



TOWN COUNCIL WORK SESSION AGENDA

Town Council Chambers
765 Lynn Street, Herndon, VA 20170

Wednesday, November 6, 2024 | 7:00 PM

1. Call to Order

2. Closed Meeting

- a. A closed meeting pursuant to the Code of Virginia Section 2.2-3711(A)(8), consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel, relating to real estate in the downtown

3. Discussion

- a. Water and Wastewater System Overview
- b. Affordable Housing - Councilmember Scherff
- c. Town-owned property leased or given for below market value - Councilmember Scherff

4. Roundtable

5. Closed Meeting

- a. A closed meeting pursuant to the Code of Virginia Section 2.2-3711(A)(1), for discussion of prospective candidates relative to appointments to boards and commissions

6. Adjournment

Agenda Item: Water and Wastewater System Overview

Meeting Date: November 6, 2024

Category: Discussion

Prepared by: Tammy Chastain, Acting Director of Public Works - Operations

Description:

This discussion item is an overview of the Town of Herndon water and wastewater systems, and includes an overview of completed, ongoing and future projects and programs related to each system.

Background:

The Town of Herndon operates a water and wastewater transmission system for all residential and commercial properties within the town boundaries. The town receives finished water through the town-owned water system from Fairfax Water and discharges sewage through the town-owned wastewater system to Fairfax County, which is ultimately sent and treated at DC Water's Blue Plains Treatment Plant. The town capacity for each system is approved and agreed to through long-standing formal agreements with each entity. The town water and wastewater crews are dedicated to providing safe and dependable critical infrastructure systems and ensuring these systems meet or exceed all regulatory requirements.

Timing Impact:

This information is being shared with the Town Council at this time as the water and wastewater systems are critical infrastructure that are crucial to the quality of life for our residents and citizens. This provides an update for ongoing projects that require ongoing investments impacting future operating and capital budgets.

Related Strategic Plan Objectives:

Strong Fiscal Stewardship

2.1 Proactively develop, maintain, and update capital and life cycle replacement plans with realistic funding and reserve targets.

2.2 Ensure enterprise funds are operating with adequate fee structures and net positions.

Good Governance

1.1 Establish, implement, and manage prioritized capital and operational investment plans for town facilities and equipment through deliberate and proactive evaluation of systems.

Strategic Focus Area:

Strong Fiscal Stewardship
Good Governance

Budget Impact:

This discussion item is intended to show recently completed and ongoing projects that are funded through the town's Water and Sewer Enterprise Fund. Future projects will also be discussed that could impact the enterprise fund, as well as water and sewer rates for Town of Herndon customers.

The FY 2025 Adopted Operating Budget for the Water and Sewer Enterprise Fund is \$21.7 million, which is funded by user fees for current services and cumulated reserves for capital investment. The FY 2025-2030 Adopted Capital Improvement Program includes new water and sewer investments of \$11.7 million in FY 2025, and \$70.4 million over the next six years.

Legal Impact:

Water and wastewater systems have regulatory requirements through Federal and State agencies that are required to be met or exceeded in order to maintain safe and reliable systems.

Staff Recommendation/Next Steps:

This is a discussion item; staff will continue to meet all state and federal regulatory requirements, conduct operations and maintenance tasks and execute projects approved by the Town Council to maintain safe and reliable water and wastewater systems.

Attachments:

None

Agenda Item: Affordable Housing - Councilmember Scherff

Meeting Date: November 6, 2024

Category: Discussion

Prepared by: N/A

Description:

Councilmember Scherff requested the addition of this item to the agenda for discussion of the letter received from Supervisor Bierman, Dranesville District, Fairfax County Board of Supervisors.

On October 24, 2024, Supervisor Bierman sent a letter to the Town Council on the topic of affordable housing. The letter and the town staff's communication to the Town Council regarding Supervisor Bierman's letter is attached to this agenda item for reference.

Background:

The Town Council recently held discussions on affordable housing at the September 19, 2024 Special meeting and October 15, 2024 Work Session meeting.

Strategic Focus Area:



Environmental and Economic Sustainability

Budget Impact:

N/A

Legal Impact:

N/A

Staff Recommendation/Next Steps:

This is a discussion item for the Town Council; staff does not have a recommendation.

Attachments:

1. 10-24-24, Supervisor Bierman, Letter to Herndon Town Council
2. 10-29-24, Staff response to letter from Supervisor Bierman



COMMONWEALTH OF VIRGINIA
COUNTY OF FAIRFAX
BOARD OF SUPERVISORS
FAIRFAX, VA

McLean Governmental Center
1437 Balls Hill Road
McLean, VA 22101

TEL: 703-356-0551
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dranesville@fairfaxcounty.gov
www.fairfaxcounty.gov/dranesville

James N. Bierman, Jr.
DRANESVILLE DISTRICT SUPERVISOR

October 24, 2024

Via ELECTRONIC MAIL

Mayor Shiela A. Olem
Vice Mayor Clark Hedrick
Councilmember Naila Alam
Councilmember Cesar del Aguila
Councilmember Pradip Dhakal
Councilmember Keven LeBlanc
Councilmember Donielle M. Scherff
Interim Town Manager Christopher Martino
777 Lynn Street
Herndon, VA 20170

Dear Mayor Olem, Town Manager Martino, and Members of the Town Council:

I am writing to you regarding the “Town of Herndon explores hiring affordable housing consultant” article published in FFXNow on October 22, 2024. I was encouraged to read that the Town Council discussed hiring a consultant to assist the town in developing a workforce and affordable housing policy and associated zoning changes. I want to reiterate that Fairfax County stands ready to provide support to deliver much needed affordable housing in the Town.

I write because there were certain quotes and arguments in the article that I assume must have been misconstrued or taken out of context, especially surrounding the concept of negotiating set asides in new developments where certain subsets of units are dedicated as workforce and affordable dwelling units. The article quotes zoning administrator David Stromberg as saying that “the Fairfax County [Redevelopment and] Housing Authority will not administer affordable dwelling units that are dedicated to the town through proffers.” This statement is *not* accurate. As Housing and Community Development Director Tom Fleetwood explained at the meeting on September 19, 2024, assuming that the town negotiated a set aside proffer in a new development consistent with the Town’s Comprehensive Plan, the Town could come to an agreement similar to what the FCRHA has with the City of Fairfax to have the FCRHA administer the program and the FCRHA has capacity to administer the housing component of the program. What the FCRHA cannot do is negotiate proffers (i.e. engage in front-end negotiation) or enforce the Town’s zoning ordinance or proffers on behalf of the Town (i.e. sue a developer that fails to deliver on a promise in a proffer), but administration of the program is absolutely something the FCRHA could do. Note that, as discussed at that meeting, the FCRHA believes that the City of Fairfax model could potentially be replicated by the Town.

The article also speaks of the creation of all-affordable developments “on town-owned land, a commodity that is limited and would require significant investment from the town.” To be clear,

the limitation of town-owned land does mean that dedicating that land to an affordable housing development, likely at a discount, would constitute a “significant investment,” but I also want to clarify that the FCRHA stands ready to potentially make significant financing investments for any such projects. The FCRHA brings resources to bear that the Town does not have (and that’s OK—that’s why the FCRHA exists).

One other thought on what I suspect is the sheen of the reporter’s story and I hope is not the thinking of the Town: proffers are an important and useful tool at both the County and the Town’s disposal. Proffers are *not* mandatory, but they are a standard part of the land use negotiation process and protect the rights of local residents. At the County-level, proffers have played an important role in helping us meet our affordable housing goals—I hope that they can play a role in helping you meet your needs as well.

In closing, as the Town Council knows, the Fairfax County Board of Supervisors has made a major commitment to increasing the supply of workforce and affordable housing. In 2022, the Board set a goal to deliver at least 10,000 new units by 2034 for households earning at or below 60 percent of Area Median Income. To date roughly 4,000 units have been built, planned or are under construction that count towards the goal. Again, the County is doing this work in partnership with the FCRHA both through development of properties dedicated to housing for residents making between 30% and 70% of area median income and through negotiating affordable and workforce dwelling unit set asides in new developments. The County does not have land use authority in the Town of Herndon, but I am incredibly encouraged by your interest in joining and partnering with the County to meet such goals with certain dedicated units within the Herndon Town limits. I believe that such a commitment will certainly benefit our shared constituents and our community. My staff, Fairfax County staff, and I all stand ready to provide any assistance to the Town that can help achieve these very important goals.

All the best,

A handwritten signature in cursive script, appearing to read "Jimmy".

James N. Bierman, Jr.
Dranesville District Supervisor

CC: Thomas Fleetwood
Director, Fairfax County Department of Housing and Community Development

From: [Robinson, Scott](#)
To: [2023-2024 Town Council](#)
Cc: [Fry, Judy](#); [Martino, Chris](#); [Town Clerk](#); [Jovanovich, Kirstyn](#); [Yeatts, Lesa](#); [Gilleran, Lisa](#); [Stromberg, David](#)
Subject: RE: Letter from Supervisor Bierman to the Herndon Town Council
Date: Tuesday, October 29, 2024 5:56:30 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Mayor and Members of Town Council,

Supervisor Bierman recently sent you a letter explaining that he believed that comments in an October 22, 2024 article in Fairfax Now, regarding the Fairfax County Housing Authority's interest in administering affordable housing units dedicated to the Town through proffers were inaccurate.

During the September 19, 2024 Town Council Special Meeting on affordable housing, the issue of proffers to secure affordable housing units was discussed, specifically in regard to Fairfax City's program and Fairfax County's assistance in the City's administration of affordable units. Based upon the discussion, the Town staff understood that the County did not wish to administer a proffer-based program. The term "boutique" was used during the discussion, to describe units obtained through proffers since every proffer agreement would vary due to the nature of proffers and the developers' role in the final language. Such variation in requirements, agreed to by the town (or Fairfax City), would make the administration of the proffered units too cumbersome for the County. We have confirmed with Fairfax City that their experience was that Fairfax County did not wish to administer ADUs in their program that had been obtained by proffer.

Town staff will reach out to County staff to obtain clarity regarding the discussion of September 19th. Staff stressed the importance of a consultant evaluating all options currently allowed under Virginia Code, including monetary proffer contributions, and options that may require additional actions, such as amending Virginia Code. Having the consultant evaluate current and potential options, such as a proffer-based program, is expected to be included in their scope of work.

Scott Robinson, P.E.
Deputy Town Manager, Operations
(Acting)
Town of Herndon
777 Lynn Street
Herndon, VA 20170-4602
(703) 435-6800

www.herndon-va.gov



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Go to: <https://www.herndon-va.gov/> and click on “Report A Problem”

Or download the “Herndon On The Go” app to your iphone and click “Report”

From: Town Clerk <town.clerk@herndon-va.gov>

Sent: Thursday, October 24, 2024 4:51 PM

To: Martino, Chris <chris.martino@herndon-va.gov>; Jovanovich, Kirstyn <Kirstyn.Jovanovich@herndon-va.gov>; Robinson, Scott <scott.robinson@herndon-va.gov>; Yeatts, Lesa <lesa.yeatts@herndon-va.gov>

Cc: Fry, Judy <judy.fry@herndon-va.gov>

Subject: FW: Letter from Supervisor Bierman to the Herndon Town Council

Good afternoon.

The attached letter was received in the Town Clerk’s office this afternoon from Supervisor Bierman, who included the Town Council in the email. I am providing it to you, as you were not included in the “to” line.

Regards,
~Amanda Kertz

From: Dranesville BOS <DranesvilleBOS@fairfaxcounty.gov>

Sent: Thursday, October 24, 2024 4:45 PM

To: Mayor Olem <Mayor.Olem@herndon-va.gov>; Hedrick, Clark <clark.hedrick@herndon-va.gov>; Alam, Naila <naila.alam@herndon-va.gov>; del Aguila, Cesar <cesar.delaguila@herndon-va.gov>; Dhakal, Pradip <pradip.dhakal@herndon-va.gov>; LeBlanc Jr., Keven <keven.leblanc@herndon-va.gov>; Scherff, Donielle <donielle.scherff@herndon-va.gov>; Town Manager <town.manager@herndon-va.gov>

Cc: Fleetwood, Thomas E <Thomas.Fleetwood@fairfaxcounty.gov>; Town Clerk <town.clerk@herndon-va.gov>

Subject: Letter from Supervisor Bierman to the Herndon Town Council

Good afternoon,
Please see the attached letter from Supervisor Bierman.

Kind Regards,
Patti

Patricia Dinkelmeyer

Staff Aide

Office of Supervisor James N. Bierman, Jr.

Dranesville District

McLean Governmental Center

1437 Balls Hill Road

McLean, Va. 22101

PH: 703-356-0551

FAX: 703-821-4275

patti.dinkelmeyer@fairfaxcounty.gov

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Agenda Item: Town-owned property leased or given for below market value - Councilmember Scherff

Meeting Date: November 6, 2024

Category: Discussion

Prepared by: N/A

Description:

Councilmember Scherff requested the addition of this item to the agenda for discussion. Attached for reference is the information provided by Scott Robinson, Acting Deputy Town Manager - External Operations, regarding town-owned commercial space leased by the town for below market rates.

Background:

At the October 15, 2024, Town Council Work Session, Town Council requested a listing of Town-owned commercial property that is leased or given below market value. That information has been provided and is attached to this agenda item for reference.

Strategic Focus Area:



Strong Fiscal Stewardship

Budget Impact:

N/A

Legal Impact:

N/A

Staff Recommendation/Next Steps:

This is a discussion item for the Town Council; staff does not have a recommendation.

Attachments:

1. 10-30-24, Staff Response, Commercial Leases

From: [Robinson, Scott](#)
To: [2023-2024 Town Council](#)
Cc: [Town Clerk](#); [Martino, Chris](#); [Jovanovich, Kirstyn](#); [Yeatts, Lesa](#); [Dowdy, Sarah](#)
Subject: Listing of Below Market Rate Commercial Leases
Date: Wednesday, October 30, 2024 4:49:15 PM
Attachments: [image001.png](#)

Council requested a list of the commercial space leased by the town for below market rates. The table below is a list of leases at below market rate and an estimate of the market value. The market rate is based on the rental rates of the town's two market rate commercial leases. Art Space, 750 Center Street, was estimated at 70% of market rate to account for the poor condition of the building (leaking roof, sanitary sewer that needs to be replaced, unreliable heating and air conditioning, etc.).

Tenant	Total Square Footage	Lease Description	Total Rent/ Year	Estimated Market Value	Lease Expiration
		Old Town Hall			
Arts Herndon	195	One room on the second floor of the Town Hall and a room known as "Cell #2" in the basement"	\$1	\$3,900	Dec 31, 2024
Dulles Chamber of Commerce	553	Two adjoining rooms on the top floor of the Town Hall and a separate space for storage in the basement"	\$1	\$11,060	Dec 31, 2025
HCTV	1268	Two rooms on the top floor of the Town Hall, three areas or rooms (storage, studio, and editing) in the basement of Town Hall, a former storage room adjacent to the Mary Ingram Council Chambers.	\$1	\$25,360	Nov 30, 2024
		397 Herndon Parkway			
FFX County Board of Supervisors	185	397 Herndon Parkway - 1 room for office use	\$1	\$3,700	Dec 31, 2024
Sen.	200	397 Herndon Parkway - 1	\$1	\$4,000	Dec 31,

Jennifer Boysko		room for office use			2025
Del Irene Shin	185	397 Herndon Parkway - 1 room for office use	\$1	\$3,700	Dec 31, 2025
Next Stop Theatre Company	1500	397 Herndon Parkway - open space for rehearsals and a storage room	\$1	\$30,000	June 30, 2025
		Herndon Depot			
Herndon Historical Society	750	The "Station Agent's Office", the "Commander Herndon Room" and the "Meeting Room", which is used as a museum and visitor's center	\$1	\$15,000	Feb 28, 2027
Next Stop Theatre Company	250	1 room, the "Waiting Room", used as an office and for the coordination of various recreational events	\$1	\$5,000	Feb 28, 2025
		750 Center Street			
Arts Herndon	3200	Retail and assembly space	\$1	\$44,800	Expired
Next Stop Theatre Company	2790	Storage Space	\$1	\$39,060	Expired

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