



**Dr. Stephen Fuller**

**Dwight Schar Faculty and  
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*Center for Regional Analysis  
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“I got involved in evaluating the Washington Metro economy during the early 1980s when it was going through a sequence of serious recessions. A commission was formed in 1982 to try and understand why the area’s economy had become vulnerable to the national business cycle. I basically received a cold call and was asked if I’d be interested in doing research in the D.C. area; I agreed and my first piece was published in 1983, *The Role of the Federal Government in the Washington Economy*. That set in motion the research I’ve done since. When the economy was again headed towards recession in September 1990 the Washington Metropolitan Board of Trade asked if there was a way to track the economy on a regular basis and develop an index for measuring its performance and future. Today I’m in my 20<sup>th</sup> year of writing the Washington Metro Index report. I’m at George Mason because they were interested in what I did and wanted to build up their research capacity in the early days of the School of Public Policy.”

**Q:** If the networked computer is the next form of “transportation” impacting the way society lives, works and plays, what does that mean for the future of such places like Tysons that were originally major hubs of employment?

**A:** “The computer changes the how and where we *work*; however, I also think that the nexus of businesses and residences and all other land uses that define a city are changing to reflect evolving values. Arlington is a great example. People want to live closer to where they work despite their computers and blackberries and iPads; they crave the intellectual and social stimulation that comes from urban living. That is what Tysons will become. It was an employment center with two large shopping centers; it’ll continue that function, but wrapping around it will be 100-120,000 residents, cultural facilities to support them and more ways to get around that do not involve a private automobile.”

**Q:** Where is the next Tysons Corner?

**A:** “The whole length of Route 28 is going to be built-out, one building at a time. Places like Tysons will continue to grow and become more with mixed-use spaces. The key to these edge cities is multi-modal transportation that goes in multiple directions and has good highway access. With what’s going on at Ft. Belvoir and with the Beltway and hot lanes being added on 95, there is real potential in Springfield; it has a lot of the right pieces. Right now it’s a shopping center, office park and metro station; it needs to be rethought, but with an extension of the metro line and a new mixed used center there is potential. Merrifield shows promise as well; for the first time ever Route 29 will be connected to the beltway at Gallows Road. The area could be up-zoned so that 10 and 15 story buildings can be built; there is a lot of vacant land. It is a work in progress and in 25 years will be a major employment area as well as place to live with supporting retail.”

**Q:** How about South of the Beltway?

**A:** “Ee will likely see substantial demand for office, retail and residential at a number of new intersections that will be upgraded along the 95 corridor going south of Woodbridge. Potomac Mills is old, but could easily be redesigned. There are so many people that live in Stafford, Spotsylvania and Prince William County that come to work inside the beltway; they will be captured by employers who move south. Also the Celebrate Virginia shopping complex on Route 3 in Fredericksburg has a lot of land just waiting to be developed. I see this type of market behavior nudging its way towards Richmond where residential can wrap around commercial. What gets these places moving is when businesses come and tap into the resident workforce who has decided they can no longer tolerate and/or afford long commutes. It’s the friction factor; the concept of the cost of transportation multiplied by the time of commuting. At some point you say

"I see this type of market behavior nudging its way towards Richmond where residential can wrap around commercial. What gets these places moving is when businesses come and tap into the resident workforce who has decided they can no longer tolerate and/or afford long commutes. It's the friction factor; the concept of the cost of transportation multiplied by the time of commuting. At some point you say you can't do it anymore and you move closer to where you work."

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**Q: Will the city as we see it today become obsolete ?**

**A:** "I don't foresee drastic change. People will always be drawn to social experiences and most enjoy separate places to work and socialize. We gain energy from face-to-face interaction and you simply cannot get that on a computer. Sure we will work differently, in different spaces because of the mobility technology affords us, but I do not see the city disappearing or becoming obsolete."

**Q: What lasting impact do you think this particular recession will have on commercial construction?**

**A:** "Developers will not be able to get financing for projects that are not well conceived with a real measure of promise. There's going to be an emphasis on quality projects that are well thought-out and meet clear market demand. Proposals need to be mindful and logical; not the dog in heat, "if they'll finance it we'll build it," type of process that has existed before. We all need to be more disciplined and hopefully that keeps the charlatan's out of the business. The lesson is to pay more

attention to what and when we're developing. It's a lesson that's been forgotten over and over again and thus we continue with these cycles."

**Q: What do businesses need to understand to take a developmental step forward?**

**A:** "Businesses should always be looking forward, understanding the changing nature of the game and using standard business principles considering what kind of work they do and for whom they do it. Diversification, geographically, by building and client type, is key."



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**Ken Wire**

**Attorney**  
*McGuireWoods, LLP*

On the evening of June 23, the master plan for Tysons Corner, in the works for five years, passed with an eight to two vote. With the creation of a new zoning district that backs up the comprehensive plan, the framework under which future applications for development can be filed is now in place. The plan has a 40 year horizon and over that span of time Tysons is set to acquire 113 million square feet of total development.

**Q: What is the ultimate goal for Tysons?**

**Scott:** “The ultimate goal is to create an urban, walkable, transit-oriented development center. The County’s goal is to focus the new development around the metro, with 75 percent of the new density located within a half mile of a metro entrance so that Tysons will no longer be solely automobile dependent.”

**Ken:** “With the construction of the metro rail extension through Tysons already underway, the political will existed to finally act on the master plan.”

**Scott:** “Originally redevelopment was to occur concurrent with the metro project. Obviously, the planning process took longer than anyone expected. The proposed 2013 opening of metro will make having completed developments at station sites tight at this point. Essentially, we have three years to get projects through the entitlement process and built before metro opens in Tysons.”

**Q: Is there any talk of public/private partnerships? Or will the private sector be heavily relied on for financing the development outlined in the master plan?**

**Scott:** “The final funding proposal is not yet in place and there is some disagreement concerning the allocation between sectors, but certainly public money must play a significant role because the private sector cannot solely carry the burden. Everyone recognizes that Tysons is the economic engine that has funded improvements throughout the County, so it is appropriate to funnel a portion of the tax revenue generated by Tysons back into local transportation improvements. The plan is structured in increments, with the first covering 20 years or 45 million square feet of office development, which is the development level the current transportation infrastructure can handle. Once approved office development approaches the trigger of 45 million square feet, a new transportation funding plan will be developed to finance transportation infrastructure needed for the next increment of development.”

**Ken:** “The master plan initially calls for 45 million square feet of office development, which includes 10 million square feet of new office space above that which has already been built or approved. This initial level of development can be supported by the existing infrastructure and new metro stations. The funding mechanism to build the infrastructure needed to support total the development will have to be figured out down the line.”



**Scott Adams**

**Attorney**  
*McGuireWoods, LLP*

"I think the idea is for Tysons to be the second largest downtown area in the Metro area. The eventual goal of 113 million square feet of development is very significant as it will likely exceed all of the development in Arlington County. Many Fortune 500 companies have recently relocated to Tysons including the Hilton and SAIC. In order to continue this trend, Tysons must stay competitive by continuing to encourage and promote the type of urban development and redevelopment needed to attract these types of companies."

## Ken Wire

### **Q: Why so much more office space?**

**Scott:** "There is actually a belief in the development community that this is not enough office space. As Ken pointed out, the 45 million square feet includes all existing and approved office space. The more accurate number is 10 million square feet of new office development over a 20 year period, or about 500,000 square feet per year. The 45 million square foot trigger is based on a forecast for potential development within the next 20 years. It was chosen by the County because the current transportation infrastructure can handle the first 45 million square feet of office development. Additionally, the County wants to balance residential and non-residential uses in Tysons, which means a significant amount of new residential development is required. By limiting office development, the County is in essence promoting residential development during the first 20 years of the plan."

### **Q: How much residential does the plan call for, considering its urban hub goals?**

**Scott:** "One of the main goals in Tysons is to balance the amount of office and residential uses. The County envisions 100,000 total residents in Tysons by 2050. During the first 20 year increment, the plan recommends 84,000 square feet of total development that includes 45,000 square feet of office space. The remaining development will be mainly residential."

### **Q: Is there plans for cultural/institutional development?**

**Scott:** "Yes, the plan recommends integrating public and cultural facilities into private developments. Incentives such as density bonuses for developers who provide public facilities spaces are included in the plan."

**Ken:** "Everyone wants to create urban centers similar to those that exist in the Ballston/Rosslyn Corridor and the master plan provides the vision to achieve that goal."

### **Q: Is the foot traffic that comes with bars and shops a part of the plan?**

**Scott:** "Walkability is a major objective. The plan envisions Tysons as a 24/7 vibrant hub that includes restaurants and street level retail. There is a recognition that the Rosslyn/Ballston Corridor has been very successful in promoting walkability, and to a certain degree, there is a desire to emulate that success."

### **Q: What is the biggest hurdle for the master plan in terms of zoning?**

**Scott:** "The cost, because it is essentially an unknown. At this point, very few projects have engineered the costs of developing in Tysons. These costs include enhanced requirements for stormwater management, green buildings, affordable housing, the grid of streets, parks and public facilities. Eventually developers

will drill down and figure out the actual costs and if development is economically feasible. The biggest unknown is the private sector cost for transportation improvements. If Tysons is going to develop as envisioned in the plan, the costs cannot override the benefits. To their credit, the Fairfax County Board of Supervisors and staff have acknowledged that there must be flexibility in implementing the plan to ensure an appropriate balance between costs and benefits."

### **Q: Any discussion about retrofitting the mall(s)?**

**Scott:** "Tysons Corner Center received zoning approval several years ago to add 3.5 million square feet of new office, hotel, residential and retail development. The project timeframe is 10-15 years for completion and calls for full integration with the adjacent metro station."

### **Q: What identity is Tysons looking to carve out for itself?**

**Ken:** "I think the idea is for Tysons to be the second largest downtown area in the Metro area. The eventual goal of 113 million square feet of development will likely exceed all of the development in Arlington County. Many Fortune 500 companies have recently relocated to Tysons including the Hilton and SAIC. In order to continue this trend, Tysons must stay competitive by continuing to encourage and promote the type of urban development and redevelopment needed to attract these types of companies."

**Scott:** "There is a general vision that Tysons should be a vibrant urban hub. While the plan implementing that vision is not perfect, and will certainly be tweaked, it is a giant step in the right direction."

*Ken and Scott are attorneys that offer comprehensive experience in zoning, environmental, administrative, legislative and government relations matters. McGuireWoods' team continues to play a central role in this replanning process and is prepared to assist clients in the Tysons/Dulles area and throughout the Greater DC-Baltimore region.*