Development Review/Proffer Process and Development Student Yield Ratios
Facilities and Transportation Services
Office of Facilities Planning

January 12, 2015
School Board Work Session
Goals

- Discuss the Development Review/Proffer Process
- Examine Development Student Yield Ratios
- Review Possible Options for Consideration
Proffer Background

- September 9, 2002, Board of Supervisors adopted the Residential Development Criteria Implementation Motion (effective January 7, 2003) which set a recommended per student Proffer Contribution Methodology.

- Formula calculations are reviewed and updated as new numbers and costs are available. The methodology has remained unchanged.

- A proffer is a voluntary condition of a rezoning.

- Proffer contributions are used to offset the impact of new development on surrounding facilities.

- Proffer contributions are typically monetary contributions used for capital improvements that enhance school capacity (*Code of Virginia § 15.2-2303.2.D, effective July 1, 2013*).
Development Review/Proffer Process

Communication Points to School Board:

1. Development Review Impact Memo provided to School Board Members.

2. If Rezoning Approved, Approval Notice sent to School Board Members quarterly via Superintendent’s Update.

3. If Approved Rezoning has Proffers, Proffer Receipt Memo sent to School Board Members notifying them of proffer funds.

Source: FCPS Facilities Planning

January 12, 2015
Communication Point 1: Development Review Impact Memo

- Capacity status of impacted schools
- Status of any current or planned capital improvement projects
- Type and number of units proposed
- Net change in estimated student yields by school level (ES, MS, HS)
- Recommendations for school facilities
- Recommended proffer contribution and escalation clause

Source: FCPS Facilities Planning

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Communication Point 2: Approval Notice

- Type and number of units approved
- Estimated number of new students
- Estimated proffer contribution amount
- Proffer contributions are officially set (not paid) at approval
- After approval, payment timelines of proffer funds vary (months or years)

Rezoning Approvals – 3rd Quarter 2014

For your information and as part of the proffer process, the Office of Facilities Planning has received approval letters from Fairfax County during the third quarter (July 1st to September 30th) of 2014 for the following residential rezoning applications:

<table>
<thead>
<tr>
<th>District</th>
<th>Application #</th>
<th>Application Name</th>
<th>Proposed Units</th>
<th>Estimated Existing Students</th>
<th>Estimated Proposed Students</th>
<th>Estimated New Students</th>
<th>Estimated Proffer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citrusville</td>
<td>RZ 2012-0010</td>
<td>Elm Street</td>
<td>240 Multi-family Units</td>
<td>0</td>
<td>27</td>
<td>27</td>
<td>$283,176</td>
</tr>
<tr>
<td>Mount Vernon</td>
<td>PCA-2012-0007</td>
<td>Accadnik Village</td>
<td>281 Multi-family Units</td>
<td>11</td>
<td>30</td>
<td>19</td>
<td>$290,675</td>
</tr>
<tr>
<td>Providence</td>
<td>RZ 2013-0002</td>
<td>Greensboro Park</td>
<td>520 Multi-family Units</td>
<td>0</td>
<td>59</td>
<td>59</td>
<td>$543,924</td>
</tr>
<tr>
<td>Providence</td>
<td>RZ 2013-0007</td>
<td>Lapidus Realty</td>
<td>29 Townhomes</td>
<td>0</td>
<td>12</td>
<td>12</td>
<td>$120,826</td>
</tr>
</tbody>
</table>

Proffer payments are typically triggered by certain milestones in the development of the project. The trigger milestones could be within months of approval or could be several years after approval depending on the pace at which the project is pursued for development.

We will notify you upon receipt of project funding.

Source: FCPS Facilities Planning

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Communication Point 3: Proffer Receipt Memo

- The amount of proffer funds received
- Official proffer language which specifies how funds can be spent
- Identification of schools serving the development
- Code of Virginia requires funds to be spent on enhancements to school capacity (Code of Virginia § 15.2-2303.2.D, effective July 1, 2013)
- Request to School Board Members, RAS, & Principals for projects to enhance school capacity

Source: FCPS Facilities Planning

January 12, 2015
Proffer Tracking

- Facilities and Transportation Services track both paid and unpaid proffers, which can be reported by magisterial district.

- Once projects have been identified for funding Facilities and Transportation Services proffer files are updated to note selected project.

- Annual expenditures reported to the County to be provided as part of State’s Commission on Local Government Cash Proffer Reporting requirement.
1. Solicit feedback from Principals, Region Assistant Superintendents, and School Board Members for proffer project requests.

2. Review project requests with Division Counsel for conformance to the specific proffer language and State Code *(Code of Virginia § 15.2-2303.2.D, effective July 1, 2013)* restrictions on the use of proffer funds.

3. Review submitted project requests, existing capital projects, and other known projects/needs.

4. Make recommendations for proffer funds based upon review.

5. Assistant Superintendent of Facilities and Transportation Services meets with School Board Members prior to finalizing the designation of proffer funds.
Proffer Contribution Formula/Calculation

- Formula calculations are reviewed and updated as new numbers and costs are available. The Methodology has remained unchanged.

Attachment 1: Proffer Contribution Calculation (November 2014)

**Building Construction Costs**

- Construction costs for ES, MS & HS:
  - $207 x 99,937 sf = $21,217 cost per ES student
  - 975 capacity
  - $213 x 179,824 sf = $30,130 cost per MS student
  - 1,250 capacity
  - $222 x 377,457 sf = $33,518 cost per HS student
  - 2,500 capacity

  Weighted average = $24,040 cost per student

**Adjustment - Modular Construction Cost**

- Construction cost offset by modular:
  - $24,040 (Weighted average)
  - x 0.041 (School capacity provided by modular multiplier) = 985
  - Construction cost of modular:
  - $885 (Construction cost offset by modular)
  - x 0.45 (Cost of modular multiplier) = 443
  - Cost per student after modular adjustment:
  - $24,040 (weighted average)
  - - 985 (Construction cost offset by modular)
  - + 443 (Construction cost of modular)
  - = $23,498

**Adjustment - Level of Service (LOS)**

- Cost per student after level of service adjustment:
  - $23,498 (Cost per student after modular adjustment)
  - x 0.5 (LOS multiplier)
  - = $11,749 (Recommended Contribution)

**Explanation for “Weighted average”:**

<table>
<thead>
<tr>
<th></th>
<th>Cost per student</th>
<th># of school buildings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ES</td>
<td>$21,217</td>
<td>140</td>
<td>2,970,380</td>
</tr>
<tr>
<td>MS</td>
<td>$30,130</td>
<td>26</td>
<td>783,380</td>
</tr>
<tr>
<td>HS</td>
<td>$33,518</td>
<td>25</td>
<td>837,950</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>4,591,710</td>
</tr>
</tbody>
</table>

4,591,710 / 191 = 24,040 weighted average cost per student

**Explanation for “School capacity provided by modular multiplier”:**

<table>
<thead>
<tr>
<th>Program Capacity</th>
<th>School Capacity Provided by Modular Multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>ES, MS, HS</td>
<td>185,756</td>
</tr>
<tr>
<td>Modular</td>
<td>7,697</td>
</tr>
</tbody>
</table>

7,697 / 185,756 = 0.041 Modular Capacity Multiplier

**Explanation for “Cost of modular multiplier”:**

Cost of modular construction is 45% of what permanent construction costs = 0.45

**Explanation for “LOS multiplier”:**

Average age of buildings/life expectancy of buildings = 25/50 = 0.5

Source: FCPS, Facilities and Transportation Services, November 20, 2014.

Effective December 1, 2014.

January 12, 2015
Formula calculations are reviewed and updated as new numbers and costs are available. The Methodology has remained unchanged.

Attachment 1: Proffer Contribution Calculation (November 2014)

Source: FCPS, Facilities and Transportation Services, November 20, 2014.

Effective December 1, 2014.
Proffer Receipts

- $18.5 million since FY 2003, approximately $9 million since FY 2010.

- Proffer funding is an unpredictable funding source. Payments are not date specific but are triggered based on project milestones (site plan approval, building permit approval, occupancy).

Source: FCPS, Proposed FY2016-20 Capital Improvement Program

January 12, 2015
FCPS Residential Development Monitoring

- **Comprehensive Planning/Planning Study**
  - **Scope**: Community (Collection of Large Developments/Subdivisions)
  - **Horizon**: Long Term (Several Years to Decades)

- **Rezoning**
  - **Scope**: Large Development/Subdivision (Collection of Parcels)
  - **Horizon**: Mid Term (3-5+ Years)

- **Development Review**

- **Portion of FCPS Enrollment Projection Process**
  - **Scope**: Parcel Specific
  - **Horizon**: Short Term (1-6 Years)

- **FCPS Enrollment Projections Process**

*Source: FCPS, Facilities Planning*

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Scope of Development - Arbor Row Development

Source: Fairfax County Comprehensive Plan, Tysons Corner Urban Center, Conceptual Land Use, Map 3.

Source: Fairfax County, RZ 2011-PR-023, Arbor Row, Development Plan.


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Horizon of Development – Tysons Corner Timeline

- Plan Reviewed (by FCPS): 2006-2008
- Plan Adopted: 2010
- 14 Approved Major Applications
  (In green in map below)

1. Spring Hill Station (2010-PR-014A):
   - Rezoning Reviewed (by FCPS): February 2011
   - Rezoning Approved: September 2011
   - Construction: Complete
   - Students Arrived: SY 2014-15

1. Spring Hill Station (2010-PR-014B):
   - Rezoning Reviewed (by FCPS): February 2011
   - Rezoning Approved: September 2011
   - Construction: No Activity
   - Students Arrived: TBD

5. Arbor Row (RZ 2011-PR-023):
   - Rezoning Reviewed (by FCPS): August 2011
   - Rezoning Approved: November 2012
   - Construction: Building E Under Construction
   - Students Arrived: TBD

Source: Fairfax County, Report to Board of Supervisors on Tysons – 2014.

January 12, 2015
Development Student Yield Ratios

- Used for Development Review Impact Memos. Looking at the long term impact of housing (Planning for Facilities and Proffers)

- Result of Ratio is estimation of Student Yield from proposed housing

- Ratio based on average yields across the County, as specified in the Implementation Motion for the Residential Development Criteria adopted by the Board of Supervisors in 2002

- Housing Categories include: Single Family, Townhouse, Multi-family low-rise, Multi-family mid-rise/high-rise

\[
\text{Development Student Yield Ratio} = \frac{\text{Number of Actual Students Residing in Housing Type (By School Level)}}{\text{Number of Actual Housing Units in Housing Type}}
\]
Development Student Yield Ratios

- Development Student Yield Ratios use Countywide averages as specified in the Implementation Motion for the Residential Development Criteria adopted by the Board of Supervisors in 2002.

- The ratio of students per housing unit, by housing type, by school level (ES, MS, HS)

<table>
<thead>
<tr>
<th>Single Family Detached</th>
<th>Single Family Attached (Townhouse)</th>
<th>Low-rise Multi-family (≤ 4 stories)</th>
<th>Mid/High-rise Multi-family (&gt; 4 stories)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.270 Elementary</td>
<td>.194 Elementary</td>
<td>.056 Elementary</td>
</tr>
<tr>
<td></td>
<td>.085 Middle</td>
<td>.046 Middle</td>
<td>.016 Middle</td>
</tr>
<tr>
<td></td>
<td>.175 High</td>
<td>.085 High</td>
<td>.028 High</td>
</tr>
<tr>
<td></td>
<td>.530 Total</td>
<td>.325 Total</td>
<td>.100 Total</td>
</tr>
<tr>
<td></td>
<td>.252 Elementary</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.062 Middle</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.127 High</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.441 Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sampling of 45 residential developments constructed since 2003.
- Included a variety of unit types.
- Different areas of County (see map).
- Multiple development (4 to 7) per area.

Findings:
- 67% of all developments near or below estimated yield.
- 93% of developments above estimated yield were Single Family and Townhouse projects.
- 70% of Single Family developments above estimated yield.
- 95% of Multi-family developments near or below estimated yield.

Source: FCPS Facilities Planning
Summary and Possible Options

- Multiple Points of Communication Throughout the Process
- Timing of Proffer Receipts Vary
- Process for Proffers in Place (notification, distribution, tracking)
- Accuracy of Development Student Yield Ratios

Possible Options for Consideration:

- Review of Proffer Formula Methodology Warranted.
- Review of Single Family Development Student Yield Ratios for Possible Enhancements.
- Review of the County’s Comprehensive Plan as Related to Schools.

January 12, 2015