



July 17, 2017

Mayor Tarter and Members of
The City Council
City of Falls Church
Falls Church, Va. 22046

Dear Mayor Tarter and Members of Council:

The City of Falls Church is nearing a critically important decision regarding financing of school infrastructure that will have enormous consequences for all City residents for the next several decades. Unfortunately, essential information on the project design and financing is still unknown or uncertain. Until there is a more precise plan for the commercial development on that site, it seems virtually impossible for the City to predict the amount of revenue that will be generated in order to help pay for the bonds for the school project. Without such information, it will also be impossible for citizens to know what approving a bond issue might mean for a rise in tax rate and the costs to the residents to pay for these bonds, whatever the amount.

For that reason, the Board of Directors of the Village Preservation and Improvement Society (VPIS) urges you to defer a public referendum for school financing until both the costs of the school project and of economic development and likely revenue are more concrete.

The VPIS Board makes this recommendation with several considerations in mind:

- 1. Time to Get it Right.** Meeting the long-term space needs of projected future enrollment is important, but does not demand that a referendum be acted on this November. There is time to get the details of project and financing right. There is also time to educate the citizens more fully about the implications of this critically important vote.
- 2. Adjacent Development Picture Unclear.** Critical information concerning design, revenues, and City costs of new development adjacent to the project is only now being fully developed and evaluated. A confident estimate of net City revenues for that development would allow voters to better understand the implications of approving the bond for future City services and property tax rate.

3. **Better Understanding of Financial and Service Implications.** Even with some support from adjacent development, financing an expensive school construction project could well stress the budgets of many residents of the City. Before asking voters to approve a major bond referendum, the City should provide residents a more detailed project design, net cost estimate, and clear assessment of property tax implications. While there has been some general information provided, we look forward to receiving information that more specifically addresses the revenue stream that specific development plans for this site may provide. Until then, the financial projections are still too uncertain to provide the citizens with specific and reliable information regarding the financial consequences of this referendum.
4. **Analysis of Alternatives and Cost Control.** Lacking critical information on the fiscal impacts of bond approval, the City may be less likely to consider controlling project costs. Are various project elements essential or discretionary? Are lower cost renovation options acceptable if they can help avoid serious harm to other school and City functions? Answers to these critical questions would provide important information that would lead to an improved decision making process and increased ability to appropriately manage costs.

The City of Falls Church has a long history of both outstanding public schools and vibrant citizen engagement in important community decisions. Falls Church citizens have also shown strong support over many years for making major capital investments that meet the growing needs of the schools and the City. City voters have demonstrated the capacity to give this critical decision the careful attention it deserves. The City should take the time necessary to give voters the information they need to make a well informed decision.

Thank you for your consideration of this recommendation.

Sincerely,

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Mark Gross
President, on behalf of the
Board of Directors

cc: City Manager
School Superintendent
School Board
Planning Commission

