

**MEMORANDUM**

September 20, 2012

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM:  Glenn Orlin, Deputy Council Staff Director  
Michael Faden, Senior Legislative Attorney

SUBJECT: 2012-2016 Subdivision Staging Policy (SSP) and resolution to amend School Facility Payment rates

**Committee members should bring their copies of the Draft SSP and Appendix to this worksession.**

The Subdivision Staging Policy (formerly called the Growth Policy) sets the rules as to how the Adequate Public Facilities Ordinance is to be administered at the preliminary plan (subdivision) stage of development. The SSP typically describes—in detail—three tests of adequacy: Policy Area Transportation Review, Local Area Transportation Review (LATR), and the Public School Facilities Test. The 2012-2016 Draft SSP recommends an entirely new Policy Area Transportation Review. It is called Transportation Policy Area Review (or “TPAR”), and it would replace the currently used Policy Area Mobility Review (or “PAMR”). The Draft SSP recommends a significant change to LATR when an intersection is forecast to reach a serious level of congestion. Finally, the Draft SSP proposes a few minor changes to the Public Schools Facilities Test. As a corollary to the Public Schools Test, the Board is also recommending changing the rate schedule for School Facility Payments to reflect the current costs of school construction.

The tentative schedule for the PHED Committee to take up these issues is as follows:

- *September 24*: Growth Status & Trends; Public School Facilities Test (including School Facility Payment rates); and LATR.
- *October 8*: Transportation Policy Area Review (TPAR).
- *October 15*: follow-up on all of the above; form final recommendations.

Council worksessions are tentatively scheduled for October 23 and 30. Final action is anticipated on November 13. By law the SSP must be adopted by November 15.

This memorandum will address issues raised by the Board of Education, from other public hearing testimony, and by Council staff. On September 20 the County Executive transmitted comments on TPAR (to be discussed on October 8) but on no other issue in the SSP.

## I. STATUS REPORT ON LAND USE CONDITIONS AND FORECASTS

Sections 33A-15(b)(1)&(2) of the County Code requires that the Planning Board's Draft SSP include:

- a status report on general land use conditions in the county, including the remaining growth capacity of zoned land, recent trends in real estate transactions, the level of service conditions of major public facilities and environmentally sensitive areas, and other relevant monitoring measures; and
- a forecast of the most probable trends in population, households, and employment for the next 10 years, including key factors that may affect the trends.

The status report and forecasts are found on pages 6-15 of the Draft SSP and in Appendix 1. The Planning staff gave the Council an overview of this material on September 18. This would be the time for Committee members to explore this material further, should they choose to do so.

## II. PUBLIC SCHOOL FACILITIES TEST

This test, applied to only those subdivisions with a residential component, is actually is three tests. For each high school cluster area, the Planning Board (based on information provided by Montgomery County Public Schools) determines the total program capacity at the high school, middle school, and elementary school levels:

- If MCPS's forecast of students 5 years in the future at all three levels does not exceed 105% of total program capacity 5 years hence, and if the students "generated" by the proposed development does not bring the forecasted enrollment over 105% at any level, then the development passes this test.
- If the forecast plus the students from the proposed development brings the cluster over the 105% threshold at any of the three levels, but not as high as 120% of total program capacity, then the development can be approved with the condition that the developer make a School Facility Payment per student (payable at final inspection, just prior to occupancy) for any level where the 105% is exceeded.
- If the 5-year forecast plus the students from the proposed development would exceed 120% of program capacity at *any* level 5 years into the future, then the development cannot be approved.

The Planning Board—with the aid of MCPS staff—performs this assessment annually, at the beginning of the fiscal year (late June/early July). The result of the most recent assessment is on ©1-2. It shows that of the 75 cluster-levels (the ES, MS, and HS levels in each of MCPS's 25 high school clusters), 55 are fully adequate, 20 are adequate with the condition of a School Facility Payment paid at final inspection, and none are in moratorium.

The following issues are being raised:

**1. Keeping a running score of students generated from subdivisions as they are approved.** For many years the School Test was administered by taking the result of the June/July assessment (as on ©1-2) and freezing this "snapshot" for the duration of the fiscal year. However, in the mid-2000s the

Council amended the (then) Growth Policy to count students generated from subdivisions approved subsequent to the assessment. The purpose was to prevent the situation where the Planning Board might approve housing developments that would effectively cause the 105% and 120% thresholds to be exceeded during the course of a year.

The Building Industry Association recommends returning to the “snapshot” method, pointing out the uncertainty this poses to applicants who are in the midst of having their developments reviewed by the Planning Board (©21-22). For example, a potential subdivision approval might be delayed or denied because of where that subdivision sits in the review queue. On the other hand, the Planning Board, the Board of Education recommend retaining the “running score” approach.

**Council staff recommendation: Keep the “running score” approach.** This approach holds to the basic tenet of the adequate public facilities ordinance, which is to assure a temporal match between the occupancy of new subdivisions and the presence of public facilities to serve them. The only problem with this approach is that, currently, the Council and Planning Board cannot respond effectively to a mid-year overage—a problem that would be solved by ...

**2. *Allowing the Planning Board to make a mid-year assessment of the School Test.*** The problem is best demonstrated by events that occurred last fall. At that time Planning staff alerted Council staff that the running score in the Northwest Cluster at the ES level was nearing 120%, and a few pending residential subdivisions would bring the score over the 120% threshold. MCPS had an ES addition in facility planning, but it was not far enough along to propose it as a CIP amendment. Council staff began to prepare a Northwest Cluster ES Solution CIP project, which, if approved, would have served as a placeholder until it was replaced by a project proposed for funding by the BOE in the FY13-18 CIP. (The Council’s policy has been to approve “solution” CIP projects as placeholders for new schools or additions that MCPS has under development in facility planning to keep clusters from exceeding the 120% threshold and going into moratorium.) However, Planning staff ultimately pointed out that the Growth Policy resolution only allowed the Planning Board the authority to reassess a cluster-level’s adequacy in the June/July timeframe, and not mid-cycle. Therefore, the Council approving a Northwest Cluster ES Solution project would have been for naught.

As it turned out, the particular potential developments in the Northwest Cluster did not proceed to approval within FY12 anyway, so the threshold was not exceeded. Last December the BOE recommended—and in May the Council approved—a new Northwest ES #8 project, and the percent utilization for this cluster-level forecasts to 104.4%.

Nevertheless, to keep this possibility from occurring again, the Planning Board recommends that the Council grant it authority to perform a mid-cycle assessment should the Council approve new school capacity mid-cycle. The BOE concurs. MCCF opposes it, stating that “if a mid-cycle funding is so desirable, we suggest the Council go back to a 2-year SSP cycle” (©25). But MCCF misunderstands what is being requested: the School Test is assessed not every 4 years, but every year; this proposal would allow it to be assessed even more frequently should the Council program new capacity in the CIP.

**Council staff recommendation: Allow the Planning Board the authority to re-assess the School Test mid-cycle should the Council program new capacity mid-cycle in the CIP.** If the test is to continue to keep a running score of students in each cluster-level, it should also count additional programmed school capacity that may be added mid-cycle.

**3. School Facility Payment (SFP) rates.** Sections 52-94(b) and (c) of the County Code state:

The amount of the Payment for each building must be calculated by multiplying the Payment rate by the latest per-unit student yield ratio for any level of school found to be inadequate for the purposes of imposing the School Facilities Payment in the applicable Subdivision Staging Policy and for that type of dwelling unit and geographic area issued by MCPS.

The Payment rate is \$19,514 per elementary school student, \$25,411 per middle school student, and \$28,501 per high school student, unless modified by Council resolution. The Council by resolution, after a public hearing advertised at least 15 days in advance, may increase or decrease the Payment rate or set different rates for different types of housing unit.

There are 12 SFP rates: the three grade levels for each of four housing types: single-family detached, single-family attached, multi-family garden apartments, and high-rise apartments (including low-rise apartments with structured parking).

MCPS has recalculated these rates based on updated student generation rates at each level and the cost of construction at each level. The construction cost per student is down in each case: 0.4% less per ES student, 16.4% less per MS student; and 15.5% less per HS student. These lower rates are what appear in the resolution currently before the Council (©A). However, the student generation rates (students/household), which are set by MCPS and based on the census and Planning staff intercensal surveys, are higher in 6 of the 12 categories. As a result, of the 12 effective *per dwelling unit* rates, 4 would be increased and 8 would be reduced. The largest increase is for the HS SFP for garden apartments: from \$1,112 to \$1,731/unit. The largest reduction is for the MS SFP for single-family detached homes: from \$3,659 to \$2,699/unit. Most of the changes are more marginal than these. The math is on pp. 40-41 of the Final Draft.

The Planning Board proposes these rates as well, and recommends that they be updated every 4 years with the regular update of the SSP. MCCPTA raised concern that the lower cost of construction per student may be reflecting an anomalous low point in construction prices. It recommends calculating the new SFP rates based on the average of the past five years.

**Council staff recommendation: Support the Planning Board's newly recommended rates, but update them every two years by Council resolution based on data from MCPS and Planning staff.** MCCPTA is right that construction costs fluctuate, which is why impact taxes are automatically adjusted to construction cost inflation every two years. A biennial adjustment in impact tax rates has proven to be an acceptable compromise between the development industry's desire for certainty in rates and the reality of changing construction costs.

**4. SFP exemptions.** Both the School Impact Tax law and the current Growth Policy exempt multi-family senior housing from having to paying either levy, for the rather obvious reason that these units do not house school-age children. However, the Planning Board points out that there may potentially be single-family dwellings—either attached or detached—that will also be restricted to the seniors. Therefore, the Planning Board recommends exempting all housing restricted to seniors from having to pay the SFP. The BOE and the MCCF concur.

**Council staff recommendation: Exempt all housing restricted to seniors from having to pay the SFP.** This concept would be implemented by amending the School Impact Tax law: the senior housing exemption in the SFP stems from the exemption described in that law. Council staff will raise

the issue this fall when the Government Operations & Fiscal Policy (GO) Committee takes up a series of impact tax measures.

MCCF opposes the SFP (and impact tax) exemptions for current and former enterprise zones, and for moderately priced dwelling units and other forms of affordable housing that are currently exempt (©26). Council staff will bring up these issues with the GO Committee as well.

**5. Use of SFP revenue.** Since the SFP regime was initiated in 2007, the revenue collected from this source has only been in the hundreds of thousands of dollars. This is partly due to the slowdown in the home-building industry during this time, and partly to the fact that while the SFP may be conditioned at subdivision, it was not to be collected until building permit issuance, and now, at the time of final inspection. The housing developments approved (through last May 21) with SFP conditions are on ©3.

Section 52-94 (e) of the Code describes how SFP revenue can be spent:

The Department of Finance must retain funds collected under this Section in an account to be appropriated for MCPS capital improvements that result in added student capacity for the school cluster, or, if no cluster is established, another geographic administrative area, where the development for which the funds were paid is located.

This past May was the first time the Council was able to program SFP revenue: \$164,000 towards the cost of North Chevy Chase ES Addition and \$6,000 towards the cost of Bradley Hills ES Addition. The funds came from ES SFP payments made in the B-CC and Whitman Clusters, respectively. The Planning Board does not recommend a change to how SFP revenue may be spent.

The BOE advocates allowing SFP revenue to be used for any public school capacity project in the county. In his recommendation to the BOE, the Superintendent notes that “the school system needs the flexibility to apply these funds more broadly. In addition, the small amount of revenue collected in a given cluster is insufficient to construct a school capacity project” (©8). MCCPTA and the Walter Johnson PTA disagree. MCCPTA states: “Decoupling the facilities payment from the area where the facilities are needed would bring the development but would not necessarily bring the relief to our students” (©15).

Both the BOE and MCCPTA overstate the problem, because SFP revenue—miniscule as it is now—will never be more than a small portion of the funding for MCPS’s capital program. MCPS’s current year (FY13) capital program is funded as follows:

<b>Funding Source</b>	<b>Amount</b>
G.O. Bonds	\$175,545,000
State Aid	43,105,000
Current Revenue	19,976,000
Recordation Tax	19,214,000
School Impact Tax	14,454,000
School Facility Payments	170,000
<b>Total</b>	<b>\$272,464,000</b>

Only a small minority of developments will be required to pay the SFP, and new development itself contributes a relatively small portion of the need for new school capacity; most of the change in cluster-by-cluster student enrollment derives from demographic changes. With such a small revenue source,

there is no pressing need for it to be universally flexible. Nor should the Walter Johnson Cluster be concerned that it won't get its schools if any the School Facility Payments from White Flint are spent elsewhere.

Nevertheless, it is important to maintain the link between where the SFP is collected and spent. The SFP is collected as the price of developing where school capacity will be inadequate; the legal justification for collecting the fee is to fund a proportionate share of the capacity shortfall caused by the development. In fact, not only should SFP funds be spent where they are collected, the policy should be that the funds are spent in the cluster *and grade level* (ES, MS, or HS) which caused the payment to be made. Otherwise, what would be the justification for charging differential rates for the ES, MS, and HS levels if funds collected to solve, say, a high school shortage were used for an ES project instead? This tighter criterion was used in funding the North Chevy Chase ES Addition and Bradley Hills ES Addition projects this year.

**Council staff recommendation: Add language to the SSP noting, to the extent possible, that SFP must be spent for capacity in the same cluster and at the same grade level which generated the need for the payment in the first place.**

### III. LOCAL AREA TRANSPORTATION REVIEW (LATR) TEST

The following issues are being raised regarding LATR:

**1. HCM and CLV.** LATR is a test used to measure the road level of service at intersections in the vicinity of a potential development. For more than three decades LATR has measured level of service based on the Critical Lane Volume (CLV) method. CLV is relatively simple, quick, and thus economical to use, which has made it well-suited to evaluating multiple alternatives for solving forecasted congestion. It is also absolutely transparent: every step in the analysis is documented and the math is straightforward, making it simple for a plan reviewer or a citizen to critique it.

The downside of CLV is that it can generate results that differ from the reality "on the ground," most especially for the over-congested intersections where the analysis is most critical. Factors such as signal timing, grades, and even the location of bus stops can figure significantly in how well an intersection processes traffic through it. That is why most jurisdictions are now using the Transportation Research Board (TRB) Highway Capacity Manual (HCM) for calculating level of service. The most recent HCM is a three-volume work published in 2010.

The Planning Board recommends a hybrid test for LATR. First, a CLV analysis would be performed as a means for screening out those intersections that would have a Critical Lane Volume less than 1,600, the threshold between stable (but, closer to 1,600, congested) road conditions and unstable (over-congested) conditions. For intersections that result in a CLV of 1,600 or greater, the more detailed HCM method would be utilized, and would usually involve a sophisticated traffic-flow model, such as Synchro or CORSIM. In these cases, the intersection level of service would be expressed as a volume/capacity ratio, and the standards at 1,600 CLV or higher would be set at levels parallel with the current CLV standards. For example: 1,600 CLV is the current standard for the Bethesda/Chevy Chase, Silver Spring/Takoma Park, Kensington/Wheaton, and Germantown Town Center Policy Areas; under the proposed SSP the standard would be expressed as a volume/capacity ratio of 1.00. For Metro Station Policy Areas (MSPAs), where the current standard is 1,800 CLV, the new standard would be a

volume/capacity ratio of 1.13 (rounded from 1.125 = 1800/1600). The proposed LATR standards are on ©27.

BIA expresses the concern that the standards are being tightened, which will make it more difficult for development in MSPAs to be approved (©19-20). In actuality, the standards are not being tightened or loosened, but measured in a different manner. Under both the current and proposed LATR, traffic congestion would be allowed up to about 13% over capacity in MSPAs. However, depending on the specific circumstances at each intersection, HCM might report a failure where CLV does not, or vice-versa. BIA is correct that HCM increases uncertainty, though. It is less transparent, and more costly and time-consuming to utilize.

The Civic Federation believes that there should be further education of the Council and public on the 2010 HCM standards and methods (©25). Council staff has requested that Planning staff and its consultant brief the Council on how the HCM differs from CLV.

**Council staff recommendation: Concur with the Planning Board.** The hybrid approach of using HCM standards and methodology for congested intersections and continuing to use the quicker and more economical CLV method for less congested intersections is an appropriate way to proceed.

**2. *Minor changes recommended by the Planning Board.*** Other than this change, the other proposed revisions to LATR are minor. For the Potomac Policy Area, the current SSP lists 10 specific intersections to be tested under LATR; the proposed SSP proposes adding two more: River Road at Falls Road and Falls Road at Democracy Boulevard. The remaining revisions are purely technical.

**Council staff recommendation: Concur with the Planning Board.**

**3. *Years of capacity counted in LATR.*** The Policy Area and Local Area Transportation Reviews have always used the same rule with regard to how much capacity can be counted in the analysis. The current rule calls for counting all capacity programmed for completion in the subsequent 6 years. Under TPAR (to be discussed on October 8) the Planning Board is recommending counting 10 years, based on the observation that the current residential pipeline of approved subdivisions will take 7-8 years to build out and the current commercial pipeline will take 13-15 years to build out, averaging at about 10 years overall. The Planning Board did not consider revising the rule for LATR, however.

**Council staff recommendation: For LATR, count all capacity programmed for completion in the same number of years as for TPAR.** There is no cogent argument for applying a different rule between Policy and Local Area Reviews. For example, if the Council were to count 10 years for TPAR as recommended by the Planning Board and Executive, then the capacity Montrose Parkway East, Goshen Road South, and East Gude Drive Roadway Improvements projects would all be countable; they should then also be countable for LATR.

**4. *Revising trip mitigation requirements.*** Attorney Timothy Dugan has raised the issue of a development converting its approved development to one that generates fewer peak-hour trips, such as converting a portion of an approved office development to housing. Mr. Dugan recommends that SSP allow the trip mitigation requirement be reduced at a rate of one to one, for each peak-hour trip that is no longer estimated to be generated in such a situation (©28).

**Council staff recommendation: Council staff concurs with the concept.** The Committee should explore this possibility with Planning Board and staff representatives at the worksession.

**5. Counting US 29.** Percontee testified in favor of discounting through traffic on US 29 in both the TPAR and LATR tests. Harriet Quinn of Four Corners disagrees. Council staff will address this matter at the October 8 worksession.

Attachments:

Resolution to amend School Facility Payments	©A
Results of School Test for FY 2013	©1
Housing approved with School Facility Payments	©3
Board of Education testimony	©4
MCCPTA testimony	©14
Walter Johnson PTA testimony	©16
Building Industry Association testimony	©18
Montgomery County Civic Federation testimony	©23
Existing and proposed LATR standards	©27
Timothy Dugan's testimony	©28

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Resolution: \_\_\_\_\_  
Introduced: July 31, 2012  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County President on behalf of the Planning Board

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**SUBJECT:** Amending School Facility Payment rates

**Background**

1. According to Section 52-94(c) of the Montgomery County Code, the School Facility Payment rate is \$19,514 per elementary student, \$25,411 per middle school student, and \$28,501 per high school student, unless modified by a Council resolution. These rates were based on 60% of the per student cost of construction, as determined by Montgomery County Public Schools in 2007, when the School Facility Payment was enacted, and they have been in effect since then.
2. Montgomery County Public Schools has recently recalculated that 60% of the construction cost to be \$19,439 per elementary student, \$21,250 per middle school student, and \$24,375 per high school student. As part of its recommendations for the 2012-2016 Subdivision Staging Policy the Planning Board recommends amending the current rates to reflect these updated costs.
3. According to Section 52-94(c) the Council, by resolution, after a public hearing advertised at least 15 days in advance, may increase or decrease the School Facility Payment rates.
4. A public hearing on this resolution is scheduled for September 18, 2012.

**Action**

The County Council for Montgomery County approves the following resolution:

The School Facility Payment rates in Section 52-94(c) are amended to \$19,439 per elementary student, \$21,250 per middle school student, and \$24,375 per high school student.

This is a correct copy of Council action.

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Linda M. Lauer, Clerk of the Council

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Date

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**Table 3: Subdivision Staging Policy - Results of School Test for FY 2013**

Reflects County Council Adopted FY 2013 Capital Budget and FY 2013–2018 Capital Improvements Program (CIP)  
Effective July 1, 2012

School Test Level	Description	Cluster Outcomes by Level		
		Elementary Inadequate	Middle Inadequate	High Inadequate
<b>Clusters over 105% utilization</b>	5-year test Effective July 1, 2012	Blake (106.7%) Gaithersburg (110.0%) Magruder (105.4%) Paint Branch (114.5%) Quince Orchard (108.9%) Rockville (113.3%) Seneca Valley (111.9%)	Blair (106.9%) Walter Johnson (112.3%) Rockville (115.4%) Springbrook (106.7%) Wheaton (109.4%) Whitman (116.0%)	B-CC ( 115.8%) * Blake (106.7%) Walter Johnson (106.3%) Northwood (111.5%) Quince Orchard (107.1%) Whitman (109.3%) Wootton (107.6%)
School facility payment required in inadequate clusters to proceed.	Test year 2017-18			
<b>Clusters over 120% utilization</b>	5-year test Effective July 1, 2012			
Moratorium required in clusters that are inadequate.	Test year 2017-18			

\* Utilization of B-CC HS includes a "placeholder" capital project of ten classrooms, pending a request for an addition in a future CIP.

**Table 4: Subdivision Staging Policy FY 2013 School Test - Cluster Utilizations in 2017–2018**

Reflects County Council Adopted FY 2013 Capital Budget and FY 2013–2018 Capital Improvements Program (CIP)  
Effective July 1, 2012

Elementary School Test: Percent Utilization >105% School Facility Payment and >120% Moratorium

Cluster Area	Projected August 2017 Enrollment	100% MCPS Program Capacity With Adopted FY 13-18 CIP	Cluster Percent Utilization in 2017	School Test Result Capacity is:	Cluster Is?
Bethesda- Chevy Chase	3,501	3,810	91.9%	Adequate	Open
Montgomery Blair	4,222	4,154	101.6%	Adequate	Open
<b>James Hubert Blake</b>	<b>2,585</b>	<b>2,423</b>	<b>106.7%</b>	<b>Inadequate</b>	<b>School Payment</b>
Winston Churchill	2,650	2,887	91.8%	Adequate	Open
Clarksburg	4,029	3,998	100.8%	Adequate	Open
Damascus	2,395	2,409	99.4%	Adequate	Open
Albert Einstein	2,760	2,639	104.6%	Adequate	Open
<b>Gaithersburg</b>	<b>4,001</b>	<b>3,637</b>	<b>110.0%</b>	<b>Inadequate</b>	<b>School Payment</b>
Walter Johnson	4,089	3,946	103.6%	Adequate	Open
John F. Kennedy	2,773	2,910	95.3%	Adequate	Open
<b>Col. Zadok Magruder</b>	<b>2,683</b>	<b>2,546</b>	<b>105.4%</b>	<b>Inadequate</b>	<b>School Payment</b>
Richard Montgomery	2,745	2,978	92.2%	Adequate	Open
Northwest	4,249	4,309	98.6%	Adequate	Open
Northwood	3,464	3,376	102.6%	Adequate	Open
<b>Paint Branch</b>	<b>2,464</b>	<b>2,152</b>	<b>114.5%</b>	<b>Inadequate</b>	<b>School Payment</b>
Poolesville	652	758	86.0%	Adequate	Open
<b>Quince Orchard</b>	<b>3,035</b>	<b>2,787</b>	<b>108.9%</b>	<b>Inadequate</b>	<b>School Payment</b>
<b>Rockville</b>	<b>2,609</b>	<b>2,303</b>	<b>113.3%</b>	<b>Inadequate</b>	<b>School Payment</b>
<b>Seneca Valley</b>	<b>2,401</b>	<b>2,145</b>	<b>111.9%</b>	<b>Inadequate</b>	<b>School Payment</b>
Sherwood	2,017	2,427	83.1%	Adequate	Open
Springbrook	3,295	3,151	104.6%	Adequate	Open
Watkins Mill	2,663	2,721	97.9%	Adequate	Open
Wheaton	3,156	3,304	95.5%	Adequate	Open
Walt Whitman	2,554	2,560	99.8%	Adequate	Open
Thomas S. Wootton	2,893	3,246	89.1%	Adequate	Open

**Table 4 (continued)**

**Middle School Test: Percent Utilization >105% School Facility Payment and >120% Moratorium**

Cluster Area	Projected August 2017 Enrollment	100% MCPS Program Capacity With Adopted FY 13-18 CIP	Cluster Percent Utilization in 2017	School Test Result Capacity is:	Cluster is?
Bethesda-Chevy Chase	1,608	2,007	80.1%	Adequate	Open
<b>Montgomery Blair</b>	<b>2,455</b>	<b>2,296</b>	<b>106.9%</b>	<b>Inadequate</b>	<b>School Payment</b>
James Hubert Blake	1,301	1,314	99.0%	Adequate	Open
Winston Churchill	1,345	1,593	84.4%	Adequate	Open
Clarksburg	1,871	2,381	78.6%	Adequate	Open
Damascus	758	740	102.4%	Adequate	Open
Albert Einstein	1,234	1,332	92.6%	Adequate	Open
Gaithersburg	1,711	1,797	95.2%	Adequate	Open
<b>Walter Johnson</b>	<b>2,057</b>	<b>1,831</b>	<b>112.3%</b>	<b>Inadequate</b>	<b>School Payment</b>
John F. Kennedy	1,411	1,436	98.3%	Adequate	Open
Col. Zadok Magruder	1,277	1,637	78.0%	Adequate	Open
Richard Montgomery	1,331	1,444	92.2%	Adequate	Open
Northwest	2,135	2,052	104.0%	Adequate	Open
Northwood	1,453	1,459	99.6%	Adequate	Open
Paint Branch	1,279	1,228	104.2%	Adequate	Open
Poolesville	317	459	69.1%	Adequate	Open
Quince Orchard	1,453	1,688	86.1%	Adequate	Open
<b>Rockville</b>	<b>1,099</b>	<b>952</b>	<b>115.4%</b>	<b>Inadequate</b>	<b>School Payment</b>
Seneca Valley	1,302	1,485	87.7%	Adequate	Open
Sherwood	1,127	1,501	75.1%	Adequate	Open
<b>Springbrook</b>	<b>1,361</b>	<b>1,275</b>	<b>106.7%</b>	<b>Inadequate</b>	<b>School Payment</b>
Watkins Mill	1,239	1,359	91.2%	Adequate	Open
<b>Wheaton</b>	<b>1,738</b>	<b>1,588</b>	<b>109.4%</b>	<b>Inadequate</b>	<b>School Payment</b>
<b>Walt Whitman</b>	<b>1,474</b>	<b>1,271</b>	<b>116.0%</b>	<b>Inadequate</b>	<b>School Payment</b>
Thomas S. Wootton	1,434	1,567	91.5%	Adequate	Open

37,692

**High School Test: Percent Utilization >105% School Facility Payment and >120% Moratorium**

Cluster Area	Projected August 2017 Enrollment	100% MCPS Program Capacity With Adopted FY 13-18 CIP	Cluster Percent Utilization in 2017	School Test Result Capacity is:	Cluster is?
<b>Bethesda-Chevy Chase*</b>	<b>2,162</b>	<b>1,867</b>	<b>115.8%</b>	<b>Inadequate</b>	<b>School Payment</b>
Montgomery Blair	2,980	2,875	103.7%	Adequate	Open
<b>James Hubert Blake</b>	<b>1,840</b>	<b>1,724</b>	<b>106.7%</b>	<b>Inadequate</b>	<b>School Payment</b>
Winston Churchill	1,860	1,941	95.8%	Adequate	Open
Clarksburg	1,933	1,971	98.1%	Adequate	Open
Damascus	1,267	1,479	85.7%	Adequate	Open
Albert Einstein	1,468	1,618	90.7%	Adequate	Open
Gaithersburg	2,087	2,284	91.4%	Adequate	Open
<b>Walter Johnson</b>	<b>2,437</b>	<b>2,292</b>	<b>106.3%</b>	<b>Inadequate</b>	<b>School Payment</b>
John F. Kennedy	1,694	1,793	94.5%	Adequate	Open
Col. Zadok Magruder	1,626	1,896	85.8%	Adequate	Open
Richard Montgomery	2,301	2,232	103.1%	Adequate	Open
Northwest	2,246	2,151	104.4%	Adequate	Open
<b>Northwood</b>	<b>1,686</b>	<b>1,512</b>	<b>111.5%</b>	<b>Inadequate</b>	<b>School Payment</b>
Paint Branch	1,881	1,899	99.1%	Adequate	Open
Poolesville	1,097	1,152	95.2%	Adequate	Open
<b>Quince Orchard</b>	<b>1,903</b>	<b>1,777</b>	<b>107.1%</b>	<b>Inadequate</b>	<b>School Payment</b>
Rockville	1,499	1,530	98.0%	Adequate	Open
Seneca Valley	1,376	1,694	81.2%	Adequate	Open
Sherwood	1,868	2,013	92.8%	Adequate	Open
Springbrook	1,806	2,082	86.7%	Adequate	Open
Watkins Mill	1,499	1,980	75.7%	Adequate	Open
Wheaton	1,388	1,604	86.5%	Adequate	Open
<b>Walt Whitman</b>	<b>1,998</b>	<b>1,828</b>	<b>109.3%</b>	<b>Inadequate</b>	<b>School Payment</b>
<b>Thomas S. Wootton</b>	<b>2,249</b>	<b>2,091</b>	<b>107.6%</b>	<b>Inadequate</b>	<b>School Payment</b>

\* Capacity at Bethesda-Chevy Chase HS includes a "placeholder" capital project of ten classrooms, pending a request for an addition in a future CIP.

Residential Development Approved after November 13, 2007  
As of 5/21/2012

Plan Number	Application Name	Net Dwellings Approved	Building Permits Issued	DPS Permit Issued	Decision	Master Plan	School District	School Level Requiring School Facility Payment
FY2008								
120070720	EDGEMOOR - PHASE IV	12	1 *	06/23/10	05/22/08	BETHCBDS	Beth-Chevy Chase HS	Elementary
120080050	HOLLADAY AT EDGEMOOR	48	0		06/05/08	BETHCBDS	Beth-Chevy Chase HS	Elementary
120070600	POLLEKOFF PROPERTY	1	0		01/03/08	CLRKGVIC	Clarksburg HS**	Middle
120060300	ROLLING ACRES	10	0		02/14/08	FAIRLDMP	Blake HS	Elementary
120070700	DECHTER	1	0		03/20/08	GLENMTMP	Kennedy HS**	Elementary
120080120	SELLAR PROPERTY	1	2	12/23/09 03/16/10	03/20/08	BETHCHCH	Beth-Chevy Chase HS	Elementary
120061080	LAYHILL VIEW	2	0		05/22/08	KENSWHEA	Kennedy HS**	Elementary
120070250	QUINCE ORCHARD ESTATES	1	0		12/06/07	POTOMSUB	Quince Orchard HS	Elementary
120060710	SUTTON PROPERTY	8	2	11/02/11 04/13/12	01/17/08	POTOMSUB	Wootton HS	High
FY2009								
120080180	VILLAGE OF CHEVY CHASE	2	1	07/01/10	07/24/08	BETHCHCH	Beth-Chevy Chase HS	Elementary
120080300	KENILWORTH NORTH CHEVY CHASE	2	0		12/11/08	BETHCHCH	Beth-Chevy Chase HS	Elementary
120070220	HELMSDALE ROAD	1	1	03/01/11	03/05/09	BETHCHCH	Whitman HS	Elementary
120090060	MONTY	200	0		03/12/09	WOODTRI	Beth-Chevy Chase HS	Elementary
120090140	WOODMONT CENTRAL	457	0		06/25/09	BETHCHCH	Beth-Chevy Chase HS	Elementary
120080020	SHEPPARD PROPERTY	3	0		09/18/08	BOYDS	Clarksburg HS**	Middle
120090070	BLACK HILLS ESTATES	2	0		03/19/09	BOYDS	Clarksburg HS**	Middle
12007043A	HOMECREST	4	0		09/18/08	ASPEHILL	Kennedy HS	Elementary
120061190	MILLER PROPERTY	2	0		10/16/08	POTOMSUB	Northwest HS	Elementary
120060610	GREENBRIAR AT NORBECK CROSSING	262	0		05/21/09	OLNEY	Rockville HS	Elementary
120080060	MOORE'S ADDITION TO WOODBURN	2	1	04/15/11	09/04/08	BETHCHCH	Whitman HS	Elementary
120080440	HILLMEAD - BRADLEY HILLS	2	1	05/19/11	03/19/09	BETHCHCH	Whitman HS	Elementary
120070540	CABIN JOHN PARK	4	2	04/12/11 01/19/12	06/04/09	BETHCHCH	Whitman HS	Elementary
FY2010 1st half								
120080310	YAZDI PROPERTY	1	0		11/19/09	POTOMSUB	Quince Orchard HS	Elementary
120090250	MANOR PARK RESUB OF LOT 199	1	0		07/30/09	ASPEHILL	Rockville HS	Elementary
120080420	TISCHER PROPERTY, PARCEL 617	1	0		12/10/09	FAIRLAND	Paint Branch HS	Elementary
120070610	TOWNHOUSES AT SMALL'S NURSERY	19	0		12/17/09	OLNEY	Rockville HS	Elementary
820090140	OURISMAN FORD MONTGOMERY MALL	340	0		09/17/09	POTOMSUB	Walter Johnson HS	Elementary
FY2010 2nd half								
119910520	VILLAGE OF CLOPPER'S MILL	20	20	11/03/11	02/24/10	GERMTOWN	Northwest HS	Elementary
120090200	SPRING MEADOWS	1	0		03/18/10	POTOMSUB	Northwest HS	Elementary
120100120	WHEATON SAFEWAY	500	1 *	12/21/11	04/15/10	WHEATNSP10	Northwood HS	Elementary
120080110	LOCUST HILL ESTATES	1	0		02/04/10	BETHCHCH	Walter Johnson HS	Elementary
FY2011								
120100160	ANSELMO PROPERTY	38	0		12/09/10	CLOVMSTP	Paint Branch HS	Elementary
120080330	6214 VERNE STREET	2	0		12/09/10	BETHCHCH	Whitman HS	Middle
120100150	CLEWERWALL	2	0		01/13/11	POTOMSUB	Whitman HS	Middle
120100230	DARNESTOWN AT TRAVILAH	39	0		07/15/10	GSENECA	Wootton HS	High
120100180	HIDDEN HILL	4	0		02/10/11	POTOMSUB	Wootton HS	High
FY2012								
120110130	HUNTING HILL ESTATES	1	0		7/14/2011	POTOMSUB	Wootton HS	High
Total Residential Projects		37	32	Estimated Number of Buildings Permits Released, DPS should verify actual number.				

\* Edgemoor-Phase IV and Wheaton Safeway contain multiple units to be built under one building permit for each project.

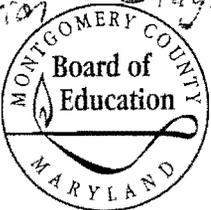
\*\* The project is located in a school cluster under moratorium but meets the de minimis standards.

\*\*\* The project was approved for one of two options for residential DUs.

Source: Application data from Montgomery Planning, Hansen database; building permit data from Department of Permitting Services

PH 9-18-12  
subdivision Staging Policy

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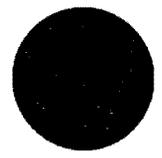
# MONTGOMERY COUNTY BOARD OF EDUCATION

850 Hungerford Drive ♦ Rockville, Maryland 20850

September 6, 2012

The Honorable Roger Berliner, President  
Montgomery County Council  
Stella B. Werner Council Office Building  
100 Maryland Avenue  
Rockville, Maryland 20850

070108



RECEIVED  
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OFFICE

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Dear Mr. Berliner:

On August 23, 2012, the Board of Education reviewed the Montgomery County Planning Board's (Planning Board) recommended *2012-2016 Subdivision Staging Policy*. The Board of Education and the county executive are required to provide comments to the County Council on the recommended policy by September 15, 2012. This is to inform you that the Board Education supports the Planning Board's recommendation to continue the current school test methodology, with one modification to the school facility payment.

The current school test methodology has been in place since 2007 and provides a fair assessment of school utilizations for the purpose of regulating subdivision approvals. We support all the provisions of the school test as recommended for continuance by the Planning Board, including the following:

- Using Montgomery County Public Schools (MCPS) program capacity
- Testing cluster utilization at elementary, middle, and high school levels
- Requiring a school facility payment to obtain subdivision approval when a cluster exceeds 105 percent utilization
- Requiring a moratorium when a cluster exceeds 120 percent utilization

Enclosed is a copy of the resolution adopted by the Board of Education on August 23, 2012. The Board of Education supports the approach for calculation of the school facilities payment but requests that the County Council place the school facility payment revenue in the general fund and not in separate funds that apply to the cluster where it is collected. This will allow the school system the flexibility to apply these funds more broadly and to prioritize capital projects in areas with the greatest capacity deficits.

The Subdivision Staging Policy School Test is an important tool in the effort to coordinate development approvals with adequate school facilities. Although we believe this policy is important, we know that most of our enrollment growth is actually occurring due to changing demographics in existing communities rather than new growth. The magnitude of enrollment growth since the Great Recession began—a gain of more than 11,000 students between 2007 and 2012—illustrates how much enrollment may increase in a very weak housing market. In addition, large enrollment increases since 2007 make it clear that the Subdivision Staging Policy cannot prevent overutilization of our schools.

MCPS will educate about 149,000 students this school year. Recent large gains in enrollment have added to space shortages at our schools, even as capital projects are completed and capacity is added

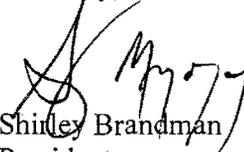
each year at many schools. In addition to rising births, the Great Recession's economic impacts pushed public enrollment higher in Montgomery County. The legacy of the recession will be felt for many years to come. Most of the 11,000 student enrollment increase since 2007 occurred at elementary schools. These students will move on to our secondary schools in the coming years and space shortages in middle schools and high schools will become much more of an issue than in the past. An additional 10,000 students are projected to enroll over the next six years, with an increasing share in secondary schools.

There appears to be no respite in the foreseeable future to enrollment growth and the need for more school capacity and additional school facilities. As a result, the Board of Education feels it is important for county leaders to understand the challenges facing the school system and to work closely together to provide permanent school capacity commensurate with enrollment levels. We appreciate the County Council's support for our capital improvements program and the numerous school projects it funds each year. In addition to funding school capacity, it has become increasingly clear that our inventory of future school sites needs to be maintained and additional adequately-sized school sites need to be set aside as county master plans are adopted. These priorities only can occur with the close coordination of the Board of Education, the Montgomery County Planning Board, the county executive, and the County Council.

The Board of Education and the Planning Board have had productive discussions on the topic of future school sites at annual meetings held on June 30, 2011, and July 19, 2012. An outcome of the first meeting was the formation of a joint work group of MCPS, Planning Board, county executive, and County Council staff members who identified improvements to the MCPS site selection process and discussed future school sites. An important recommendation of the joint work group was a study of collocation of public facilities. The study would inventory all publicly-owned land and identify opportunities for collocation of compatible public facilities as a means of making more efficient use of sites. We anticipate this study going forward in the near future.

The Board of Education looks forward to working with the County Council, the Planning Board, and the county executive as we work to provide our students with up-to-date facilities that operate within their rated capacities.

Sincerely,

  
Shirley Brandman  
President

SB:jl

Enclosure

Copy to:

- Mr. Leggett
- Members of the County Council
- Members of the Board of Education
- Dr. Starr

- Mr. Bowers
- Dr. Schiavino-Narvaez
- Dr. Statham
- Mr. Crispell

- Mr. Song
- Ms. Carrier

Office of the Superintendent of Schools  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

August 23, 2012

MEMORANDUM

To: Members of the Board of Education  
From: Joshua P. Starr, Superintendent of Schools  
Subject: 2012–2016 Subdivision Staging Policy

**Background**

On August 1, 2012, the Montgomery County Planning Board (Planning Board) transmitted the recommended *2012–2016 Subdivision Staging Policy* to the Montgomery County Council. The Subdivision Staging Policy (formerly known as the County Growth Policy) now is reviewed on a four-year cycle in order to coincide with the second year of a County Council term in office. The county executive and the Board of Education are required to comment on the Planning Board’s recommended Subdivision Staging Policy to the County Council by September 15, 2012.

This memorandum includes a review of the Planning Board’s recommendations for the school test portion of the policy and proposed resolutions for the Board of Education’s consideration. The County Council will review the growth policy this fall and is scheduled to act on the policy on November 15, 2012.

The current school test methodology was adopted by the County Council on November 13, 2007, and was not changed when the policy was last reviewed in 2009. In 2007, the County Council significantly tightened the school test by using Montgomery County Public Schools program capacity, instead of the previous use of the “growth policy” capacity. In 2007, the County Council also set the utilization thresholds—still in use—in which clusters with more than 105 percent utilization require the school facility payment, and clusters with more than 120 percent utilization require residential moratorium.

**Montgomery County Planning Board Recommendations**

The Planning Board has recommended maintaining most of the existing provisions of the school test and the school facility payment. A brief summary of the Montgomery County Planning Board’s recommendations follows (see Attachment A for a more detailed description of school

test elements). The Planning Board's recommended school test would take effect with the Fiscal Year 2014 school test.

### *School Test*

- Retain the five-year timeframe for the school test (equivalent to the sixth year of the Capital Improvements Program).
- Retain the testing of school adequacy at the cluster level—for elementary school, middle school, and high school adequacy.
- Retain the use of Montgomery County Public Schools program capacity.
- Retain the following two-tiered thresholds:
  - In clusters in which projected enrollment exceeds 105 percent of program capacity, require a school facilities payment to be paid by the developer to obtain preliminary plan approval.
  - In clusters in which projected enrollment exceeds 120 percent of program capacity, place the cluster in a residential development moratorium.
- Retain the calculation of students generated by subdivision approvals during the year and add these students to the school test cluster utilization figures. Under the provision, if a cluster is close to one of the two thresholds when the school test is adopted on July 1, at some point during the year it may begin exceeding that threshold, which would trigger the need to charge the school facility payment or place the cluster in moratorium.
- Enable the Planning Board to make a mid-cycle finding of school adequacy to respond to any County Council approved “placeholder” capital project that may occur during the year. (This is the only recommendation that is different from the current school test.)
- Retain the *de minimis* exemption for subdivisions of three or fewer housing units.

### *School Facility Payments*

- Retain the calculation of school facility payments based on 60 percent of the per-student cost to construct elementary schools, middle schools, and high schools. (Recent legislation delayed the time the payment is made, from issuance of building permit to final inspection of housing units.) Attachment B illustrates how the school facility payment is calculated.
- Retain the targeting of revenue from school facility payments to capital projects that add capacity in the cluster where the payment is collected.
- Retain the period for updating school construction costs—that are the basis of the school facility payment—on the same four-year schedule as review of the Subdivision Staging Policy.

### **Superintendent's Recommendations**

I recommend the Board of Education support the recommendations of the Planning Board regarding the school test and school facility payments. I am especially pleased that the Planning Board continues to support the use of Montgomery County Public Schools program capacity in

the school test and the same thresholds for the school facility payment (105 percent) and moratoria (120 percent).

I recommend the Board of Education supports the ongoing monitoring of subdivision approvals during the year so that the school test may be updated continually. This provision allows the school test to initiate either school facility payments by the developer or moratoria as more units are approved during the year. I also recommend the Board of Education supports the only change to the school test proposed by the Planning Board—the provision for the Planning Board to make a mid-cycle finding of school adequacy. This is a reasonable complement to the ongoing update of the school test during the school year and a fair way to recognize new capacity that is approved by the County Council outside of the usual Capital Improvements Program timeline.

I recommend the Board of Education supports the Planning Board's recommendation for the school facility payment—with one exception. I do not support continuing the reservation of the school facility payment revenue to the cluster where it is collected. I believe the school system needs the flexibility to apply these funds more broadly. In addition, the small amount of revenue collected in a given cluster is insufficient to construct a school capacity project.

I recommend the Board of Education support all other provisions of the school test and school facility payment that the Planning Board has recommended for retention. The following resolutions are provided for the Board's consideration:

WHEREAS, A comprehensive review of the *2012–2016 Subdivision Staging Policy* has been conducted by the Montgomery County Planning Board during the past few months, and this review has included consideration of the school test in the policy; and

WHEREAS, The Montgomery County Planning Board's recommended *2012–2016 Subdivision Staging Policy* school test continues to incorporate the use of the Montgomery County Public Schools program capacity as the appropriate measure of school adequacy, which aligns with Montgomery County Public Schools facility planning and capital programming; and

WHEREAS, The Montgomery County Planning Board's recommended *2012–2016 Subdivision Staging Policy* school test continues the cluster utilization thresholds of 105 percent for triggering the school facilities payment and 120 percent for triggering residential moratorium; and

WHEREAS, The Montgomery County Planning Board's recommended *2012–2016 Subdivision Staging Policy* includes a new provision for a mid-cycle finding of school adequacy to take account of school capacity projects that may be acted on by the County Council during the year; and

WHEREAS, All other elements of the current school test are retained in the Montgomery County Planning Board's recommended *2012–2016 Subdivision Staging Policy*; now therefore be it

Resolved, That the Board of Education supports the Montgomery County Planning Board's recommendations for *2012–2016 Subdivision Staging Policy* school test, including the use of Montgomery County Public Schools program capacity as the basis for calculations used for the imposition of the school facilities payment (when cluster facility utilization is more than 105 percent) and imposition of moratorium (when cluster facility utilization is more than 120 percent); and be it further

Resolved, That the Board of Education supports the Montgomery County Planning Board's recommendations for the *2012–2016 Subdivision Staging Policy* school test, including the retention of current school test provisions, which include the testing of cluster utilization five years in the future at the elementary school, middle school, and high school levels; the monitoring of preliminary plan approvals during the year; the factoring in of the student impact of these approvals in the school test during the year; and the exemption of subdivisions of three or fewer housing units from the school test; and be it further

Resolved, That the Board of Education supports the inclusion of a mid-cycle finding of school adequacy when school capacity projects are adopted by the County Council during the year; and be it further

Resolved, That the Board of Education supports the Montgomery County Planning Board's recommendations for calculation of the school facilities payment; and be it further

Resolved, That the Board of Education requests the County Council place the school facility payment revenue in the general fund and not in separate funds that apply to the cluster where it is collected; and be it further

Resolved, That a copy of this resolution be forwarded to the County Council, the county executive, and the Montgomery County Planning Board; and be it further

Resolved, That a copy of this resolution be forwarded to mayors and councils of Montgomery County municipalities.

JPS:lm

Attachments

**Montgomery County Planning Board**  
**Recommended 2012–2016 Subdivision Staging Policy—School Test**  
August 1, 2012

There are eight basic elements to the Montgomery County Planning Board’s (Planning Board) recommended school test. A description of these elements follows:

- Time Period—The Planning Board’s recommendation retains the five-year timeframe for the school test (equivalent to the sixth year of the Capital Improvements Program [CIP]). Projected enrollment five years in the future is compared to capacity five years in the future. Capacity includes capital improvements that are funded for construction in the most recently adopted CIP. The recently adopted school test (for Fiscal Year [FY] 2013) factors in capacity improvements in the *FY 2013–2018 CIP*.
- Geographic Area—The Planning Board’s recommendation retains the testing of school adequacy at the cluster level for elementary school, middle school, and high school adequacy. No “borrowing” of capacity from adjacent clusters is allowed at any school level.
- Formulation of Capacity—The Planning Board’s recommendation retains the use of Montgomery County Public Schools (MCPS) program capacity, which makes the test conform to actual school system capacity ratings that are the basis for facility planning and capital programming.
- Test Thresholds for Action—The Planning Board’s recommendation retains the threshold for the school facility payment at the current 105 percent utilization level and the threshold for moratorium at the current 120 percent utilization level.
- Ongoing Updating of Cluster Utilizations—The Planning Board’s recommendation retains the provision for monitoring subdivision approvals during the year and the addition of students that will be generated by these plans to the cluster utilization levels in the school test. A cluster that is slightly below one of the two thresholds of the school test when it was enacted (July 1, each year) could by midyear exceed that threshold. At that point, either a school facility payment requirement or a moratorium would be enacted.
- Mid-Cycle Finding of School Adequacy—The Planning Board’s recommendation includes a new provision to allow it to adopt a mid-cycle finding of school adequacy. This could occur if the Montgomery County Council adopts a school capacity project during the year after the July 1 adoption of the school test each year.
- School Facility Payment—The Planning Board’s recommendation retains the calculation of school facility payments based on 60 percent of the per-student cost to construct elementary schools, middle schools, and high schools. In addition, the Planning Board’s recommendation retains the targeting of revenue to school capacity projects in the cluster where the payment is collected.
- De minimis—The Planning Board’s recommendation retains the exemption of subdivisions of three or fewer units from the school test.

### Calculation of School Facility Payment

The Montgomery County Planning Board's (Planning Board) recommended *2012–2016 Subdivision Staging Policy* retains the current approach to calculate the school facility payment and target it to school capacity projects in clusters where it is collected. The recommendation also retains the threshold to collect school facility payments as a condition of preliminary plan approval in clusters that exceed 105 percent utilization but are not more than 120 percent utilization. Clusters exceeding the 120 percent utilization level are placed in residential moratorium unless a “placeholder” school capacity project has been approved by the Montgomery County Council. In this case, the cluster continues to exceed the 105 percent utilization level and a school facility payment is required.

School facility payment rates are set according to 60 percent of the per-student cost to construct elementary school, middle school, and high school capacity. This impact is determined by the number of students the development would generate, multiplied by the per-student construction cost.

The Planning Board recommends updating school facility payment rates on the same schedule as the Subdivision Staging Policy reviews—every four years. The rates shown below currently are in use and were based on the 2007 costs to construct elementary schools, middle schools, and high schools.

The example below illustrates how the school facility payment rates would be applied to a hypothetical subdivision.

The per student costs of construction listed below represent 60 percent of the total construction costs in 2007:

- Construction cost per elementary school student generated—\$19,514
- Construction cost per middle school student generated—\$25,411
- Construction cost per high school student generated—\$28,501

### Application of School Facility Payment Rates

- If a cluster is more than 105 percent capacity at the elementary school level, the charge is \$19,514 per elementary school student generated.
- If a cluster is more than 105 percent capacity at the middle school level, the charge is \$25,411 per middle school student generated.
- If a cluster is more than 105 percent capacity at the high school level, the charge is \$28,501 per high school student generated.
- If a cluster is more than 105 percent capacity at more than one school level, charges are added for all levels affected.

### Student Generation Rates

Countywide student generation rates are applied to calculate the number of students that would be generated by a subdivision. The generation rates are based on the Montgomery County Planning Department 2008 Census Update Survey. The rates are listed below:

Type of Housing	Number of Students Generated per Housing Unit:		
	<u>Elementary School</u>	<u>Middle School</u>	<u>High School</u>
Single family detached unit	.334	.127	.133
Townhouse unit	.188	.106	.147
Multifamily, garden unit	.142	.069	.071
Multifamily high/mid-rise with structure parking	.042	.039	.033

#### *Example*

A subdivision plan with 100 single family, detached housing units would generate the following number of students:

- 33 elementary school students (.334 x 100)
- 13 middle school students (.127 x 100)
- 13 high school students (.133 x 100)

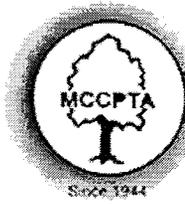
Depending on which school level exceeds the threshold for the school facility payment, the charges would be calculated as follows:

- If the cluster exceeds 105 percent capacity at the elementary school level, in order to proceed, the developer would commit to a school facility payment of \$643,962 (33 students x cost per student of \$19,514).
- If the cluster exceeds 105 percent capacity at the middle school level, in order to proceed, the developer would commit to a school facility payment of \$330,343, (13 students x cost per student of \$25,411).
- If the cluster exceeds 105 percent capacity at the high school level, in order to proceed, the developer would commit to a school facility payment of \$370,513 (13 students x cost per student of \$28,501).
- If the cluster exceeds 105 percent capacity at more than one school level, then school facility payments for both or all three levels would be required to proceed.

### **Updated Per-student School Construction Costs**

The Planning Board's recommended *2012–2016 Subdivision Staging Policy* recommends updating the per-student school construction costs when the updated policy is adopted by the County Council in mid-November 2012. Below are the updated figures using the latest school construction cost information from 2012. Due to the change in the construction market, the figures are lower than the 2007 rates currently in use.

- Charge per elementary school student generated—\$19,439
- Charge per middle school student generated—\$21,250
- Charge per high school student generated—\$24,375



**Testimony to the County Council on the  
Proposed 2012 Subdivision Staging Policy**

**September 18, 2012**

Good evening President Berliner and members of the County Council. I am Steve Augustino, Co-chair of the CIP Committee of the Montgomery County Council of PTAs (MCCPTA). With approximately 50,000 members, MCCPTA's mission is to advocate for the education and welfare of the children of Montgomery County. The Board of Directors authorized me to submit these comments on the 2012 Subdivision Staging Policy (formerly the "Growth Policy") reflecting our leadership's viewpoint.

We comment tonight only on the Public School Facilities portion of the Policy. Our members have consistently had three objectives within the context of this portion of the Policy. These are: to align the capacity calculations with MCPS program capacity; to tighten the schools test in order to ensure that additional capacity is planned before planning approval is given to new development projects; and to provide more revenue to accelerate the construction, modernization, and infrastructure renewal of school facilities.

We are pleased that the proposed Policy generally retains the current structure and triggers of the School Facilities Test. We support the continued use of MCPS program capacity for purposes of the test, the retention of the School Facilities Payment threshold at 105% of MCPS program capacity and the retention of the 120% threshold for moratorium. Our experience the past few years underscores that these triggers are performing their intended alarm function to direct attention to the problems of overcrowding in individual clusters. We, therefore, support this aspect of the recommendation before you.

**Ensuring Adequate Revenue is Available to Support School Construction.** For several years, we have questioned whether the School Facilities Payment would provide enough funds for capacity-increasing projects within a cluster. The Facilities Payment is set at 60% of the marginal cost of each student generated. For the policy to be successful the Council must ensure that adequate funds are provided to pay for the rest of the projects. This funding today comes primarily from construction bonds, and competes with other capital priorities of the county. We are aware that the county's bonding capacity has been stretched these past few years, and we appreciate the consistent attention the Council has provided for school additions and modernization projects.

In recognition of this budget environment, we are concerned that the Planning Board's recommendation to reduce the construction cost estimates, and therefore, the School Facilities Payments, will negatively impact the county's ability to fund capacity projects. The Planning Board's proposal would reduce the total construction cost per Middle School student by \$6,935 and the cost per High School student by \$6,877. These reductions further diminish what we already believe is an insufficient amount to fund a capital project. While we agree with the Planning Board that recent construction bids have been very favorable, we believe it is dangerous to assume that favorable rates will continue for the duration of the new Policy. We recommend that the Council be conservative in estimating construction costs over the life of the new Policy, so as not to shift more of the burden of construction to our general bond capacity. The Council should explore the use of a broader average of construction costs taken over the past five years instead of using what may prove to be the low point in the county's construction costs.

**Use of School Facilities Payments to Relieve Overcrowding.** Finally, we understand that the Board of Education will request greater flexibility to apply School Facilities Payments toward any capital project, rather than be dedicated to the cluster that triggered the payment. MCCPTA opposes this request. A fundamental objective of the Policy is to relieve overcrowding by ensuring that development pays its fair share of the impact it creates on schools. Decoupling the facilities payment from the area where the facilities are needed would bring the development but would not necessarily bring the relief to our students. School facilities payments should continue to be used to relieve the impact that a development has on the affected cluster.

We could support limited additional flexibility in targeted situations, however. For example, in a limited number of our clusters, particular schools are split articulated, meaning that students progress to more than one school at the next level. Often, an elementary school may house students who will attend high school A and students who will attend high school B in a different cluster. In these situations, it may be prudent for MCPS to add elementary school capacity elsewhere in cluster B in order to end the split articulation and free up capacity within cluster A. Or, it might be feasible for MCPS to build capacity in another cluster and relocate a magnet program in order to relieve overcrowding in the affected cluster. Use of school facilities payments in these situations could be consistent with the purposes of the Subdivision Staging Policy. We would be happy to discuss modifications to the Policy that may make such planning decisions possible.

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MCCPTA appreciates the opportunity to express our views on revisions to the Subdivision Staging Policy. We look forward to working with the Council to ensure that our schools are able to accommodate the new students generated by development in the county.

## Testimony to the Montgomery County Council – September 18, 2012

### Subdivision Staging Policy

#### Submitted by the Walter Johnson PTA Cluster

*Walter Johnson High School - North Bethesda Middle School - Tilden Middle School - Ashburton Elementary School - Farmland Elementary School - Garrett Park Elementary School - Kensington Parkwood Elementary School - Luxmanor Elementary School –Wyngate Elementary School - Rock Terrace School*

Good evening Councilmembers and President Berliner. I'm Mary Cassell and I'm the cluster coordinator for the Walter Johnson PTA cluster. Our cluster of schools would like to add our voice to the Montgomery County PTA's resolution opposing the redirection of school facility payments away from the clusters that generate them. We therefore oppose the MCPS subdivision staging proposal to place these payments into the general fund and use them for county-wide operating expenses.

School facility payments are intended to ensure that developers contribute their fair share to helping affected schools accommodate students generated by new growth. The payments create a kind of partnership between the county, developers, the school system, and the local community. The MCPS proposal breaks that link, decouples payments from impact, and undermines the very rationale for having the payments to begin with. We recognize that MCPS is looking for ways to address priorities and we strongly support the MCPS agenda to ensure that the needs of all students across the county – in both high- and low-development areas – are met. But while *benefits* from new growth accrue to the broader community, the *costs* tend to fall on the neighborhoods nearest to the development, creating needs and issues that shouldn't be ignored.

Student growth in the WJ cluster has been particularly large over the past four years, and the number of planned and proposed developments is large as well. Our cluster of schools has seen some of the greatest impacts of this growth. Countywide, enrollment grew by 6.4 % since 2007. But in the WJ cluster, enrollment increased by 18% since 2007, nearly three times the countywide rate. Elementary schools grew by 26% (compared to 13% countywide), middle schools by 4% (compared to no growth countywide), and our high school by 14% (compared to no growth countywide). In 10-years, these schools will be well over capacity even without any students from the planned 9,800 new residential units in the first White Flint sector plan or the

Kensington sector plan. With those additional students, our high school will be at 114% capacity, our middle schools at 123%, and elementary schools at 110%.

We remain concerned that the rapid growth of our communities is already not sufficiently reflected in MCPS planning and this has resulted in schools requiring portables and additions soon after completed. For example, one elementary school that was modernized recently is already at 140% capacity.

The MCPS proposal to divert school facility payments away from the affected schools and into the general fund would exacerbate these issues.

We understand that one reason MCPS is proposing this change is because the school facility payments are too small to make a difference. If that is the problem, the answer is not to divert the payments from their intended purpose, in particular when the need is so great, but rather to fix the structure of the payments so they make a meaningful contribution. Before considering a change in the use of the payments, we urge the Council to review the underlying issue. That is, the Council should assess whether the school facility payment policy is meeting its intended purpose, and ensure the policy is designed to capture true costs to local schools. We also urge the council to consider best practices from other jurisdictions that might create a fairer balance of contributions.

In conclusion, we are strongly opposed to the proposed change in the use of school facility payments, and we look forward to working with you on these issues. Together, we can continue to ensure our schools are excellent, our communities are strong, and Montgomery County remains a great place to live.

*Presented by Mary Cassell, WJ Cluster Coordinator*



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**Memo to: Montgomery County Council  
September 18, 2012  
Subdivision Staging Policy**

The following comments incorporate reviews by a BIA working group consisting of transportation consultants, land use attorneys, civil engineers, land developers and builders.

Proposed changes to the Subdivision Staging Policy, in particular use of the Transportation Policy Area Review in place of the Policy Area Mobility Review procedure provides a comprehensive picture of traffic options while potentially yielding little improvement to adequacy and leading to an expensive and uncertain development approval process. The value of the staging approval process may not be worth the cost to the County in lost opportunity, delays and administrative costs. Current County Transportation Impact Tax and School Impact Tax programs provide comprehensive and far less intensive means to address the same issue, that of helping to finance infrastructure to accommodate the necessary economic expansion of the County. Montgomery County economic expansion roughly mirrors the natural growth of a mature metropolitan economic ecosystem. When averaged over time, the spikes in growth balance the troughs such that average growth over time remains relatively modest and sustainable.

The Building Industry favors broad revenue programs and County wide infrastructure improvement strategies that reflect the active mobility patterns of its residents and employers. The overwhelming source of population growth and economic expansion in the County comes from within and not through immigration, domestic or foreign. New residents relocate to participate in the economic growth and provide valuable skills and resources to aid in our economic health. Every resident and employer contributes through property taxes, sales taxes and income taxes to the economic investments needed for the County. In its most basic level, there is really no justification for taxing economic expansion, new homes, new offices, new stores or new residents given that expansion and growth is desirable, necessary and valuable. In fact, many of the new roads in the County are built as required through the subdivision process yet clearly serve the broader public even though the developer may not get any Impact Tax credit.

While in theory, the Subdivision Staging Policy can limit growth in some areas due to school capacity and can result in substantial transportation payments in areas with high traffic volume, the actual real world implementation and experiences underscore the rational basis for broad based County wide impact taxes instead of small area staging restrictions. Moratoriums have been avoided and revenue has been minimal, yet the impact on investment decisions can be significant. With a broad based Impact Tax, costs can be easily understood and not likely to change significantly. Further, under a broad based Impact Tax program, the risk of moratorium or of unexpected and prohibitively high fees is minimized or eliminated. Lastly, the cost of compliance for a broad based Impact Tax includes only the



**BUILDING HOMES CREATING NEIGHBORHOODS**



fee and does not require expensive or time consuming studies by the applicant and minimizes the review obligations of the County saving both the applicant and the County significant time and expense. TPAR is an additional tax on top of the already very high Transportation Impact Tax further placing Montgomery County in a competitive disadvantage over neighboring jurisdictions. The County's position in a competitive world must be considered as an important and relevant decision-making factor.

While some in the Building Industry suggest that the proposed subdivision staging policy (TPAR) is an improvement over the current approach both for roads (PAMR) and schools, others say that the proposed system may be more complex for the County and less certain to the applicant as to the long term impact on a property. The TAPR proposals will result in fees for all areas and for some properties the TPAR process results in a payment many multiples higher than under PAMR suggesting that the change results in "winners" and "losers" that may or may not be intended.

Most significant, however, is that the result of adopting the new Subdivision Staging Policy likely leads to relatively little revenue and little broad improvement while leading to confusion, uncertainty and unintended consequences. The test for adequacy assumes standards for adequacy that appear to be based more on judgments and politics than science by their very nature. In fact, assumptions rely on analyses and standards well over 20 years old. Changes in attitude concerning traffic can dramatically affect interpretations of adequacy leading to even more uncertainty and, in fact, may be counterproductive given that high traffic volumes can encourage higher interest in public transportation. For some areas, improving roads can reduce demand for public transportation and can reduce the justification of and economic basis for the local balance of housing, employment, retail, recreation and services. More roads can run counter to maximizing existing infrastructure.

The studies and analyses completed to support the new proposals may provide valuable insight into the infrastructure needs of the County by Policy Area and provide a useful list of priorities with cost estimates. The studies however ignore the contribution of new development in making road improvements as part of the normal subdivision approval process as well as existing Impact Tax, both should be included in the analysis. Together, this data can be helpful information that can guide the County and the Council to identify and prioritize investments that improve local area infrastructure while contributing to the broadest possible mobility goal.

In review of the proposal we ask that the Council consider the following issues:

1. **Eliminate Excess Fees and Streamline the Approval Process:** Consider eliminating the fees associated with the Subdivision Staging Policy and rely on the policy as a guide for local area infrastructure investment. The Building Industry prefers the broad based, county wide Impact Tax assessment over volatile and subjective staging policies. The current LATR provides the local area improvement vehicle. Montgomery County is among a very small number of jurisdictions that require an additional test for adequacy outside of the immediate impacts of a new subdivision affecting the perception of the County for economic development.
2. **Reject Further Restrictions to LATR Standards in Metro Station Policy Areas:** Under LATR standards, there is a recommendation for new analyses that in the Metro Station policy areas, the congestion standard equates to a CLV of 1600 instead of 1800. This can disproportionately affect urban development and would be contrary to the goals of the County for maximizing growth in the Metro Station areas. The existing LATR Guidelines contain a provision wherein a

queuing analysis based on the observed average queue is mandated if an intersection reports a CLV greater than 1800. This provision is in place and adequately addresses congestion concerns in Metro Station Policy Areas. The suggestion to require an HCM analysis if an intersection is operating at a 1600 CLV will cut against virtually every policy recommendation contained in the Subdivision Staging Policy relating to targeting development in areas in close proximity to transit and areas with the greatest amount of existing infrastructure.

The proposed new methodology using Highway Capacity Manual (HCM) further compounds the uncertainty involved in passing the APF test. The Department of Transportation sets the signal timing at intersections. Lack of optimum traffic signal timing could result in failing of an intersection using the HCM method of queuing and delay measurement required in the “urban areas”. When the County DOT sets the signal timing at an intersection of a side street to discourage “cut-through traffic” within a neighborhood, this manipulation of signal timing could result in a “failing” level of service and specifically for the queuing on the side street approach to the intersection. However, if the signal timing was optimized, the intersection could operate at an acceptable level of service. Applicants have no authority to independently change an optimization of signal timing and therefore, the failure of an intersection level of service or queuing could be a failure of passing the APF test. The proposed LATR change does not recommend a way to mitigate an intersection even in the Metro Station policy areas where the roads cannot be widened.

3. **Clarify Fee Structure for Long Term Subdivisions:** What happens to large private subdivision with phasing mechanisms that extend beyond the 10 year adequacy timeframe? Would unit costs change across time, depending on when the subdivision applies for building permits or, would unit costs be fixed at preliminary plan or site plan?
4. **Eliminate the Minimum Fee for TPAR:** The proposed TPAR sets a minimum fee even for areas that are adequate. This is effectively an increase in the Impact Tax and is out of character with the concept of Policy Area adequacy and should be eliminated. There is no legal justification for a fee in an area that is adequate.
5. **Clarify what happens to the Money Collected:** It is unlikely that enough revenue will be raised in any policy area to fund any improvement in the short term. Improvement estimates far exceed the amount of money that can be raised through the test for adequacy. What will happen to the money and when is the County obligated to begin design and permitting for any new road improvement after private funds have been collected?
6. **Allow a 50% Credit against Impact Taxes:** Should the County require a TPAR fee, we urge the County to recognize that there is overlap between the Impact Tax and the TPAR fee and allow a credit of 50% of the TPAR fee against the Transportation Impact Tax.
7. **Exclude Undevelopable and Farm Land from the Transit Area Coverage Calculation:** When determining the adequacy of a Policy Area, the analysis does not fully account for undevelopable or farm land in the coverage analysis for transit services thereby penalizing areas where there is land that will not require any transit access. The areas with sufficient development density to support the transit service should be the area for testing under the

“coverage” standard. If so, some of the 13 out of 21 policy areas that are currently failing the adequacy test may prove to be adequate for transit services.

8. **Fund an Update to Traffic Guidelines:** Traffic assumptions are based on old and outdated trip rates in the current LATR Guidelines that do not reflect recent changes in transportation costs and travel behavior. The market is shifting values to reflect a desire for walkable communities yet the data is clearly car-centric and biased toward suburban models based on studies conducted in the late 1980s. The County Council should provide funding for the Planning Department to update the trip rates in the future Guidelines.
9. **Allow Credit for Mitigation:** One valuable element of PAMR is the opportunity to get credit for mitigating traffic. We urge that TPAR allow mitigation credits (either improvements and/or traffic mitigation agreements).
10. **Include Schools in the Traffic Counts:** The traffic analyses are proposed to be done only for PM peak hours. This results in partial or complete exemption of private and public schools from adequacy assessment. Therefore, schools would be partially or completely exempt from cost sharing of needed improvements. The result means others have to pay for the impact of schools when schools can potentially impact the traffic during the evening hours.
11. **Allow Subdivision Applicant to Choose PAMR or TPAR to eliminate Undue Hardships:** Existing approved subdivisions should have the right to request reconsideration of adequacy under TPAR without having to revisit the full preliminary plan approval process so as not to unintentionally put existing approved subdivisions in a competitive disadvantage with neighboring subdivisions within the same policy area. Otherwise, the County could unintentionally hurt sales and cause undue hardship and even failure for older approved plans. New rules that put existing approved subdivisions in jeopardy must be avoided. In addition, the Council Resolution should provide that applications that have been filed but not approved by the Planning Board before January 1, 2013, could be evaluated under the existing Growth Policy or the “new” Subdivision Staging Policy, at the Applicant’s choice. This would seem like an equitable alternative for those applications that are pending approval.

The TPAR analysis provides information and useful data in helping the County determine transportation priorities and school capacity priorities. However, the negative impact on sustainable economic growth exceeds the value of the fee structure. The County may be better served under the existing Impact Tax structure that provides substantial annual income, incorporates exemptions for priority development areas, reflects public policy, provides predictability, can be easily adjusted and minimizes administrative reviews and avoids placing existing subdivisions at a competitive disadvantage.

### Schools

**Restrict Capacity Analysis to an Annual review and eliminate the Running Score:** Currently, the County Planning Department proposes to keep a running score of school capacity adding the number of students generated by a new development at complete build out. This, of course means, that a development that may take over ten years for build out will be counted as if the homes are fully occupied within the first few years. Since no one can forecast accurately the count at any one time within a year or which applicant will successfully choose to finalize a preliminary plan, this can lead to great uncertainty for any Applicant. We urge that the County

to continue conducting an annual school capacity analysis and eliminate the running score thereby making changes on an annual basis only.

The Building Industry remains ready, willing and able to meet with the Council and Council staff to discuss improvements to the subdivision staging policy and to find the most effective means of financing and building infrastructure needed to continue our natural expansion and to meet the economic development objectives of the County including safe and affordable housing, high quality jobs and a sustainable tax base.

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September 18, 2012

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### **Civic Federation Testimony to Council on Draft 2012 Subdivision Staging Policy**

I am Jim Humphrey, submitting testimony on behalf of the Montgomery County Civic Federation as Chair of their Planning and Land Use Committee. First and foremost, the Federation is very supportive of the adoption of TPAR. We believe that splitting the roads and transit tests under TPAR will better implement the Adequate Public Facilities Ordinance than PAMR does. And TPAR has the additional attribute of being linked to the CIP with regard to the funding and provision of needed infrastructure. That said, MCCF does suggest some minor changes to the Planning Board's 18 recommendations, a position adopted by delegates at our September 10, 2012 meeting (**see attached**).

We are concerned that the renaming of the Growth Policy as the Subdivision Staging Policy was not accurate, since the policy does not dictate the staging or timing of subdivision plan approvals by the Planning Board. All projects can get approval under this policy. It is, in fact, a Subdivision Additional Fee Policy for any project proposed in an area of the county in which it is determined the public infrastructure is inadequate to handle increased development. We heartily support the collection of TPAR fees in areas with inadequate infrastructure capacity. But we are concerned there is no longer a process by which a moratorium can be imposed in any area of the county based on roads or transit inadequacy, even should the county lack the funds to pay their half of CIP transportation improvement costs under this proposed TPAR process.

It should also be remembered that since its renaming in 2009, Montgomery County does not even nominally have a Growth Policy. Instead, the current and prior Councils have engaged in a process of continually revising master and sector plans to increase the amount of allowed density in the county. But without having an established goal for the appropriate sustainable scale for the county, this process is akin to throwing darts at a blank wall and proclaiming you are hitting the target.

At present, the residential capacity for the county (that is, the number of new housing units that could be built under current zoning in approved master and sector plans) is approximately 115,000 to 125,000 units, and the commercial capacity stands in excess of 50 million square feet. That is enough to generate 200,000 new jobs at 250 square feet per job, or more jobs if it is true that space per employee is decreasing. The creation of a county growth policy should receive serious consideration. Thank you.

**18 Planning Board Recommendations on 2012 SSP and MCCF Position on Each**

Transportation Policy Area Review

1) Adopt the TPAR methodology for determining adequacy of transit and roadway facilities. Establish Adequacy standards for transit service and roadways in the SSP resolution.

**MCCF:** Strongly support splitting of tests for roadway and transit adequacy, but think targets set too low for adequate roadway level of service.

2) Determine TPAR fees to be paid by private development based on cost of transit improvement needed in each policy area by 2022 divided by the number of new trips projected in each policy area by 2022, and the cost of roadway improvements needed in each policy area by 2040 divided by the number of new trips projected for each policy area by 2040, setting the public/private contribution rate at 50 percent and setting the minimum payment at \$600 and the maximum payment at \$12,000 per new trip-end.

**MCCF:** Support setting private contribution rate of at least 50%, but urge a single countywide average TPAR contribution payment be charged per trip-end.

3) As TPAR revenues are collected, they should be applied to the improvement of transit service and roadway construction on a proportional basis to the transit and roadway deficiencies.

**MCCF:** Support, but if no road or transit projects are on an area's priority list then all fees in that area should go to improvements in the other mode.

4) Update the TPAR test every two years starting in 201 to assess transportation adequacy, to assist in incorporating new transportation strategies and data, and to assist in fine-tuning the priorities for the CIP.

**MCCF:** Support, but believe if a mid-cycle update (every two years) is so desirable then the Council should go back to a 2-year SSP cycle.

5) Remove the ability to offset TPAR payments through developer-funded projects.

**MCCF:** Support.

6) Remove Special Mitigation Standards.

**MCCF:** Support.

7) Remove existing exemptions from the regional transportation test, and add Affordable Housing as an exemption.

**MCCF:** Support with amendment to not add Affordable Housing exemption. There are adequate incentives in zoning and exemption from impact taxes for affordable housing.

8) Develop and implement a monitoring program that would periodically report on the implementation and adequacy of TPAR to the Planning Board and the County Council.

**MCCF:** Strongly support, but might be unnecessary if Council went back to 2-year cycle.

Local Area Transportation Review

9) Incorporate the *2010 Highway Capacity Manual* (2010 HCM) methodology at intersections in urban and suburban policy areas where the CLV is greater than or equal to 1600.

**MCCF:** Mildly support but believe this recommendation merits further discussion of education of Council and public on 2010 HCM methodology.

10) Add 2010 HCM volume-to-capacity standards for intersections where queuing and delay are being analyzed.

**MCCF:** Oppose; believe further discussion and education of the Council and public should take place on proposed 2010 HCM standards and "more sophisticated analysis" to be applied, before Council considers approving (e.g.; does "up-to-date analytical software" include SYNCHRO and CORSIM, currently used by the State?).

11) The Planning Board will explore modifying the LATR guidelines to allow developers to provide for new or improved transit service as a means of mitigating trips in the computation of LATR requirements.

**MCCF:** Support.

Annual School Test

12) Retain the threshold for a school facility payment at school utilization greater than 105 percent and less than or equal to 120 percent.

**MCCF:** Support.

13) Retain the threshold for school moratoria on new residential subdivisions and construction when school utilization is greater than 120 percent.

**MCCF:** Support.

14) Update the school facility payment rates to reflect the most recent school construction costs available. Update the school facility payment rate based on current construction costs as part of the quadrennial Subdivision Staging Policy.

**MCCF:** Support.

15) Allow the Planning Board to make a mid-cycle finding of school adequacy.

**MCCF:** Oppose--if a mid-cycle finding is so desirable, we suggest the Council go back to a 2-year SSP cycle.

16) Retain the current *de minimis* exemption, which allows the Planning Board to approve a subdivision in any cluster where public school capacity is inadequate, provided the subdivision consists of no more than three housing units and the applicant commits to pay a school facility payment as otherwise required.

**MCCF:** Support

17) Modify exemption for senior housing such that the Planning Board may approve a subdivision in a cluster where school capacity is inadequate, provided the subdivision consists entirely of housing and related facilities for elderly or handicapped persons or housing units located in an age-restricted section of a planned retirement community. Currently this exemption is restricted to only those units that are multifamily units.  
**MCCF:** Support.

18) Retain all current waivers of the school facility payment as currently regulated under Chapter 52 of the Montgomery County Code, which includes a waiver for projects located in an enterprise zone (Wheaton CBD and Long Branch) or former enterprise zones as well as a waiver for moderately priced dwelling units (MPDUs) and other dwelling units built under Chapter 25A, and a waiver for any other dwelling unit built under a government regulation or binding agreement that limits for at least 15 years the price or rent charged for the unit in order to make the unit affordable to households earning less than 60 percent of the area median income, adjusted for family size.  
**MCCF:** We understand rationale behind these waivers, but we oppose them. All reduction, waivers and exemptions from impact taxes and school facility payments or TPAR fees are a concern to existing property owners, especially homeowners, who feel that they are being asked to shoulder too large a portion of the burden to build the necessary infrastructure to accommodate new development.

**Table 2****Local Area Transportation Review Intersection Congestion Standards – Critical Lane Volume and Highway Capacity Manual Volume-to- Capacity Equivalencies**

<b><u>Critical Lane Volume Congestion Standard</u></b>	<b><u>Policy Area</u></b>	<b><u>HCM volume-to-capacity equivalent</u></b>
<u>1350</u>	<u>Rural East/ West</u>	<u>0.84</u>
<u>1400</u>	<u>Damascus</u>	<u>0.88</u>
<u>1425</u>	<u>Clarksburg</u> <u>Germantown East/ West</u> <u>Gaithersburg</u> <u>Montgomery Village</u>	<u>0.89</u>
<u>1450</u>	<u>Cloverly</u> <u>North Potomac/ Potomac</u> <u>Olney</u> <u>R&amp;D Village</u>	<u>0.91</u>
<u>1475</u>	<u>Derwood</u> <u>Aspen Hill</u> <u>White Oak</u>	<u>0.92</u>
<u>1500</u>	<u>Rockville</u>	<u>0.94</u>
<u>1550</u>	<u>North Bethesda</u>	<u>0.97</u>
<u>1600</u>	<u>Bethesda/ Chevy Chase</u> <u>Kensington/ Wheaton</u> <u>Silver Spring/ Takoma Park</u> <u>Germantown</u>	<u>1.0</u>
<u>1800</u>	<u>Bethesda CBD</u> <u>Silver Spring CBD</u> <u>Wheaton CBD</u> <u>Friendship Heights CBD</u> <u>White Flint</u> <u>Twinbrook</u> <u>Grosvenor</u> <u>Glenmont</u> <u>Shady Grove</u> <u>Rockville Town Center</u>	<u>1.13</u>

September 18, 2012 Public Hearing  
Montgomery County Council  
Subdivision Staging Policy  
Timothy Dugan Testimony  
Representing Camden USA

Explanation Supporting Additional Language Under Local Area Transportation Review

A project's subdivision approval will include its Local Area Transportation Review requirement, which is based in part on an estimate of the peak hour trips to be generated. Pursuant to the subdivision conditions of approval, the project will construct itself, and/or contribute toward the cost of constructing, those off site improvements imposed to satisfy LATR.

Later, after the off site improvements are in place, the project converts one or more of the approved, but as yet not developed, phases to ones that generate fewer peak hour trips.

The project, therefore, will actually generate fewer peak hour trips than estimated at the time of the original approval, and will have constructed more off site improvements than would have been required. An example is where an office project converts a portion of the project to residential where the residential peak hours are less than what the office use would have generated.

In such instances, the trip mitigation agreement should be reduced, at a rate of one to one, for each peak hour trip that is no longer estimated to be generated.

Recommended addition to:

TL Local Area Transportation Review (LATR)

TL1

If an existing project already has constructed and/or participated in the construction of off site improvements to accommodate its peak hour trips, based on the LATR requirements imposed at preliminary plan, and if such project later converts one or more of the approved uses so that the project generates fewer peak hour trips than estimated at the time of the imposition of the LATR requirements, the trip mitigation agreement must reduce and credit the peak hour trip mitigation requirement, at a rate of one to one, for each peak hour trip that is no longer estimated to be generated by the project.