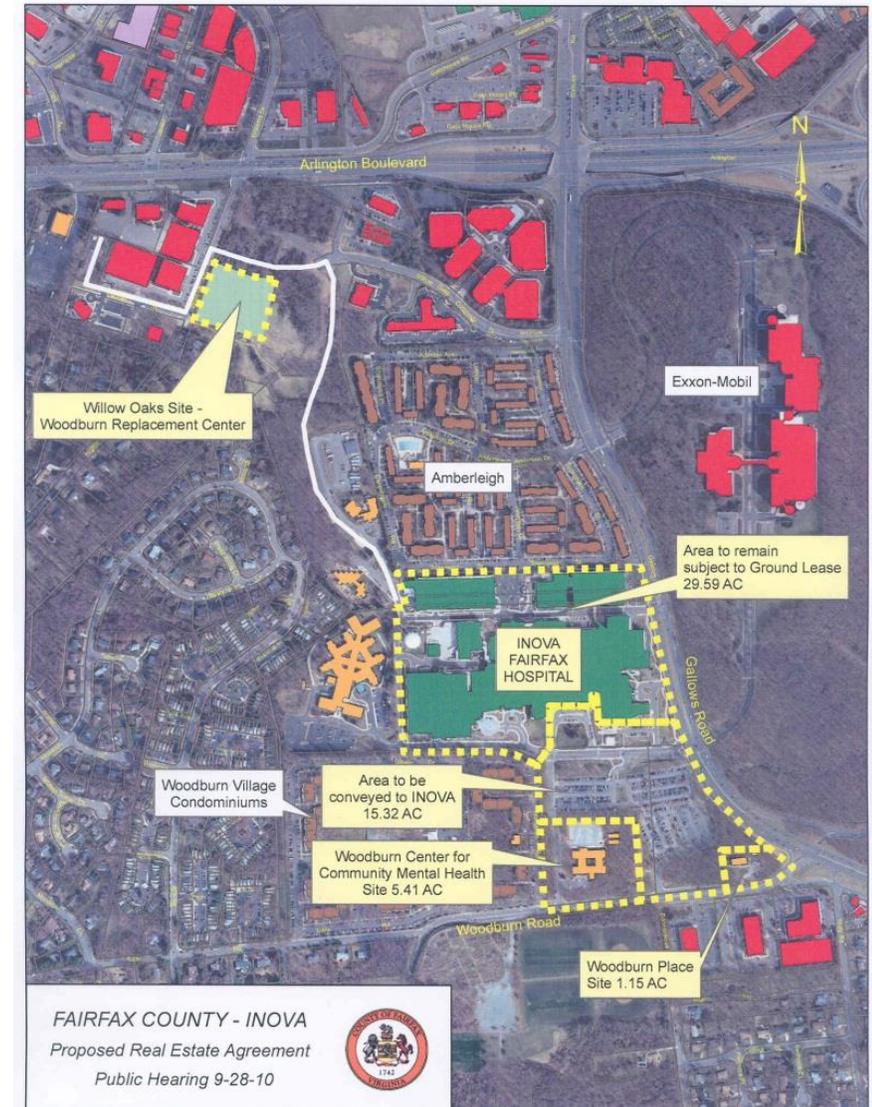
# Bulova Center - Major Outcomes of Real Estate Transaction

## Public Outcomes:

- \$15 million payment from Inova
- 4.6 acre Willow Oaks pad - ready site for development of the Bulova Center
- 99-year lease back for Woodburn Place @ \$10/year
- 10-year lease commitment from Inova for 20,000 SF in Bulova Center
- 3-year lease back of Woodburn MHC during construction of Bulova Center

## Private Outcomes:

- Extension of lease for 29.6-acre Inova hospital site to 99 years
- Conveyance of 15.3 acres of the 44-acre lease area to Inova
- Conveyance of 1.15-acre Woodburn Place site to Inova
- Conveyance of 5.4-acre Woodburn MHC site to Inova
- \$4.2 m from County for Shared infrastructure cost for Bulova Center site



# County P3 Opportunities & Realities

- P3 is a tool – Not a panacea
- Can spur promotion of broader community goals
- Can maximize value and utilization of existing public property
- Can provide CIP needs that would not get addressed as quickly via traditional funding methods
- Agreements can be complicated and time consuming
- Project time and cost not necessarily reduced
- Confidentiality Issues
- Need for Public Sector Champion, Stakeholder Support



# Looking Forward



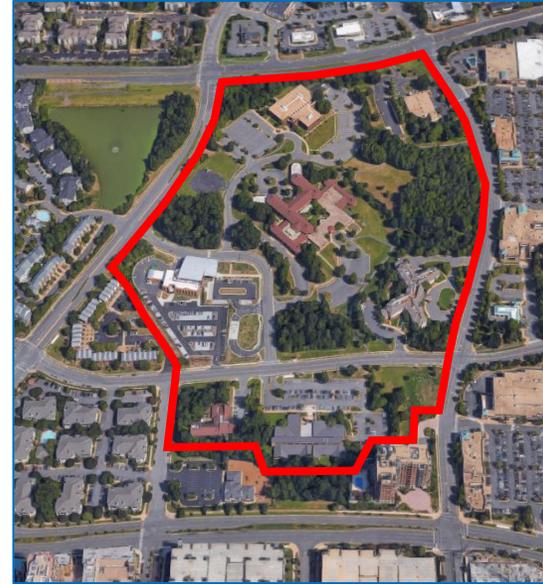
## Original Mount Vernon High School

Master Planning of approx. 42-acre site and adaptive reuse of historic HS structure



## Herndon Station West TOD

Master Planning of the approx. 10-acre site for highest and best use



## Reston Town Center North

Redevelopment master plan and rezoning for joint County/Inova properties as an urban development, with replacement public facilities



## Southeast Quad Development

Joint rezoning and real estate exchange of approx. 7.2 acres for office/residential development and Seminary Road extension



# PPEA Discussion / Questions



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# Co-location and Public Facilities

## Different types of co-location

- Facilities co-located within one building
- Facilities co-located on one property with multiple buildings
- Facilities co-located on separate adjacent properties
- Facilities co-located with affordable housing



# Co-located Facilities within One Building

## Kingstowne Consolidated Facility



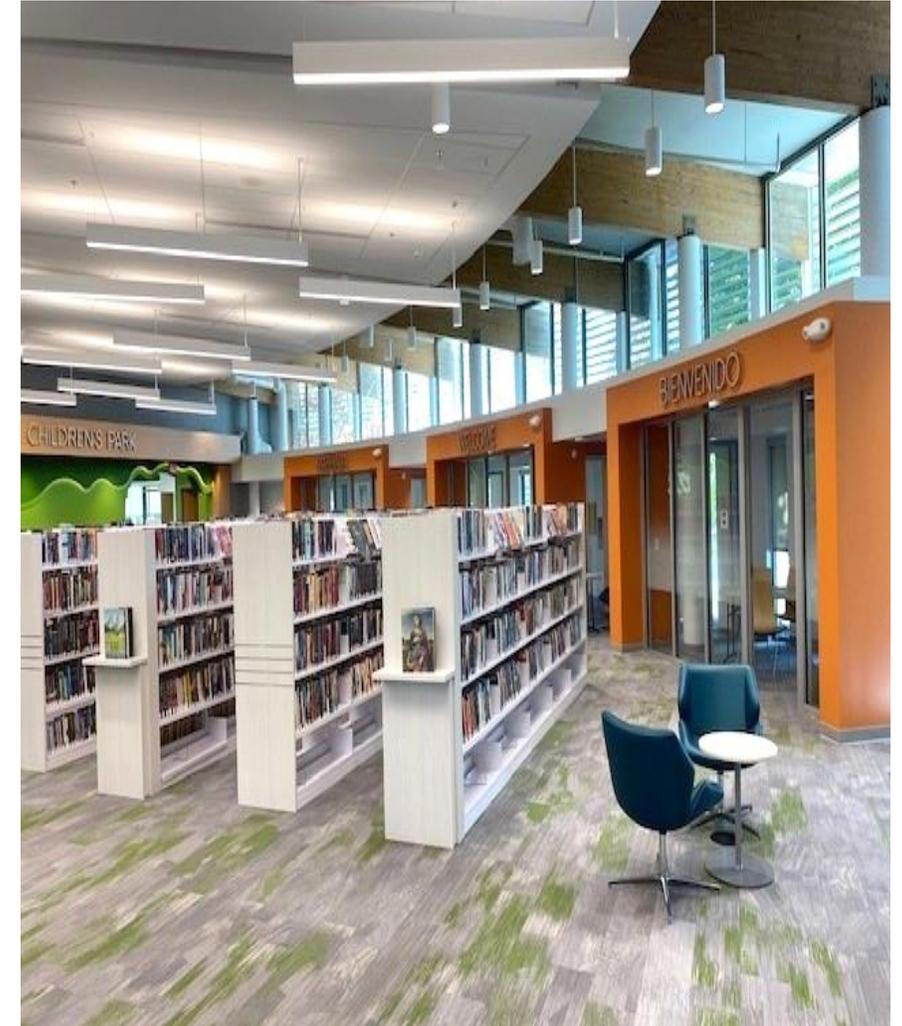
- **Police Station**
- **Supervisors Office**
- **Museum**
- **Regional Library**
- **Active Adult Center**
- **Childcare Center**
- **Parking Structures**

# Co-located Facilities within One Building

## Lorton Community Center, Library and Park



- **Lorton Community Center**
  - Lorton Senior Center
  - Lorton Community Action Center
- **Lorton Library**
- **Lorton Park**



# Co-located Facilities Multiple Buildings

## Tyson's Police Station – Planned Project



- **Tyson's Police Station**
- **Wastewater Pump Station**
- **I-495 On-Ramp**

# Co-located Facilities Multiple Buildings

## Tysons Fire Station & Transit Center – Planned Project



# Co-located Facilities Multiple Buildings

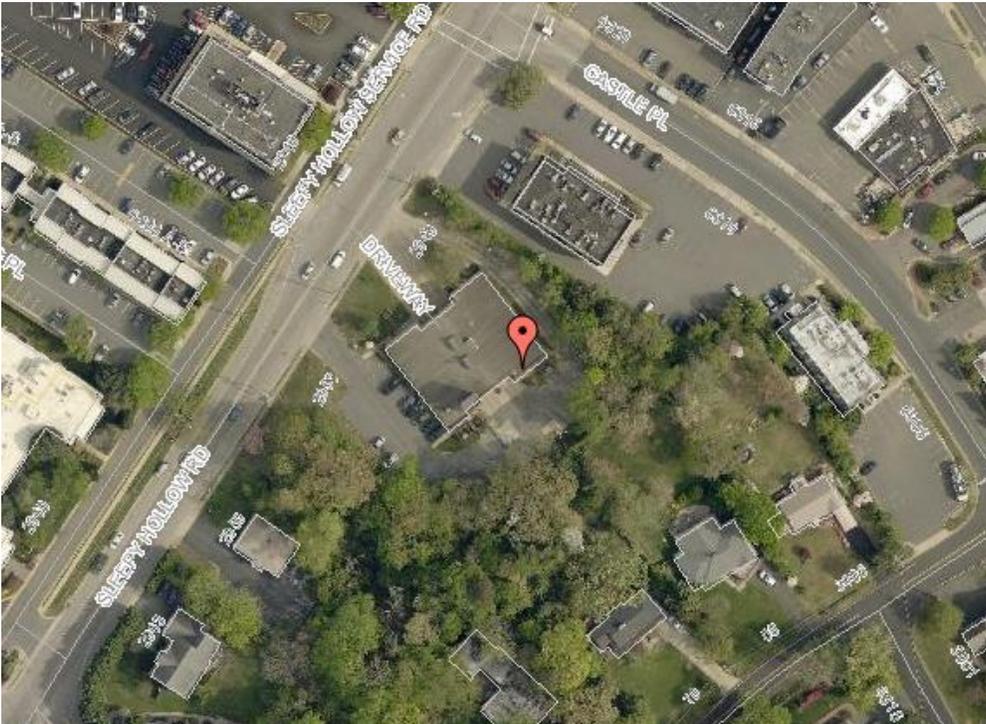
## Stormwater and Wastewater Facility – Under Construction



- Offices and Warehouse
- Maintenance Shops
- Salt and Brine Storage
- Fuel Station

# Co-located Facilities on Separate Adjacent Properties

## Seven Corners Fire Station & Fairfax Water Pump Station



# Co-located Facilities and Affordable Housing

## Tysons Community Center & Dominion Square Residences – Planned Project



- **Proposed 33,500 square-foot community center – owned by Fairfax County and operated by NCS**
- **Proposed 516 affordable multi-family units**

# Co-location Considerations

## Benefits

- Customer / Users can visit one location with multiple services, where some of these services can be coordinated for better service delivery in one location
- Efficient facility layouts can lead to reduced costs (reduced outside walls, sharing of lobby areas, conference rooms, restrooms, and parking)
  - Estimated savings for the Lorton Library/Community Center colocation was \$1.0-\$1.5 million
- Ability to satisfy other Board goals of Early Childhood Education and Affordable Housing throughout the County at lower costs
- Potential to reduce lease costs, as programs can be co-located
- Availability and size of County owned property (efficient use of existing property)

# Co-location Considerations

## Challenges

- Most projects in the CIP are funded by General Obligation Bonds
  - Current practice is to develop broad questions for the voters by category (Libraries, Public Safety, Parks)
  - Timing can be challenging (Kingstowne funded by two referendum in different years)
  - Referendum can be developed for a specific facility plan (potential loss in flexibility and geographic support of voters)
- Staff continues to evaluate both the benefits and challenges of co-located facilities annually

# Co-location and Design

## Factors to consider when planning a project

- Use compatibilities
- Site selection based on needs identified in the area.
- Site area to accommodate parking needs, including secure parking areas where needed
- Number of building entry points based on separation of uses if needed
- Space adjacencies based on compatibility of uses
- Security features based on operations of the various uses
- Wayfinding signage throughout facility and site
- Use of sound mitigation measures between users i.e. acoustical panels
- Design of common areas to align with vision/mission of the various services offered



# Co-location Discussion / Questions



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