

Builders Offer to Fill Void On Roads

Amid Va. Inaction, Plans Entice but Come With a Catch

By Alec MacGillis

Washington Post Staff Writer

Monday, February 27, 2006; B01

For more than 10 years, frustrated commuters have waited for Virginia to fix the notoriously clogged interchange of Interstate 66 and Route 29 in Prince William County.

Now, at last, county officials are considering an offer to do the work. But it's not the state coming in with bulldozers. It's a developer who is proposing to spend tens of millions of dollars on the work in return for approval to build 6,800 homes nearby.

The offer, and others like it, underscores an overlooked aspect of the transportation debate dominating Richmond, where Gov. Timothy M. Kaine (D) has made solving the state's traffic problems a top priority. Even as lawmakers are debating major transportation funding legislation, some Northern Virginia officials say they have so little faith in the state's ability to deliver that they have accepted or are considering offers from developers to pay for major projects.

But those offers come with strings attached: a promise from local officials to approve huge developments in the areas suffering from gridlock.

The proposals dangled before county officials illustrate how the initiative for transportation upgrades has

moved out of the control of the state and into the hands of builders who see opportunity in the frustration of local governments.

"This is one of the prices we pay for not adequately funding our transportation system," said Ronald F. Kirby, director of transportation planning for the Metropolitan Washington Council of Governments. "We're getting into a situation where we're so desperate for improvements that we're willing to make deals like this."

County officials say they are aware that the offers are a Faustian bargain of sorts, since the deals would draw even more cars onto the roads that need fixing. But they are fed up with waiting, they said, and if legislators fail to agree on a funding package in the coming weeks -- one with clear guidelines for where the money's going -- turning down the developers will be more difficult.

"We just don't trust the state. According to the state's six-year plan, this interchange [I-66 and Route 29] has been rebuilt at least five times," said Sean T. Connaughton (R), chairman of the Prince William Board of County Supervisors, which will decide on the developer's proposal this spring. "We're facing a very tough choice. We've got to figure out: Do the benefits outweigh the costs of this project? And a big part of this decision is our trust in the state."

Far from taking offense, state transportation officials say they recognize that a shortage of money has put counties in a difficult position. They urged jurisdictions not to take builders' offers just to get the roadwork done.

But if counties think a development is acceptable, transportation officials said they would have no problem ceding some of their responsibilities to developers -- and, in fact, would be happy to do so.

"If the state's going to keep up its transportation system in the region, the counties and developers are going to have to be a partner," said Dennis C. Morrison, who oversees Northern Virginia for the state Transportation Department. "There just aren't enough state dollars to keep pace . . . and right now we're just falling behind. If they can do it faster, we'd like to see it done."

Virginia has long encouraged the private sector to take an active role in road improvements. For the past decade, the state has invited companies to propose road upgrades, most often new toll lanes, in return for sharing in the proceeds. And rather than being assessed a predetermined impact fee, as occurs in Maryland and elsewhere, developers in Virginia negotiate "proffers" for road improvements to help them win approval for projects.

Traditionally, though, proffers have been directed more toward mitigating traffic problems expected to be created by the development in question. Increasingly, as public road spending has failed to keep pace with booming growth, developers have been making deals laced with even grander enticements that are meant to tackle long-term traffic puzzles that the county or state had intended to solve.

In Loudoun County, a few large home builders have been paying for much of the road network sprouting across Dulles South, a transitional area between the county's suburban and rural sections that developers are targeting for growth. Most recently, the developer Greenvest offered to spend up to \$200 million on road improvements in the area, including a \$20 million interchange sought by the county for the congested intersection of Routes 50 and 659. In exchange, Greenvest wants to build 15,000 homes in the area.

In the Prince William case, Brookfield Homes is offering to pay whatever cost remains to build an overpass to separate Route 29 from a rail crossing that causes frequent backups beside the I-66 interchange, widen a stretch of I-66 near Route 29 and overhaul the interchange.

The state has so far committed about \$160 million in state and federal funds to the project, some of it reserved for several years from now. That's enough to start advertising later this year for contractors to do the widening and interchange, but not enough to proceed on the rail overpass.

The total price is estimated at \$200 million, and it is increasing rapidly as land and construction costs rise. If Brookfield takes over the project, it will be responsible for any overruns and will have to do the work before it finishes building the homes. The company has met with state and federal transportation officials to discuss the rules it would have to follow to do work on a federal interstate, Morrison said.

Brookfield, which built the 3,115-home Braemar subdivision in Prince William, is also offering \$50 million to extend a Virginia Railway Express line to Gainesville and build about \$80 million in roads within and around the development. Dubbed Brentswood, the planned development would have 6,800 homes on 1,500 acres south of the interchange.

Brookfield executive Richard Dengler said the company's offer to do work left undone by the state is a sign of a larger shift in the way roads are being built in Virginia.

"This is a new day and a new time," he said. "There are major infrastructure needs, and to hold taxes down, the private sector needs to work with the government and get things done. It's out of the box, but we're willing to do it."

Some local officials are less impressed by the developers' largesse than others. Skeptics note that builders are paying for many of the improvements by establishing special tax districts within their developments, thereby passing on much of the cost to the new residents.

In Loudoun, Board of Supervisors Chairman Scott K. York (I) argues that the county would be better off paying for new roads in Dulles South rather than engaging in a trade-off with developers, since new homes bring costs of their own. In Prince William, Supervisor John T. Stirrup Jr. (R-Gainesville) sounded a similar note, arguing that rushing into a deal with Brookfield just to get the work done makes no sense because of the traffic the deal would bring.

"Folks say I've got to support this because [Brookfield] is going to get this project done, and I say, that may be the case, but what is the impact of 6,000 homes in that same vicinity going to be?" Stirrup said. "Are we really going to be mitigating the problem or just moving more cars at the same speed?"

Connaughton, the chairman, argues that if the county says no to Brookfield, then many of the homes will just wind up farther out, in Fauquier or Culpeper counties, sending as many commuters streaming through the bottleneck of I-66 and Route 29.

Still, he said, if it weren't for Brookfield's offer to overhaul the interchange, he'd be opposed to the proposal. "I personally would not even be looking at this development if it wasn't for the fact that this carrot is being hung out in front of us," he said. "Right now we're looking at gridlock turned into paralysis if something doesn't happen out there soon."

© 2006 The Washington Post Company

Advertising Links

[Save on All Your Calls with Vonage](#)

When looking for local regional and long distance calling, use Vonage to make calls to all 50 states and Canada. Get voicemail, great international rates and more. Sign up today.

www.vonage.com

[2.75% Fixed Student Loan Consolidation](#)

70% lower student loan payments - fixed rate, no fees, qualify in one minute.

www.nextstudent.com

[Mortgage Rates Hit Record Lows](#)

\$160,000 loan as low as \$633/month. Compare rates - refinance now.

www.lowermybills.com