BOARD OF SUPERVISORS
Action Item

SUBJECT: Dulles Metrorail Service Districts: Revised Boundaries

ELECTION DISTRICTS: Ashburn, Broad Run and Dulles

CRITICAL ACTION DATE: November 7, 2012

STAFF CONTACTS: Tim Hemstreet, County Administrator
Jack Roberts, County Attorney
Ben Mays, Acting Chief Financial Officer

RECOMMENDATIONS:

Staff: Staff recommends that the Board of Supervisors state its intent to create the Metrorail Service District (with boundaries as recommended at the October 17th Public Hearing), the Route 772 Station Service District and the Route 606 / Airport Station Service District.

BACKGROUND:

At the July 3, 2012 Business Meeting, the Board of Supervisors voted to proceed with its funding participation for Phase II of the Metrorail Silver Line Extension Project under the July 19, 2007 “Agreement to Fund the Capital Cost of Construction of Metrorail in the Dulles Corridor” as amended per the Memorandum of Agreement, executed December 30, 2011. The Board also directed staff to begin the process of establishing a “rail service district,” “station development districts,” and an “airport station district” by January 1, 2013.

During the September 5, 2012 Business Meeting, staff sought additional direction from the Board in preparation of the legal advertisement for the public hearing. Minor changes were made to the proposed Metrorail Tax District’s boundaries and the draft ordinances, including overlaying the Metrorail Service District with the Station Development districts to ensure that the rail facilities are physically located within the broader district; consolidating the Airport and Route 606 station development districts; eliminating the Route 28 station development district; identifying the maximum tax rate of $0.20 per $100 of assessed value in the ordinance; and, offering real property tax relief for eligible elderly and disabled residents.

Staff further clarified with the Board at the September 18, 2012 Business Meeting that the Board’s intent for the Route 606 / Airport Station was to encompass the entire Dulles Airport property within that service district, resulting in a slight change to the advertised district boundaries. Supervisor Delgaudio made a motion at the same meeting to exempt certain parcels from the Metrorail Service District, although that motion failed 3-6 (Delgaudio, Reid, Clarke – yes).

As advertised, the Board held a public hearing about the service districts on October 17, 2012. Six members of the public representing various businesses and private landowners testified before the Board.
Five individuals, representing the various businesses, spoke in favor of the special service districts (pending the changes discussed below), while one person spoke against the inclusion of residential properties within the districts. In addition to the public testimony, Chairman York suggested making changes to the map by removing parcels near Sterling Boulevard, with the exception of the vacant parcels (034273975000 and 034389287000). Upon review, staff recommends keeping the vacant parcels noted above within the Service District and removing parcels within the Broad Run Election District that are within the following bounds: Route 28 on the west, Sterling Boulevard and Washington and Old Dominion Trail on the north, Fairfax County on the east, and Old Ox Road on the south (Attachment 1).

Chairman York also suggested adding to the Service District an area in the Ashburn Election District that encompasses a business park, due to its proximity to the Route 772 station and due to this area being completely non-residential. This business park includes the parcel recently placed under contract to be sold by Loudoun County to Raging Wire. This parcel was not originally included because it was a government-owned, non-taxable piece of property. The amended district would include all parcels within the business park that are within the following bounds: Ashburn Village Boulevard on the west, Farmwell Road on the north, and Waxpool Road on the north and south (Attachment 2).

Lastly, the Board elected to forward the proposed Dulles Metrorail Service Districts to the November 7, 2012 business meeting for further discussion and action with the intent of adoption of the districts.

DISCUSSION:

1. **Removal of parcels in Sterling.** As mentioned above, Chairman York has suggested the Board consider removing some parcels from the Metrorail Service District. The projected lost revenues, by removing the parcels from the service district, totals approximately $166,000, based on Tax Year 2012. The County Attorney recommends that the County run another notice for two weeks, under the general notice provisions concerning adoption of ordinances. Another public hearing would not be required. The final Service District ordinances, with the removed parcels, could be adopted at the first meeting in December.

2. **Addition of parcels from Ashburn Election District.** Should the Board desire to add parcels to the Service District, the Board will need to publically advertise and hold a public hearing. In order for the districts to be solidified by January 1, 2013, the public hearing will have to be held no later than December 2012. It is currently proposed that a public hearing be held at the regular Public Hearing date of December 11, 2012. The projected addition in tax revenues by adding these parcels is approximately $259,000.

FISCAL IMPACT:

With the proposed removal of certain parcels and addition of others, and at a tax rate of $0.20 per $100.00 of assessed property value, staff anticipates $93,000 more than the original estimate. The estimate for the tax district collection for tax year 2013 is $6,268,315.

ALTERNATIVES:

1. The Board of Supervisors may elect to make additional changes to the proposed map and ordinance. Should the Board elect to make any changes, the Board will have to re-advertise the proposed map and ordinances, and may have to hold another public hearing. Any changes to the district suggested after the advertisement of the December 11th public hearing could jeopardize...
the January 1, 2013 deadline of establishing the service districts. The January 2013 deadline is proposed in order to begin collecting reserves that will be used to pay for the construction costs of extending the Silver Line into Loudoun County to Route 772.

DRAFT MOTIONS:

1. A. I move that the Board of Supervisors state its intent to remove parcels within the Broad Run District that are within the following bounds: Route 28 on the west, Sterling Boulevard and Washington and Old Dominion Trail on the north, Fairfax County on the east, and Old Ox Road on the south, with the exception of parcels 034273975000 and 034389287000. AND

B. I further move that the Board provide a general notice for two weeks that incorporates these deletions and forward the revised districts to the December 5, 2012 business meeting for adoption. AND

C. I move that the Board of Supervisors authorize staff to advertise for a December 11, 2012 public hearing with the intent to adopt an ordinance identifying an additional area to be added into the Metrorail Service District that includes all parcels within the Ashburn Election District that are within the following bounds: Ashburn Village Boulevard on the west, Farmwell Road on the north, and Waxpool Road on the east and south.

- OR -

2. I move that the Board of Supervisors adopt the service district boundaries and Ordinance to Create the Metrorail Service District, Ordinance to Create the Route 606 / Airport Station Service District, and the Ordinance to Create the Route 772 Station Service District, as summarized in the draft ordinances, maps, and tables as in the public hearing item of October 17, 2012.

- OR -

3. I move an alternate motion.

ATTACHMENTS:

1. Revised Metrorail Service District Map with deletions
2. Revised Metrorail Service District Map with additions
Currently and Formerly Proposed Metrorail Service District
Route 772 and Route 606-Airport Station Service Districts

These tax districts are for illustrative purposes only. The Loudoun County Board of Supervisors had not adopted any new tax district as of October 31, 2012.

Station service district boundaries follow parcel boundaries.

Loudoun County Office of Mapping and Geographic Information
Date Mapped 10.31.2012
Map Number 2012-335
Currently Proposed Metrorail Service District
Route 772 and Route 606-Airport Station Service Districts

These tax districts are for illustrative purposes only. The Loudoun County Board of Supervisors had not adopted any new tax district as of October 31, 2012.

Station service district boundaries follow parcel boundaries.

Loudoun County Office of Mapping and Geographic Information
Date Mapped 10.31.2012
Map Number 2012-345