



Montgomery Planning | Functional Planning & Policy Division

# 2020 Subdivision Staging Policy Update

Roundtable Participant Prep



# Workshop/Roundtable Schedule

Kick-off Community Workshop	October 7
Developer Roundtable	January 24
Parent/Student Roundtable	February 8
Upcounty Roundtable	February 20
East County Roundtable	February 24

# Topics Covered

- History of the Subdivision Staging Policy (SSP)
- Overview of the Current SSP
- Overview of Impact Taxes
- 2020 SSP Update Process
- Review of Relevant Data
- Preview of the Roundtable Discussions

# About the Subdivision Staging Policy

# What is the Subdivision Staging Policy?

- The County's Adequate Public Facilities Ordinance (APFO) became law in 1973:
  - *“The [Planning] Board may only approve a preliminary plan when it finds that public facilities will be **adequate** to support and service the subdivision. Public facilities and services to be examined for adequacy include roads and transportation facilities, sewer and water service, schools, police stations, firehouses, and health clinics.”* §50.4.3(J) of the County Code
- The SSP is the set of policy tools that administer the APFO, define infrastructure adequacy, and describe how adequacy is measured.

# History of the SSP and Impact Taxes

	Transportation	Schools
1969	Update to the General Plan	
1973	Council adopts the APFO	
1986	First “Annual Growth Policy”	
2001	<ul style="list-style-type: none"> <li>Countywide Impact Tax introduced</li> </ul>	
2003	<ul style="list-style-type: none"> <li>Policy Area test eliminated</li> </ul>	<ul style="list-style-type: none"> <li>Impact Tax introduced</li> <li>Facility Payments introduced</li> </ul>
2007	<ul style="list-style-type: none"> <li>Impact taxes recalibrated</li> <li>Policy Area test reintroduced</li> </ul>	<ul style="list-style-type: none"> <li>Impact taxes recalibrated</li> </ul>
2010	Renamed “Subdivision Staging Policy”	
2016	<ul style="list-style-type: none"> <li>Impact taxes recalibrated</li> <li>Policy Area test eliminated</li> <li>Multimodal Local Area test</li> <li>Unified Mobility Programs established</li> </ul>	<ul style="list-style-type: none"> <li>Impact taxes recalibrated</li> <li>Individual school test introduced</li> <li>School Facility Payments eliminated</li> <li>Required biennial update to Student Generation Rates</li> </ul>

# Updates to the Subdivision Staging Policy

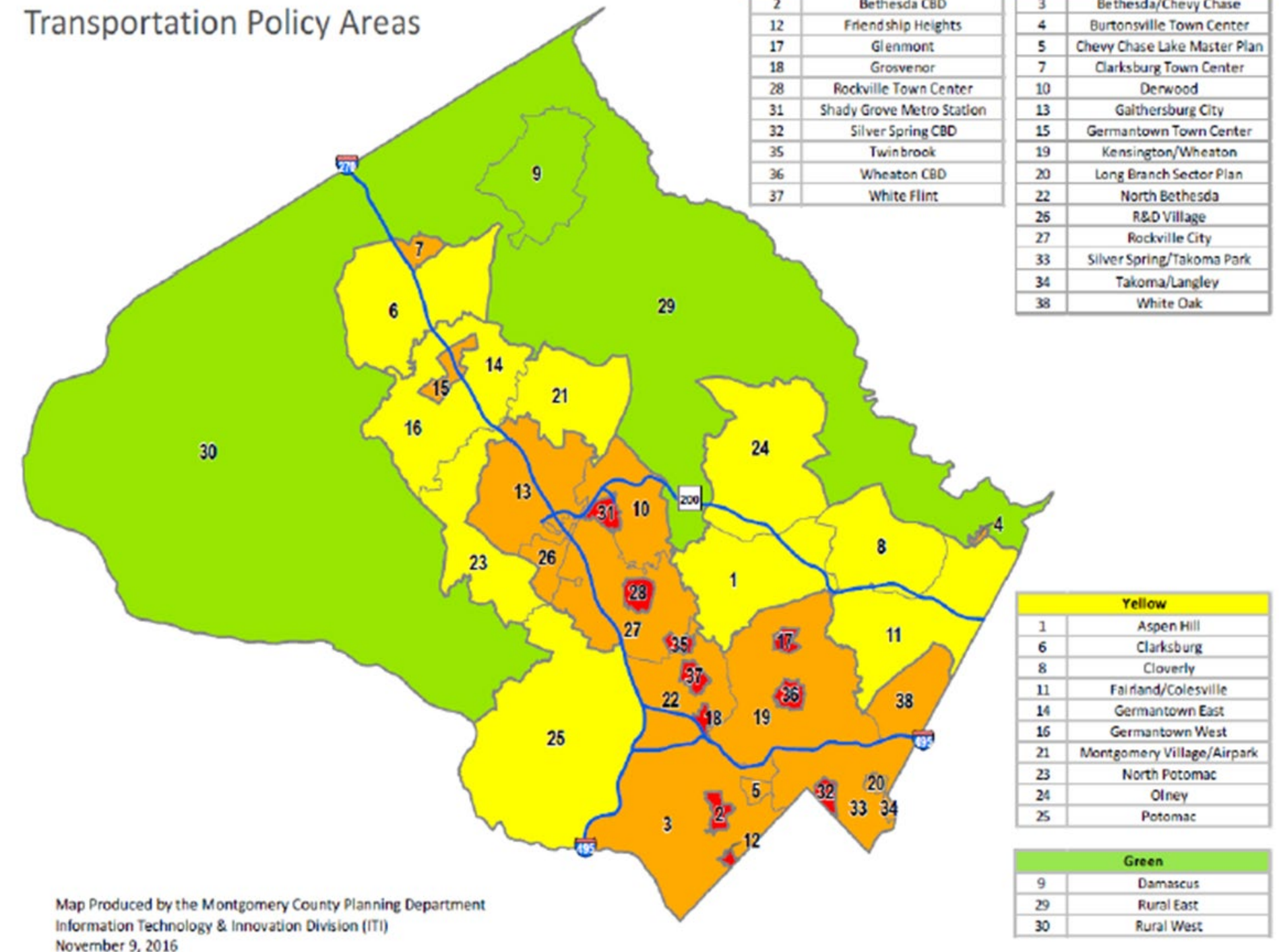
- Policy is currently updated every four years
- Certain aspects of the policy are updated more frequently:
  - Student generation rates are updated biennially
  - School test results are updated annually
- 2016-2020 Subdivision Staging Policy
  - Adopted by Council Resolution 18-671 on November 15, 2016
  - Council Resolution 18-1087 on April 17, 2018
  - Council Resolution 19-147 on June 25, 2019

# Transportation

# What Does the SSP Do?

- Groups our 38 policy areas into **four policy area categories** based on:
  - Current land use patterns
  - The prevalence of different modes of travel
  - The planning vision for the policy area

Montgomery County  
Transportation Policy Areas



# What Does the SSP Do?

- Establishes a set of multi-modal **Local Area Transportation Review (LATR)** tests for determining transportation adequacy
  - Forecasts travel demand generated by existing, pipeline and proposed development and compares it to the capacity of existing and programmed roads and transit



# What Does the SSP Do?

- **Unified Mobility Programs (UMPs)** include an area-wide analysis of needed transportation improvements
  - Applicants pay their proportion of the UMP cost



# Schools

# What Does the SSP Do?

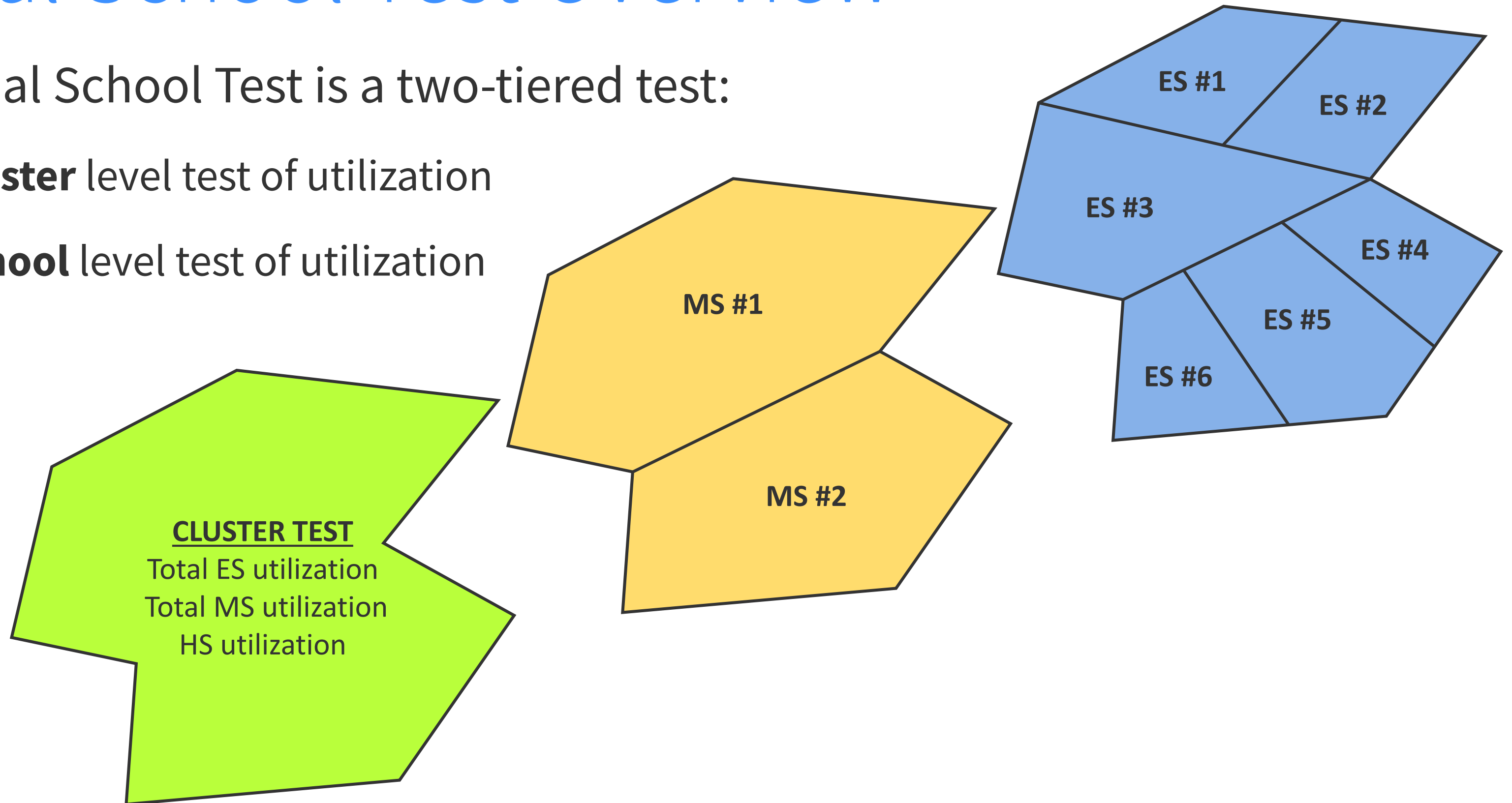
- Requires the Planning Board to annually approve the results of a **school test** evaluating projected school capacity *five years in the future*
- Establishes the criteria for enacting **development moratoria** based on projected school capacity utilization
- Identifies **exceptions to the moratoria**
- Previously, established thresholds for **school facility payments**



# Annual School Test Overview

The Annual School Test is a two-tiered test:

- **Cluster** level test of utilization
- **School** level test of utilization



# Moratorium Thresholds

Test Level	Moratorium Threshold
Cluster	Projected <b>cumulative utilization greater than 120%</b> at any school level (elementary, middle or high school) across the entire cluster.
Individual Elementary School	Projected <b>utilization greater than 120%</b> and projected capacity <b>deficit of 110 seats or more</b> .
Individual Middle School	Projected <b>utilization greater than 120%</b> and projected capacity <b>deficit of 180 seats or more</b> .

# Current Moratorium Coverage

## FY2020 Annual School Test - Service Area Status

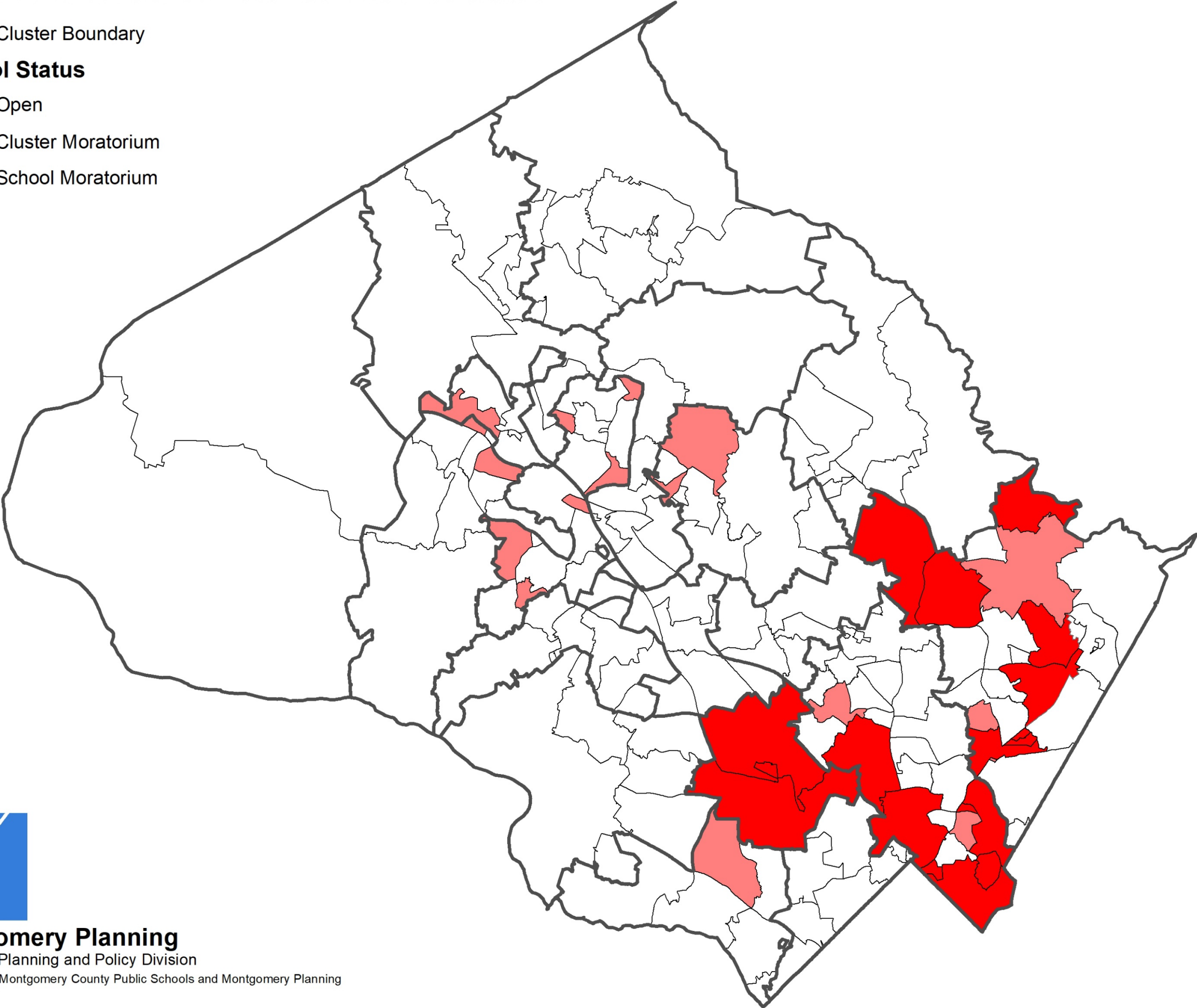
Cluster Boundary

### School Status

Open

Cluster Moratorium

School Moratorium

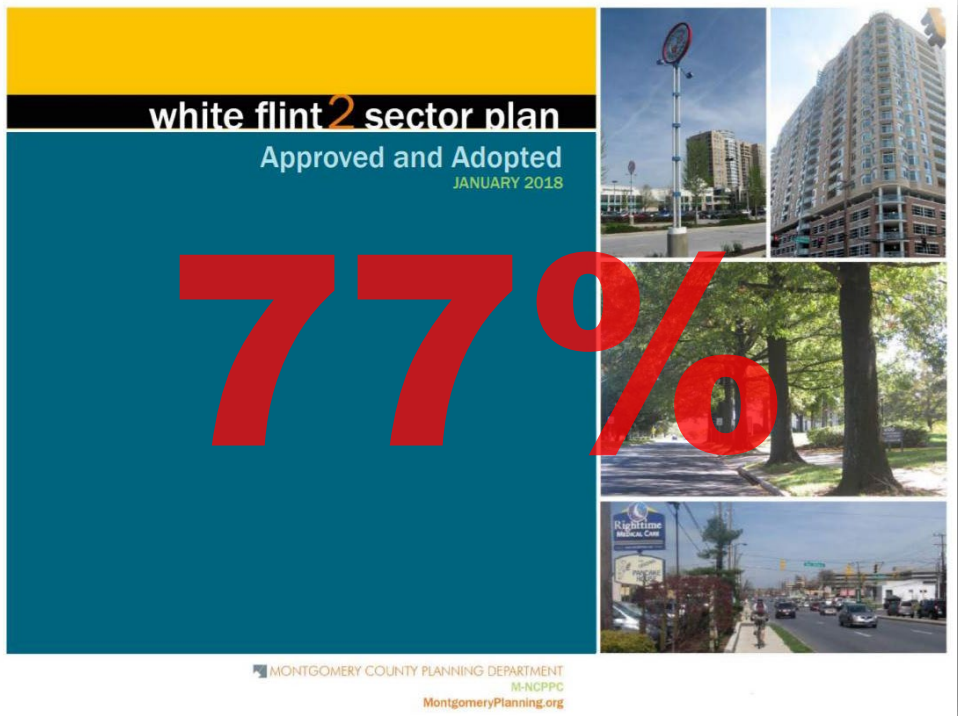
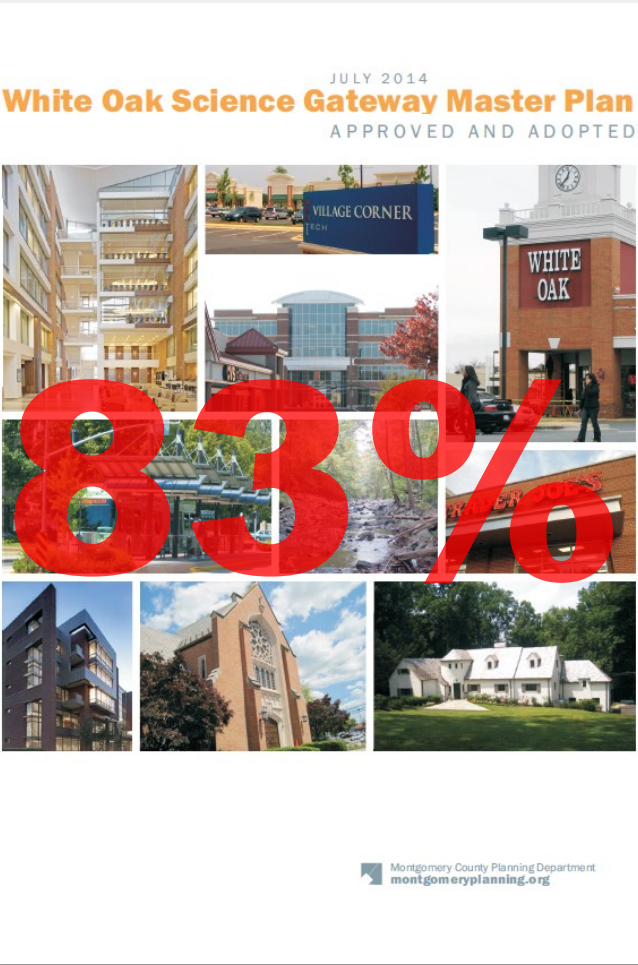
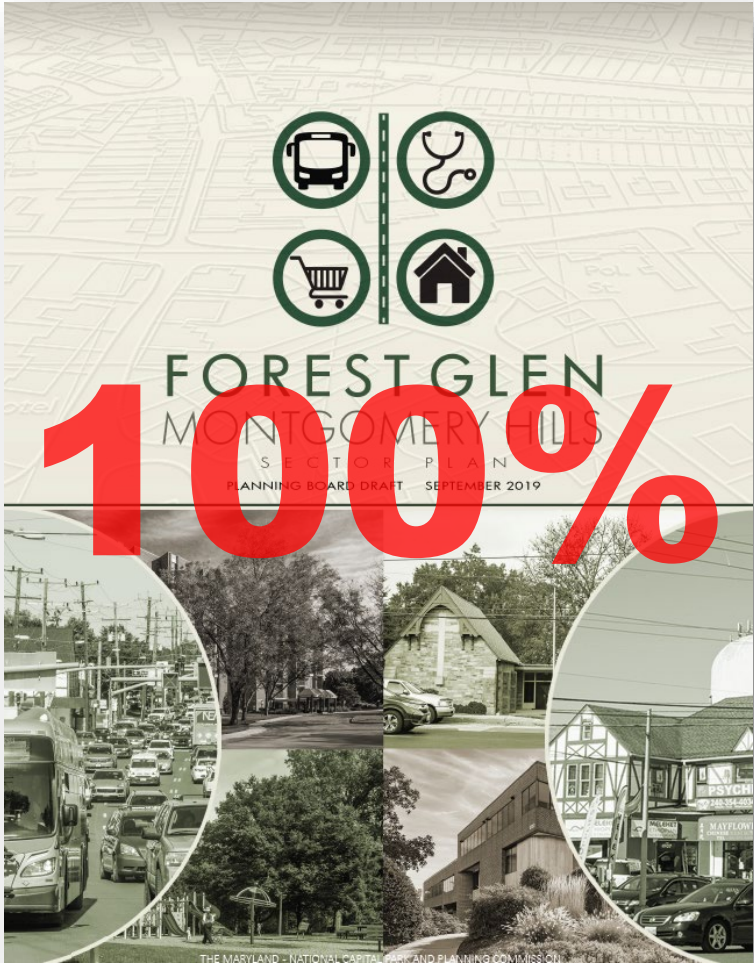
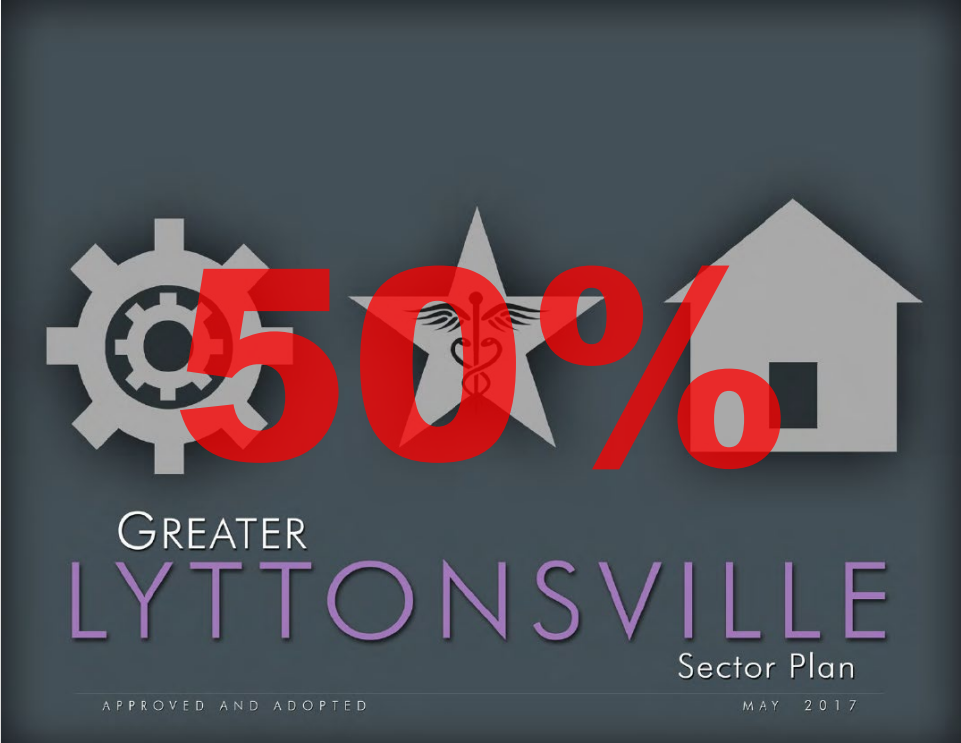


**Montgomery Planning**

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Data Source: Montgomery County Public Schools and Montgomery Planning  
June 20, 2019

# Current Moratorium Coverage



# Exceptions to the Moratorium

- **Non-residential** projects
- **De minimis** projects of 3 units or less
- **Age-restricted** senior housing
- Certain projects that generate 10 or fewer students at any one school and meet other conditions related to the removal of a **condemned structure** or provide high quantities of **deeply affordable housing**

# Impact Taxes

# Transportation Impact Taxes

	Red Policy Areas	Orange Policy Areas	Yellow Policy Areas	Green Policy Areas
<b>Residential (per unit)</b>				
Single Family Detached	\$7,838	\$19,591	\$24,490	\$24,490
Single Family Attached	\$6,413	\$16,030	\$20,038	\$20,038
Multifamily Low-rise	\$4,986	\$12,465	\$15,582	\$15,582
Multifamily High-rise	\$3,561	\$8,904	\$11,130	\$11,130
Multifamily Senior	\$1,424	\$3,562	\$4,452	\$4,452
<b>Non-Residential (per square foot GFA)</b>				
Office	\$7.15	\$17.90	\$22.40	\$22.40
Industrial	\$3.60	\$8.90	\$11.20	\$11.20
Bioscience Facility	\$0.00	\$0.00	\$0.00	\$0.00
Retail	\$6.35	\$16.00	\$19.95	\$19.95
Place of Worship	\$0.00	\$0.00	\$0.00	\$0.00
Private Elementary and Secondary School	\$0.55	\$1.45	\$1.85	\$1.85
Hospital	\$0.00	\$0.00	\$0.00	\$0.00
Social Service Agency	\$0.00	\$0.00	\$0.00	\$0.00
Other Non-Residential	\$3.60	\$8.90	\$11.20	\$11.20

# Schools Impact Taxes

<b>Residential (per unit)</b>	<b>Countywide</b>
Single Family Detached	\$26,207
Single Family Attached	\$27,598
Multifamily Low-rise	\$21,961
Multifamily High-rise	\$6,113
Multifamily Senior	\$0

# How Many Students Live There?!

Student Generation Rates (SGRs) are an average of the number of students per type of dwelling unit.

**2018 MCPS Student Generation Rates by Region and Housing Type**

COUNTYWIDE STUDENT GENERATION RATES		ES	MS	HS	K-12
<b>Countywide</b>	Single Family Detached	0.199	0.110	0.154	0.462
	Single Family Attached	0.227	0.113	0.150	0.490
	Multi-Family Low to Med Rise	0.197	0.086	0.109	0.393
	Multi-Family High Rise	0.055	0.023	0.031	0.110

REGIONAL STUDENT GENERATION RATES		ES	MS	HS	K-12
<b>East</b>  Blair, Einstein, Kennedy, Northwood, Wheaton, Blake, Paint Branch and Springbrook clusters	Single Family Detached	0.203	0.103	0.144	0.450
	Single Family Attached	0.219	0.115	0.160	0.494
	Multi-Family Low to Med Rise	0.253	0.112	0.148	0.512
	Multi-Family High Rise	0.088	0.036	0.047	0.171
<b>Southwest</b>  Bethesda-Chevy Chase, Churchill, Walter Johnson, Richard Montgomery, Rockville, Whitman, and Wootton clusters	Single Family Detached	0.186	0.109	0.151	0.446
	Single Family Attached	0.167	0.085	0.111	0.363
	Multi-Family Low to Med Rise	0.150	0.068	0.085	0.303
	Multi-Family High Rise	0.041	0.018	0.025	0.084
<b>Upcounty</b>  Clarksburg, Damascus, Gaithersburg, Magruder, Northwest, Poolesville, Quince Orchard, Seneca Valley, Sherwood, and Watkins Mill clusters	Single Family Detached	0.210	0.120	0.169	0.499
	Single Family Attached	0.248	0.121	0.157	0.526
	Multi-Family Low to Med Rise	0.183	0.077	0.093	0.352
	Multi-Family High Rise	0.020	0.008	0.010	0.038

Rates are calculated using Fall 2018 enrollment data from Montgomery County Public Schools. Of the nearly 163,000 students enrolled in MCPS schools in Fall 2018, Planning Staff were able to match 99.4% of the students to a housing type.

# Impact Taxes Exemptions

- All moderately priced dwelling units (**MPDUs**) are exempt
- Any project that includes **25% or more MPDUs** (or other types of affordable units) are fully exempt on all units
- Any project in a current or former **Enterprise Zone** (including Downtown Silver Spring)

# 2020 Update Scope

# Transportation: Focused Update

- Update of the transportation element is focused on two primary tasks:
  - Identifying opportunities to incorporate the County's Vision Zero travel safety objectives into the Local Area Transportation Review process
  - Reintroducing a policy area transportation adequacy test for the purposes of evaluating master/sector plan balance

# Transportation Impact Study Technical Working Group

- The TISTWG has met four times:
  - September 9
    - Overview of Project Scope
  - October 7
    - LATR Literature Review
    - Policy Area Test Options
  - November 4
    - LATR Beta Tests (reflecting Vision Zero objectives)
    - Policy Area Test Beta Tests
  - December 9
    - LATR Data Collection Requirements (reflecting Vision Zero objectives)

# Schools: All Aspects Under Review

- The moratorium policy and its thresholds and exceptions
- The Annual School Test procedures
- Estimating enrollment impacts
- Development queue impacts
- Impacts of neighborhood turnover on enrollment
- Potential reintroduction of school facility payments

# Schools: Seeking Innovative Solutions

- We are seeking an innovative set of policy tools that:
  - Better ensure school adequacy within the County's current growth paradigm
  - Support the County's other policy priorities
- Effort has entailed an extensive review of policies from other similar jurisdictions across the country

# Schools Technical Advisory Team

- The STAT has met four times:
  - October 22
    - SSP and Impact Tax Overview
    - Growth Management in Similar Jurisdictions
    - Montgomery County Growth Trends
  - November 12
    - Alternative Student Generation Rates, Part 1
  - December 3
    - Alternative Student Generation Rates, Part 2
    - Initial Policy Discussion
  - January 16
    - The moratorium policy, its thresholds and its exception

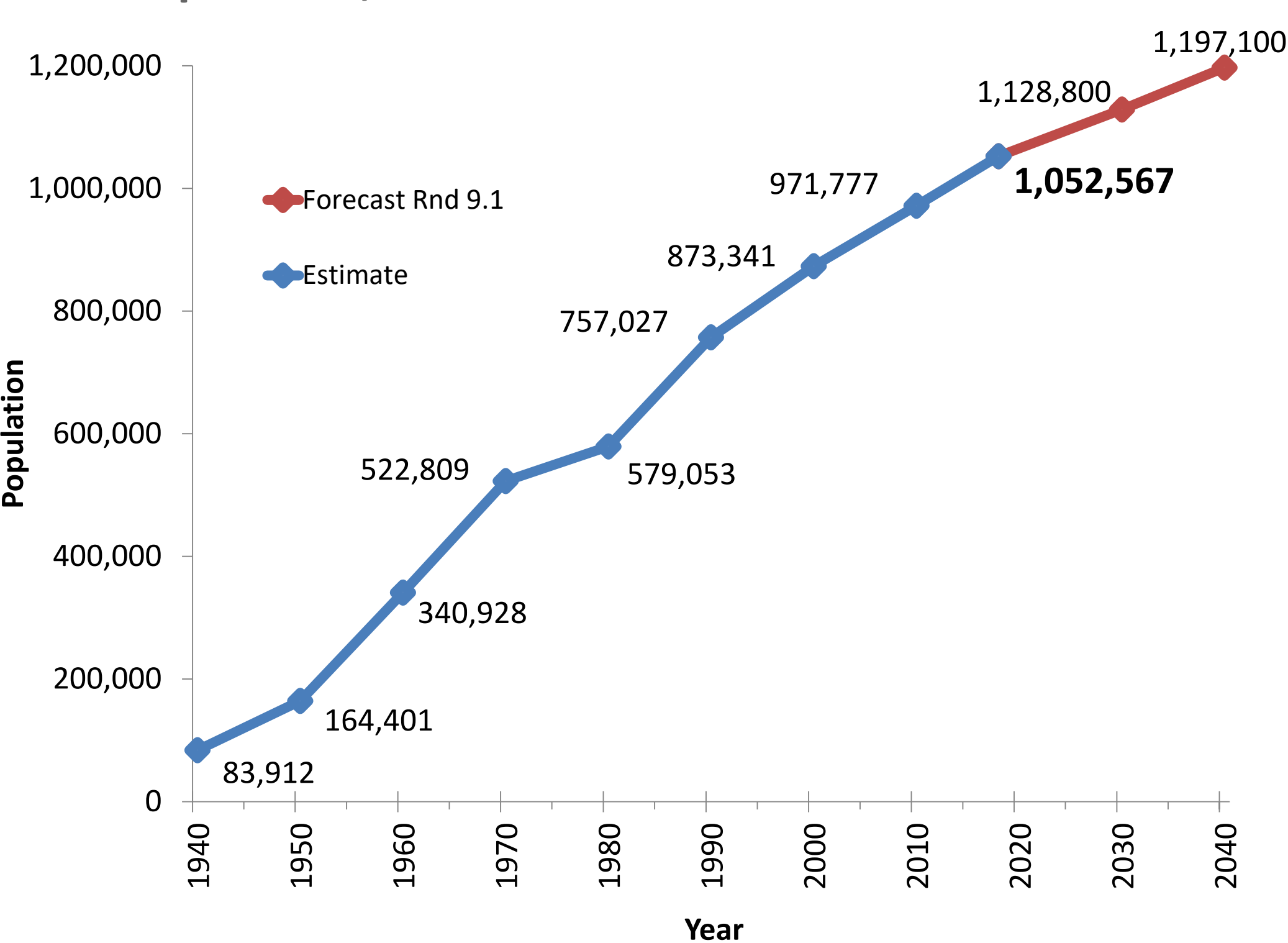
# Key SSP Update Deadlines

Date	Action
<b>June 15</b>	<b>Planning Staff Draft</b> Planning staff must submit a working draft SSP to the County Council.
<b>August 1</b>	<b>Planning Board Draft</b> The Planning Board must approve and submit its recommended SSP to the County Council.
<b>November 15</b>	<b>Council Adoption</b> The County Council must adopt the new SSP.

# Relevant Data

# Slower growth in a maturing Montgomery County

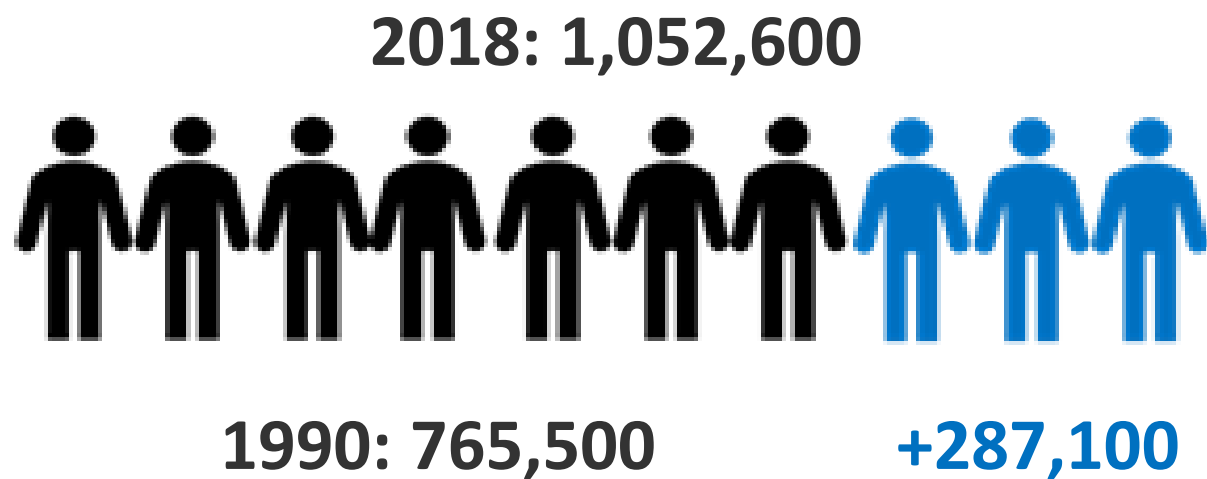
Total Population, 1940-2040



**Most populous county in Maryland with over 1 million people since 2012**



**38% population increase since 1990**



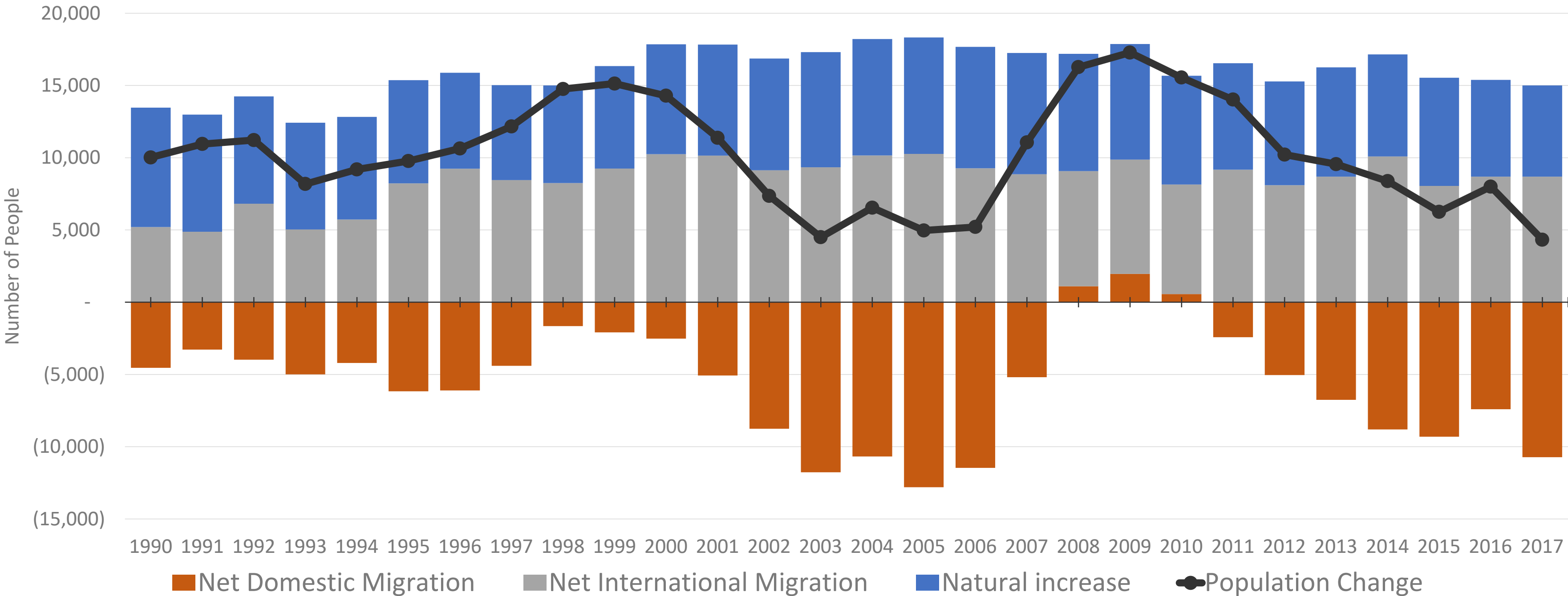
**Forecasting a 7.2 % gain of 76,235 people between 2018 and 2030**

*Source: 1940-2010 Decennial Census, 2018 Population Estimate Program U.S. Census Bureau; Washington Council of Governments Forecast Round 9.1, Research and Special Projects.*

# Sources of Population Growth

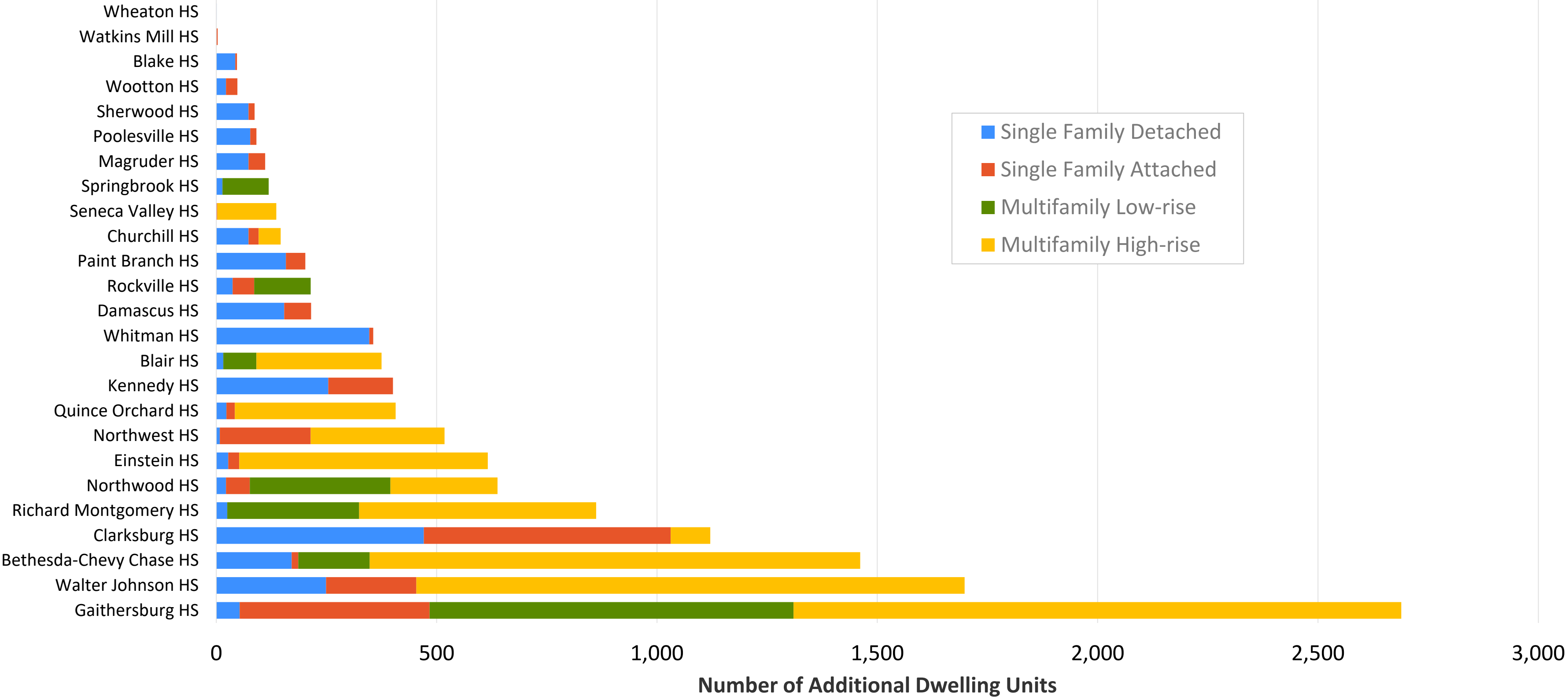
## 1990-2018

Components of Population Growth



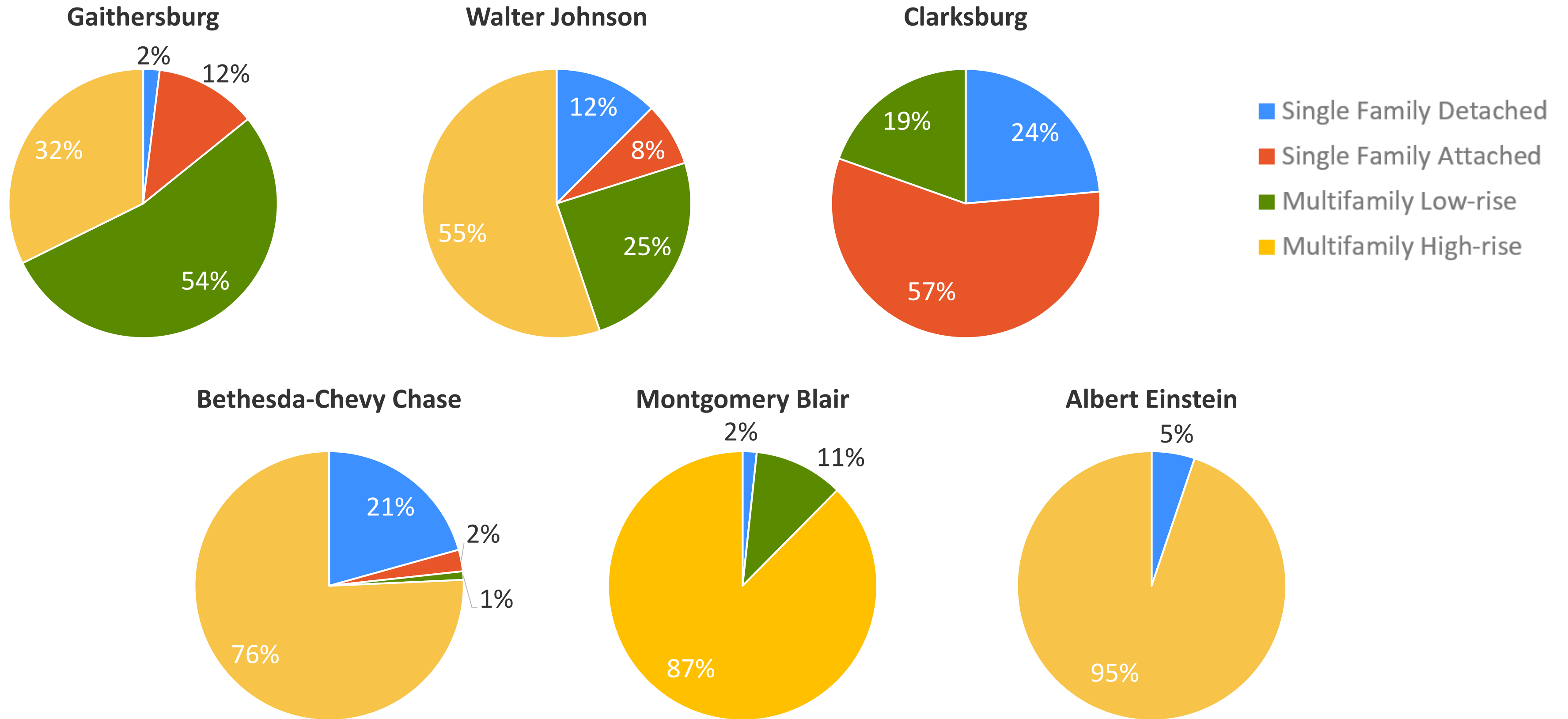
Source: U.S. Census Bureau, Population Estimate Program, 3/2019

# Housing Growth by Cluster, 2015-18

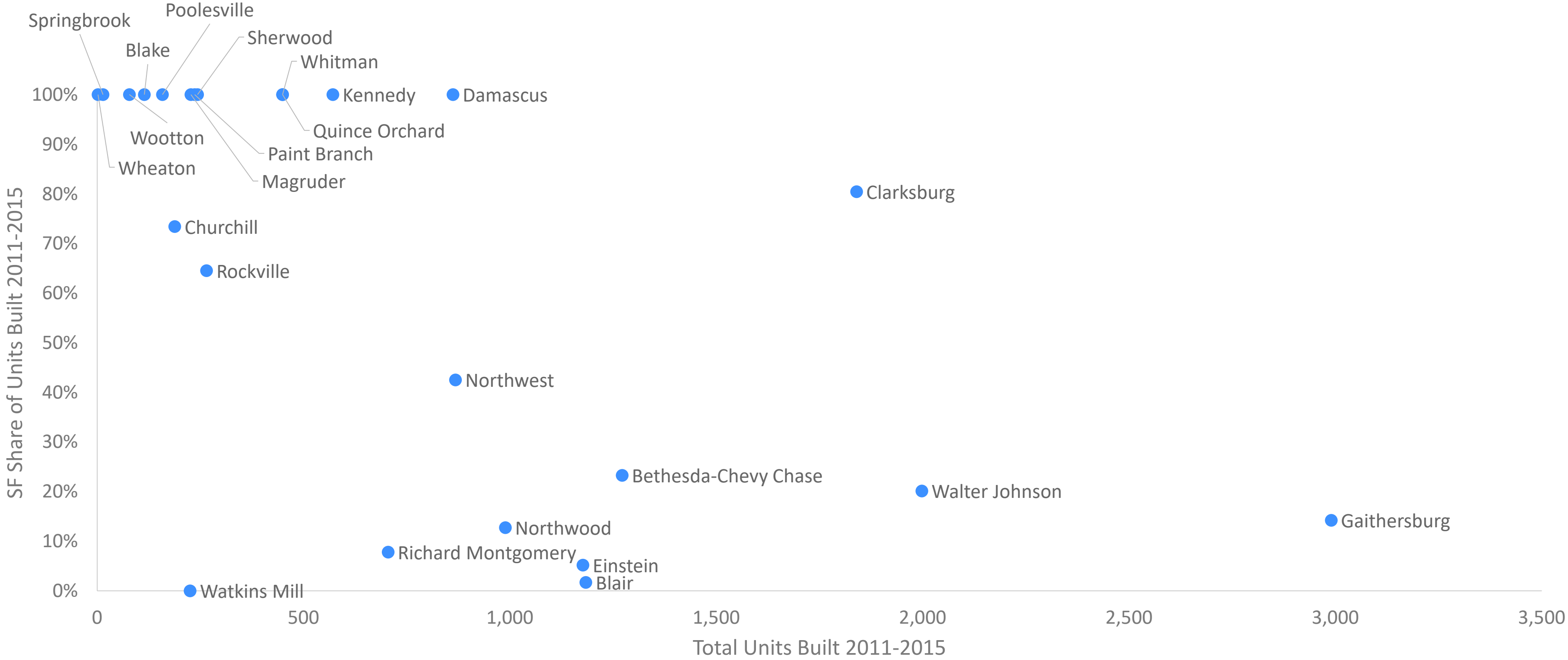


Source: SDAT

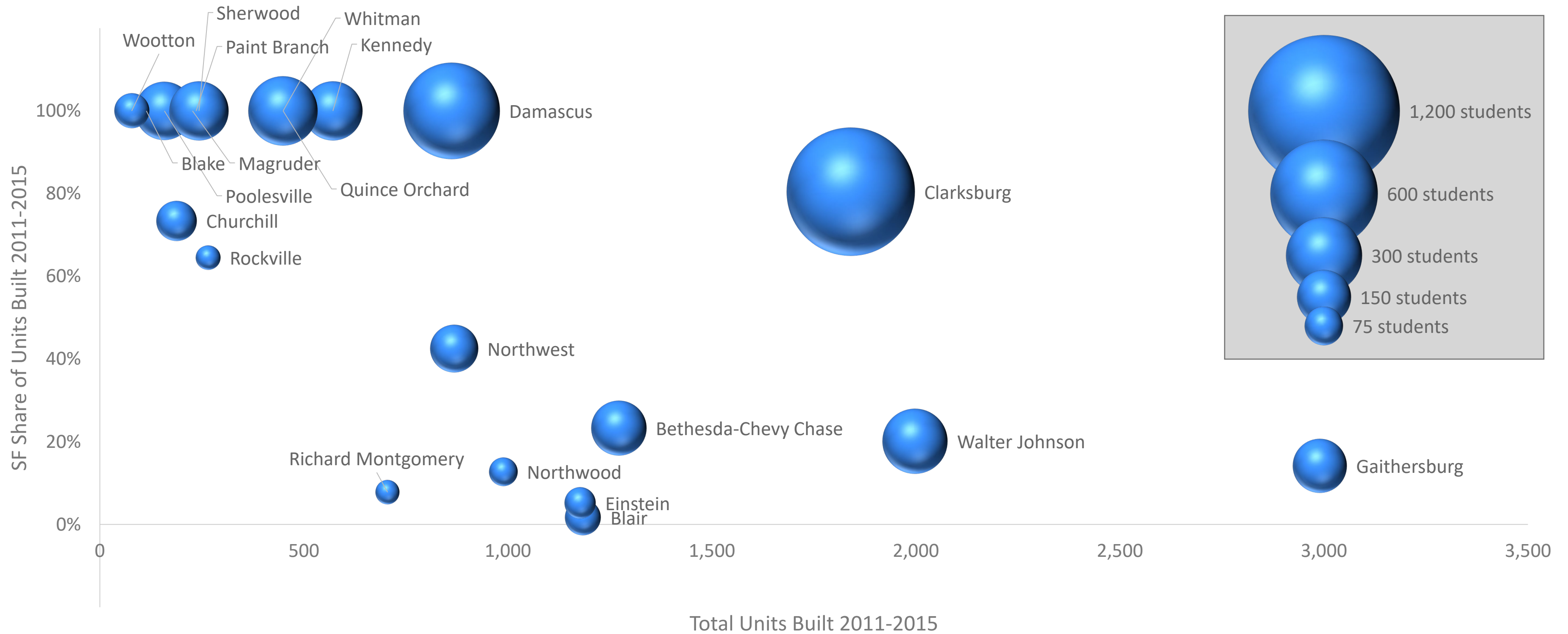
# Unit Mix for Highest Housing Growth Clusters (2011-15)



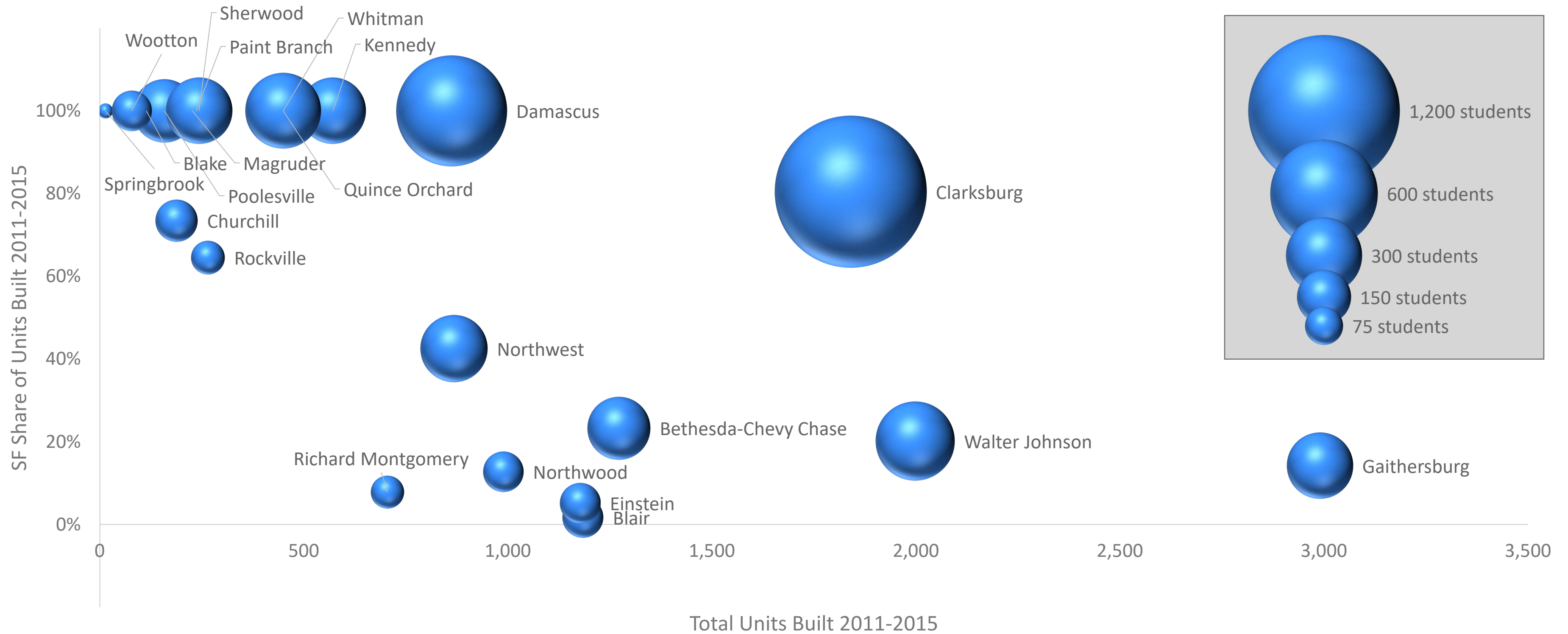
# Total Units Built by % Single Family



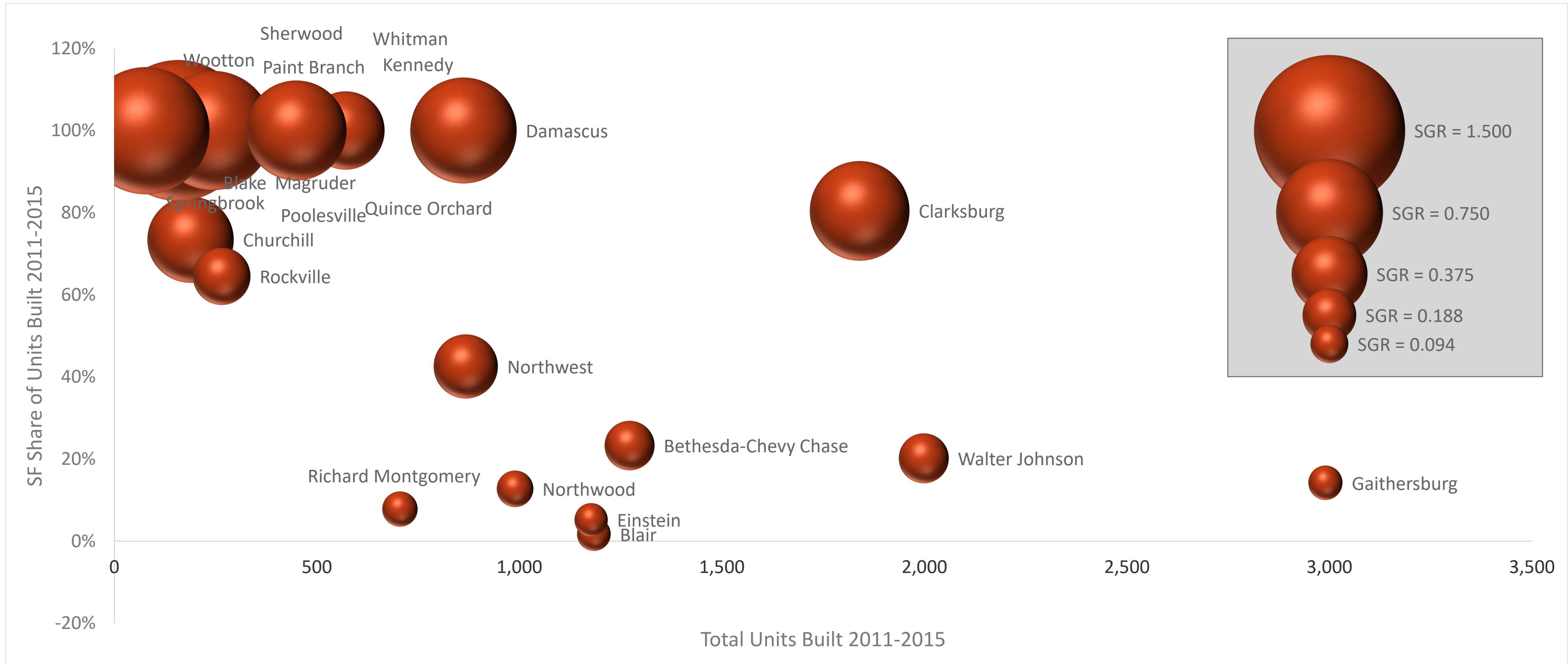
# 2015 Students Residing in Units Built 2011-15



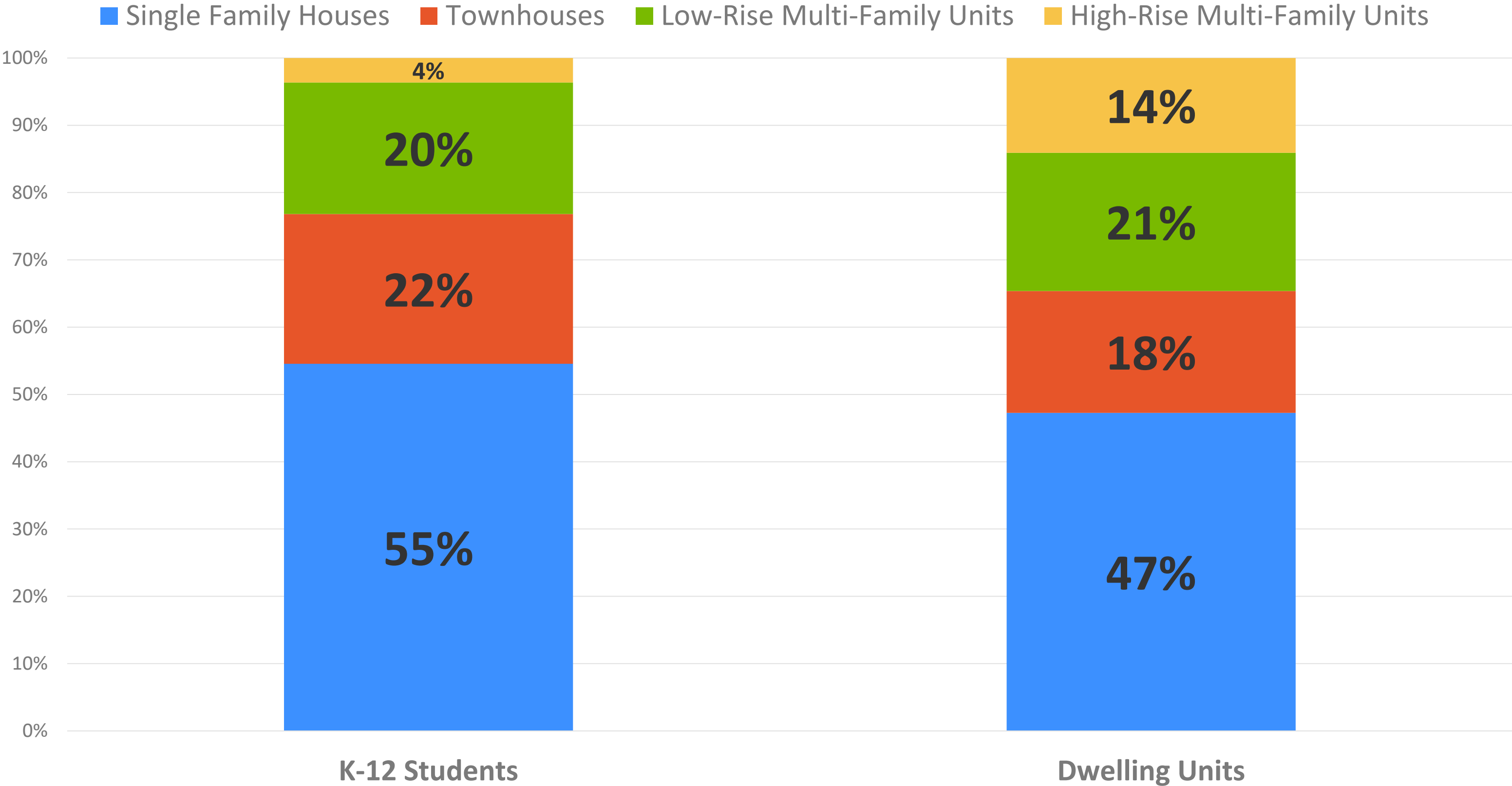
# 2018 Students Residing in Units Built 2011-15



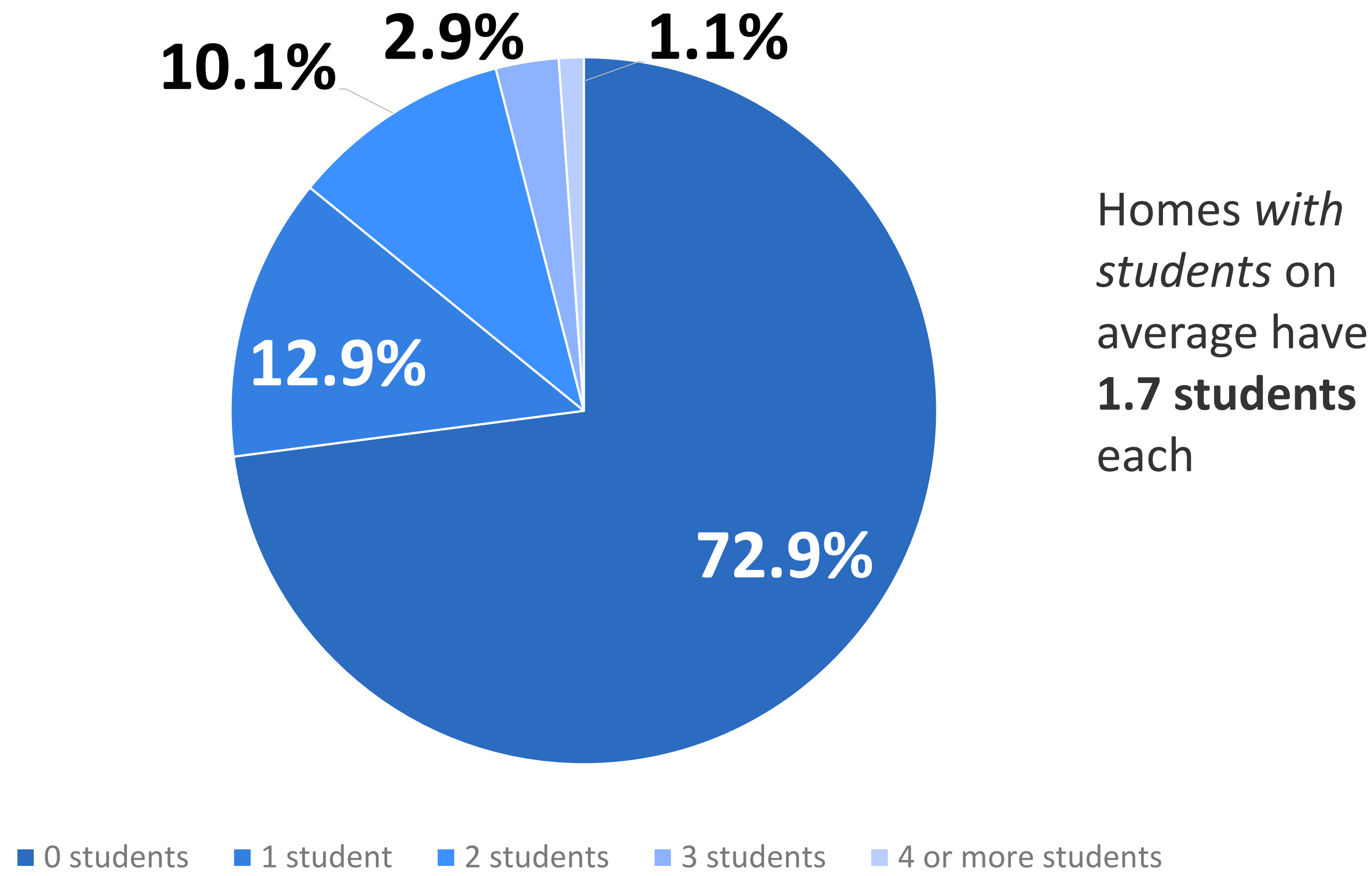
# 2018 SGRs for Units Built 2011-15



# Share of Students and Units by Dwelling Type

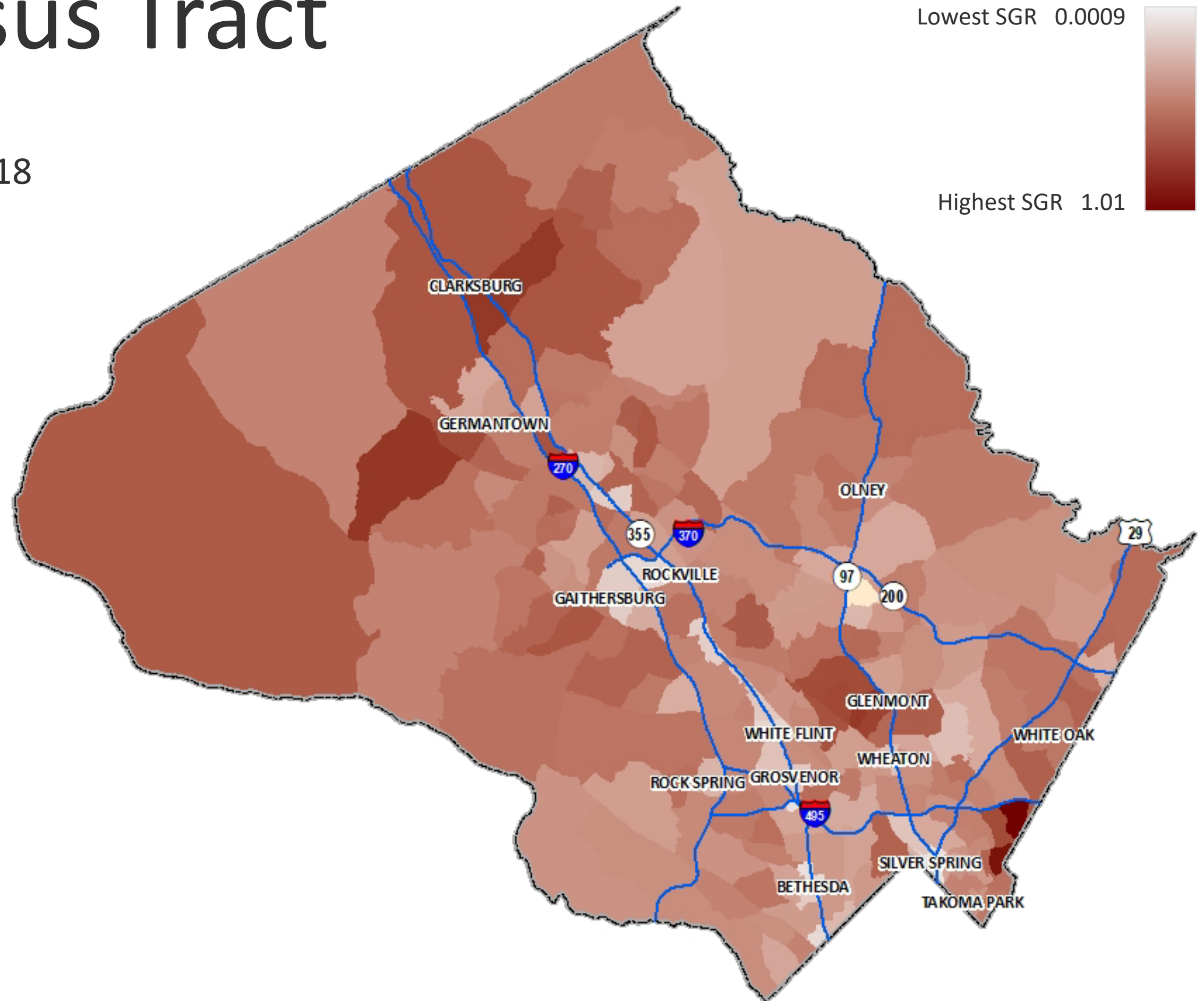


# SFD Homes by Number of Students



# K-12 SGR by Census Tract

- High positive correlation to:
  - % of Households with Children Under 18
  - % of Households that are Families
  - Average Family Size
- Positive correlation to:
  - % People of Color
  - % Hispanic
  - % Foreign Born
  - # and % of units SFD
  - # and % of units SFA
- Negative correlation to:
  - Population Density
  - Median Age
  - Median Family Income
  - % White non-Hispanic
- High negative correlation to:
  - # and % of units Multifamily High-rise



Student Generation Rate by Census Tract, K-12

# Census Measures SGRs

- % of Households w/ Children Under 18
- % of Students (K-12) Enrolled in Public Schools
- % Foreign-Born Population
- % White Population
- % Black Population
- % People of Color
- % Hispanic
- Median Age of Population
- Median Household Income
- Median Family Income (for Families with Children Under 18)
- Population Density

# Neighborhood Characteristics SGRs

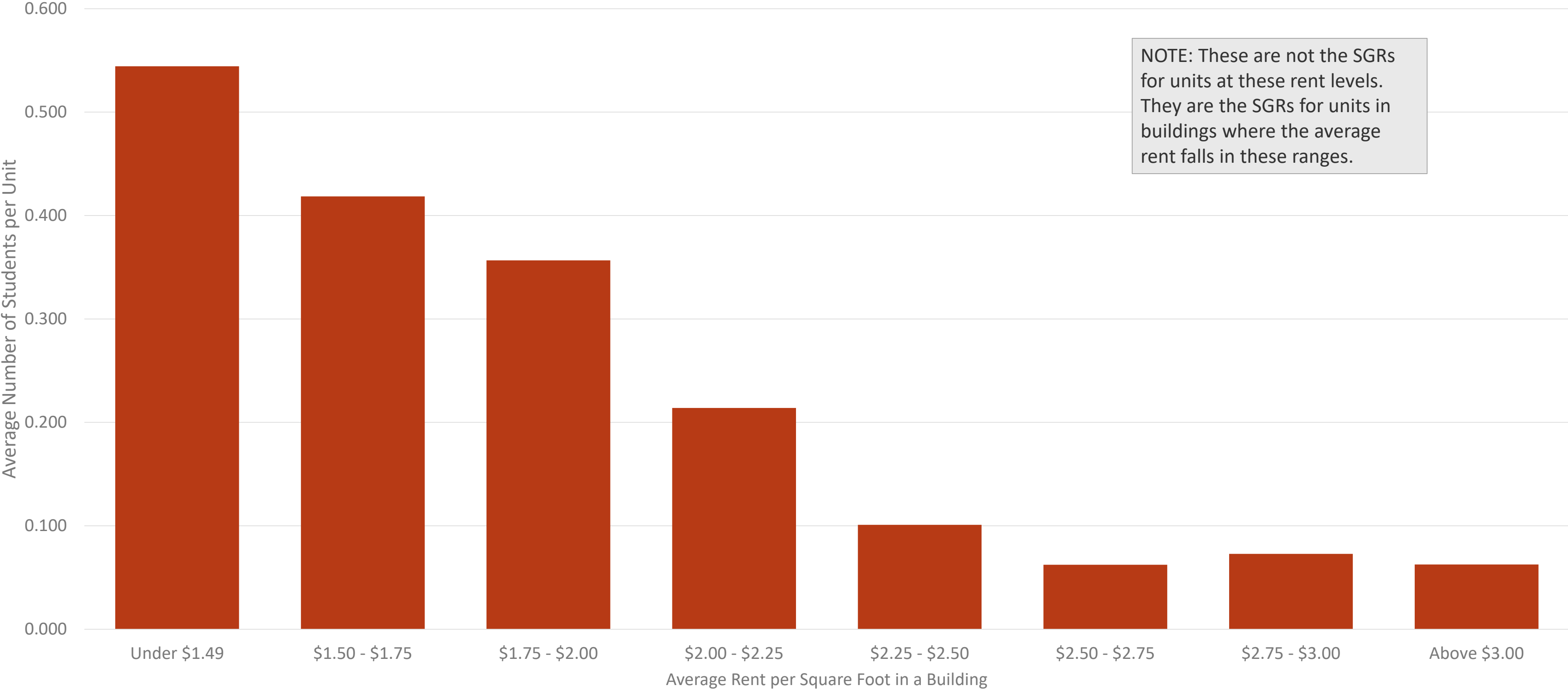
- Inside/Outside Equity Emphasis Areas
- Inside/Outside Priority Funding Areas
- Inside/Outside the Capital Beltway
- Transportation Policy Area Category
- Distance to a School
- Distance to a Metro Station

# Parcel/Structure Attributes SGRs

- Single Family Detached homes:
  - Age of Structure
  - Year Last Sold
  - Parcel Size
- Multifamily Structures
  - Age of Structure
  - Share of Affordable Housing
  - Share of 3-bedroom Units
  - Average Rent per Square Foot
  - Average Unit Square Footage

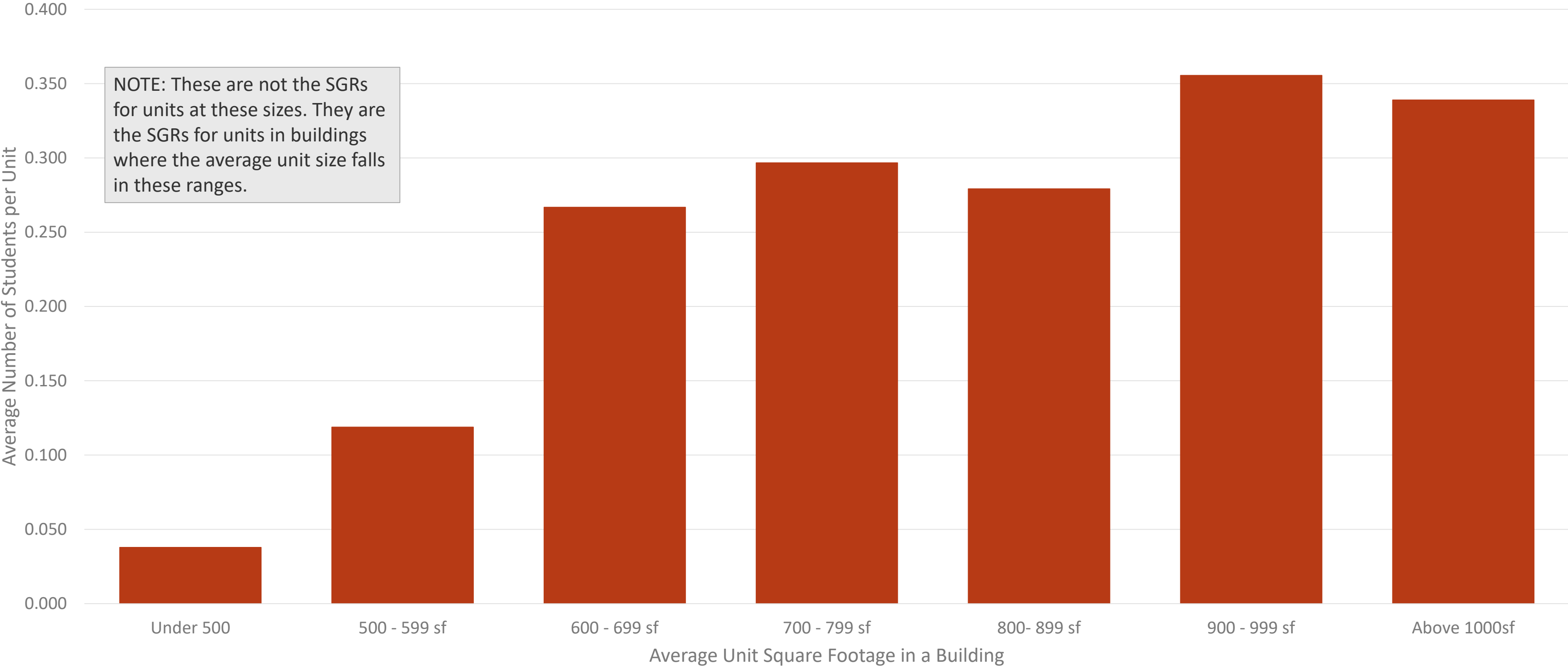
# SGR by Average Rent per Square Foot

## Multifamily dwelling units



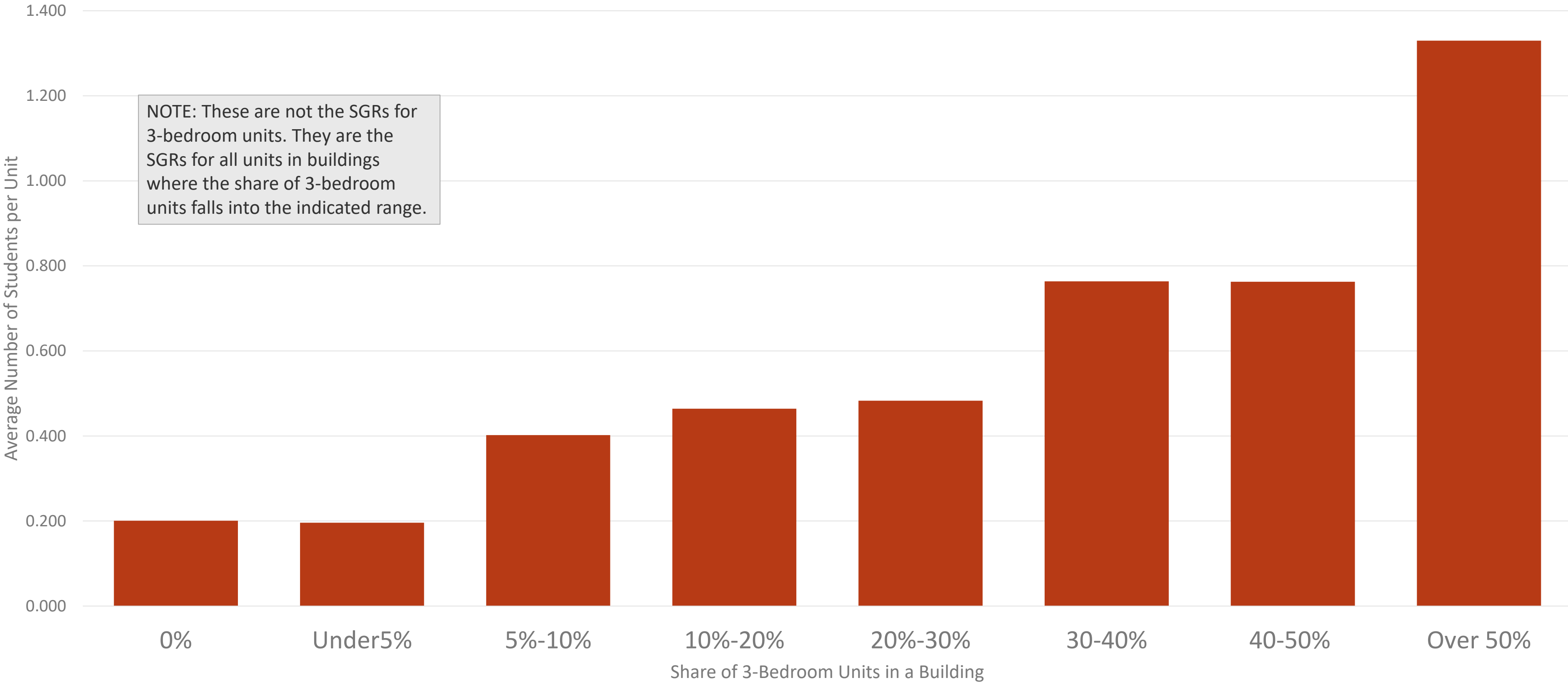
# SGR by Average Unit Square Footage

## Multifamily dwelling units



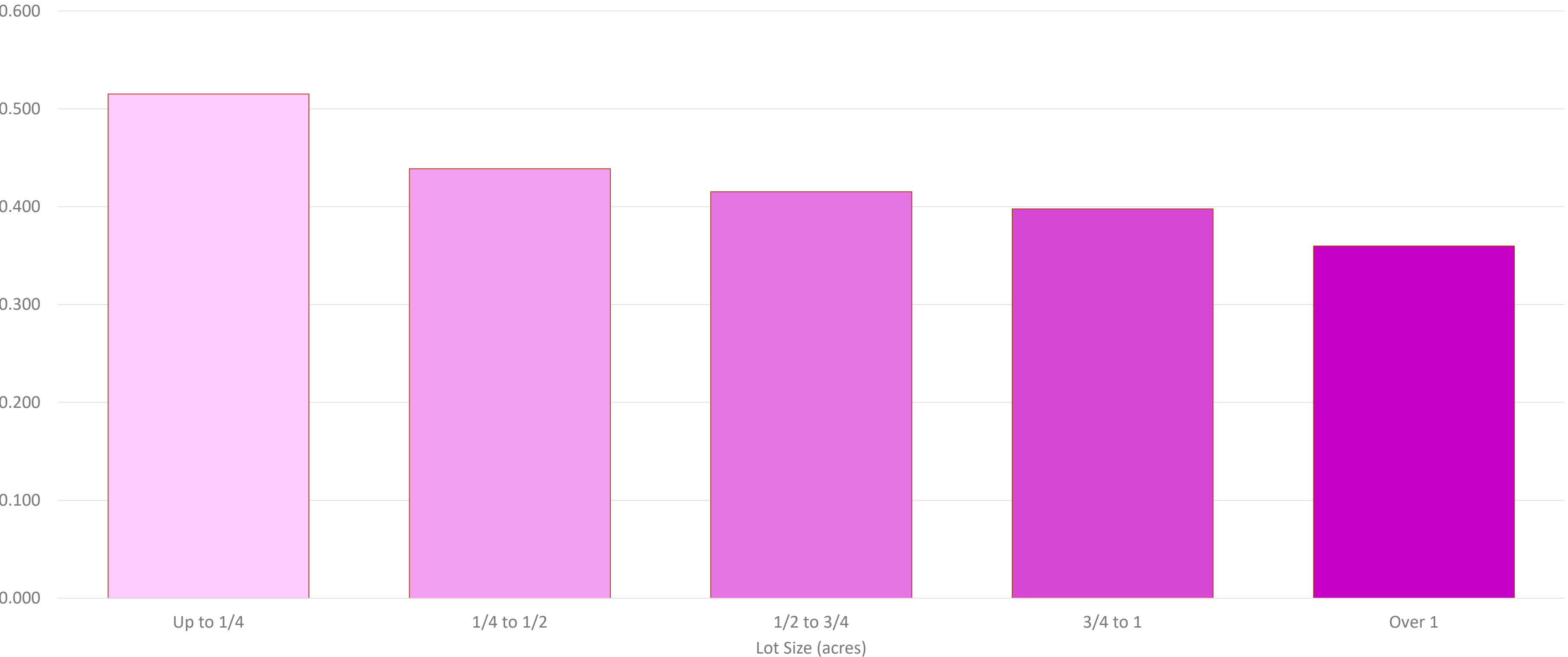
# SGR by Share of 3-Bedroom Units

## Multifamily dwelling units



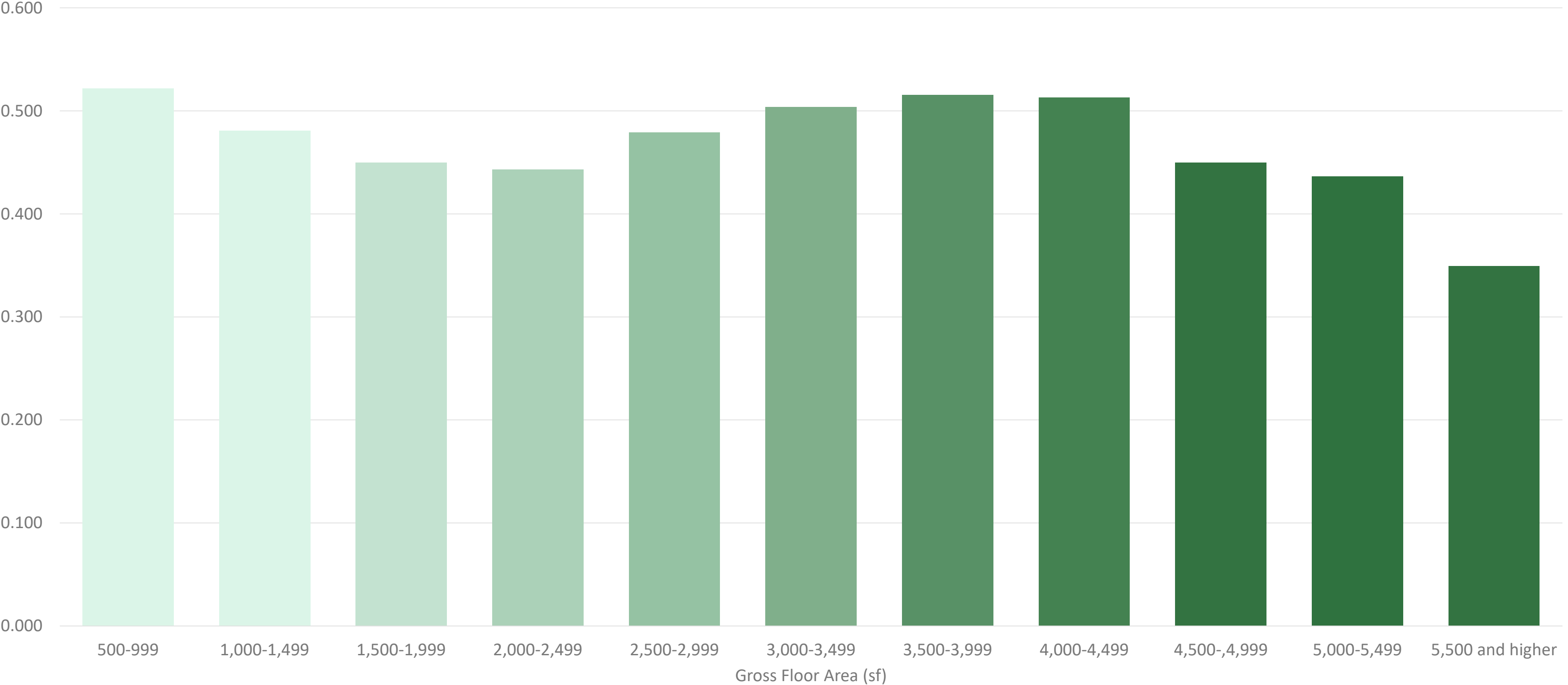
# SGR by Lot Size

Single family detached units

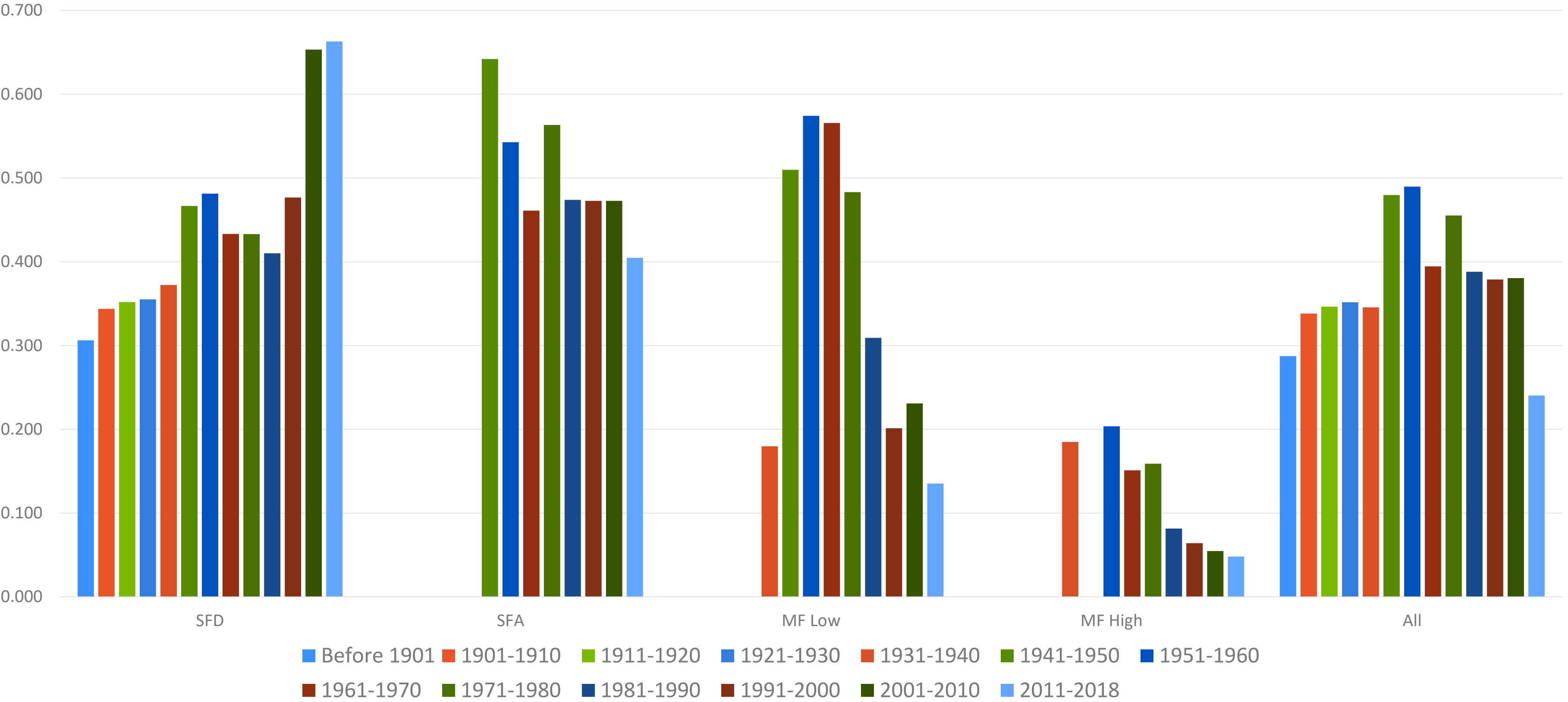


# SGR by Gross Floor Area

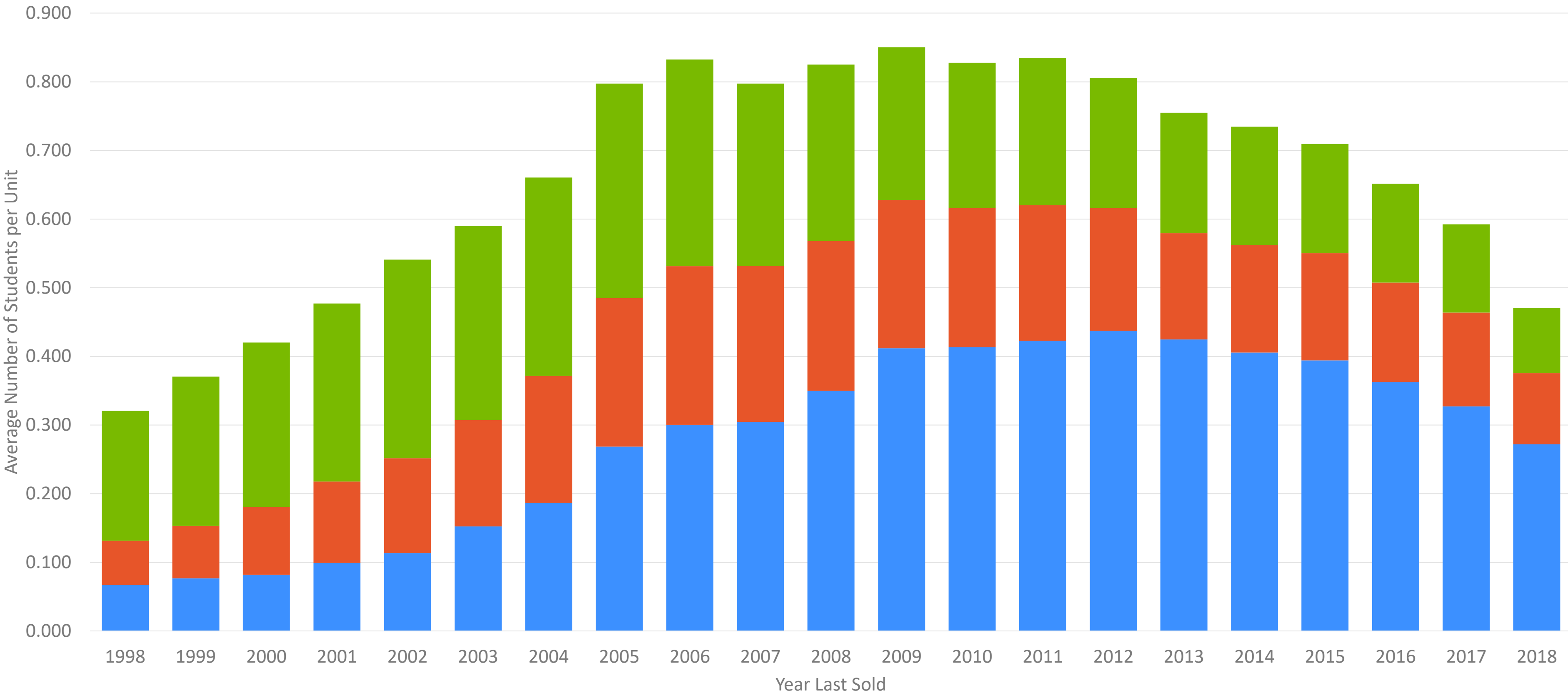
## Single family detached units



# SGR by Year Built and Dwelling Type



# SGR by Year Last Sold (SFD only)



Source: SDAT

# Preview of the Roundtables

# Schools Questions

- Should school capacity standards and moratorium thresholds vary depending on the different development contexts across the county?
- How should school infrastructure adequacy be defined? Are there elements to physical adequacy beyond capacity?
- Should the residential development moratorium continue? If the moratorium policy were discontinued, how else could the county ensure school infrastructure keeps pace with enrollment growth?
- How can the SSP be responsive to enrollment pressures resulting from housing turnover?
- Should certain types of residential development projects be exempt from paying school impact taxes? If so, which types?
- Should developers be required to pay additional fees (beyond impact taxes) in areas meeting certain utilization thresholds?
- What is the appropriate timeframe for evaluating school adequacy? Should we continue to test based on utilization projections for five years in the future?
- Other than the dwelling type, are there other quantifiable factors you have observed that you think affect the likelihood a dwelling will generate students? How should we use these other factors?

# Transportation Questions

- What steps can the County take to improve mobility and transportation systems?
- How can the County incorporate Vision Zero concepts in the Subdivision Staging Policy and evaluate the adequacy of travel safety conditions?
- What safety features need to be prioritized? What features would help improve the safety of our roads? (For example, buffers, protected intersections, crosswalk spacing, etc.)
- Are the current multimodal local area transportation review standards appropriate?
- How can the County increase the amount of funding available for transportation infrastructure?
- Given constrained budgets, how should the County prioritize different types of transportation infrastructure improvements?
- How should we plan differently given the growing use of ridesharing and micro-mobility options?
- What impact do you think autonomous vehicles will have on how we plan our communities and how we evaluate the adequacy of our transportation infrastructure?

# For More Info...

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