

# Public Private Partnerships & Joint Ventures

## Program Description

This section of the Capital Improvement Program (CIP) identifies projects partially or fully financed through partnership agreements or alternate financing methods. Most of these partnerships are with private entities, however, some include regional, state, or federal partners.

## Program Initiatives

The facilities referred to in this section represent multiple program areas, but may not have been originally included in the CIP, as one of the potential advantages of the Public Private Partnership (P3)/Joint Venture Development process is to accomplish the delivery of needed facilities sooner than the regular process and funding availability may allow. Marshalling resources and circumstances unique to each project allow them to move forward without affecting or detracting from resources available for other projects. P3s are one of the tools used to implement policies and goals to facilitate the Economic Success of Fairfax County. The focus of P3 projects is to create value, build community, and improve service delivery, three important elements to facilitate future economic success.

Procurements involving some form of partnership with private or public entities have provided benefits to the County in education, transportation, public safety, human services, and other functions. Projects that are being significantly funded through such partnerships are presented in this section to provide a more comprehensive view of partnership activity in the County.

In 1987, the Government Center, with the associated Pennino and Herry buildings, was the first major capital project to be funded and completed through a public private partnership. Since then the County has used this method of financing significant projects to provide for needed facilities that could not be funded through the normal CIP process. Other examples of completed partnership projects include the Merrifield Human Services Center, the Providence Community Center, and the Public Safety Transportation Operations Center (PSTOC). Several transportation projects have also completed through the use of public-private partnerships, or partnerships with regional or state entities, include the widening of Route 28, the West Ox Bus Operations Center, the VDOT Administration Building, Silver Line Phases I and II, the Herndon Station Garage and the Innovation Center Station Garage.

Since the passage of the Public-Private Educational Facilities and Infrastructure Act (PPEA) of 2002, the County has been engaged in various analyses and negotiations for significant capital projects, both solicited and unsolicited. The County continues to review and negotiate a number of projects and proposals that are expected to provide significant benefits when complete. Some of the active projects are detailed below:

## Current Project Descriptions

1. **Rail to Dulles (Providence, Hunter Mill, Dranesville Districts):** The Rail to Dulles project includes the completion of a 23-mile extension of the Metro rail line, beginning between the East and West Falls Church Stations located along I-66, extending along the Dulles Connector Road (DCR) to Route 123, then through Tyson's to Route 7, turning west to reconnect with the Dulles International Airport Access Highway (DIAAH) and then to Dulles Airport and into Loudoun County. When complete, the new line will have eleven stations, including eight in Fairfax County. There will be four in Tysons, and stations at Wiehle Avenue, Reston Town Center, Herndon, and Innovation Center. In 2008, the Commonwealth of Virginia completed the transfer of the Dulles Toll Road from state control to the Metropolitan Washington Airports Authority (MWAA), to manage construction of the rail line. The primary source of funding to complete the rail line will be toll road revenues (approximately 49 percent), with \$900 million, or 15.8 percent, from

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the Federal government, 16.1 percent from Fairfax County, 4.8 percent from Loudoun County, 4.1 percent from MWAAs airport revenues, and 10.1 percent from the Commonwealth of Virginia. A design build contract for Phase 1 was approved with Dulles Transit Partners under the state's PPTA authority. Final design and construction activities officially began in March 2009 upon approval and issuance of a Full Funding Grant Agreement (FFGA) by the Federal Transit Administration. The Washington Metropolitan Area Transit Authority (WMATA) began revenue operations for Phase 1 on July 26, 2014. Landowners petitioned the Board of Supervisors to establish a special district for the express purpose of providing funds for the construction of rail to Wiehle Avenue, assuming another tax district would be established to fund the portion of the rail line beyond Wiehle Avenue. In the fall of 2013, the County completed its \$400 million payment for Phase 1 construction costs from the Phase 1 tax district through a combination of tax collections and bond proceeds. The current tax rate for the Phase 1 district is \$0.09 cents per \$100 of assessed value and will remain in effect until all debt service payments have been paid in full.

The Washington Metropolitan Airports Authority (MWAAs) completed preliminary engineering and awarded the Phase 2 construction contract in May 2014. Phase 2 is estimated to cost \$2.8 billion. Fairfax County and Loudoun County are funding the parking garages (\$315 million) separately from the project. The County, in addition to the other local funding partners, approved a Memorandum of Agreement (MOA) in late 2011 to proceed with Phase 2 of the Project. The MOA explicitly recognizes that Fairfax County will pay no more than 16.1 percent of the total project cost as previously stated in the Funding Agreement. For Phase 2, landowners in the western part of the line petitioned the County to form a special district to provide up to \$330 million of the County's Phase 2 costs to take the project from Wiehle Avenue to Loudoun County. A special tax rate has been assessed to provide financing for construction at an initial tax rate of \$0.05 per \$100 of assessed value beginning in FY 2011, with annual increases of \$0.05 up to a maximum of \$0.20 per \$100 of assessed valuation as incorporated in the FY 2014 through FY 2022 Adopted Budget Plans. The tax rate included in the FY 2023 Advertised Budget Plan remains at \$0.20 per \$100 of assessed value. When full revenue operations commence on Phase 2, which is anticipated in calendar year 2022, the tax rate in future fiscal years may be set at the level necessary to support the District's debt obligations per the terms of the district petition.

The balance of the total project funds owed by the County net of the two tax districts and regional transportation funding is approximately \$187 million for both phases of the project. These funds are expected to be paid from future special Commercial and Industrial (C&I) tax revenues along with \$10 million in 70 percent regional funding from the Northern Virginia Transportation Authority (NVTA). In addition, the Funding Partners closed on a United States Department of Transportation Infrastructure Finance and Innovation Act (TIFIA) loan. This loan provides competitive interest rates, unique financing provisions and funded a majority of the Funding Partners remaining project costs. Fairfax County closed on its \$403.3 million TIFIA loan in December 2014. This project is further referenced in the Transportation Initiatives section of the CIP.

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2. **Herndon Monroe Area Development Study (Hunter Mill District):** \$625,000 is currently available to support the master planning effort associated with County owned property at the west side of the Herndon Monroe Park and Ride facility/Herndon Monroe Metro Station Garage site. The goal of the study was to determine the development potential for the approximately 28-acre site and define possible conceptual development options for its use while maintaining the transportation assets. The study is complete, and the team will be exploring opportunities for Transit Oriented Development concepts and options, consistent with the Comprehensive Plan goals on this site. The County will solicit development proposals by issuing a Request for Proposals in mid-2022. This project is further referenced in the Transportation Initiatives section of the CIP.
3. **Crescent Rehabilitation (Hunter Mill District):** \$450,000 was approved to fund currently needed repairs of the county-owned Crescent Apartments site. Redevelopment of the site is anticipated to be implemented through the PPEA process in the future. The project is anticipated to be implemented through the PPEA process in the future. The Crescent Apartments, a 181-unit apartment complex acquired by the County in FY 2006, is located adjacent to Lake Anne in Reston, near the Wiehle-Reston East Metrorail and the Reston Town Center and is managed by the FCRHA on behalf of the Board of Supervisors. This project is further referenced in the Housing and Community Development section of the CIP.
4. **North Hill (Mount Vernon District):** \$15,057,000 was approved to support the development of the North Hill property, a 33-acre site owned by FCRHA located at the intersection of Richmond Highway and Dart Drive. The project is being developed through the PPEA process. The FCRHA closed on the project with the developer in June 2020. Construction is underway for 175 for-sale market rate townhomes, 216 multi-family affordable units, 63 affordable independent senior housing units, and a 12-acre public park. The townhouse land sale proceeds are being used to fund the infrastructure needed for the affordable rental development. This project is further referenced in the Housing and Community Development section of the CIP.
5. **Oakwood Senior Housing (Lee District):** \$600,151 was approved to fund activities associated with the development of a 6.2-acre site owned by the FCRHA located at the intersection of Oakwood Road and Van Dorn Street. A developer was selected in January 2019 through the PPEA process. The land use approval process is complete. The FCRHA closed on the project with the developer on October 13, 2021. Construction of the 150 units of affordable independent senior housing began in Fall 2021. This project is further referenced in the Housing and Community Development section of the CIP.
6. **One University (Braddock District):** \$450,000 was approved to support the development of the One University site, located at the intersection of Route 123 and University Drive. The project is being developed through the PPEA process. The proposed development includes replacing existing affordable housing (Robinson Square) and existing FCRHA facilities with the construction of 240 units of affordable housing and 333 units of student housing. A developer was selected in July 2018 and the land use approval process is complete. The project was awarded Low Income Housing Tax Credits in June 2020. This project is further referenced in the Housing and Community Development section of the CIP.

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7. **Autumn Willow (Springfield District):** \$500,000 was approved to fund activities associated with the development of a 10.9-acre site owned by the FCRHA located at the intersection of Stringfellow Road and Autumn Willow Drive. A developer has been selected for the project under the Public Private Infrastructure and Education Act of 2002 (PPEA) process. The land use approval process was initiated by the developer in September 2020. The project scope is to develop 150 units of affordable independent senior housing. This project is further referenced in the Housing and Community Development section of the CIP.
8. **Development of Housing at Route 50/West Ox (Sully District):** \$300,000 was approved to fund activities associated with the development of a 1.21-acre property owned by the FCRHA located at the intersection of Route 50 and West Ox Road. The Board of Supervisors has transferred the property to the FCRHA for the purpose of creating affordable housing. A developer has been selected through the PPEA process and an interim agreement is underway to provide 34 units of permanent supportive housing for very low-income individuals. This project is further referenced in the Housing and Community Development section of the CIP.
9. **Affordable Housing Development Opportunities (Countywide):** The Fairfax County Redevelopment and Housing Authority (FCRHA) is actively pursuing multiple opportunities throughout the County to expand the affordable and workforce housing stock to better serve low- and middle-income residents. Possible projects include opportunities to create additional rental units and for-sale units to address the growing shortage of affordable living units for County residents, families, and seniors. This project is further referenced in the Future Project Lists and Details section of the CIP.
10. **East County Human Services Center (Mason District):** This facility will provide enhanced service delivery to the residents of the eastern part of the County through consolidation of existing leased spaces and provide an integrated Health and Human Services site. Funding in the amount of \$5,375,000 has been approved from 2004 Human Services Bonds remaining from completed projects to support initial studies and pre-design activities. Site location options for East County Human Services Center are being evaluated including, repurposing of existing office buildings in the service area. It is anticipated that EDA bonds will finance the project. This project is further referenced in the Health and Human Services portion of the CIP.
11. **Reston Town Center North (RTCN) Library and Community Spaces (Hunter Mill District):** Approximately \$39.5 million is proposed for a replacement Reston Regional Library, community space, and common site infrastructure as part of the overall master plan to reconfigure the properties into a grid of streets and provide integrated redevelopment of approximately 50 acres currently owned by Fairfax County and Inova. The plan addresses the development potential consistent with the needs of the community. Development concepts for the proposed County blocks, library location, and procurement options, including Public Private Partnerships, are being reviewed. Funding of \$10.0 million was approved as part of the 2012 Library Bond Referendum for the Library, and Economic Development Authority bond financing is anticipated to fund the remaining \$29.5 million required to implement the Library and Community Spaces plan and the share of common site infrastructure. This project is further referenced in the Government Facilities and Programs section of the CIP.

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12. **Reston Town Center North (RTCN) Shelter and Human Services Center (Hunter Mill District):** Approximately \$162 million is proposed for the Reston Town Center North (RTCN) Human Services Complex including the replacement of the existing North County Health and Human Services Center, the replacement the existing Embry Rucker Shelter with an added supportive housing component, associated parking and site work and the required common site infrastructure. This project is part of an overall master plan for redevelopment of the approximately 50 acre property currently owned by Fairfax County and Inova. The Human Service Center is proposed to support a consolidation of existing leased spaces into one Human Services Center and provide enhanced, integrated multi-disciplinary services to residents in the western part of the County. The North County Human Services Center replacement will be part of future phase development anticipated to be in a 5 to 10-year timeframe. An emergency shelter with additional supportive housing to replace the existing Embry Rucker Shelter is also part of the overall redevelopment master plan. Funding of \$12 million was approved as part of the fall 2016 Human Services/Community Development Bond Referendum for the replacement of the Embry Rucker Shelter and it is anticipated that EDA bonds will finance the remaining requirement of \$150 million to implement the project. This project is further referenced in the Health and Human Services section of the CIP.
13. **Reston Town Center North (RTCN) RECenter (Hunter Mill District):** As part of the development of the RTCN area, the Fairfax County Park Authority is considering the future development of a new RECenter to serve the high demand in the Reston area. The required funding for the facility and its associated block and common site infrastructure costs will be determined in the future. This RECenter may include facilities for indoor aquatics, fitness, sports and other recreation programs to meet the need of the surrounding community and will be determined by a future market-based study prior to development. This project is further referenced in the Future Project Lists and Details section of the CIP.
14. **Reston Town Center North (RTCN) Parking Garage (Hunter Mill District):** Approximately \$35 million is estimated to support the design and construction of a parking garage to support the facilities planned at the RTCN complex. This project is further referenced in the Government Facilities and Programs section of the CIP.
15. **Original Mount Vernon High School Building Renovation (Mount Vernon District):** Approximately \$86.65 million is estimated to fully fund the renovation of the Original Mount Vernon High School Building and associated site work. This project includes building studies, redevelopment master planning, design and construction for interim occupancies, and the renovations and adaptive reuse of the historic Original Mount Vernon High School facility. The facility was vacated in 2016 at the conclusion of a long-term lease. The building was constructed in 1939 and the programming and design phase of the project is underway for the adaptive reuse potential to provide pathways to opportunity for the community through a wide range of programs and spaces. Immediate occupancy for the use of the gym began in fall 2016. The Teen/Senior Program from the Gerry Hyland Government Center relocated to the renovated space near the gym in spring 2020. As part of the *FY 2021 Third Quarter Review*, the Board of Supervisors approved a transfer of all project balances to a new OMVHS Development LLC project within Fund 81200, Housing Partnerships, in order for the project to be eligible for historic tax credits. Funding of \$650,000 was previously approved, and both FCRHA bonds and historic tax credits are anticipated to fund the remaining \$86 million. This project is further referenced in the Government Facilities and Programs section of the CIP.





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16. **Original Mount Vernon High School Site Development (Mount Vernon District):** This project includes the redevelopment of the Original Mount Vernon High School site, and the adjacent Park Authority site and facilities. The County solicited development proposals in spring 2017, under the PPEA Guidelines, to develop a Master Plan and evaluated a range of development options with focus on programs to serve a wide range of community needs and opportunities. The initial master planning effort was completed in 2019 and priority was placed on the renovations and adaptive reuse of the historic high school facilities as the first phase of redevelopment. The balance of the site redevelopment will be reviewed at a future time in coordination with the Bus Rapid Transit project on Richmond Highway. This project is further referenced in the Government Facilities and Programs section of the CIP.
17. **Judicial Complex Redevelopment (Providence District):** A Master Plan study was completed in 2020 which evaluated the needs, constraints, and opportunities on the Judicial Complex site following the demolition of the Massey Building. The Master Plan provides a strategic plan and an urban vision for the redevelopment of the Complex. The project is envisioned to be completed in phases to ensure the coordinated long-term implementation of the redevelopment of the 48-acre site. Public facility priorities include future Criminal Justice, Public Safety, and Health & Human Services' programs, as well as the restoration of the Historic Old Courthouse and grounds. County programs currently in nearby leased spaces, such as the Health Department and Office for Children, are being evaluated for future inclusion in the redevelopment plans, and opportunities for public private partnerships will be assessed. Funding in the amount of \$3,050,000 has been allocated to advance the planning and preliminary design of Building One on the Complex. Building One is proposed as a mixed-use facility and includes public safety, expanded court services programs, court support services currently located at the Burkholder Administrative Center, and the replacement of the Police Evidence Storage Facility. The next phase of work includes demolition of the two 1950's Old Courthouse wings and sallyport at the rear of the building and restoration of the affected site area, and Old Courthouse building renewal with upgrades and replacement of outdated critical building systems. Future phases include development of Workforce Housing at the Burkholder Administrative Center site, a new Diversion and Community Re-Entry Center, removal of the employee parking garage and modifications to the public parking garage, and additional public facilities. Total cost estimates for each phase of the project are still being developed; however, a planning factor of \$233.0 million is being considered for future EDA financing. This project is further referenced in the Government Facilities and Programs section of the CIP.
18. **Workhouse Campus Improvements (Mount Vernon District):** Funding of \$6.65 million has been identified for improvements at the Workhouse Campus. The overarching vision for the 50-acre Campus is to establish a widely recognized destination of choice, providing dynamic and engaging arts, cultural, educational, and community experiences with unique economic development opportunities. The County owned Campus contains numerous historic buildings formerly used to house and rehabilitate inmates. A number of buildings currently in use on the site have been renovated and are being adaptively reused as an arts center. The County is conducting a master planning study to explore the adaptive reuse potential for the remaining vacant campus buildings and redevelopment opportunities of the overall site. Funding was approved and design and construction are underway for the historic preservation and renovations for adaptive reuse of two buildings, identified as Workhouse-13 and Workhouse-15, and the enhancements of the Ox Road Streetscape. This project is further referenced in the Government Facilities and Programs section of the CIP.

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19. **Tysons Public Facilities: (TBD):** As part of the redevelopment of the Tysons area, the Department of Planning and Development is working with developers to proffer public facilities. The County has been successful in negotiating public facility proffers from a number of zoning applicants including, but not limited to, a replacement Tysons Fire Station (#29), creation of a new Scotts Run Fire Station (Tysons East), a library, athletic fields, and meeting rooms/office space. Negotiations for additional facilities are on-going. Many of these facilities will be provided by the private sector either as part of their development or as a result of proffered commitments. The proffers are anticipated to primarily fund these projects. The construction of these facilities is dependent upon the progression of development in the area. This project is further referenced in the Future Project Lists and Details section of the CIP.
20. **Willston Multi-Cultural Center (Mason District):** The Willston Multi-Cultural Center is planned to be redeveloped for educational, governmental, cultural, or human services uses. The Seven Corners area plan envisions redevelopment around a mixed use, walkable community development. In addition, there may be interest in locating a school on the site. This project is in the early planning stages. This project is further referenced in the Future Project Lists and Details section of the CIP.
21. **Sports Complex Opportunities (TBD):** In June 2017, the Board of Supervisors formed a Sports Tourism Task Force to look at potential ways to support the growing youth and adult sports market and build new sporting facilities for County residents. There may be potential partnerships with sporting leagues and non-profits to expand the capacity to host sport tourism events in Fairfax. This project is in the early planning stages. This project is further referenced in the Future Project Lists and Details section of the CIP.
22. **Willard Health Center – 2020 (Fairfax City):** In May 2021, Fairfax County entered into an agreement with the City of Fairfax for Phase I of a joint development project, which will include concept design for a new combined facility to house both County and City programs. Funding of \$58,000,000 has been approved to fund the renovation or replacement of the County-owned Joseph Willard Health Center at the site. The Joseph Willard Health Center (JWHC) is a licensed medical, nursing, dental, pharmacy, speech and hearing, and X-ray service facility. It also houses the Fairfax County Health Department Vital Records division and the Fairfax County Infant & Toddler Connection (ITC) program. Located within the jurisdictional boundary of the City of Fairfax, this facility was included in the City's Master Plan study of the Willard-Sherwood sites and is being designed as part of the joint development project. Space reconfiguration, modification, and expansion is needed to meet current and future service demands. Because the JWHC is centrally located, it is the single site for several HD services namely, Pharmacy, AIDS Drug Assistance Program, and Central Reproduction and is also used as the agency COOP site for clinical services. Building upgrades are critical to allow the HD to provide essential services that must be maintained at all times in the event of an emergency or during operational interruptions like the COVID-19 pandemic. These essential services are vital to maintaining the overall health of residents and for prevention of disease outbreaks that could impact residents of Fairfax County. This project was approved as part of the 2020 Community Health and Human Services Bond Referendum. This project is further referenced in the Health and Human Services section of the CIP.

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23. **Patrick Henry Community Library – 2020 (Hunter Mill District):** \$23,000,000 has been approved for the County's share of a joint developmental project between Fairfax County and the Town of Vienna for a replacement Library and additional parking structures for the library and the Town. Patrick Henry Community Library is one of the busiest community locations in the library system, operating at a level of a small regional library. Upgrades are required to building systems and infrastructure that are well beyond the end of their life cycle and to meet current and future operational needs of the Library System. The building is one of the oldest, resulting in an antiquated layout that does not adequately reflect modern library design and usage. Based on the age and condition of the facility, it is difficult to make significant changes to the overall layout or outfit the facility with the infrastructure required to support the technology requested by library customers. This project was approved as part of the 2020 Library Bond Referendum. This project is further referenced in the Libraries section of the CIP.