

**2020-2024 Subdivision Staging Policy (SSP): Schools Element Initiatives**

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**Description**

The Subdivision Staging Policy is updated every four years to ensure that the tools used for evaluating the impact of development on essential public facilities reflect the latest growth patterns of the County. The policy was first adopted by the Council to direct the Planning Board’s administration of the Adequate Public Facilities Ordinance during the building boom of the mid-1980s. As the county continues to see a shift towards infill development, the current update for the schools segment of the policy focused on using a data-driven approach to better understand if and how the county’s changing development patterns may be affecting enrollment trends in public schools, and to better align the policy with the latest findings accordingly.

This briefing will inform the Planning Board on the status of the schools component of the 2020 Subdivision Staging Policy (SSP) update. Staff will also present an overview of the data analysis conducted to date. And finally, the briefing will provide a forum for staff to receive feedback from the Planning Board prior to delving into the next stage of the policy update process.

**Purpose and Vision**

Section 33A-15 of the Montgomery County Code requires the County Council to adopt a subdivision staging policy by November 15 of every fourth year, including 2020. According to the same section of County Code, the SSP is “intended to be an instrument that facilitates and coordinates the use of the powers of government to limit or encourage growth and development in a manner that best enhances the general health, welfare, and safety of the residents of the County.”

After many conversations with a variety of stakeholder interests holding many different and frequently opposing opinions, the one consistent message staff heard was that the current policy is not effective within the county’s current growth context. As such, all aspects of the policy have been under review. Staff seeks to implement an innovative policy that supports, rather than hinders other county policy priorities such as encouraging economic development and investment in the county, meeting our demand for housing, and preserving and increasing our supply of affordable housing.

To accomplish this, *we need a paradigm shift. The current policy aims to stop development when public infrastructure is inadequate. The new policy should focus on ensuring the adequacy of our infrastructure in areas where growth is desired and serve to support other county policy priorities.* The policy should therefore support areas identified for growth and the types of development envisioned in those areas (affordable housing, missing middle, multifamily).

## Communications, Outreach and Engagement

### Communications Approach

A strategic communications plan was developed for the 2020 Subdivision Staging Policy Update. The approach for communications for this effort was planned to be collaborative and proactive with conversation with stakeholders – including community members, relevant community-based organizations, developers and government partner agencies – early and often. In doing this, the team has received valuable insight and feedback needed for SSP development while building goodwill and support for policy recommendations. As with all planning issues, the SSP raises important equity considerations: how to ensure adequate public facilities for all county residents. Outreach has been inclusive to invite participation and perspectives from residents throughout the county. The strategies are listed below:

### *Outreach Strategies*

1. Collaborate with relevant community-based and special interest organizations such as MCCPTA, MBIA and Montgomery County Civic Federation to create allies and advocates for the SSP and related policies.
2. Coordinate with and convene relevant government agencies and education policymakers to get input early and often and ultimately to build support for policy recommendations.
3. Partner with the community to inform policy recommendations and engage them to get feedback.
4. Equip the Schools Technical Advisory Team to serve as a two-way information conduit, both informing Montgomery Planning and communicating with the community about the SSP and related issues.
5. Translate the complex issues inherent in the SSP update for public understanding and consumption.
6. Activate relationships formed throughout the SSP update process to testify support to the Planning Board and County Council.

### Communications Tools and Tactics

The following tools and tactics have served as the foundation for all outreach and engagement efforts that have taken shape as the community needs indicate:

- **Web:** Coordinating efforts to generate a singular voice and messaging on the policy from the Planning Department, Planning Board and staff. And making it easy for residents to find the context and background information needed to make sense of policy recommendations.
- **Blog posts:** These can form the basis for other content (video, e-newsletter content, social content) and break some of the complex SSP topics into more digestible, easy-to-understand posts with engaging visuals and invitations for feedback and comments.
- **E-newsletter and social media:** Policy updates and clear messaging through regular postings about various aspects of the policy. Emails about meetings and engagement opportunities. Solicitations of online feedback.
- **Videos:** Meeting highlights, staff interviews and segments devoted to specific topics (school capacity, etc.) for posting on the Montgomery Planning website.
- **Maps:** Use to explain school clusters, school capacities, work with MCPS.
- **Media pitches:** story ideas about growth policies, school capacity, etc. pitched as feature stories.

The SSP was officially launched in fall 2019. A kick-off workshop was held in October 2019 to engage the general public and give an overview of the policy and update process. An advisory committee (the Schools Technical Advisory Team) was also convened for more in-depth input and feedback as staff researched and reviewed various elements of the policy and relevant data. Starting in January 2020, multiple roundtable discussions were held to provide various stakeholders and community members an opportunity to learn about key findings from the latest data analysis and share their thoughts on the existing policy, its impacts on the county, and ideas for innovative solutions to consider. And finally, we continue to organize presentations and Q&A forums with local community organizations.

### Stakeholder Engagement

We utilized a number of tools to reach and engage the community and other stakeholders on this update effort. In coordination with our Communications Division, we released monthly e-letters as well as several news releases that were pushed out through local media, our website and social media. We also engaged stakeholders through partners in the community, including the directors of the county’s five regional services centers, the county’s Office of Community Partnerships, and members of the Schools Technical Advisory Team.

Table 1 identifies various outreach efforts that were held (and several being scheduled) to engage stakeholders and community members in the process of reviewing and updating the Subdivision Staging Policy. The kick-off workshop started with a presentation providing an overview of the current SSP and the county’s latest growth trends. Participants were then divided into small groups to discuss different aspects of the policy. The roundtables followed a similar format, but to maximize opportunities for discussion, participants were asked to view a [video](#) that presented elements of the policy and key findings from staff’s research prior to attending the roundtable.

**TABLE 1. SSP Stakeholder Engagement Events**

| <b>Event/Format</b> | <b>Participants</b>                                      | <b>Date</b> | <b>Location</b>                      |
|---------------------|--|-------------|--------------------------------------|
| Presentation/Q&A    | Montgomery County Chamber of Commerce Land Use Committee | 09/10/2019  | Rockville                            |
| Presentation/Q&A    | Montgomery County Council of PTAs (training)             | 09/04/2019  | James H. Blake HS                    |
| Kick-Off Workshop   | All Stakeholders   | 10/07/2019  | Silver Spring Civic Building         |
| Presentation/Q&A    | Capitol View Park HOA                                    | 11/21/2019  | Silver Spring                        |
| Presentation/Q&A    | Bethesda Downtown Plan Implementation Advisory Committee | 12/06/2019  | Bethesda                             |
| Presentation/Q&A    | Montgomery County Civic Federation                       | 12/09/2019  | Executive Office Building, Rockville |
| Presentation/Q&A    | Council Staff (training)                                 | 01/06/2020  | Council Office Building, Rockville   |
| Roundtable          | Developer Stakeholders                                   | 01/24/2020  | MRO                                  |
| Presentation/Q&A    | Friends of White Flint                                   | 02/04/2020  | Bethesda North Conference Center     |

| Event/Format     | Participants                                       | Date       | Location                                       |
|------------------|--|------------|--|
| Roundtable       | Parent and Student Stakeholders                    | 02/08/2020 | Richard Montgomery HS                          |
| Roundtable       | All Stakeholders                                   | 02/20/2020 | Up County Regional Services Center, Germantown |
| Roundtable       | All Stakeholders                                   | 02/24/2020 | East County Regional Services Center, Fairland |
| Roundtable       | Planning Staff                                     | 03/04/2020 | MRO  |
| Presentation/Q&A | Darnestown Civic Association                       | 03/19/2020 | Darnestown                                     |
| Presentation/Q&A | Montgomery County Economic Development Corporation | TBD        |  |
| Presentation/Q&A | CASA de Maryland                                   | TBD        |  |

Schools Technical Advisory Team

The Schools Technical Advisory Team (STAT) was assembled to provide input and feedback to Planning Department staff as they prepare to develop a draft recommendation for the schools segment of the Subdivision Staging Policy.

The STAT consists of invited representatives of key stakeholder groups, individual participants selected through an application process, and Commission staff. The invited representatives were each nominated from public and private agencies identified by staff as key stakeholder groups. The individual participants were selected through a process devised to ensure members represented the various needs and perspectives of our diverse communities. A roster of STAT members and meeting participants is included in Attachment A.

STAT meetings were held approximately once every three weeks on weekday evenings between October 2019 through February 2020 at the Planning Department headquarters in Silver Spring. Members who were not able to join in person were invited to join virtually. The first three of the six meetings focused on reviewing and analyzing data gathered by Planning staff. The last three meetings focused on examining and debating the various elements of the policy. A schedule of each STAT meeting and the main topics that were discussed is outlined in Table 2.

**TABLE 2. STAT Meeting Schedule and Discussion Topics**

| Meeting | Date       | Discussion Topics   |
|---------|------------|---|
| 1       | 10/22/2019 | <ul style="list-style-type: none"> <li>Overview of SSP and Impact Tax Law</li> <li>Montgomery County Growth Trends</li> <li>Growth Management in Other Jurisdictions</li> </ul>                                 |
| 2       | 11/12/2019 | <ul style="list-style-type: none"> <li>Census-based Student Generation Rates</li> <li>Property-based Student Generation Rates</li> </ul>  |
| 3       | 12/03/2019 | <ul style="list-style-type: none"> <li>Location-based Student Generation Rates</li> <li>Additional Property-based Student Generation Rates</li> <li>Additional Census-based Student Generation Rates</li> </ul> |

| Meeting | Date       | Discussion Topics   |
|---------|------------|---|
| 4       | 01/16/2020 | <ul style="list-style-type: none"> <li>• Moratorium Policy (Effectiveness, Thresholds, Exceptions)</li> <li>• Other Potential Growth Management Tools</li> </ul>                |
| 5       | 01/28/2020 | <ul style="list-style-type: none"> <li>• Impact Taxes</li> <li>• Recordation Taxes</li> <li>• School Facility Payments</li> <li>• Other Potential Funding Mechanisms</li> </ul> |
| 6       | 02/18/2020 | <ul style="list-style-type: none"> <li>• Annual School Test</li> <li>• Tracking the Development Queue</li> <li>• Creating School Policy Areas</li> </ul>                        |

Collaboration with Montgomery County Public Schools

This SSP update effort has also included increased levels of coordination and conversation with Montgomery County Public Schools (MCPS) staff. In addition to having two MCPS staff members serve on the STAT, Planning staff and staff from the MCPS Office of the Chief Operating Officer have remained in frequent contact throughout the effort. Subsequent to the Planning Board’s lunch with the Board of Education, Planning staff also held a “retreat” with staff from the MCPS Department of Facilities Management. Discussions centered on the implications of the current policy and how it can better align with MCPS’s needs, priorities and processes.

**Data Analysis & Policy Research Findings**

Alternative Student Generation Rates

*Methodology*

Under the current SSP, student generation rates<sup>1</sup> (SGRs) are calculated every two years to:

- 1) compute school impact tax rates (using countywide SGRs),
- 2) estimate the enrollment impacts of a development application or master plan (using regional SGRs), and
- 3) support MCPS efforts to project future enrollment (by providing MCPS with cluster SGRs)

In order to calculate the student generation rates, MCPS provides the Planning Department with enrollment data containing the address and grade level of every MCPS student. These data are mapped and joined with property data from the State Department of Assessments and Taxation (SDAT) to identify the dwelling type (e.g., single-family detached) associated with each student. The total number of students counted in a certain geography and dwelling type is then divided by the total number of dwelling units of that type in the geography, to derive the average number of students per unit for the given geography.<sup>2</sup>

Historically, the SGRs have only been calculated for four dwelling types: single-family detached, single-family attached (townhouse), multifamily low-rise (4 stories or less) and multifamily high-rise (5 stories or more). The only variation on this was to calculate the rates for different geographies. For the purpose of

<sup>1</sup> A student generation rate is the average number of public school students (elementary, middle and/or high school) residing in dwelling units with particular characteristics.

<sup>2</sup> For example, there were 85,045 K-12 students residing in single-family detached homes across the county in September 2018. At the time, there were 183,995 single-family detached homes in the county. Therefore, on average, each single-family detached home in the county was generating 0.462 K-12 at the time.

better understanding the drivers of school enrollment, staff used the same data to analyze alternative student generation rates based on multiple different variables related to a student's address, including census-based data and location or property characteristics. A list of variables that were analyzed is included in Attachment B. Several of these will be presented during the briefing for Planning Board review and analysis, but staff has provided a summary of the findings below.

### *Key Findings*

- Enrollment Impact of New Development:
  - Countywide, new units built<sup>3</sup> between 2011 and 2015 generated 27.6% of the enrollment growth between 2010 and 2015.
  - The enrollment growth seen in these same units between 2015 and 2018 represented 21.2% of the enrollment growth seen countywide over that same time period.
  - The impacts of new development on enrollment varied greatly by dwelling type.
  - At smaller geographies, the amount of enrollment growth attributed to new development also varied widely, depending on the types and amount of new housing.
- Unit Types and Density:
  - The number and share of multifamily high-rise units in a census tract both have a high negative correlation to the K-12 student generation rate.<sup>4</sup>
  - The number and share of single-family detached units and single-family attached units in a census tract all have a positive correlation to the K-12 student generation rate.
  - The population density of a census tract is negatively correlated to its SGR.
- Multifamily Structures:
  - As the average rent per square foot of a multifamily building decreases, the student generation rate increases.
  - As the average size of a building's units increases, the student generation rate increases.
  - Buildings with higher shares of three-bedroom units on average generate more students per unit.
- Single-Family Detached Units:
  - On average, the student generation rate decreases as lot size increases.
  - However, there is no clear correlation between the gross floor area of a single-family detached house and student generation rates.
  - Nearly three quarters of the single-family detached units in the county do not have a student attending Montgomery County Public Schools.
- Turnover Indicators:
  - On average, homes that have sold within the last 17 years are generating more students than the typical single-family detached home.

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<sup>3</sup> New dwelling units were identified as those with a "year built" value of 2011, 2012, 2013, 2014 or 2015 according to SDAT. Note that this includes some torn-down and rebuilt homes. It could be argued that these homes should not be viewed as new because they do not add to the housing inventory. Planning staff research has revealed that recently torn-down and rebuilt homes generate no more students than a recently sold home.

<sup>4</sup> A negative correlation indicates, in general, that as the value of one variable (e.g., number of multifamily units in a tract) increases, the value of the second variable (e.g., the census tract's K-12 student generation rate) decreases. A positive correlation indicates, in general, that the values of the two variables increase or decrease together. Identifying a relationship between two variables as "highly" correlated (either negative or positive) is staff's way of describing the relative strength of that relationship.

- Student generation is greatest among homes that last sold between 6 and 13 years ago.
- After 13 years of continued ownership, a home’s likelihood of generating a public school student begins to rapidly decline.

## Growth Management and Facility Adequacy Policies in Other Jurisdictions

### *Methodology*

While analyzing data specific to the county, staff also researched growth management policies and adequate public facilities ordinances in other jurisdictions to gain insight into alternative tools that may be used to address current issues. Jurisdictions were chosen based on their size and context - located outside of a major city and similar in population to Montgomery County. For comparison within the State, some neighboring counties in Maryland were also included despite having a smaller population base. The growth policies of the following counties were therefore identified for the study:

- Fairfax County, VA
- Montgomery County, PA
- Wake County, NC
- Pinellas County, FL
- Contra Costa County, CA
- Fresno County, CA
- Pierce County, WA
- Snohomish County, WA
- Prince George’s County, MD
- Howard County, MD
- Baltimore County, MD
- Harford County, MD

### *Key Findings*

Attachment C provides a table of information collected on the growth management and adequate public facilities policies for these other jurisdictions. More generally, our findings suggest:

- Many jurisdictions and school districts around the country are dealing with similar issues of overcrowding in schools and are frequently evaluating their growth management policies.
- Moratoria on development, while more commonly used for transportation issues, is generally not considered in most counties outside of Maryland as a solution to manage crowding in schools.
- Solutions that other jurisdictions used for school overcrowding included tactics enacted by the school district, such as:<sup>5</sup>
  - Capped schools / partner schools. A capped school is typically one that is experiencing both overcrowding and high residential unit growth in their school attendance area, where an enrollment cap is set based on the maximum number of students that can effectively be taught in the school. Once the enrollment cap is reached, any new students who move into the school attendance area are assigned to a nearby partner school.
  - Classrooms on wheels. Teachers move between classrooms with carts, allowing more space (like music rooms or art rooms) to be used as classrooms.
  - Temporary (mobile or relocatable) classrooms.

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<sup>5</sup> It should be noted that MCPS employs some of these same tactics (e.g. classrooms on wheels) as well.

- Year-round school.
- Implementing boundary changes that redistrict students to less crowded schools.
- Impact fees are a highly debated option to fund public facilities such as schools and roads. While they have been an important tool to fund needed facilities in some jurisdictions, in others, they are highly contested.
  - Montgomery County and Howard County charge the highest impact taxes in Maryland.
  - Incentivizing desired development patterns by decreasing/increasing impact fees is becoming more popular.
- Housing turnover is generally not addressed in adequate public facilities policies.

## **Key Elements of the SSP & Topics Discussed**

The following provides a summary of the ideas and concerns that staff heard through our community engagement efforts and STAT meetings.

### The Annual School Test and Moratorium

#### *Effectiveness of the Moratorium Policy*

While there is general agreement that the moratorium has not helped slow enrollment growth in overutilized schools, some people feel that it is still an effective tool in forcing the county to provide critical funding for certain projects. However, that aspect of the moratorium was also perceived as creating inequality as some schools serving areas with no development pressure remain overutilized for a prolonged time without relief. In addition, there was a surprising amount of consensus around the unintended consequences of a moratorium within certain growth contexts, particularly those where the impact of new development on enrollment was found to be minimal. The unintended consequences that were often cited include:

- Hurts economic development and investment
- Restricts housing supply, which therefore leads to an increase in home prices
- Prevents the county from achieving its housing goals
- Halts the construction of affordable housing units, which are primarily created through the MPDU program
- Limits the collection of impact taxes, which help to fund the needed infrastructure

#### *Overutilization Threshold & Testing Timeline*

The current moratorium threshold is established as a reflection of the standards used by MCPS for planning classroom additions. Some discussions led to the need of setting a limit for overutilization that can be tolerated, but overall, there was little interest in identifying a specific limit that can be agreed upon. Rather, many raised concerns of the timeline used for the Annual Schools Test, and a desire to not depend on unreliable projections, placeholder solutions, or capital projects with frequently delayed completion schedules. In terms of individual schools and cluster level tests, while there was support for the use of the individual schools test as it better reflects the reality of MCPS' practices, there were as many comments in support of the previous borrowing capacity that allowed for the cluster test to consider surplus capacity in adjacent clusters.



## *Adequacy Standards*

The current policy measures school adequacy solely based on projected capacity utilization. However, many of the county's schools with adequate utilization levels are in subpar condition and in need of renovations due to aging facilities. The idea of redefining the adequacy standards of the policy to include such needs was suggested, and while some showed concerns over the potential complexity it may add, there was general support. Some options for execution that were discussed included partnering with developers to handle facility maintenance projects, creating an equivalent of the transportation Unified Mobility Program for schools with facility needs, or incorporating the MCPS Key Facilities Indicators<sup>6</sup> into the Annual School Test.

## Funding Mechanisms

### *Impact Taxes*

In FY2019, school impact taxes funded 8% of the MCPS capital budget (though a larger share of the budget for capacity building projects). Over the last eight years, annual school impact tax collections have ranged from \$16 million to more than \$45 million.

Stakeholder discussions included a number around the fairness of the impact taxes, how they are calculated, and whether developers should pay a larger share of the school construction budget. These include questions over the current requirement that school impact taxes be set at 120% of the calculated cost of a unit on school construction. Others questioned the justification for charging the supplemental impact tax for large homes (\$2.00 per square foot beyond 3,500 square feet up to 8,500 square feet). Some other ideas included basing the impact tax rates on smaller regions or geographies, or calculating them based on some of the alternative student generation rates developed by Planning staff (e.g., basing them on the number of bedrooms or on infill vs. new development). Other factors found to be correlated to student generation rates, however, were strongly discouraged due to potentially conflicting implications related to the county's other policy priorities, such as increasing affordable housing.

The impact tax exemption for current and former state-designated Enterprise Zones<sup>7</sup> was frequently questioned. The 25% MPDU exemption criteria was also discussed in terms of whether a discounted rate would be enough to incentivize developers rather than a complete exemption. Staff found that the price the county could pay due to this exemption – in terms of lost school and transportation impact tax revenue – ranges between \$65K to \$430K per additional MPDU built. The amount varies based on the area's base MPDU requirement (12.5% or 15%), type of unit that is developed, and the designated transportation policy area category.

### *School Facility Payments*

Many people familiar with the prior school facility payments recalled the geographic limitation in use of funds to be impractical, but there was interest in the idea of reintroducing school facility payments. One option under consideration, in conjunction with the elimination of the moratorium is to introduce a tiered

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<sup>6</sup> A school's Key Facility Indicator (KFI) is a collective assessment of the condition of various components of a school facility. Examples include structural systems, building exterior and interior, plumbing, HVAC systems, and commercial equipment. KFIs are used by MCPS to help describe or assess the physical condition of a building and help inform their Capital Improvements Program decisions.

<sup>7</sup> Current Enterprise Zones include Olde Towne Gaithersburg, Glenmont, Long Branch/Takoma Park, and Burtonsville/Briggs Chaney. Former Enterprise Zones include Downtown Silver Spring and Wheaton.

system where the payment increases as the capacity utilization at impacted schools increases. This can work as a mechanism for ensuring that infrastructure be built while also potentially leading to the staging of development, particularly if the payments are made when building permits are pulled, like impact taxes. There was a preference among some people to base these school facility fees on factual current capacity utilizations, rather than less reliable projections. Developer interests expressed some concern that basing the fees on current capacity utilization this would introduce a certain level of uncertainty to their costs.

### *Recordation Tax*

A change to the recordation tax – whether by increasing the charge, changing the structure, or the distribution of revenue allocated to schools – was a thought often visited, especially when discussing the enrollment impact from turnover in existing neighborhoods. In relation to this, staff has been considering a recordation tax approach as an alternative method for achieving the desired impact of the proposed Housing Impact Fairness Tax (Bill 34-19). The suggestion is to implement an affordable housing surcharge on torn-down and rebuilt homes based on increased sales price, as opposed to increased square footage.

### Universal Countywide Policy vs. School Policy Area

There was general recognition that there is no single growth context for the county. Most of the area down-county within the beltway is experiencing infill development in the form of multifamily high-rise units, which have little impact on school enrollment. The Clarksburg area, however, continues to see the type of development that encouraged the adoption of the adequate public facilities ordinance nearly 50 years ago – greenfield development of primarily single-family homes that generate many students. The White Oak area longs for economic investment, new development, new infrastructure, jobs and other amenities. But the area continues to suffer from the effects of previous long-standing transportation-based moratoria that caused the region to miss out on opportunities for investment in during the booms of the 1980s and 1990s. To add insult to injury, much of this area is currently under a schools-based moratorium.

Overall, there was little objection to treating areas experiencing greenfield development differently from those experiencing infill development. The idea of categorizing the county into different “School Policy Areas” to implement a context-sensitive policy led to a multitude of discussions on how it should or should not be done, with most concerns focused on possible unintended consequences. Planning staff will continue to explore potential options in this regard.

### **Next Steps**

Staff will brief the Board on the latest growth trends of the county on March 26 and present a working draft of recommendations for the 2020 Subdivision Staging Policy by early June. Work sessions with the Planning Board may be scheduled in May, with a public hearing tentatively scheduled for June 11. Additional work sessions in June and July will lead to the Planning Board Draft, which must be submitted to the County Council by August 1. The Council must adopt the final policy by November 15.

### **Attachments**

- A. Schools Technical Advisory Team (STAT) Meeting Participants
- B. Data Analysis Variables
- C. Growth Management Policy Comparison Chart

Attachment A

**Schools Technical Advisory Team (STAT) Meeting Participants**

M-NCPPC Staff

|                           |  |
|---------------------------|--|
| Planning Department ..... | Hye-Soo Baek<br>Corrine Blackford<br>Sarah Bond<br>Lisa Govoni<br>Arnita Jackson<br>Dominique Neam<br>Jason Sartori<br>Pamela Zorich |
| Parks Department .....    | Cristina Sasaki  |

Public Sector Representatives

|  |                                    |
|--|------------------------------------|
| City of Gaithersburg .....             | Rob Robinson<br>Kirk Eby           |
| City of Rockville .....                | Jim Wasilak                        |
| City of Takoma Park .....              | Rosalind Grigsby                   |
| Montgomery County Public Schools ..... | Adrienne Karamihas<br>Robin O'Hara |

Stakeholder Group Representatives

|  |                  |
|--|------------------|
| CASA de Maryland.....  | Maritza Solano   |
| Coalition for Smarter Growth .....                                 | Jane Lyons       |
| Commercial Real Estate Development Association (NAIOP DC MD) ..... | Jay Brinson      |
| Housing Opportunities Commission .....                             | Zachary Marks    |
| Maryland Building Industry Association .....                       | Sylke Knuppel    |
| Montgomery County Civic Federation.....                            | Brian Krantz     |
| Montgomery County Council of PTAs .....                            | Katya Marin      |
| Montgomery County Economic Development Corporation .....           | Brandon Bedford  |
| Montgomery County Regional Student Government Association.....     | Layna Teitelbaum |

Individual Participants<sup>1</sup>

- Jeremy Arnold, Rockville
- Sunil Dasgupta, Rockville
- Andrea Hidalgo, Silver Spring
- Vyjoo Krishnan, Boyds
- Vincent Russo, Rockville
- Charisse Scott, Silver Spring
- Gary Unterberg, Germantown
- Scott Wallace, Bethesda
- Dan Wilhelm, Colesville

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<sup>1</sup> Locations are based on the address indicated on the person's application, which was used for balancing geographic diversity during the selection process and may not be location of residence. Also, three additional individuals from Bethesda, Gaithersburg and Potomac were originally selected and participated in several meetings before formally withdrawing for personal reasons.

## Attachment B

### Data Analysis Variables

#### *Enrollment Impact from New Development*

- Housing growth by cluster – unit count, unit mix and student generation rate
- Share of students from dwelling type vs. share of units countywide
- Share of single-family detached units by number of students present

#### *Property-Based Student Generation Rates*

- Single-Family Units
  - by number of years since unit last sold
  - by average lot size
  - by gross floor area
- Multifamily Structures
  - by share of three-bedroom units
  - by average unit size
  - by average rent per square foot
  - by share of units in affordable housing program (LIHTC or Section-8)
- All units
  - by year built

#### *Census-Based (Tract Demographic) Student Generation Rates*

- by Population density
- by % of households with own children under 18 years old
- by % of K-12 students enrolled in public schools
- by median age and by median age range of householder
- by median household income
- by median family income of families with own children under 18 years old
- by various racial and ethnic demographics (% people of color, % Black, % Hispanic and % non-Hispanic White)
- by % foreign born population

#### *Location-Based Student Generation Rates*

- by SSP transportation policy area categorization (red, orange, yellow and green)
- by distance to metro station (quarter mile, half mile buffers and beyond)
- by distance to nearest school (quarter mile, half mile buffers and beyond)
- by location relative to the beltway (inside/outside)
- by location relative to equity emphasis areas (inside/outside)
- by location relative to priority funding areas (inside/outside)

Attachment C

**Growth Management Policy Comparison Chart**

# Attachment C

Growth Management Comparison Chart

| County  | Montgomery County, MD  | Prince George's County, MD   | Baltimore County, MD  | Fairfax County, VA  | Howard County, MD   |
|---|--|--|---|---|---|
| Population (approx.)  | 1,059,000  | 910,000  | 828,000   | 1,151,000   | 321,123   |
| Adjacent Major City   | Washington, DC   | Washington, DC   | Baltimore City  | Washington, DC  | Baltimore, MD/Washington, DC  |
| Do they have an adequate public facilities ordinance (APFO)? Or threshold to determine adequacy?                                      | Yes.   | Yes.   | Yes.  | Yes. It is referred to as the "2232 Review" and the Level of Service (LOS)  | Yes.  |
| What infrastructure is evaluated for adequacy?  | Schools, roads, water facilities, sewer facilities, stormwater drainage, fire, and police.   | Schools, roads, water facilities, sewer facilities, stormwater drainage, fire, and police.   | Schools, roads, water facilities, sewer facilities, and stormwater drainage.  | Schools, libraries, public safety services, utilities and services (water, sewer, drainage, telephone etc.)   | Schools, roads, water, sewer  |
| How frequently do they evaluate the infrastructure?   | Both annually and with each development application.   | With each development application  | With each development application   | With each development application   | Both annually and with each development application   |
| Is moratoria used to halt residential development when infrastructure is deemed inadequate? If so, what are the moratoria thresholds? | Yes.<br>Cluster threshold - 120% capacity utilization<br>School threshold - 120% capacity utilization and 110 seat deficit for ES or 180 seat deficit for MS   | No.  | Yes.<br>Threshold is 115% capacity utilization  | No.   | Yes.<br>Thresholds are:<br>ES - 105% capacity utilization<br>MS - 110% capacity utilization<br>HS - 115% capacity utilization   |
| Do they require payments in lieu, impact taxes/fees, or other payments? How do they come into play?                                   | Yes.   | Yes. They are called "surcharges" - a school facilities surcharge and a public safety surcharge. Both surcharges differ by location or type of development.  | Yes. The new charges take effect in July 2020 but won't apply to any projects whose developers submitted plans before that. The county probably won't collect a full year of revenue from the measure until about 2023.   | No. To help fund additional school capacity, Fairfax relies on "voluntary" proffer contributions from residential developers for school construction projects. Fairfax County has developed a methodology to calculate how different types of residential development increase school enrollment and the per-student cost of development - resulting in a dollar amount that is a per-student suggested proffer contribution.   | Yes, for schools, roads, and public safety.   |
| School Impact Fee Range (latest)  | \$6,791-\$24,227 per unit  | \$9,550 - \$16,371 per unit  | Not yet available.  | \$12,262 avg. cost for recommendation per student after level of service (LOS) adjustment   | \$7.50 per square foot  |
| School Construction Costs   | \$297 per square foot 233.00   | Building only: \$302/sf<br>Building + sitework: \$360/sf. [FY19]   | \$315 / s.f (building only)<br>\$374/ s.f (building + sitework)   | N/A   | N/A   |
| How do they test school capacity for adequacy?  | The school capacity is the product of the number of teaching stations at a school and each teaching station's program capacity. Capacity and enrollment are based on projections for five years in the future to calculate a capacity utilization rate, which is tested against the applicable moratorium threshold.<br><br>When an area is not in moratorium, each development application is evaluated for its anticipated enrollment impact, which is compared to a staging ceiling that limits the potential size of a development project based on the moratorium thresholds. | The school capacity is the product of the number of teaching stations at a school and the average class size for each program (based generally on the student-to-teacher ratio). In both elementary and secondary schools, a certain number of shared classrooms are used as resource rooms and are not counted toward capacity. Prince George's County employs APFO capacity tests only for planning purposes.  | State-Rated Capacity (SRC) applies to the permanent building only and does not include relocatable units. The Office of Planning tests schools for adequacy by each development application. The test only considers the current year for adequacy. If a proposed development fails the "School Impact Analysis" test, it does not go into moratorium. They test individual applicants by using the projected pupil yield for the applicant and other approved plans. | There is no capacity threshold to which a school is deemed inadequate. School capacity is tested differently for elementary, middle, and high schools. For elem. schools: total number of primary classrooms x class size ration. For middle schools, the rooms are allotted based on the FCPS instructional methodology. So the formula includes 1) Determining teams 2) Multiplying the number of teams x typical team size. In high schools, elective and non required learning spaces are counted in the capacity calculation. So the method includes multiplying the # of teaching spaces by a standard class size ration (28) then by a utilization factor. | Once allocations are granted for a project, the project must then take the Schools Test. In order to pass this test, the elementary and middle school districts and the elementary school region serving the proposed development must all be below 115% of capacity utilization. If the project does not pass this test, then plans for the development will be placed on hold. Projects are re-tested each July after a new capacity utilization chart is adopted by the County Council. Projects can be placed on hold due to failing the Schools Test for up to four years. |
| Do school projections account for turnover housing?   | The new projection methodology includes the following four models: average percentage annual increase; cohort survival; linear regression; and student-per-housing unit models. A weighted average is generated of these four models for each school to develop the enrollment projection. The student per-household model utilizes the estimated number of housing units as its base data. Doesn't account for turnover of existing neighborhoods directly.   | The population projections are used to derive school-age population (persons 5-17 years of age) and projected births. These projections are then used in conjunction with a "grade succession" methodology to derive the ten-year, grade-specific enrollment projections. This methodology utilizes pupil yields for new development, however it doesn't account for turnover.   | Enrollment projections were generated using a cohort-survival method that incorporates the impact of new residential development. This method makes use of historical information but does not account for turnover of existing development, only new development.  | The school enrollment forecasts are based on county births, aging of the current student population, and migration patterns.  | Every year, the Office of School Planning produces an enrollment projection, compiling updated data including projected housing, construction, historical and projected births, housing resales and student population characteristics. Five years of historical data is updated each year to reflect students who arrive at each school due to change in apartment address, resell of existing homes, new residential units etc.   |
| Other notes.  |  | The Prince George's County APFO only exists for planning purposes. A project causing a school to exceed the 105% APFO school threshold will not be held up because of overcrowding.<br><br><u>P3 (Public-Private) Partnership</u><br>"A P3 is an innovative way to contract for the delivery of public infrastructure and related services. The P3 contract is between a public agency, in this case PGCPs, and a private partner. A competitively awarded contract reduces significant risks to taxpayer resources. The private partner is required to maximize the life of the facilities and hand assets back to the public agency in excellent condition. PGCPs anticipates using a model that will require a private partner to design, build, finance, and maintain the facility. PGCPs will retain ownership of the schools. At the end of the contract, PGCPs will operate and maintain the facilities." | The concept of impact fees didn't gain traction in Baltimore County until this year, when the County Executive introduced legislation to create new charges on development as the county faced a projected budget shortfall. The fees will be set aside for schools, roads and public safety facilities. The new charges take effect in July 2020 but won't apply to any projects whose developers submitted plans before that.                                       | Proffers are bargains negotiated with developers. Choosing to opt in to this bargaining process is highly recommended to applicants as part of gaining a rezoning application or development. They are "voluntary" by law but applications are almost never approved without any proffer contributions.<br><br>All proffers must be voluntarily made and must be "reasonable" under law. Therefore a governing body is not authorized to require a specific proffer as a condition to granting approval. Localities can accept any proffer that they and the developer agree is reasonable.   |   |

Growth Management Comparison Chart

| County  | Harford County, MD  | Montgomery County, PA  | Fresno County, CA  | Wake County, NC  | Pinellas County, FL   |
|---|---|--|--|--|---|
| Population (approx.)  | 252,160   | 828,000  | 994,000  | 1,070,000  | 975,000   |
| Adjacent Major City   | Baltimore, MD   | Philadelphia, PA   | San Jose, CA   | Includes Raleigh, NC   | Tampa, FL   |
| Do they have an adequate public facilities ordinance (APFO)? Or threshold to determine adequacy?                                      | Yes.  | Yes. They follow a Facilities Master Plan.   | Yes. Facilities is included in the General Plan.   | No. However, The capital improvement program maintains and oversees the public utilities element.  | Yes. It is called a Concurrency Management System   |
| What infrastructure is evaluated for adequacy?  | Schools, roads, water, sewer  | Schools, water systems, sewage, libraries, health care, emergency services.  | Landfill, schools, utilities, sewer, stormwater, law enforcement, emergency services, and water systems  | The capital improvement program includes public utilities (water & sewer) public safety, stormwater, transportation, parks, housing, and technology.   | Schools, roadways, water, sewer, waste, drainage, recreation and mass transit   |
| How frequently do they evaluate the infrastructure?   | Both annually and with each development application   | With each development application  | With each development application  | N/A  | Both annually and with each development application   |
| Is moratoria used to halt residential development when infrastructure is deemed inadequate? If so, what are the moratoria thresholds? | Yes. Threshold is 110% capacity utilization or projected to be 110 % utilization in three years   | No.  | No.  | No.  | No. School concurrency moratoria was rescinded in 2012.   |
| Do they require payments in lieu, impact taxes/fees, or other payments? How do they come into play?                                   | Yes, for schools only.  | Yes, for transportation.   | Yes. The Fresno school district allows for the collection of developer fees on residential and commercial/industrial developments.   | Yes. They are called "facility fees" but are not used for schools.   | Yes, for transportation only.   |
| School Impact Fee Range (latest)  | \$1,200 - \$6,000 per unit  | N/A  | The maximum residential fee of \$3.79 per square foot.   | N/A  | N/A   |
| School Construction Costs   | N/A   | N/A  | N/A  | N/A  | N/A   |
| How do they test school capacity for adequacy?  | To assess current and future adequacy of the public school facilities, the capacities of existing schools, school utilization and future populations are analyzed. Schools are tested for adequacy in the current year and three years into the future.   | Capacity is defined as the ability of a school building to accommodate a given number of students. The state recognizes 25 students per classroom for all grades.  | Elementary capacity are calculated to include the total classrooms (portables included) and to allow each site four "Ancillary Use Rooms" identified as critically important (i.e., music, afterschool program, social emotional support) multiplied by the standard classroom size. Middle and High School capacities are calculated just with the total number of classrooms available multiplied by the standard classroom size.                          | 1. A total enrollment cap number is set for some schools in the County. Once a school reaches that cap at each grade at the school, then no more students are allowed. Once a school reaches this total enrollment number, any new families who move into the base attendance area will be assigned to an overflow school.<br>2. State legislation states that K-3rd grade classes as of 2019, cannot exceed one teacher per 22 students. 3. Enrollment cap is calculated based on amount of classrooms and teachers available multiplied by the maximum class size. | 1. School capacity is tested by the number of class stations available multiplied by the standard classroom size. Relocatable classrooms are not calculated within the permanent capacity number.<br>2. School concurrency is tested annually based on existing and projected development. There are no thresholds that enact moratoria.  |
| Do school projections account for turnover housing?   | The numbers are based on the annual enrollment taken. The cohort survival method is used to track historical trends of students, then to project future year enrollment based on a combination of historical trends. Factors that influence the development of the projections are birth rates, in-migration and out-migration of Harford County residents, existing home sales, new residential subdivision growth, student drop-out rates, private school enrollment, grade by grade historical succession ratios and other data. | A cohort progression model is used that relies on recent trend data to forecast the future. It uses "Progression Rates" to establish rates that reflect what happens to a class size as it advances from one grade to the next. An adjustment for future residential development projects using modified school-children factors and balanced by the trend development that has already occurred in recent years to deal with new development not turnover.  | The projections include a review of demographic, membership and economic trends to refine enrollment projections. However, doesn't address turnover of existing development.   | Turnover of existing data is not evaluated in the projection of schools, only new residential permit data and economic trends.   | Turnover of existing neighborhoods isn't accounted for in the school enrollment projections. Student Yield Factor = 0.32 (total) public school students generated per each residential unit in Pinellas County.   |
| Other notes.  | The county can impose a moratorium on residential development in a school district if enrollment is at 110 percent of its state-rated capacity, or will hit 110 percent of capacity in three years.   | According to the Lower Merion Schools, the district has a "long history of effectively addressing enrollment fluctuations despite its location in a mature, high-density community with limited access to significant land parcels for expansion and construction." Solutions include: Adding permanent classrooms; Internal construction and space reassignment; Renovation of old and/or underutilized buildings and converting them to classrooms; and introducing a "Partner School" plan that caps certain sections of grade levels in elementary schools that have reached optimal class size targets and requires students who register thereafter be enrolled at a "Partner School" that can accommodate further enrollment in that grade level. | Voters approved a \$199 million FUSD Measure K Facilities Bond in 2001 to pay for construction, modernization and maintenance of Fresno Unified schools. The 10-year Measure K bond is allowing the district to reduce overcrowding by building new schools, provide state-of-the-art technology, and modernize aging school facilities. By combining Bond funds with state funds, the district maximizes the use of Measure K to build and improve schools. | 1. Transportation will be provided to and from the overflow school. Students assigned to an overflow school are also placed on a numbered wait list and could be called back to the base school if a seat becomes available.<br>2. There was a Wake Growth Issues Task Force that was formed in 2008 that identified forthcoming growth issues.  | 1. Plans approved by the school board that reduce the need for permanent student stations such as acceptable school capacity levels, redistricting, busing, year-round schools, charter schools, magnet schools, public-private partnerships, multitrack scheduling, grade level organization, block scheduling, or other alternatives<br>2. On July 24, 2012, the Pinellas County Board of County Commissioners approved Comprehensive Plan amendments (to the goals, objectives, and policies) to eliminate the implementation of school concurrency. |

Growth Management Comparison Chart

| County  | Snohomish County, WA  | Contra Costa County, CA   | Pierce County, WA   | Loudon County, VA   | Arlington, VA   |
|---|---|---|---|---|---|
| Population (approx.)  | 815,000   | 1,150,000   | 876,764   | 398,080   | 234,965   |
| Adjacent Major City   | Seattle, WA   | San Francisco, CA; Oakland, CA  | Seattle, WA   | Washington, DC  | Washington, DC  |
| Do they have an adequate public facilities ordinance (APFO)? Or threshold to determine adequacy?                                      | Yes. It is called a Concurrency Management System. There is also state law called The Siting of School Facilities and the Growth Management Act.  | Yes. There is a Growth Management Element in the County's general plan.   | Yes. There is a Capital Facilities Plan is one of the elements of Pierce County's comprehensive plan. There is also state law called The Siting of School Facilities and the Growth Management Act.   | Yes. It is referred to as the "Z232 Review" and facilities are also evaluated in the General Plan.  | Yes. Facilities are evaluated in the General Plan.  |
| What infrastructure is evaluated for adequacy?  | Traffic impacts and transportation improvements. The School District has set minimum educational service standards for schools that's separate from the concurrency system.   | Fire, police, parks, sanitary facilities, water, and flood control  | Sewer, septic /community systems, water, County roads, transit, and ferries.  | Sewer, water, transportation, and police.   | Streets, sidewalks, bicycle trails, water, storm drainage, sewer, and lighting facilities   |
| How frequently do they evaluate the infrastructure?   | Both annually and with each development application   | Every general plan update and with each development application   | Every general plan update and with each development application   | Every general plan update and with each development application   | Every general plan update and with each development application   |
| Is moratoria used to halt residential development when infrastructure is deemed inadequate? If so, what are the moratoria thresholds? | Yes, but for transportation only.   | No.   | Yes. But not for schools.   | No.   | No.   |
| Do they require payments in lieu, impact taxes/fees, or other payments? How do they come into play?                                   | Yes, for schools and transportation.  | Yes, for transportation only.   | Yes, for schools and parks/recreational facilities.   | No. However, there are "voluntary" capital facilities proffers. The General Plan identifies the method for calculating facility demands. The CIF is determined by five variables: unit type, persons per household, number of school age children by type of unit, the costs of different types of facilities and costs of schools. The formula is : CIF = (Household Size x Facility Cost per Capita) + (Students per Household x School Cost per Student). There is a county CIF and a school CIF which developers must pay the total of both.  | Yes, usually for transportation, art, and affordable housing. Not for schools.  |
| School Impact Fee Range (latest)  | \$0 - \$17,000 (Fee differs by school district. See 'Other Notes')  | N/A   | \$0 - \$20,000 (Fee differs by school district. See 'Other Notes')  | \$6,401.67 - \$29,781.67 (Fee differs by school district. See 2 in 'Other Notes')   | N/A   |
| School Construction Costs   | N/A   | N/A   | N/A   | N/A   | N/A   |
| How do they test school capacity for adequacy?  | School capacity is determined based on the number of teaching stations within each building and the space requirements of the District's adopted educational program.   | Capacity is defined by the County as the number of students who can be housed in any particular building without compromising the instructional program. Programs determine capacity, not square footage.   | Can vary within county. The Program Capacity model is widely used and calculates student capacity first by identifying the number of teaching stations provided in the school building. The number of teaching stations is then multiplied by the adopted LOS to provide the Teaching Station Capacity. The adopted LOS is 24 per teacher for elementary schools and 28 students for secondary. | There is no capacity threshold to which a school is deemed inadequate.  | There is no capacity threshold to which a school is deemed inadequate.  |
| Do school projections account for turnover housing?   | Two enrollment forecasts were conducted for the District: an estimate by the Office of the Superintendent of Public Instruction (OSPI) based upon the cohort survival method and an estimate based upon County population as provided by OFM ("ratio method"). The cohort survival method does not anticipate new students from new development patterns. So, it would not capture new turnover development.  | A standard cohort "survival" methodology is used to prepare the 10-year enrollment projections for the West Contra Costa Unified School District. While based on historical enrollments, the methodology adjusts the calculation for: Historical and Projected Birth Data (used to project future kindergarten students), Residential Development, Student Migration Rates. | These estimates are reviewed annually and these projections will be combined with the Cohort Survival enrollment projections to estimate the impact of the development combined with cohort growth. However, this only accounts for new development and it is unclear how turnover is addressed.  | 1. Turnover of existing data is not evaluated in the projection of schools, only new residential permit data.<br>2. The cost per child is \$27,833.33. This is the CIF only for Ashburn, Potomac, Sterling*. Other rural counties in the County have different proffer calculations.  | Arlington County will enhance its housing data to eventually include variables such as the length of home ownership, however these improvements to the data have not been made available yet.   |
| Other notes.  | School Impact Fee changes by school district, over \$5,000 per new house for certain school districts, below \$5,000 for others. The fee includes a calculation of the cost of capital facilities only needed as a response to new residential construction, a forecast of how many new students will live in each new dwelling unit, a discount for future property tax receipts related to the new development, and a 50% reduction applied countywide. |   | School Impact Fee changes by school district. The fee is calculated as the cost of new facilities needed by development by the proportionate share of the need created by each type of development. School districts must determine the full cost of all facilities required to serve growth, with sensitivities for how demand is divided between grade levels and housing                     | Students may be reassigned to a school other than their regular school of assignment at the discretion of the school division for the purpose of relieving overcrowding (also called "overflow"), if the regular school of assignment or a particular grade level at an elementary school of assignment is overcrowded. In such a situation, the student may be reassigned to another school in which suitable capacity exists, with transportation provided by the school division. Effort will be made to reassign an overflow student to the closest possible school with suitable capacity, and to return the student to his or her regular school of assignment at the start of the next school year in which the overcrowding situation no longer exists at the regular school of assignment. | Arlington Public Schools provides the opportunity to enroll in an option school/program or request a neighborhood transfer as an alternative to attending their neighborhood school. Option schools/programs have a specialized educational setting. APS is unable to offer elementary neighborhood transfers for the 2019-20 school year. The waitlist for elementary option schools is maintained year-round. Transportation is available for students attending option schools/programs. However, bus stops may be centralized and a longer distance from a student's residence. Transportation is not provided for neighborhood or administrative transfers. Another strategy (longterm) APS is considering is creating planning space for teachers and freeing up classrooms for more periods per day. Arlington County is the only Northern Virginia jurisdiction with a mandatory commercial linkage fee that supports affordable housing. |