

**M E M O R A N D U M**

September 15, 2016

TO: Planning, Housing, and Economic Development Committee  
FROM: Glenn Orlin, Deputy Council Administrator  
SUBJECT: 2016-2020 Subdivision Staging Policy

On July 27, 2016 the Planning Board transmitted to the Council its Final Draft of the 2016-2020 Subdivision Staging Policy (SSP), the quadrennial update to the rules by which the Adequate Public Facilities Ordinance is implemented. The Planning Board also has proposed Bill 37-16 that would amend the impact tax law, and it has been referred to the Government Operations and fiscal Policy (GO) Committee. The Council's public hearings on these two matters were held jointly on September 13, and the hearing record was held open to September 16.

At this meeting the staffs of the Planning Board, Executive, and Board of Education will brief the Committee on their respective proposals and take questions from Councilmembers. A summary of the Planning Board's primary recommendations is described on ©1-9; the Executive's comments) are on ©10-17; and the Board of Education's and Superintendent's comments are on ©18-29. The briefers are:

- Casey Anderson, Planning Board Chair, and Pamela Dunn, Chief, Functional Planning & Policy, M-NCPPC
- Al Roshdieh, Director, Department of Transportation; and Ramona Bell-Pearson, Assistant Chief Administrative Officer, Office of the County Executive
- James Song, Director, Department of Facilities Management, MCPS

This will be an opportunity for Councilmembers to ask clarifying questions about the agencies' respective positions, and to direct staff for follow-up information they would like to be developed.

Looking ahead, the subjects of the remaining worksessions are planned as follows:

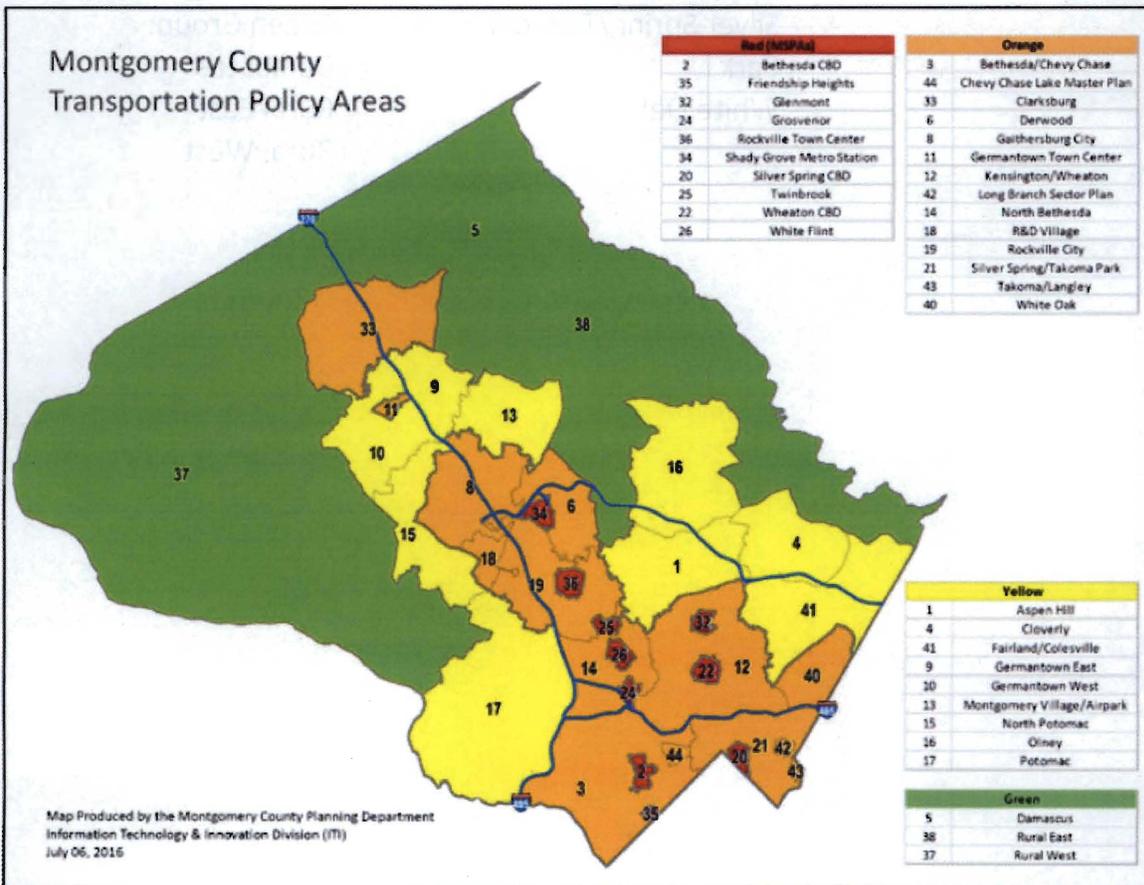
- Monday, September 26, 2:00 pm – school test, and other non-transportation test issues
- Friday, September 30, 9:30 am (if needed) – continuation of discussion from September 26
- Monday, October 10, 1:30 pm (after its review of Executive Regulation 10-16, Comprehensive Economic Strategy) – transportation test
- Monday, October 17, 2:00 pm – follow-up on transportation test; final Committee recommendations on all SSP subjects

## 2016 Subdivision Staging Policy Recommendations

### Transportation Recommendations:

1. Recommendation: Organize the County Policy Areas into four (4) key categories described as follows and depicted in the map below:

- **Red** (MSPAs): Down County Central Business Districts and Metro Station Policy Areas characterized by high-density development and the availability of premium transit service (i.e., Metrorail/MARC).
- **Orange**: Corridor cities, town centers, and emerging Transit-Oriented Development (TOD) areas where premium transit service (i.e., Corridor Cities Transitway, Purple Line/Bus Rapid Transit) is planned.
- **Yellow**: Lower density areas of the County characterized by mainly residential neighborhoods with community-serving commercial areas.
- **Green**: The County's agricultural reserve and rural areas.



2. Recommendation: Place the Clarksburg Policy Area in the "Orange" category in recognition of the original vision for this area and the planned high-quality transit service to be provided by the Corridor Cities Transitway, and establish three new Policy Areas also categorized as "Orange" Policy Areas due to the programming of construction funds for the Purple Line - Chevy Chase Lake, Long Branch and Takoma/Langley Crossroads (within Montgomery County).

**Red Group:**

Bethesda CBD  
Friendship Heights  
Grosvenor  
Glenmont  
Rockville Town Center  
Shady Grove Metro  
Silver Spring CBD  
Twinbrook  
Wheaton CBD  
White Flint

**Orange Group:**

Bethesda/Chevy Chase  
Clarksburg  
Derwood  
Gaithersburg City  
Germantown Town Center  
Kensington/Wheaton  
North Bethesda  
R&D Village  
Rockville City  
Silver Spring/Takoma Park  
White Oak

**Yellow Group:**

Aspen Hill  
Cloverly  
Fairland/Colesville  
Germantown East  
Germantown West  
Mont Village/Airpark  
North Potomac  
Olney  
Potomac

**Green Group:**

Damascus  
Rural East  
Rural West

3. Recommendation: Adopt a new Policy Area transportation test based on transit accessibility.

**Table 1: Transit Accessibility Mitigation Requirements by Policy Area**

<b>Policy Area</b>	<b>Transit Accessibility Mitigation</b>
<b>Red Group</b>	
Bethesda CBD	Exempt
Friendship Heights	Exempt
Grosvenor	Exempt
Glenmont	Exempt
Rockville Town Center	Exempt
Shady Grove Metro Station	Exempt
Silver Spring CBD	Exempt
Twinbrook	Exempt
Wheaton CBD	Exempt
White Flint	Exempt
<b>Orange Group</b>	
Bethesda/Chevy Chase	Adequate
Clarksburg	Inadequate, Full Mitigation
Derwood	Inadequate, Partial Mitigation
Gaithersburg City	Inadequate, Full Mitigation
Germantown Town Center	Inadequate, Full Mitigation
Kensington/Wheaton	Inadequate, Full Mitigation
North Bethesda	Inadequate, Full Mitigation
R&D Village	Inadequate, Full Mitigation
Rockville City	Inadequate, Full Mitigation
Silver Spring/Takoma Park	Inadequate, Full Mitigation
White Oak	Adequate
<b>Yellow Group</b>	
Aspen Hill	Inadequate, Full Mitigation
Cloverly	Inadequate, Full Mitigation
Fairland/Colesville	Inadequate, Partial Mitigation
Germantown East	Inadequate, Full Mitigation
Germantown West	Inadequate, Full Mitigation
Montgomery Village/Airpark	Adequate
North Potomac	Inadequate, Full Mitigation
Olney	Inadequate, Full Mitigation
Potomac	Adequate
<b>Green Group</b>	
Damascus	Exempt
Rural East	Exempt
Rural West	Exempt

4. Recommendation: Do not apply the Policy Area transit accessibility test in the "Red" (MSPAs) or the "Green" (rural) policy areas, consistent with current Policy Area test exemption for these areas.
5. Recommendation: Eliminate the LATR study requirement for Metrorail Station Policy Areas.
6. Recommendation: Adopt person-trip generation rates that reflect different land use context and travel behavior data.

**Table 2: ITE Vehicle Trip Adjustment Factors**

		ITE Vehicle Trip Adjustment Factors			
Policy Area #		Residential	Office	Retail	Other
2	Aspen Hill	97%	98%	99%	97%
3	Bethesda CBD	79%	63%	61%	62%
4	Bethesda/Chevy Chase	87%	81%	85%	79%
6	Cloverly	99%	100%	100%	100%
7	Damascus	100%	100%	100%	100%
8	Derwood	94%	94%	87%	94%
11	Gaithersburg City	88%	86%	74%	85%
12	Germantown East	95%	90%	95%	91%
14	Germantown West	93%	87%	92%	88%
13	Germantown Town Center	85%	89%	77%	88%
17	Kensington/Wheaton	91%	92%	96%	92%
18	Montgomery Village/Airpark	93%	100%	93%	100%
19	North Bethesda	83%	87%	71%	82%
20	North Potomac	97%	100%	100%	100%
21	Olney	99%	100%	99%	100%
22	Potomac	97%	98%	96%	98%
23	R&D Village	89%	88%	80%	90%
24	Rockville City	88%	94%	87%	98%
29	Silver Spring CBD	77%	65%	58%	65%
30	Silver Spring/Takoma Park	83%	83%	82%	84%
32	Wheaton CBD	85%	85%	76%	84%
16	Grosvenor	81%	84%	75%	80%
31	Twinbrook	81%	80%	74%	79%
33	White Flint	79%	78%	72%	78%
15	Glenmont	90%	91%	96%	91%
5	Clarksburg	100%	100%	100%	100%
28	Shady Grove Metro Station	89%	88%	77%	88%
10	Friendship Heights	78%	70%	73%	70%
25	Rockville Town Center	79%	80%	70%	79%
27	Rural West	100%	100%	100%	100%
26	Rural East	99%	99%	98%	100%
34	White Oak	89%	90%	91%	88%
9	Fairland/Colesville	96%	96%	99%	97%

7. Recommendation: Replace the 30 peak hour vehicle trip threshold for an LATR study with a 50 person trips per hour threshold in areas of the County where LATR remains applicable.

8. Recommendation: Retain CLV **only** as a screening tool to be applied in a strategic manner in all areas except Metrorail Station Policy Areas. Employ more robust, delay-based transportation analysis tools in these areas as described below.

**Table 3: Intersection Analysis Approach**

Tier	Approach	Required for:	Features		
			Complexity	Addresses Delay	Addresses Adjacent Intersections
1	Total future CLV determines whether an intersection requires further analysis.	All areas (except development in MSPAs)	Low	No	No
2	Type of study required: Intersection Operations Analysis suffices if Tier 3 prerequisites do not apply.	Total future CLV greater than Policy Area CLV standard	Moderate	Yes	No
3	Or a Network Operations Analysis	Tier 2 prerequisite plus:  Intersection has a total future CLV greater than 1600, or  Intersection with a total future CLV greater than 1450, where development increases intersection demand by 10 CLV and either:  (a) the intersection is on a congested roadway with a travel time index greater than 2.0 as documented by monitoring reports, or (b) the intersection is within 600' of another traffic signal	High	Yes	Yes

9. Recommendation: For LATR mitigation, adjust the prioritization of mitigation approaches by mode and allow for mitigation payment in lieu of construction in the Road Code Urban Areas and Bicycle Pedestrian Priority Areas

10. Recommendation: Eliminate a LATR study requirement for the Alternative Review Procedure in "Red" Policy Areas.

11. Recommendation: Remove the Provisional Adequate Public Facilities (PAPF) provision from the LATR/TPAR Guidelines as there are other regulatory tools in place that accomplish the same function.

12. Recommendation: Continue the production of the Mobility Assessment Report on a biennial schedule as a key travel monitoring element of the SSP.

13. Recommendation: Adopt the following transportation impact tax rates based on updated transportation infrastructure cost estimates and trip generation rates, applying new adjustment factors related to per capita VMT and NADMS by policy area category, and applying a one-third reduction to the non-residential tax rates in the “Red” category.

**Table 16 – Recommended Rates with Commercial Policy Adjustment in MSPAs**

General District Rate Comparison		2016 Rates After Locational Factors Applied to the 2016 Adjusted Rates and One-Third Reduction Applied to Commercial Rates in the Red Category			
Land Use	2016 Base Rates	Red (MSPAs)	Orange	Yellow	Green
<b>Residential Locational Adjustment Factors</b>		0.25	0.75	1.25	2.00
<b>Residential Uses</b>					
SF Detached	\$14,613	\$3,653	\$10,959	\$18,266	\$29,225
<b>MF Residential</b>					
SF Attached	\$10,208	\$2,552	\$7,656	\$12,759	\$20,415
Garden Apartments	\$9,250	\$2,312	\$6,937	\$11,562	\$18,499
High - Rise Apartments	\$6,607	\$1,652	\$4,955	\$8,259	\$13,214
Multi-Family Senior	\$2,643	\$661	\$1,982	\$3,303	\$5,286
<b>Commercial Locational Adjustment Factors</b>		0.75	1.00	1.25	1.25
<b>Commercial Uses</b>					
Office	\$13.45	\$6.72	\$13.45	\$16.81	\$16.81
Industrial	\$6.69	\$3.34	\$6.69	\$8.36	\$8.36
Bioscience	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Retail	\$11.96	\$5.98	\$11.96	\$14.95	\$14.95
Place of Worship	\$0.70	\$0.35	\$0.70	\$0.88	\$0.88
Private School	\$1.06	\$0.53	\$1.06	\$1.33	\$1.33
Hospital	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Social Service Agencies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Non-Residential	\$6.69	\$3.35	\$6.69	\$8.36	\$8.36

14. Recommendation: Allow for transportation impact tax credits based on the percentage of parking supply below the applicable baseline minimum where parking below the minimum is allowed under Section 6.2.3.1 of Chapter 59 of the County Code.

**Table 17: Multiplier for Transportation Impact Tax Reduction – Parking Incentive**

Percentage Parking Supply is Below Baseline Minimum	Percentage Reduction in Transportation Impact Tax After Policy Area Adjustment											
	Red Policy Area				Orange Policy Area				Yellow Policy Area			
	Residential	Office	Retail	Other	Residential	Office	Retail	Other	Residential	Office	Retail	Other
X	3X	3X	3X	3X	2X	2X	2X	2X	X	X	X	X

**School Recommendations:**

1. Recommendation: Calculate School Facility Payments and the School Impact Tax using student generation rates associated with all residential structures built any year.
2. Recommendation: Implement a hybrid annual school test that combines cluster utilization tests with individual school capacity deficit tests.
3. Recommendation: Update the calculation of the School Facility Payments on a biennial basis (concurrent with the annual school test or with the update to the Subdivision Staging Policy) using the latest student generation rates and school construction cost data, limiting any change (increase or decrease) to no more than five percent.
4. Recommendation: Modify the calculation of the School Facility Payments to apply a 0.5 multiplier instead of the current 0.6 multiplier.

**Table 22: Comparison of School Facility Payment Rates, 2012 to 2016**

Type of Unit	Current (2012) School Facility Payments			Proposed (2016) School Facility Payments		
	ES	MS	HS	ES	MS	HS
Single-family detached	\$ 6,940	\$ 3,251	\$ 4,631	\$3,812	\$2,158	\$3,469
Single-family attached	\$ 4,160	\$ 1,743	\$ 2,754	\$4,351	\$2,119	\$3,352
Multi-family low to mid rise	\$ 2,838	\$ 1,169	\$ 1,877	\$3,775	\$1,564	\$2,414
Multi-family high rise	\$ 1,166	\$ 531	\$ 804	\$1,320	\$574	\$891

5. Recommendation: Placeholder capacity for a particular cluster level or school can only be counted as capacity in the annual school test for two years.

6. Recommendation: Update the School Impact Tax amounts on a biennial basis (concurrent with the annual school test or with the update to the Subdivision Staging Policy) using the latest student generation rates and school construction cost data, limiting any change (increase or decrease) to no more than five percent.

7. Recommendation: Remove the 0.9 multiplier in the School Impact Tax, so as to capture the full cost of school construction associated with a new residential unit.

**Table 25: Comparison of School Impact Tax 2007 to 2016**

Unit Type	Current (2007) Impact Tax per Unit	Proposed (2016) Impact Tax per Unit
Single Family Detached	\$26,827	\$18,878
Single Family Attached	\$20,198	\$19,643
Multi-Family Low- to Mid-Rise	\$12,765	\$15,507
Multi-Family High-Rise	\$5,412	\$5,570

8. Recommendation: Require a portion of the School Impact Tax equivalent to 10 percent of the cost of a student seat be dedicated to land acquisition for new schools.

8

9. Recommendation: Allow a credit against the School Impact Tax for land dedicated for a school site, as long as the density calculated for the dedication area is excluded from the density calculation for the site, and MCPS agrees to the site dedication.

10. Recommendation: Reintroduce the School Impact Tax and School Facility Payments in former Enterprise Zones through a phased approach.

**Table 26: Former Enterprise Zone Exemption Phase-out**

<b>For Preliminary Plans Approved...</b>	<b>School Impact Tax and School Facility Payments</b>
Within one year of the designation expiration	Full exemption remains
Within two years of the designation expiration	25 percent of the applicable tax and payment
Within three years of the designation expiration	50 percent of the applicable tax and payment
Within four years of the designation expiration	75 percent of the applicable tax and payment
After four years of the designation expiration	100 percent of the applicable tax and payment

11. Recommendation: Conduct further research to develop the criteria and process by which an area of the County can be exempted from the School Impact Tax and School Facility Payments.



OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

September 15, 2016

RECEIVED  
MONTGOMERY COUNTY  
COUNCIL

2016 SEP 15 PM 3:15

TO: Nancy Floreen, President  
Montgomery County Council

FROM: Isiah Leggett  
County Executive

SUBJECT: Subdivision Staging Policy

I have asked Executive Staff to prepare comments for me related to the FY 2016-2020 Subdivision Staging Policy that was submitted to the Montgomery County Council by the Maryland-National Capital Park and Planning Commission Planning Board. My comments related to transportation issues are attached as represented by the memorandum signed by Al Roshdieh, as the Director of Transportation.

I have also had the opportunity to consider the Subdivision Staging Policy recommendations related to public schools. While I generally agree with the comments made by the Montgomery County Board of Education, I have some concerns about those proposals made that are related to the annual school test.

- In particular, the addition of an individual school level test using seat deficit thresholds to trigger the capital project planning for Montgomery County Public Schools is of concern because, while the overall cluster test may not indicate a deficit, the individual test might present an impediment for the Community to move forward without providing any opportunities to address the facility needs other than delaying development. While I understand the Community interest in addressing the needs of the individual schools, I am concerned that giving this level of attention to specific schools within any given cluster will only trigger project planning instead of addressing the individual school issues.
- I am in agreement with the proposed addition suggested by the Board of Education to decrease the cluster level test threshold from 105% to 100% as a trigger for facility payment.

10



The Honorable Nancy Floreen, President  
September 15, 2016  
Page 2

- I, however, have concerns about the Board of Education proposal to decrease the cluster level test threshold from 120% to 100% as a development moratorium trigger because this would immediately stop development without offering a solution to the problem. Standing alone, the proposal does not solve or even address the problem of the over-extended school. While it is important to maintain a balance in our schools to ensure the high quality of education our children have now, it is also important to meet the needs of the Community by providing solutions that not only address the immediate impact but also the long-term problem.

Thank you for this opportunity to review and comment on the proposed Subdivision Staging Policy. I will also have Executive Staff present at the upcoming Council work sessions to participate in Council review of the many issues related to this policy.

I am confident that collaborative work between the County Council, the Planning Board, Montgomery County Public Schools and the Board of Education will result in the development of an effective and successful policy.

Attachment

cc: Casey Anderson, Chair, Montgomery County Planning Board  
Michael A. Durso, President, Montgomery County Board of Education



DEPARTMENT OF TRANSPORTATION

Isiah Leggett  
County Executive

Al R. Roshdich  
Director

MEMORANDUM

September 14, 2016

TO: The Honorable Nancy Floreen, President  
Montgomery County Council

FROM: Al R. Roshdich, Director  
Department of Transportation

SUBJECT: Proposed Subdivision Staging Policy

Thank you for the opportunity to comment on the proposed Subdivision Staging Policy, recently approved by the Montgomery County Planning Board. First, MCDOT commends the Planning Board and its staff on developing a policy that is aligned with MCDOT's goals regarding the advancement of a multimodal transportation network that supports our existing communities and facilitates development and redevelopment of real estate. We feel that this policy is an important element of furthering the County's economic development while maintaining adequate public facilities, and providing resources to address the potential transportation impacts of land use changes.

In our review, we have concluded that there are many areas of agreement regarding the proposed policy. In particular, we believe that the refinement of the policy areas into four categories will allow improved assessment of transportation needs, availability, and capacity as development proposals are considered. We also support the concept of transit accessibility as an element of the Transportation Policy Area Review test. The refinement of trip generation rates for different land use types in different policy areas is also a useful advancement over the previous policy, as is the use of person-trip generation rates for the LATR studies. Similarly, the traffic analysis steps proposed, using different methodologies to test traffic capacity under different situations, is also a useful refinement of the LATR processes.

In addition to the elements of the policy that we support, MCDOT also has reservations about elements of the proposed SSP. Some of our concerns are policy-oriented (e.g. the proposal does not appropriately account for certain needs or situations) and some are

(12)

Office of the Director

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technical (e.g. the background of, manner of use, and maintenance of data to support a proposed measure is unclear or problematic). In addition to these types of substantive concerns, we have other comments related to intent, language, and clarity that are separately enumerated.

Transportation Policy Area Review: Policy Considerations

1. Roadway Test: MCDOT does not support elimination of the roadway capacity test. Roadway capacity is important to maintain high-quality bus transit access, in addition to private vehicle access, to existing land uses and potential development projects. MCDOT recommends retaining a roadway capacity test either as-is, or by using different thresholds and metrics, if desired by Council and the Planning Board.
2. Transit Test: MCDOT supports the concept of a transit accessibility test. In addition to measurement of home-based accessibility (proportion of jobs accessible within a certain time interval from the zone) as proposed by the Planning Board, we suggest adding a metric of workplace-based accessibility (proportion of regional workforce accessible within a certain time interval from the zone). MCDOT also recommends maintaining the current TPAR transit performance metrics of coverage, span and frequency.

MCDOT does not agree with exempting Red Policy Areas from the Transit Test, especially since these areas are the most dependent on transit adequacy and investment for their success. Further, we suggest that a transit capacity metric for services like LRT, BRT and Metro should be considered supplemental to the other transit tests in Red Policy areas, and possibly adding others to the Red Policy areas, such as; Chevy Chase Lake, Lyttonsville, and Takoma/Langley.

Finally, we believe the policy assumptions about the pace of investment in the transit system are unlikely to be met, resulting in a larger number of inadequate determinations than presented in the Planning Board Approved Draft. Adding transit capacity comes in large increments and is not a continuous function, as assumed by the Planning Board.

3. Pedestrian and Bicycle Tests: MCDOT suggests incorporating Policy Area tests related to pedestrian and bicycle facilities. We seek the Planning Board's guidance as to the metrics for these tests, and think they could reflect sidewalk network completeness, sidewalk widths, and policy-area level of traffic stress (for bicycles) or another metric for bicycle infrastructure adequacy.

Transportation Policy Area Review: Technical Considerations

MCDOT appreciates the value of the transit accessibility metric. We have several questions and concerns about the specific technical assumptions that provide the measure. There is inconsistency between the assumptions around the County BRT network in the document. There is a requirement that the projects are included in the Constrained Long Range

Transportation Plan (CLRP) for the region; however, the analysis assumes implementation of the BRT network, which is not currently funded or included in this plan. Also, the measure is affected by the land use plans and transit investments in other jurisdictions, over which Montgomery County has no control. It is also unclear whether the base calculations include development pipeline projects, which account for about 50% of the projected 2040 growth and would affect the accessibility measures. Finally, it is our opinion that this single metric is not clearer, easier to understand, or less “black box” than the previous TPAR metrics, despite clarity being a stated goal of the policy.

Also, it would be preferable if the policy areas were linked to MWCOG’s Activity Centers <https://www.mwcog.org/community/planning-areas/land-use-and-activity-centers/activity-centers/> to improve consistency between regional planning efforts and application of this policy. Consistency with the Road Code area definitions should also be explored with either a cross-reference to these new policy areas, or revisiting the areas defined in that Executive Regulation.

Local Area Transportation Review: Policy Considerations

1. Exemption for Core Areas: The proposal includes elimination of the LATR tests in the Red Policy Areas, to be replaced with a biannual monitoring program. MCDOT does not agree with this recommendation. This approach has proven itself to be problematic in our experience with the White Flint area, as the State still has its own traffic study requirements for projects. Applicants will still be required to complete a LATR-like analysis, and the State typically defers to the local requirements, which would no longer apply in these areas if this policy is adopted. MDSHA’s guidelines were updated in August 2016 ([www.roads.maryland.gov/ohd2/Traffic%20Impact%20Study%20Guidelines.pdf](http://www.roads.maryland.gov/ohd2/Traffic%20Impact%20Study%20Guidelines.pdf)). MCDOT believes that the LATR analysis for transit, bicycle and pedestrian access should be completed in all policy areas, and that local control should be maintained on the traffic study component.

This recommendation also results in a shift of responsibility from project applicants to Montgomery County (either MCDOT or the Planning Board) for completing these analyses. These studies are not scoped in any detailed way, and it is unclear how investment to address impacts will be achieved through this process. Covering all of these areas on a two-year cycle represents a substantial investment for the County (perhaps \$500,000 - \$700,000 per year).

One potential solution to this issue is to develop LATR mitigation costs for each core area, and to apportion these costs to ownership units within the area with concurrence from the State that this process will satisfy their requirements. It is likely that the studies could be completed for the 12 – 14 core areas over a four-year period, and that the LATR process would be used until the area-wide approach is completed. Using this approach will require a budget appropriation to develop the studies, and will require up-front funding to design and construct early-action improvements, since the developer

contributions will lag the improvement needs. This approach is currently being piloted in the White Oak Master Plan area.

2. Transit Tests: MCDOT believes that the proposed LATR transit test is insufficient. The test limits the assessment of transit capacity to stops within 1,000 feet of the proposed development. MCDOT recommends that the transit capacity extend from the project site to the next major transfer point, Metro station or transit center so that line-capacity directly serving the project is assessed, not just capacity at the stops in the immediate vicinity of the project. Additionally, the proposed LATR tests do not require capacity assessment of regional transit operations like LRT, BRT and Metrorail. As mentioned above, MCDOT believes that the TPAR assessment should include these high-capacity modes.
3. Pedestrian Tests: MCDOT does not agree with the use of a crosswalk space test as the sole test for pedestrian adequacy and we also believe that the proposed analysis threshold of 100 peak hour pedestrian trips is too high and that this test should be applied in all policy areas. While pedestrian delay at intersections is important and could be an element of the pedestrian tests, the tests should also emphasize the completeness, adequacy, ADA compliance, and condition of the pedestrian (sidewalk, pathway, curb ramp, and crosswalk) network within the study area. Also, the Council should understand that pedestrian delay and crosswalk space are largely a function of road width and signal operations, which can be difficult to change in a meaningful way by the County, or a project applicant.
4. Payment in Lieu: MCDOT is concerned with the concept of payment-in-lieu for LATR mitigation as currently proposed in the policy. The mechanisms to establish the value of improvements is not currently defined, and the costs to Montgomery County are likely to be higher than to the developer, due to mobilization and design process requirements. There are also issues of timing and programming for these improvements that may affect operations of new developments for several years before the improvements catch up.

For larger development areas with multiple developers, a per-trip fee might be alternative tools to address some of these concerns, however, these approaches still require pre-development funding from public sources to start the planning and design processes before developer contributions are actually received, if the improvements are expected to be in place at the time of development opening. With this approach, these mitigation projects could affect the County Capital Improvement Program, staffing needs, project prioritization, and bonding capacity.

5. Site Access/Loading and Service Access: The policy could include performance metrics for site access, loading and service. It would benefit plan developers and reviewers to understand these critical issues before site plans are progressed.

Local Area Transportation Review: Technical Considerations

1. Project Definitions: What safeguards can be put into place to keep large projects or land holdings from segmenting themselves to avoid LATR analysis by falling under the diminimus thresholds?
2. Trip Generation Rates and Reductions: The proposal permits reduction in vehicle trip generation rates by up to 40% based on location and development type. It is unclear how this reduction threshold was developed. Additionally, more clarity is needed on the development of the ITE Vehicle Trip Adjustment Factors, and how they will be used.
3. Intersection Capacity Tests: We suggest that more detailed modeling of intersections be an option for the reviewing agencies, rather than required.
4. Pedestrian Tests: More appropriate metrics, in addition to crosswalk space, need to be developed.
5. Bicycle Tests: The LTS methodology is very new and its application in this context is not well-tested. It may be the most appropriate tool; however, the Council may want to include flexibility to use other metrics, should this approach prove problematic in implementation.

Impact Tax Proposal: Policy Considerations

1. Revenue Generation: It is unclear that the proposed tax structure will yield revenues sufficient to meet projected needs at the proportional level associated with private contribution. The per trip costs represent the current County six-year CIP, which is limited by the availability of resources, and reflects current capital project priorities. The CIP is not representative of the transportation needs county-wide. Additionally, while comparison of the current rates to the proposed rates is provided in Table 15 and 16, an estimate of the yield based on expected development activity is not provided. MCDOT would like to know the revenue generation potential of the proposed rates in comparison to the current rates for at least one 3 to 5-year development scenario.
2. Parking Incentive: MCDOT supports the principal of encouraging lower parking ratios for new development. However, our department does not support the structure of the proposed parking incentive. Granting a credit to the transportation impact tax is not in keeping with the original legislative intent of impact tax credits, which is to offset the need for County investment in transportation infrastructure. MCDOT is prepared to partner with the Planning Department to vet alternative proposals to achieve the desired goal.

3. Clarity of Countywide vs. Local Area/Policy Area Application: We would appreciate more clarity on the accounting and use of the various tax components (TPAR, in-kind, LATR, Parking) for countywide needs, policy area needs, or local area needs). A table that identifies each tax, or fee, and the geography to which it applies will help with implementation of this policy.

Impact Tax Proposal: Technical Considerations

1. VMT Adjustment: The VMT adjustment is for home-based work trips, which only accounts for 20% of trip making. It would be preferable to use total VMT for each policy area.
2. Parking Adjustments: The technical basis for the parking reduction rates is unclear.

Thank you in advance for the opportunity to comment on this important policy for the County's future. We look forward to working with your staff and the Planning Department to resolve our concerns so that the County can implement a forward-looking approach that allows development to proceed in a clear and predictable manner, while protecting the public interest and providing the resources needed for our department to meet the County's transportation needs.

cc: Casey Anderson, Chair, Montgomery County Planning Board  
Glenn Orlin, Deputy Administrator, Montgomery County Council  
Ramona Bell-Pearson, Assistant Chief Administrative Officer  
Christopher Conklin, Deputy Director for Transportation Policy, MCDOT



## **MONTGOMERY COUNTY BOARD OF EDUCATION**

850 Hungerford Drive ♦ Room 123 ♦ Rockville, Maryland 20850



August 31, 2016

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

Dear Ms. Floreen:

On August 25, 2016, the Montgomery County Board of Education (Board of Education) reviewed the Montgomery County Planning Board's (Planning Board) recommended *FY 2016–2020 Subdivision Staging Policy* as it pertains to public schools. The Board of Education was asked to provide comments to the County Council on the recommended policy by September 1, 2016. This letter is to inform you that the Board of Education generally supports the policy modifications recommended by the Planning Board, with four exceptions. Enclosed is a copy of the resolution adopted by the Board of Education.

The policy recommended by the Planning Board includes the following:

- (1) modified student generation rates used to determine the student yield of residential structures;
- (2) adoption of a new component of the annual school test that determines the adequacy of school facilities where development is proposed;
- (3) biennial updates of the school facility payment and school impact tax calculations;
- (4) modified school facility payment and school impact tax formulae;
- (5) limits on the use of placeholder capacity projects in the annual school test;
- (6) dedication of a portion of the school impact tax revenue to a land acquisition fund for the purchase of school sites;
- (7) allowance of a credit against the school impact tax for land dedicated to schools; and
- (8) reintroduction of the school impact tax and school facility payment in former Enterprise Zones.

### **Modified Student Generation Rates**

The calculation of school facility payments and school impact taxes relies on student generation rates, which indicate the number of students per unit of residential development. The policy recommended by the Planning Board stipulates that these rates be based on the student yield of housing structures built in any year, rather than on the yield of structures built within a specified time frame. This ensures that the average impact of new housing on schools over time is captured, as opposed to just the initial impact. The Board of Education supports the Planning Board recommendation.

### **Annual School Test**

The annual school test has long compared a school cluster's current and planned capacity with its projected enrollment, determining if a school facility payment is required for residential development to proceed in that cluster. The policy recommended by the Planning Board stipulates that the annual school test continue to assess capacity at the cluster level, and in addition, assess capacity at the individual school level using the seat-deficit thresholds that trigger Montgomery County Public Schools (MCPS) capital project planning. This hybrid test prevents the issue of cluster-level school tests "masking" individual school-level space deficits, particularly given widely varying school sizes and school expansion possibilities within clusters. It also brings the annual school test into alignment with the MCPS Capital Improvements Program's implementation processes. The Board of Education supports the addition of school-level testing in the annual school test. However, the Board of Education requests that the County Council consider reducing the current cluster-level test thresholds from 105 percent to 100 percent for triggering school facility payment and from 120 percent to 110 percent for triggering a development moratorium. In order to address continuing overutilization levels at a majority of our schools, the Board of Education feels that additional revenues through the facility payment and policy mechanisms, such as development moratorium, are desperately needed to allow public infrastructure to keep pace with the county growth.

### **Biennial Updates of School Facility Payment and School Impact Tax**

School facility payments and impact taxes should continue to be updated using the latest student generation rates and school construction cost data, as recommended by the Planning Board. The Board of Education supports the Planning Board recommendation for biennial updates of school facility payment and school impact tax calculations with a limit on the changes in payments and taxes to five percent.

### **Modified School Facility Payment and School Impact Tax Formulae**

School impact taxes currently are calculated by applying a multiplier of 0.9 (90 percent) to per-seat school construction costs. The policy recommended by the Planning Board modifies this formula by removing the multiplier, so that the tax represents the full cost of construction of a seat associated with a new residential unit. The Board of Education supports the Planning Board recommendation.

School facility payments are currently calculated by applying a multiplier of 0.6 (60 percent) to the per-seat school construction cost. The policy recommended by the Planning Board modifies this formula so that the multiplier is 0.5 (50 percent). This ensures that development continues to pay no more than 150 percent of the per-seat cost of school construction where school facilities have been deemed inadequate (100 percent of per-seat costs in impact taxes plus 50 percent of per-seat costs in facility payments, instead of the currently required 90 percent of per-seat costs in impact taxes plus 60 percent of per-seat costs in facility payments). The Board of Education supports the Planning Board recommendation.

### **Placeholder Capital Projects**

Placeholder capital projects reserve Capital Improvements Program funding for needed school capacity projects to prevent a cluster falling into a residential development moratorium. The policy

recommended by the Planning Board recognizes the benefit of placeholder projects but restricts their inclusion in the annual school test to two consecutive years of the test. This ensures that if a placeholder project is not replaced with a capital project in MCPS' six-year Capital Improvements Program for two consecutive years, the annual school test reflects the unaddressed capacity deficit. The Board of Education supports the Planning Board recommendation.

#### **Dedication of a Portion of School Impact Tax Revenue to a Land Acquisition Fund for the Purchase of School Sites**

The Planning Board has recommended that 10 percent of school impact tax revenue be dedicated to a land acquisition fund for the purchase of school sites. The Board of Education strongly opposes this dedication requirement. While the dedication of impact tax revenue specifically for the purchase of land for school sites is purported to provide MCPS with "additional options for funding potential purchases," it would divert funds from those needed capacity projects that do not require the acquisition of a school site and allow funds to sit idle until they can be applied to a very specific type of capacity project—one that cannot move forward without the purchase of a school site. As MCPS continues to experience unprecedented student enrollment growth, it is imperative that 100 percent of the impact tax revenue is invested in addressing the growth needs. The Board of Education supports a school impact tax that represents the full cost of a seat associated with a new residential unit, but without constraints on the application of that revenue to capacity projects. The MCPS Capital Improvements Program prioritizes projects based on capacity needs regardless of whether the potential purchase of a school site is required. The Board of Education believes developing a funding source for school site acquisition is important, but through another type of impact tax or exceeding the 100 percent level for the school impact tax.

#### **Credit Against the School Impact Tax for Land Dedicated to Schools**

Current policy provides a credit against the school impact tax for construction of school facilities. The policy recommended by the Planning Board allows for an additional credit against the school impact tax for land dedicated to schools. The Board of Education supports this stipulation, as an appropriate and timely dedication of land for a school site can be as useful as school impact taxes in providing school facilities.

#### **Reintroduction of the School Impact Tax and School Facility Payment in Former Enterprise Zones**

Current policy provides school impact tax and facility payment exemptions within former Enterprise Zones. The policy recommended by the Planning Board reintroduces the school impact tax and school facility payment in former Enterprise Zones. Now that 10 years have passed since the expiration of the Silver Spring CBD's Enterprise Zone designation, there is little rationale for maintaining this exemption. The Board of Education supports the Planning Board recommendation.

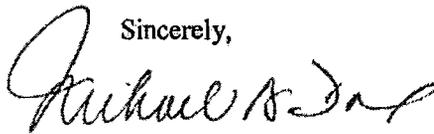
#### **Additional Change**

The Board of Education proposed one additional change not addressed by the Planning Board. Current policy requires revenue collected from school facility payments to be used on capital projects within the cluster in which they are collected. Although the policy recommended by the Planning Board

does not address this constraint on revenue, the Board of Education proposes that the updated policy allow for facility payment revenue to be applied to any MCPS capital project that addresses capacity. This policy revision would better enable MCPS to address its highest priority capacity needs wherever they are, thereby facilitating timely implementation of the six-year Capital Improvements Program. This approach will ensure that overutilized schools across the county are relieved in the order in which they have been prioritized. MCPS has been and continues to explore possibilities of alleviating the overcrowded schools by examining the adjacent clusters. Two recent examples include providing relief to Clarksburg and Northwest high schools by building larger capacity at Seneca Valley High School as a part of its revitalization/expansion project, as well as planning for the Col. Zadok Magruder and Thomas S. Wootton clusters to alleviate overutilization in the Gaithersburg Cluster. Both the roundtable discussion in the Walter Johnson Cluster and strategies being considered to provide relief for high schools in the Downcounty Consortium will require a broad countywide perspective. For this reason, the Board of Education proposes allowance of facility payment revenue to be applied to any MCPS capital project that addresses capacity.

I am confident that MCPS, the Planning Board, the county executive, and the County Council will continue to work together to ensure that public infrastructure, particularly our schools, adequately serves our growing community. The Board of Education appreciates the Planning Board's efforts to address the school system's enrollment growth challenges through its recommended *FY 2016-2020 Subdivision Staging Policy*. The Board of Education recognizes these potential changes require thoughtful consideration of how to balance public infrastructure needs and the county's economic growth. For this reason, the Board of Education generally supports the policy modifications recommended by the Planning Board, with the noted exceptions. While the Planning Board recommendations, as well as our suggested comments, are attempts to improve the county's Subdivision Staging Policy, the Board of Education believes more far-reaching measures will be needed to address the current and future needs of this county. The Board of Education looks forward to working with the County Council, as well as the Planning Board and county executive, on this vital policy.

Sincerely,



Michael A. Durso  
President

MAD:AMZ:bls

Enclosure

Copy to:

Members of the Montgomery County Council  
Members of the Board of Education  
Dr. Smith  
Dr. Navarro  
Dr. Statham  
Dr. Johnson

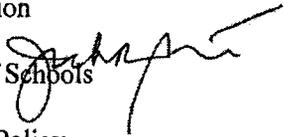
Dr. Zuckerman  
Mr. Song  
Mr. Ikheloa  
Members of the Montgomery County  
Planning Board

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

August 25, 2016

REVISED

MEMORANDUM

To: Members of the Board of Education  
From: Jack R. Smith, Superintendent of Schools   
Subject: 2016–2020 Subdivision Staging Policy

**Background**

The Subdivision Staging Policy (formerly known as the County Growth Policy) is reviewed on a four-year cycle. The county executive and the Montgomery County Board of Education are requested to provide their comments on the Montgomery County Planning Board (Planning Board) recommended 2016–2020 Subdivision Staging Policy to the County Council by September 1, 2016.

The Planning Board initiated the update of the Subdivision Staging Policy in fall 2015 and gathered public input from the community throughout winter and spring. The members of the Board's Fiscal Management Committee were briefed on the current policy and update process on May 9, 2016. Subsequently, the Fiscal Management Committee reviewed the existing policy and provided comments to the Planning Board on its Working Draft of the Subdivision Staging Policy on May 26, 2016.

On July 21, 2016, the Planning Board transmitted the recommended *2016–2020 Subdivision Staging Policy* to the County Council. The Subdivision Staging Policy is available at:

[http://www.montgomeryplanning.org/research/subdivision\\_staging\\_policy/](http://www.montgomeryplanning.org/research/subdivision_staging_policy/)

This memorandum includes a review of the Planning Board's recommendations for the school test portion of the policy and recommendations for Board of Education consideration. The County Council will review the policy this fall and is expected to take action on the policy by November 2016.

The Subdivision Staging Policy includes guidelines for three funding sources—School Facility Payment, School Impact Tax, and Recordation Tax—that are allocated to the Montgomery County Public Schools (MCPS) Capital Improvements Program (CIP). While these three funding

sources account for less than half of our total CIP allocation, they are vital revenue sources to ensure that the many construction projects needed in our school system are funded annually. The approved Fiscal Year (FY) 2017 Capital Budget of \$305 million was partially funded from the three revenue sources above as follows: 1 percent (\$1.7 million) from the School Facility Payment, 11 percent (\$32.5 million) from the School Impact Tax, and 17 percent (\$51.9 million) from the Recordation Tax. The following table illustrates the allocations from these revenue sources for the past five fiscal years:

**Funding Sources Included in Subdivision Staging Policy**  
((\$000s))

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
School Facility Payments	\$0	\$170	\$0	\$2,144	\$601
School Impact Tax	\$14,480	\$14,454	\$27,046	\$45,609	\$31,898
Recordation Tax	\$10,573	\$21,873	\$29,250	\$21,583	\$24,215

#### **Planning Board Recommendations**

The Planning Board has recommended changes to the policy which, with the exception of dedication of the impact tax revenue to a land acquisition fund, are well aligned with MCPS capacity needs. The recommended changes are as follows:

- Modified student generation rates used to determine the student yield of residential structures;
- Adoption of a new component of the annual school test that determines the adequacy of school facilities where development is proposed;
- Biennial updates of school facility payment and school impact tax calculations;
- Modified school facility payment and school impact tax formulae;
- Limits on the use of placeholder capacity projects in the annual school test;
- Dedication of a portion of school impact tax revenue to a land acquisition fund for the purchase of school sites;
- Allowance of a credit against the school impact tax for land dedicated to schools; and
- Reintroduction of the school impact tax and school facility payment in former Enterprise Zones.

#### *Modified student generation rates used to determine the student yield of residential structures:*

Student generation rates indicate how many new students will result from new residential units. The modification of student generation rates is an important policy change because both school impact taxes and school facility payments are calculated using these generation rates. All new residential development pays the school impact tax. New residential development occurring where schools are overutilized also must make school facility payments.

The policy recommended by the Planning Board stipulates that these rates be based on the number of students generated by housing structures built in any year, rather than just on the number of students generated by structures built within a specified timeframe.

In a previous working draft, generation rates for single-family homes were based on the number of students generated by structures built only in the past 10 years, which the Fiscal Management Committee opposed. This recommended policy change is a welcome one to the final draft that ensures the average overall impact of new housing on schools is captured, as opposed to just the initial impact. After new units are built, MCPS indefinitely will serve the students residing in these units, not just the first students who reside in them, over a finite period of time.

*Adoption of a new component of the annual school test that determines the adequacy of school facilities where development is proposed:*

The annual school test has long compared a school cluster's current and planned capacity with its projected enrollment, determining if a school facility payment is required for residential development to proceed in that cluster. Previously, development proposed within any cluster where schools were projected to be overutilized by 105 percent or more was subject to a school facility payment in addition to the school impact tax; development proposed within a cluster where schools were projected to be overutilized by 120 percent was prevented by a moratorium on residential development.

The policy recommended by the Planning Board stipulates that the annual school test continue to assess capacity at the cluster level, and in addition, assess capacity at the individual school level. This school-level component of the annual school test will allow the county to collect school facility payments in situations in which a cluster has capacity, but an individual school service area does not. This component of the school test uses seat-deficit thresholds to determine when a school service area is either subject to school facility payments or subject to a development moratorium. The thresholds for the school test are the same as those used by MCPS to trigger planning for a MCPS major capital project. This updated version of the annual school test, which the Fiscal Management Committee supported, prevents the issue of cluster-level school tests "masking" individual school-level space deficits, and additionally brings the test into alignment with the MCPS CIP implementation processes.

*Biennial updates of school facility payment and school impact tax calculations:*

School facility payments and impact taxes should continue to be updated using the latest student generation rates and school construction cost data, as recommended by the Planning Board. Moreover, the Board supports the stipulation that any changes to facility payments or impact taxes resulting from the updated data be limited to no more than five percent (increase or decrease). Updating the calculations ensures that this revenue keeps up with inflation and the number of students being produced by housing. Limiting the changes in payments and taxes to five percent provides an important level of certainty and stability for development projects. The Fiscal Management Committee did not review this policy change at its May 9, 2016, meeting.

*Modified school facility payment and school impact tax formulae:*

School impact taxes currently are calculated by applying a multiplier of 0.9 (90 percent) to the per-seat school construction cost. The per-seat cost of construction is the incremental cost of building additional space for a student. The policy recommended by the Planning Board, which the Fiscal Management Committee supported, modifies this formula by removing the multiplier, so that the tax represents the full cost of a seat associated with a new residential unit.

School facility payments currently are calculated by applying a multiplier of 0.6 (60 percent) to the per-seat school construction cost. The policy recommended by the Planning Board modifies this formula so that the multiplier is 0.5 (50 percent). This ensures that development pays no more than 150 percent of the per-seat cost where school facilities have been deemed inadequate (overutilized by 105 percent or more). Maintaining the overall burden on development in overutilized areas is important to the Planning Board. Under the new policy, a developer is responsible for up to 100 percent of per-seat costs in impact taxes plus 50 percent of per-seat costs in facility payments. Previously, a developer could be required to pay up to 90 percent of per-seat costs in impact taxes plus 60 percent of per-seat costs in facility payments. Both policies resulted in a maximum overall burden of up to 150 percent of per-seat costs.

*Limits on the use of placeholder capacity projects in the annual school test:*

Placeholders for capital projects have permitted the County Council to take quick action to reserve funds for needed school capacity without allowing a cluster to fall into a residential development moratorium. The policy recommended by the Planning Board, which the Fiscal Management Committee supported, recognizes the benefit of placeholder projects, but restricts their inclusion in the annual school test to two consecutive years of the test. This ensures that if a placeholder project is not replaced with a capital project in MCPS' six-year CIP for two consecutive years, the annual school test reflects this unaddressed capacity deficit, and either school facility payments can be collected or a moratorium can be instituted if applicable.

*Dedication of a portion of school impact tax revenue to a land acquisition fund for the purchase of school sites:*

The Planning Board has recommended that 10 percent of school impact tax revenue be dedicated to a revolving land acquisition fund. The Fiscal Management Committee did not support this recommendation. While the dedication of impact tax revenue specifically for the purchase of land for school sites is purported to provide MCPS with "additional options for funding potential purchases," it would divert funds from those needed capacity projects that do not require the acquisition of a school site and allow funds to sit idle until they can be applied to a very specific type of capacity project, one that cannot move forward without the purchase of a school site should such a project exist at some point in the future. MCPS supports a school impact tax that represents the full cost of a seat associated with a new residential unit, but without constraints on the application of that revenue to capacity projects, which are prioritized by the MCPS CIP based on capacity needs and regardless of the potential purchase of a school site.

*Allowance of a credit against the school impact tax for land dedicated to schools:*

Current policy provides a credit to developers against the school impact tax for construction of school facilities for MCPS. The policy recommended by the Planning Board stipulates the allowance of an additional credit against the school impact tax for land dedicated to schools. This stipulation is supported, as land dedication can be as useful as school impact taxes in providing school facilities. The Fiscal Management Committee did not review this policy change at its May 9, 2016, meeting.

*Reintroduction of the school impact tax and school facility payment in former Enterprise Zones:*

Current policy provides school impact tax and facility payment exemptions within areas of the county that are former Enterprise Zones. The policy recommended by the Planning Board reintroduces the school impact tax and school facility payment in former Enterprise Zones, such as the Silver Spring Central Business District (CBD). Now that 10 years have passed since the expiration of the Silver Spring CBD Enterprise Zone designation, there is little rationale for maintaining impact tax or facility payment exemptions there. The Fiscal Management Committee did not review this policy change at its May 9, 2016, meeting. I offer the following resolution for your consideration:

WHEREAS, A comprehensive review of the *2016–2020 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 *2016–2020 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 that aligns with Montgomery County Public Schools facility planning and capital programming; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* includes modified student generation rates used to determine the student yield of residential structures; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* school test continues the cluster utilization thresholds of 105 percent for triggering the school facility payment and 120 percent for triggering residential moratorium; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging policy* includes a new school-level component of the school test that uses the seat-deficit thresholds of 92 seats for triggering the school facility payment at elementary schools and of 150 seats for triggering the school facility payment at middle schools, and the seat-deficit thresholds of 110 seats for triggering residential moratorium at elementary schools and of 180 seats for triggering residential moratorium at middle schools; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* includes biennial updates of school facility payment and school impact tax calculations limiting any change to no more than five percent; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* includes modified school impact tax calculations such that the school impact tax multiplier of 0.9 applied to the per-seat school construction cost is increased to 1.0; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* includes modified school facility payment calculations such that the school facility payment multiplier of 0.6 applied to the per-seat school construction cost is reduced to 0.5; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* limits the use of placeholder capacity projects in the school test to two consecutive school tests; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* includes dedication of a portion of school impact tax revenue to a land acquisition fund for the purchase of school sites; and

WHEREAS, The policy provision that dedicates a portion of school impact tax revenue to a land acquisition fund would negatively impact utilization of impact tax revenue for current capital project needs; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* allows for a credit against the school impact tax for land dedicated as school sites; and

WHEREAS, The Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy* reintroduces the school impact tax and school facility payments in former Enterprise Zones; and

WHEREAS, All other elements of the current school test are retained in the Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy*; now therefore be it

Resolved, That the Board of Education propose lowering the cluster-level school test utilization thresholds for school facility payment from 105 percent to 100 percent and lowering the threshold for triggering residential moratorium from 120 percent to 110 percent; and be it further

Resolved, That the Board of Education support the Montgomery County Planning Board's recommendations for the *2016–2020 Subdivision Staging Policy* school test including continued cluster utilization testing at the elementary school, middle school, and high school levels in addition to individual school utilization testing that uses the seat-deficit thresholds of 92 seats for triggering the school facility payment at elementary schools and of 150 seats for triggering the school facility payment at middle schools and the seat-deficit thresholds of 110 seats for triggering residential moratorium at elementary schools and of 180 seats for triggering residential moratorium at middle schools; and be it further

Resolved, That the Board of Education support the Montgomery County Planning Board's recommendations for biennial updates of school facility payment and school impact tax calculations with a limit on the changes in payments and taxes to five percent; and be it further

Resolved, That the Board of Education support the Montgomery County Planning Board's recommendations for modified school impact tax calculations that use a multiplier of 1.0 applied to the per-seat school construction cost; and be it further

Resolved, That the Board of Education support the Montgomery County Planning Board's recommendations for modified school facility payment calculations that use a multiplier of 0.5 applied to the per-seat school construction cost; and be it further

Resolved, That the Board of Education support the Montgomery County Planning Board's recommendations for the *2016–2020 Subdivision Staging Policy* school test including limiting the use of placeholder capacity projects in the school test to two consecutive school tests; and be it further

Resolved, That the Board of Education oppose the Montgomery County Planning Board's recommendations for dedication of a portion of school impact tax revenue to a land acquisition fund; and be it further

Resolved, That the Board of Education submit comments to the Montgomery County Council requesting consideration of a separate funding stream for school site acquisition; and be it further

Resolved, That the Board of Education support the Montgomery County Planning Board's recommendations for a credit against the school impact tax for dedicated school sites; and be it further

Resolved, That the Board of Education support the Montgomery County Planning Board's recommendations for reintroduction of the school impact tax and school facility payments in former Enterprise Zones; and be it further

Resolved, That the Board of Education support retention of all other elements of the current school test in the Montgomery County Planning Board's recommended *2016–2020 Subdivision Staging Policy*; and be it further

Resolved, That the Board of Education propose the revenue from the school facility payment be allowed to apply towards any MCPS capital project within the county; and be it further

Resolved, That a copy of this resolution be forwarded to the county executive, the Montgomery County Council, 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.

JRS:AMZ:JS:lm