



Montgomery Planning | Countywide Planning and Policy

11/7/2023

Schools Technical Advisory Team

Meeting #1



Agenda

- Welcome and Introductions | 20 minutes
- Briefing | 30 minutes
 - History of the county's growth management
 - Impact Taxes
 - 2020 policy update key findings and major changes
 - 2024 update process
- Review | 20 minutes
 - Annual School Test (AST) and development review process
 - FY 2021 – 2024 AST results
- Discussion | 40 minutes
- Preview of next meeting's topic | 5 minutes

Welcome and Introductions

STAT Member Responsibilities

- To serve as a **liaison** to your community and other stakeholders
- To be **actively engaged** in our conversations
- To keep an **open mind**
- To be **solutions-oriented**, aiming for the best possible outcomes for all stakeholders
- To **continue participating** beyond the confines of these meetings

STAT Ground Rules

1. Lean in. Lean out.
2. Listen to understand. Suspend your beliefs to hear someone else's experience.
3. Speak for yourself, not a group, and use "I" statements.
4. Disagree with people without being disagreeable.
 - It's okay to disagree. We are not aiming to agree. You do not have to persuade each other.
5. We have a lot to cover every meeting, therefore:
 - Try not to repeat things that others have said, simply indicate your agreement with another person's comments.
 - Stay on topic and be concise while still being a thoughtful, provocative and active participant.

Ice breaker

- Please share...
 - Your name
 - Who you are representing
 - Your hometown
 - Where you went to High School
 - Meeting style preference (in-person, hybrid, all virtual)
 - Time preference – Does 7-9 PM work for you, or do you prefer an earlier time?

History and Context of the County's Growth and Relevant Policies

What is the Growth and Infrastructure Policy?

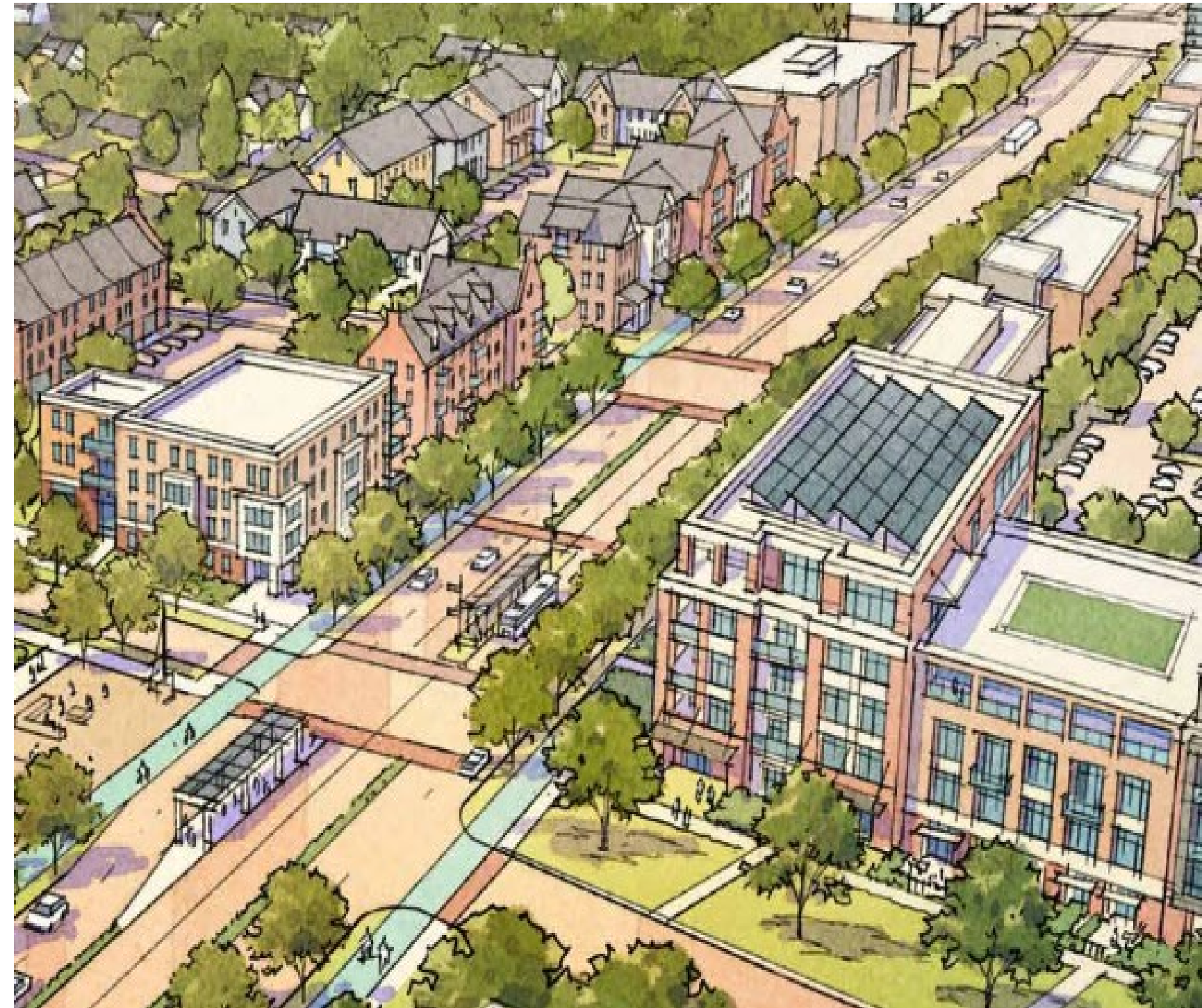
- The County's **Adequate Public Facilities (APF)** requirement states:
*“The [Planning] Board may only approve a preliminary plan when it finds that public facilities will be **adequate** to support and service the subdivision.”*
- The **Growth and Infrastructure Policy (GIP)** directs the Planning Board's administration of adequate public facility requirements

How does the GLP work?

- Guides the assessment of the adequacy of public facilities during the regulatory or development review process.
- It sets the
 - standards for adequacy
 - criteria for evaluation
 - requirements for mitigation
- Making an adequacy determination involves both predicting future demand from private development **and** assessing the condition of existing (and planned) public infrastructure

Policy Reflects County's Growth Context and Goals

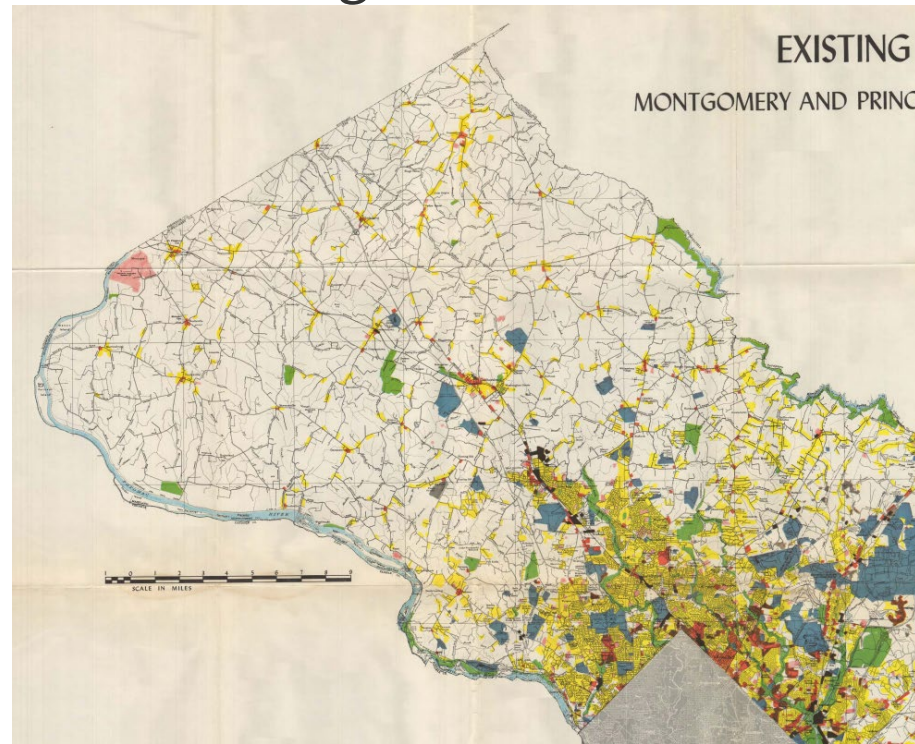
- When the growth policy was initially adopted, much of the land in the County was undeveloped.
- The policy has shifted to respond to the county's changing growth context and reflect its planning goals.



History of the County's APFO Policies



1961 Existing Land Use

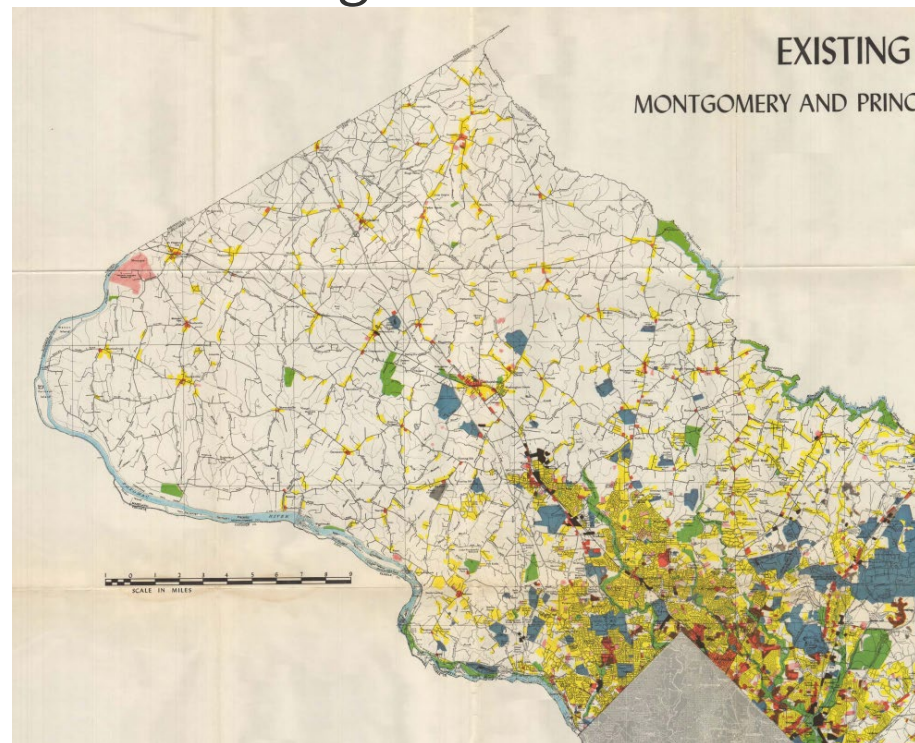


History of the County's APFO Policies

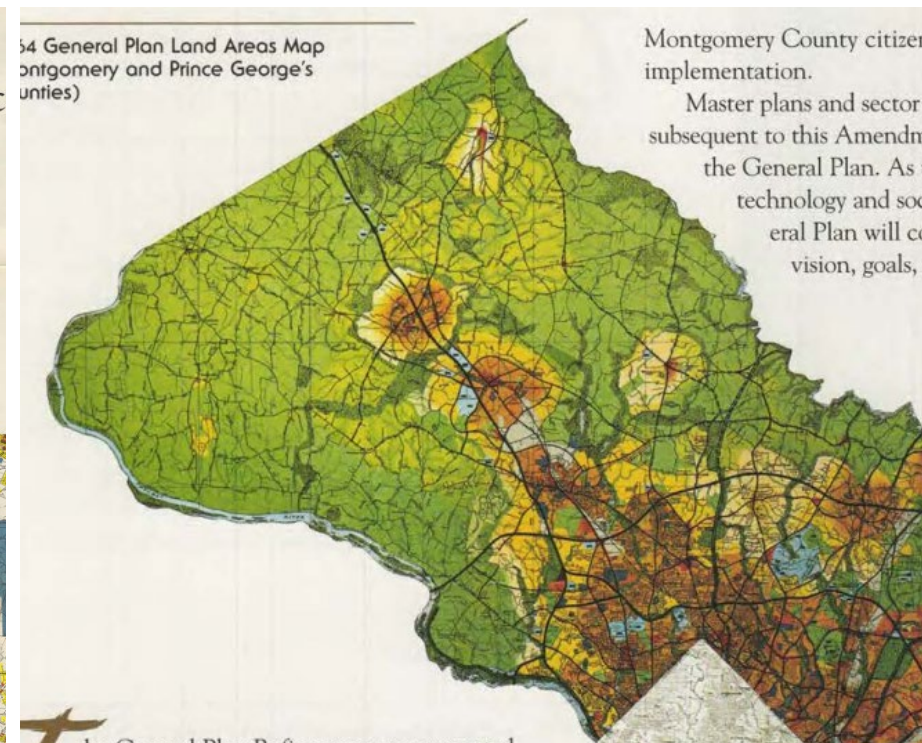
1964

General Plan

1961 Existing Land Use



1964 General Plan



History of the County's APFO Policies

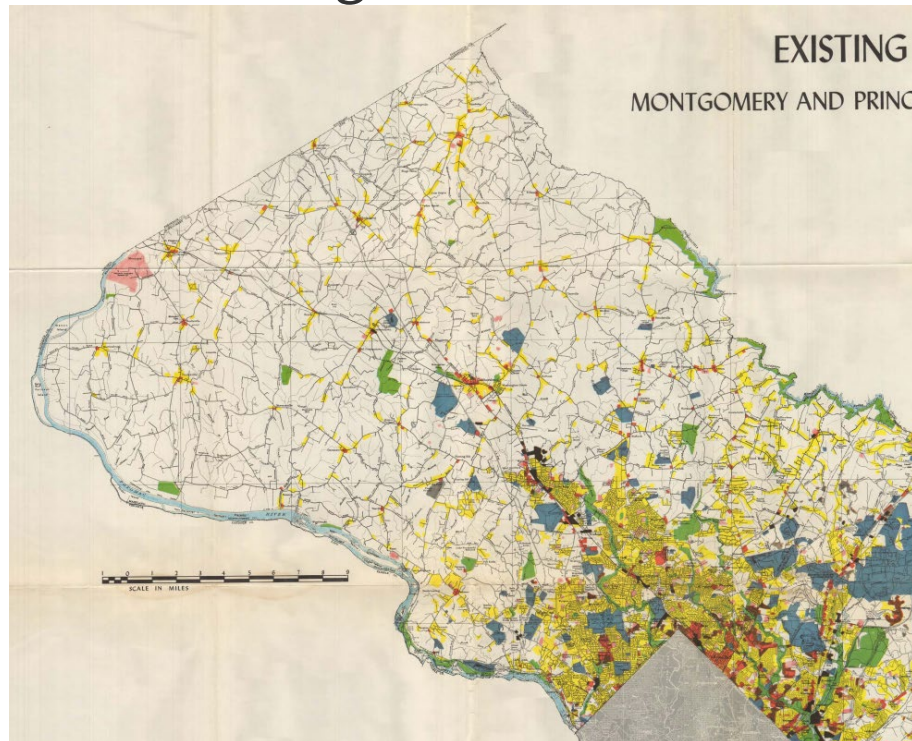
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General Plan

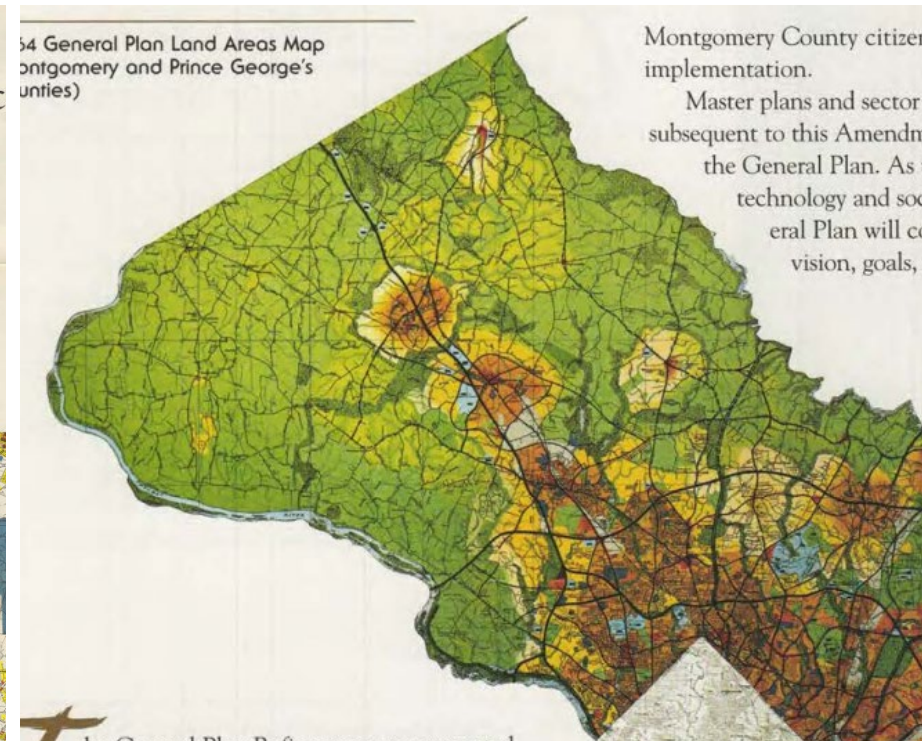
1973

Adequate Public Facilities Ordinance [APFO]

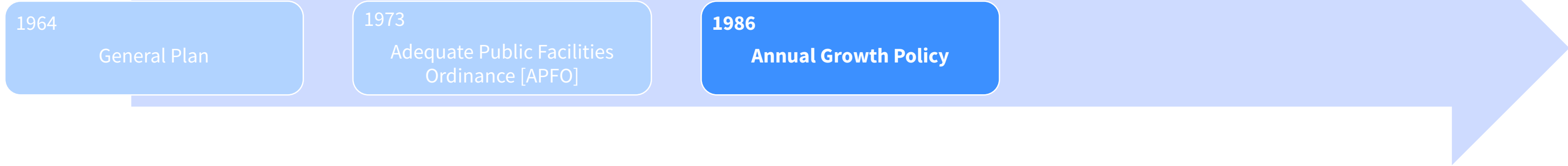
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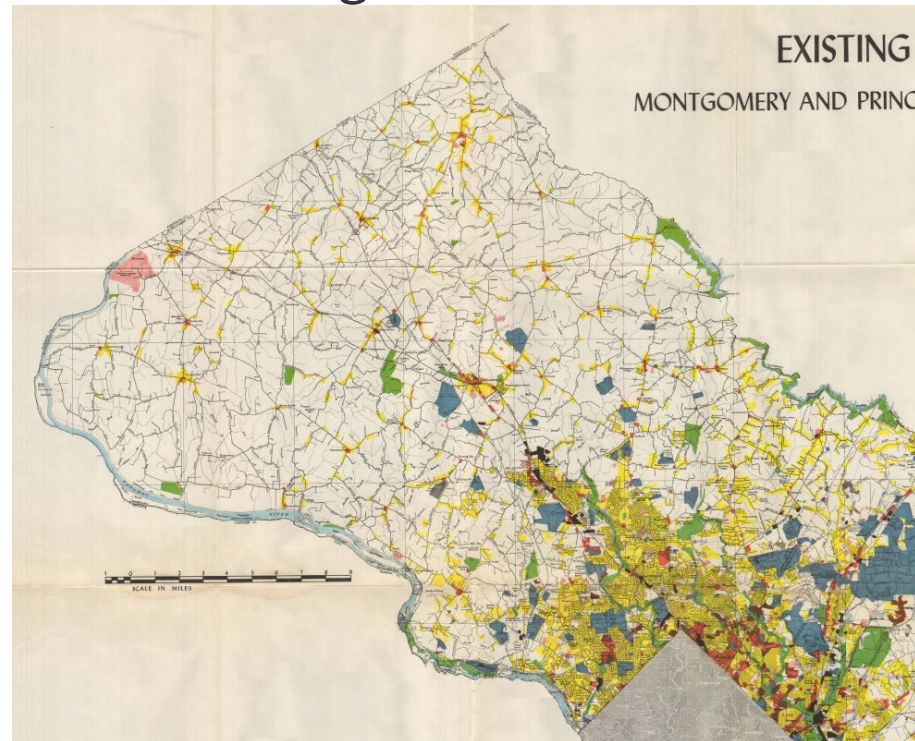
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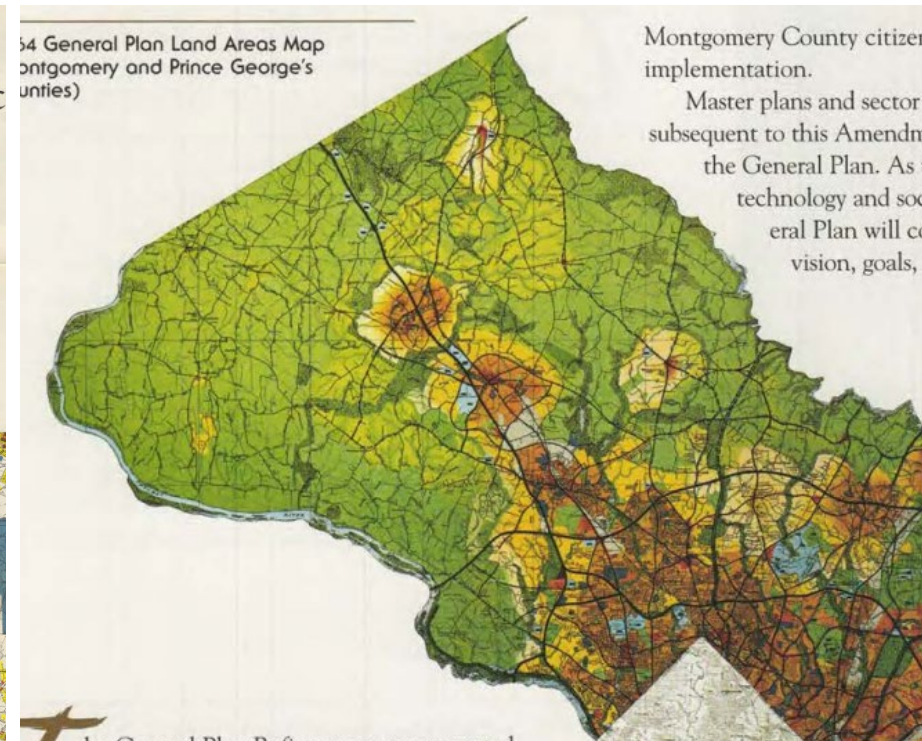
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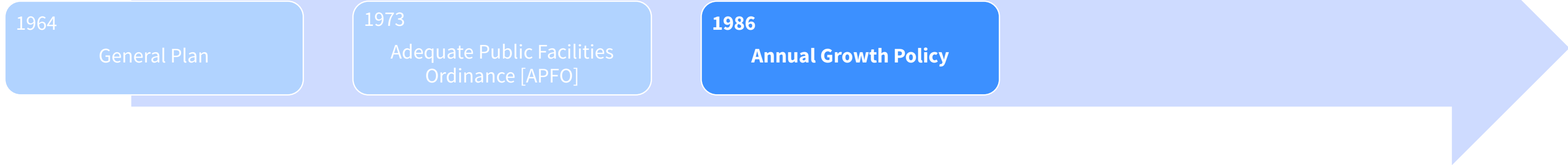
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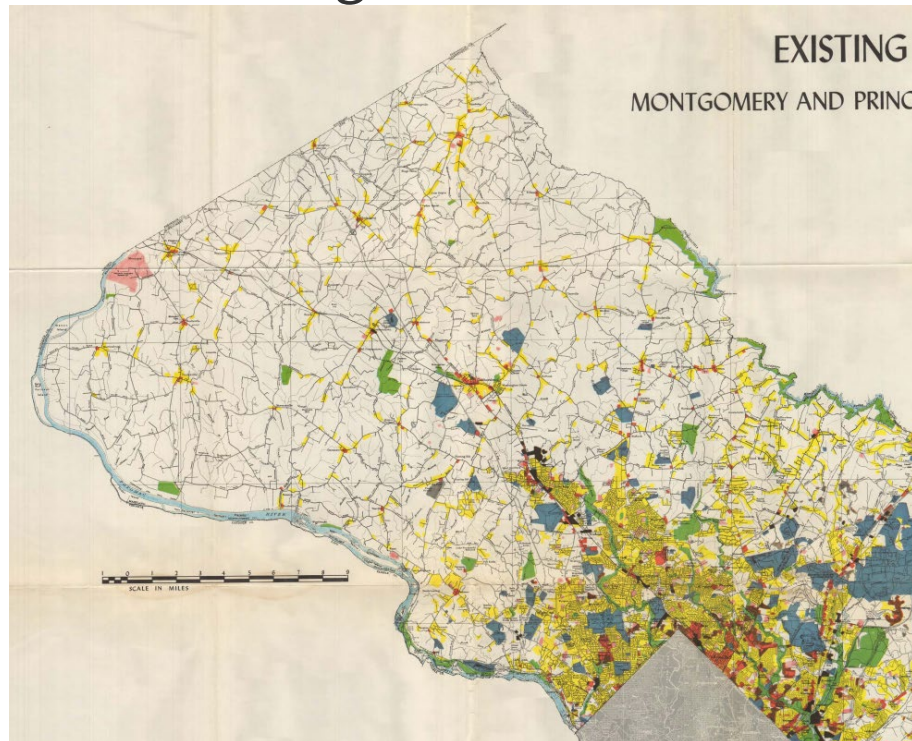
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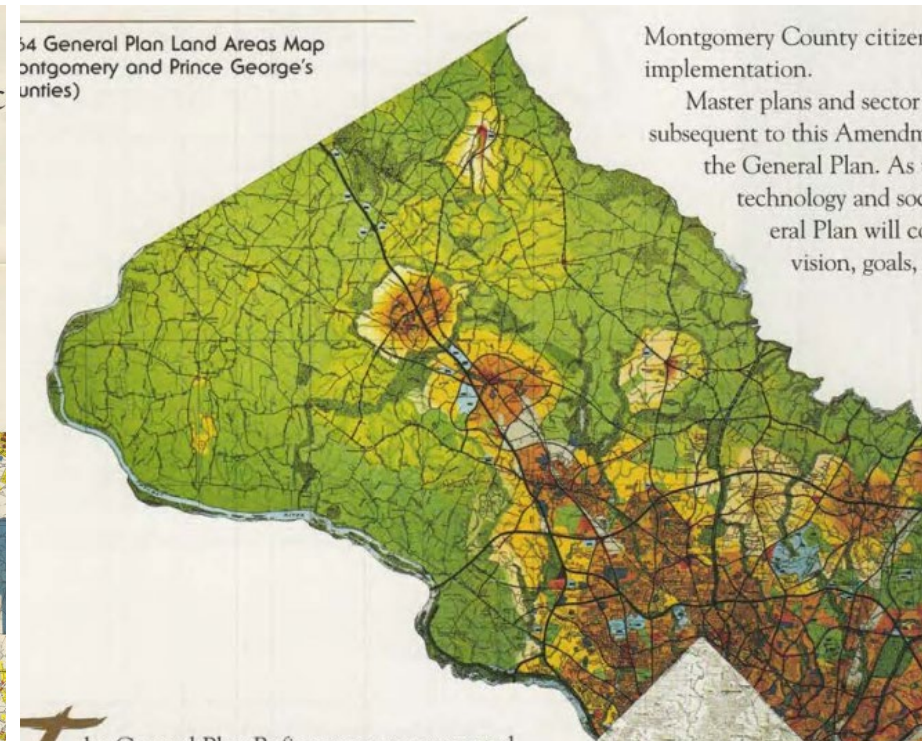
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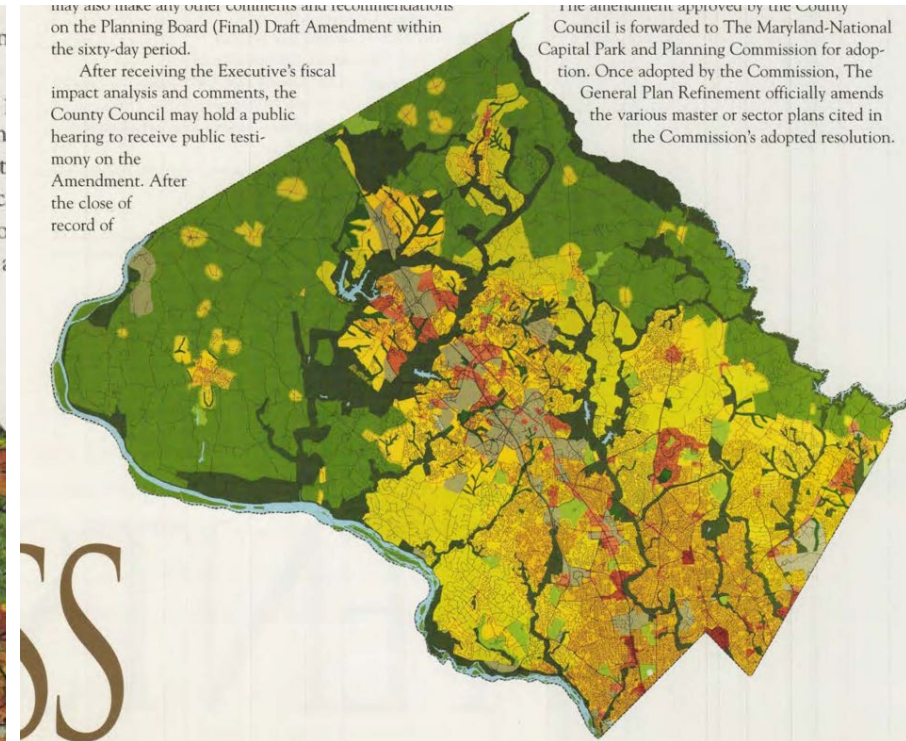
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1964 General Plan



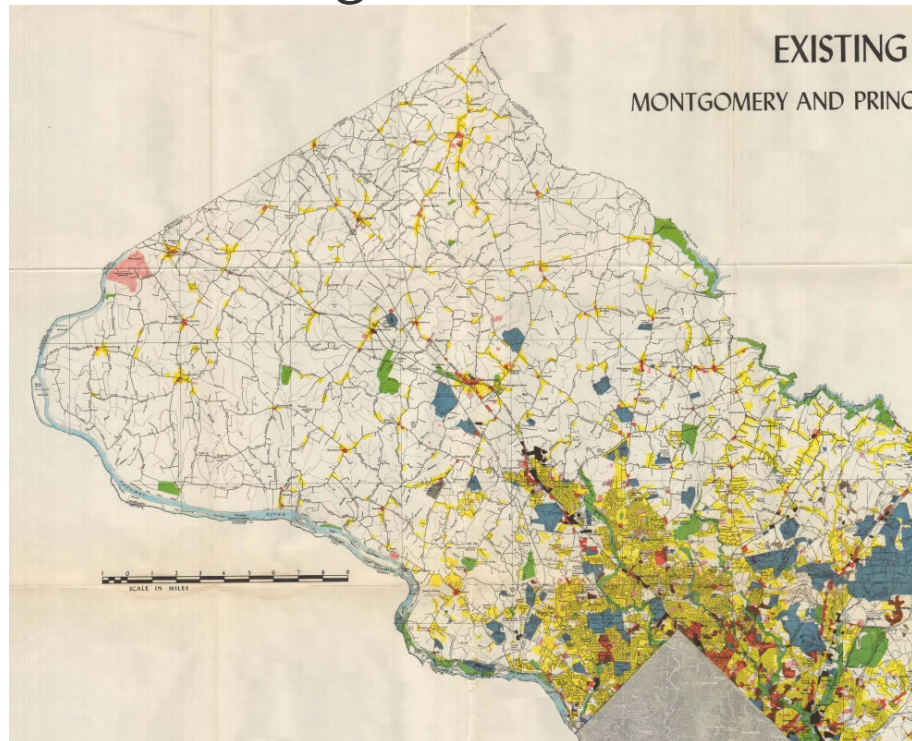
1993 General Plan



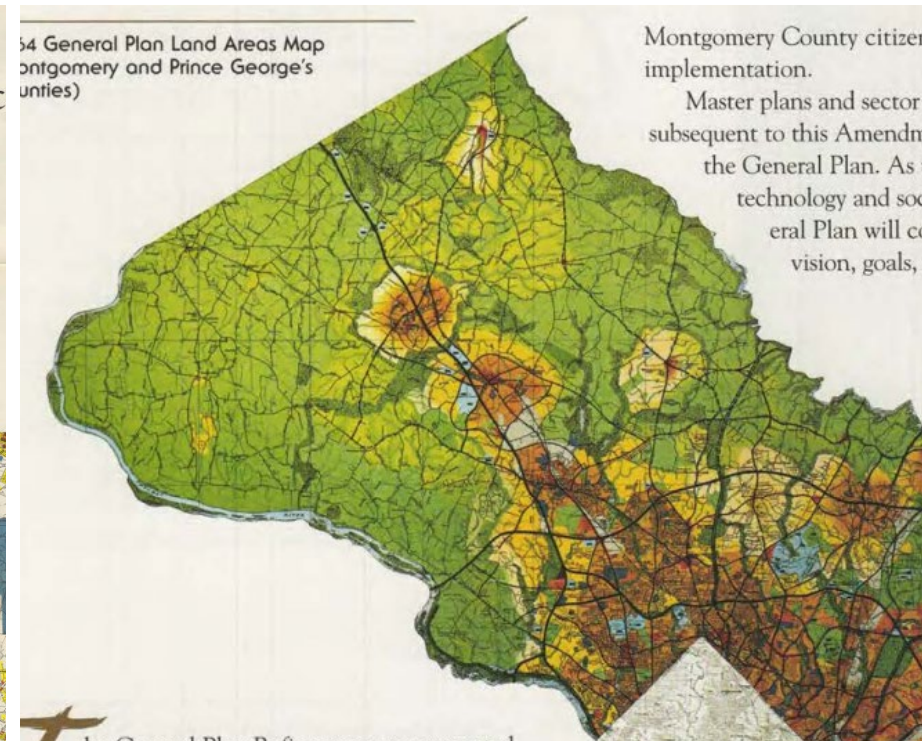
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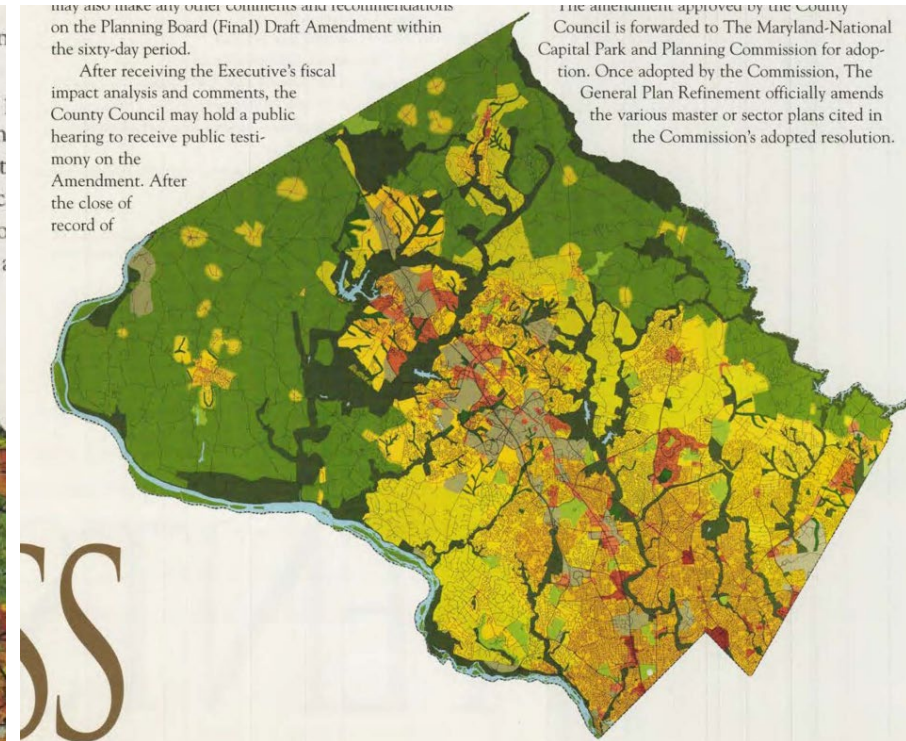
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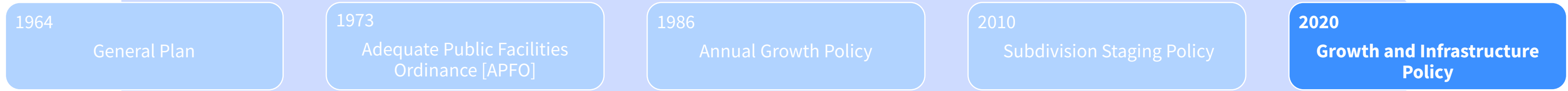
1964 General Plan



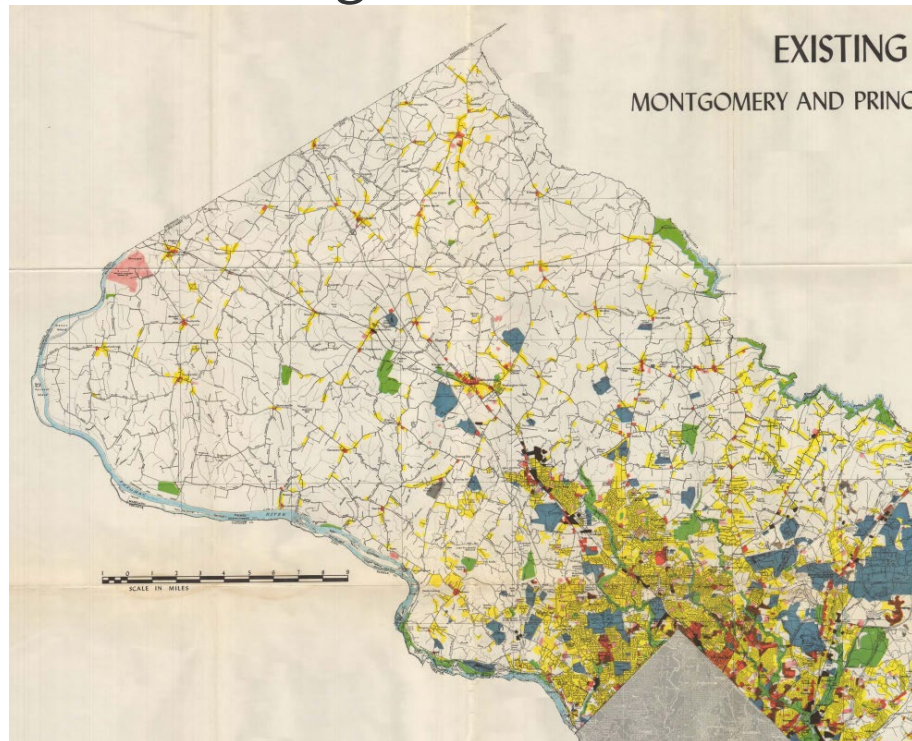
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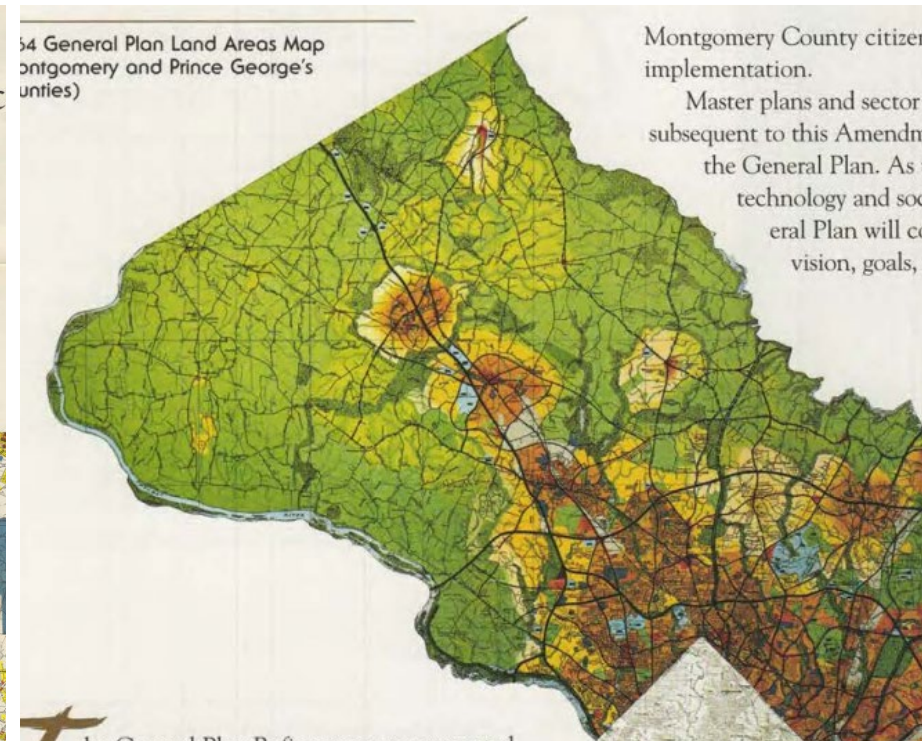
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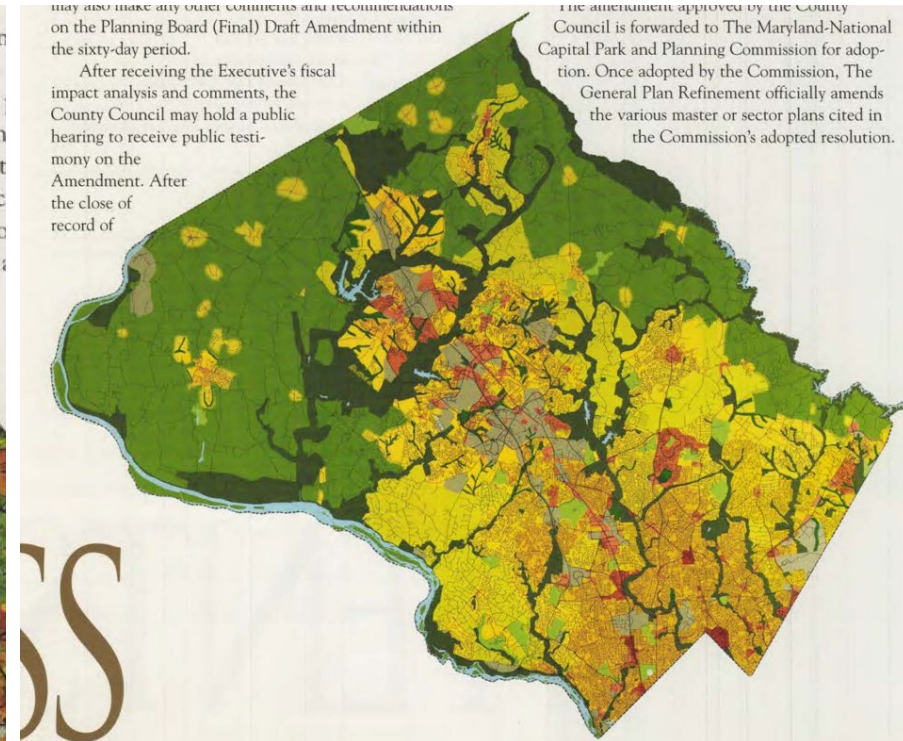
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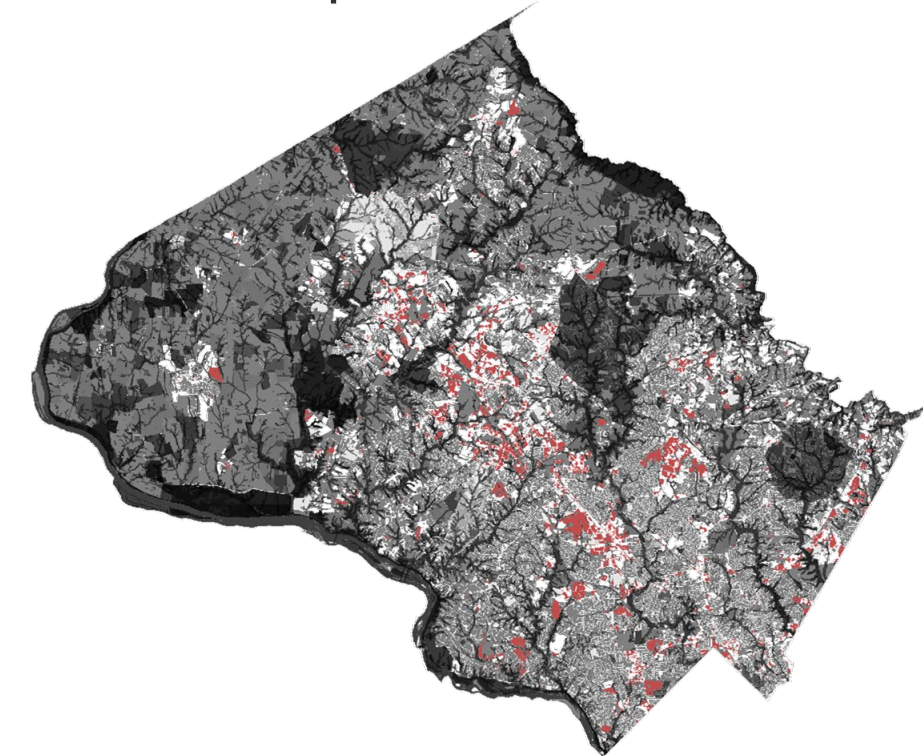
1964 General Plan



1993 General Plan



2020 Developable Land



Impact Taxes

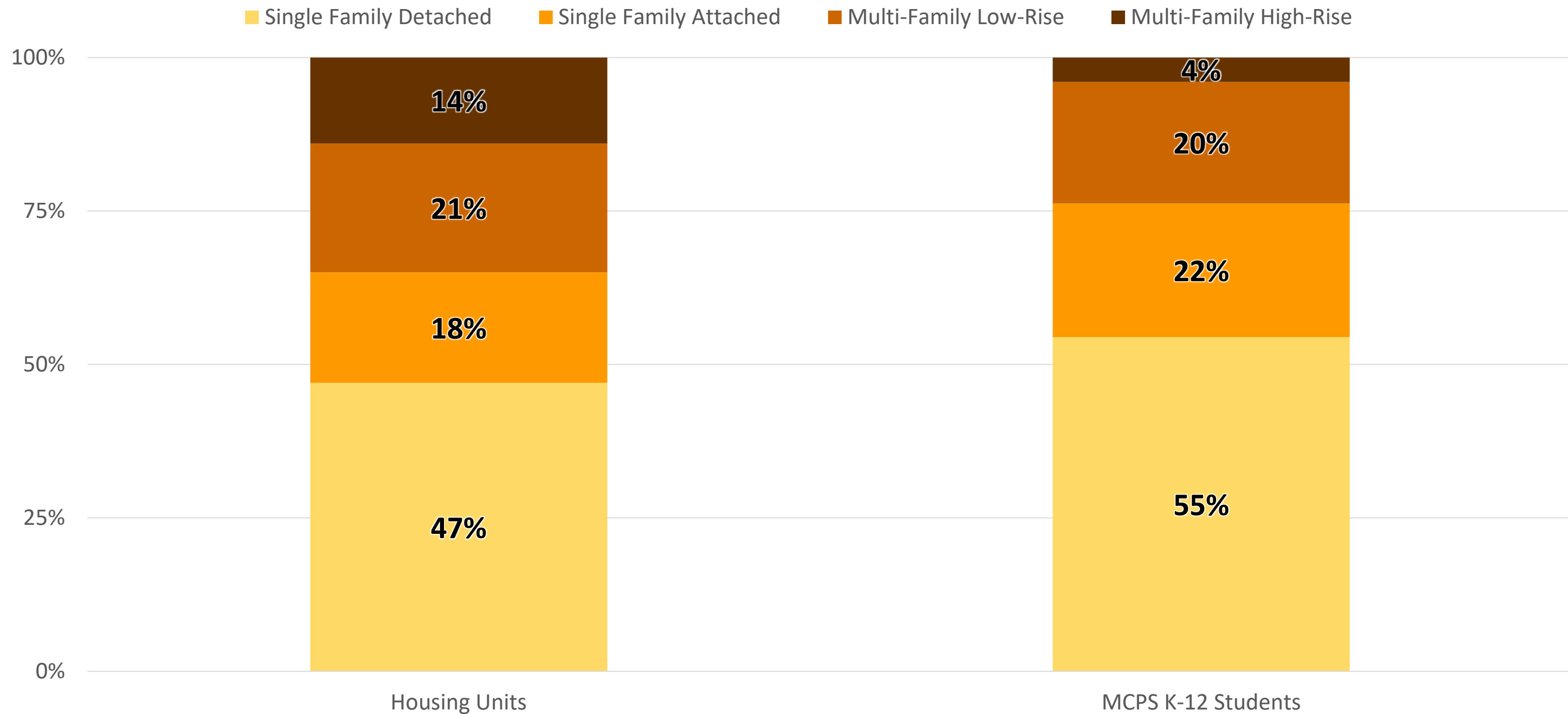
Impact Taxes

- County Code requires new development to pay its pro rata share of infrastructure improvement necessitated by that development.
 - Planning reviews and prepares recommendations during quadrennial GIP update (not technically part of the Growth and Infrastructure Policy, but closely related).
- Impact tax rates are updated every two years by the Dept. of Finance, effective July 1 of each odd-numbered year. Rates are based on land use and geographic context.
 - Planning calculates the school rates using actual housing, enrollment, and school construction cost data.
- Impact tax revenue can be used to pay for certain public capital projects. Funds are not geographically constrained.
- Will have a larger discussion on impact taxes in STAT session #2.

2020 Policy Update: Key Findings and Major Changes

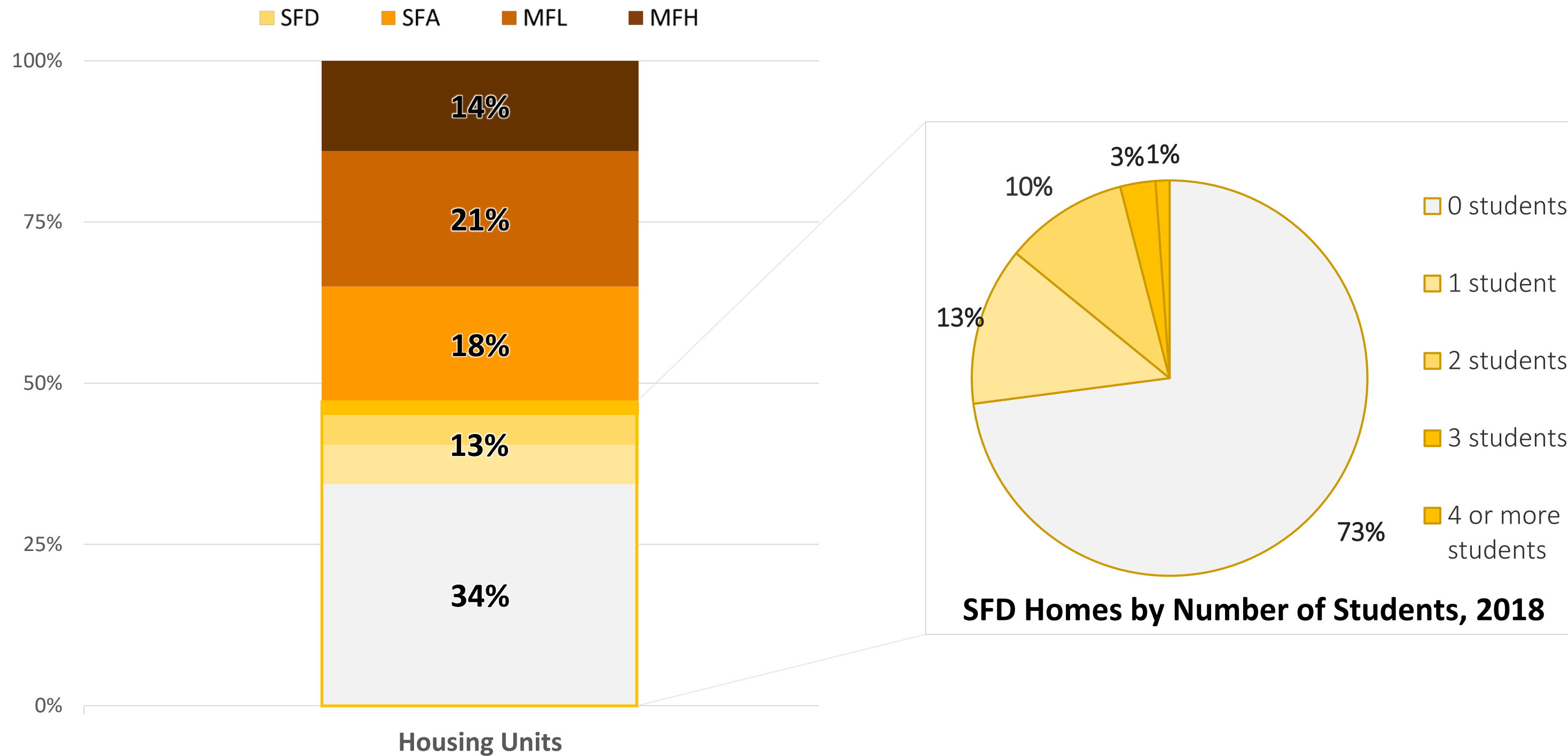
2020 GIP Update Findings

Share of Students vs. Units by Housing Type (2018)



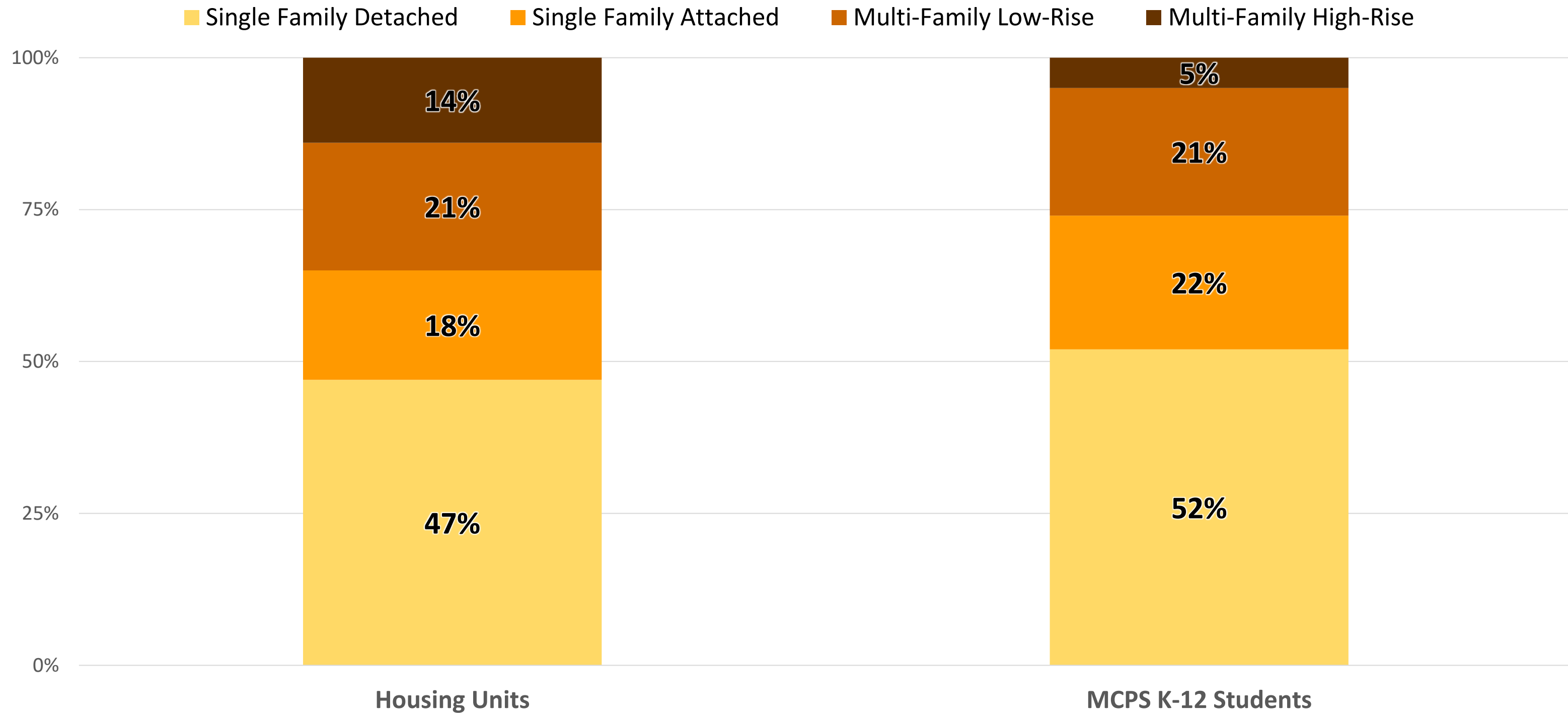
2020 GIP Update Findings

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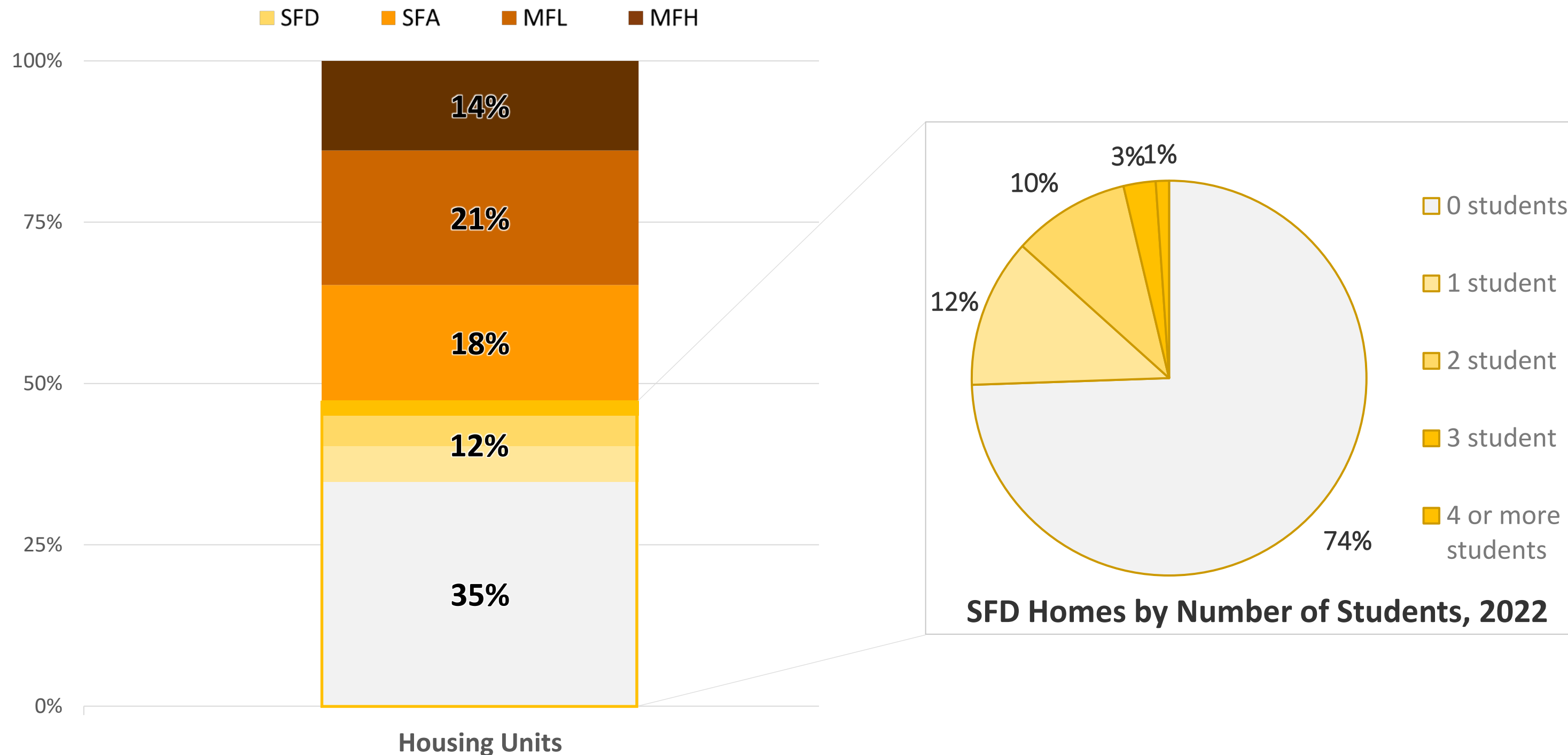
2022 Analysis

: slight decrease in share of students living in SFD units.



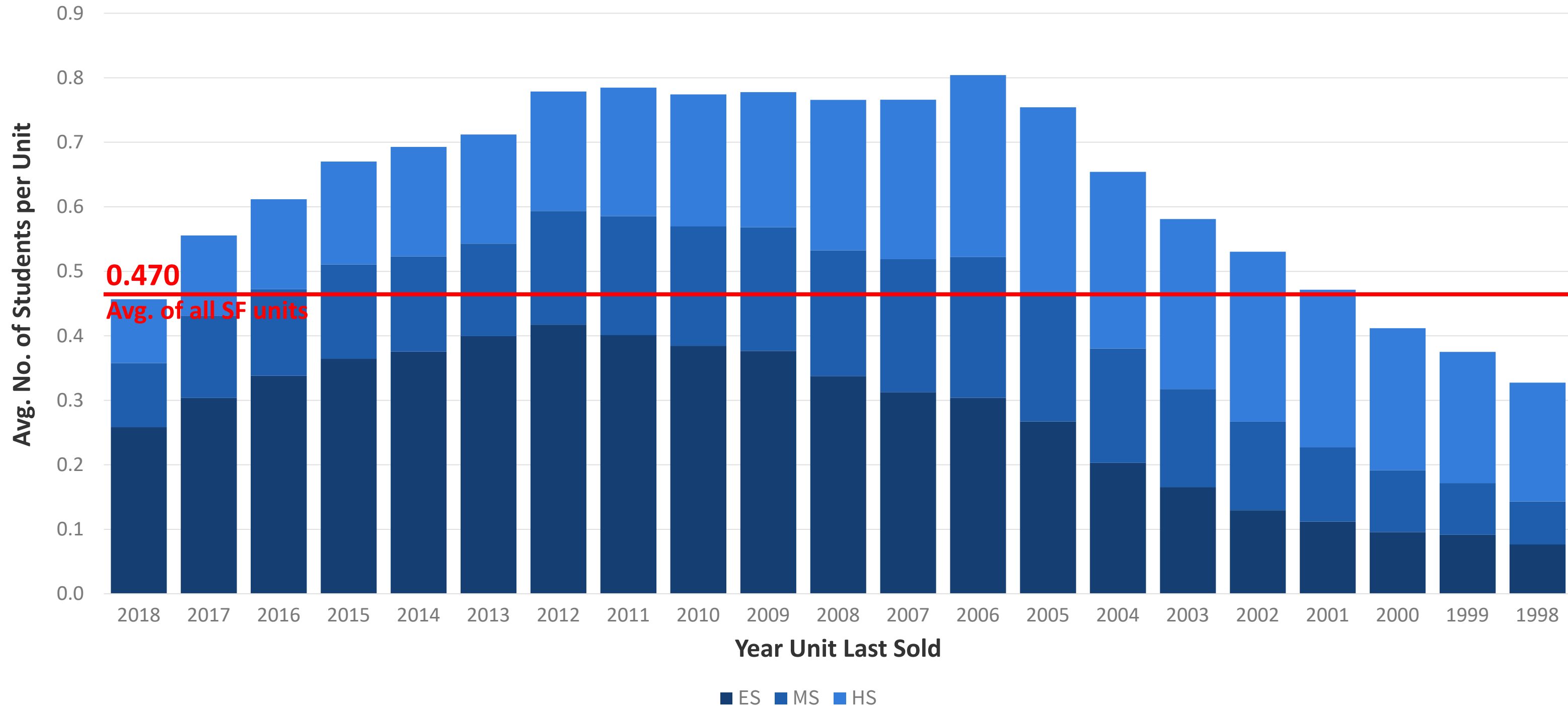
2022 Analysis

: slight increase in SFD units with no students residing.



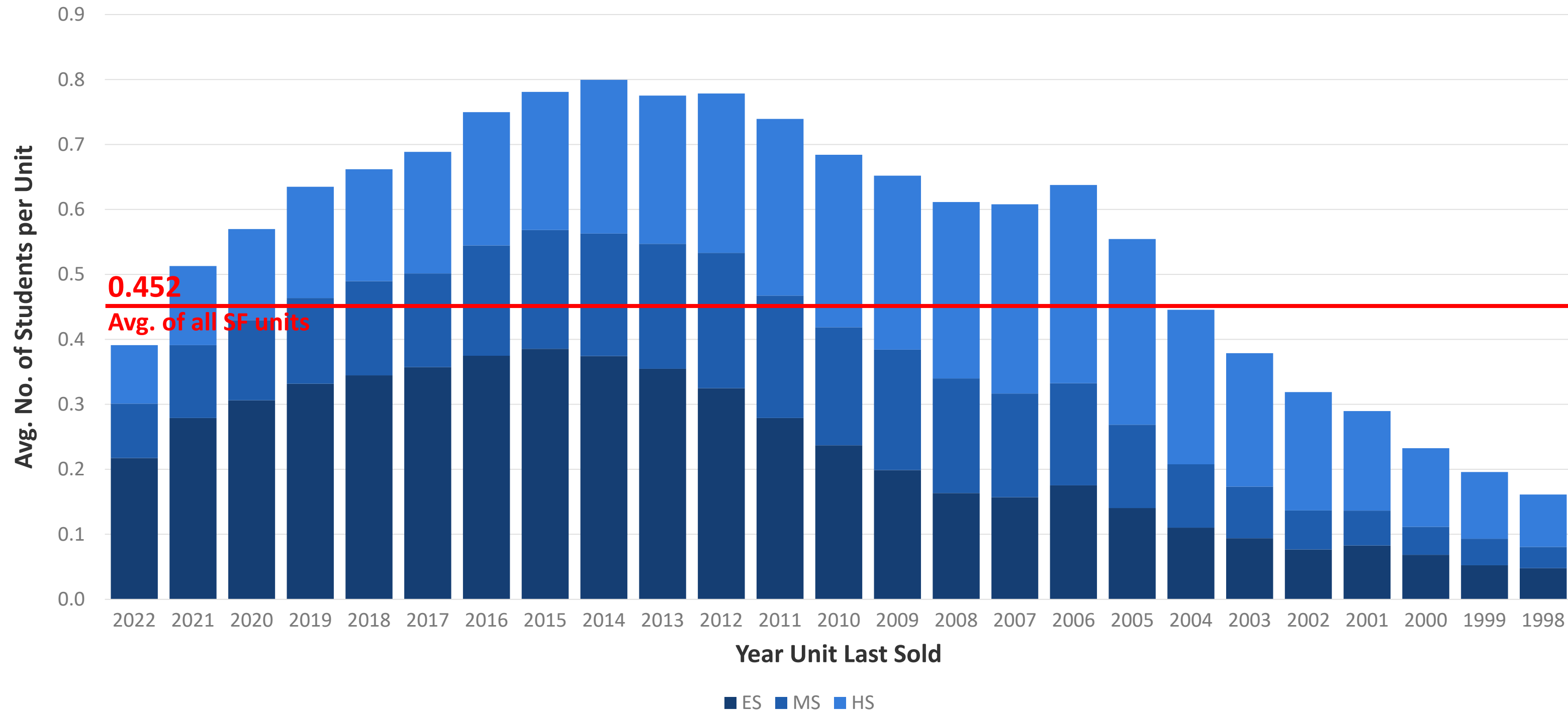
2020 GIP Update Findings

SGR of Single-Family Units by Year Last Sold (2018)



2022 Analysis

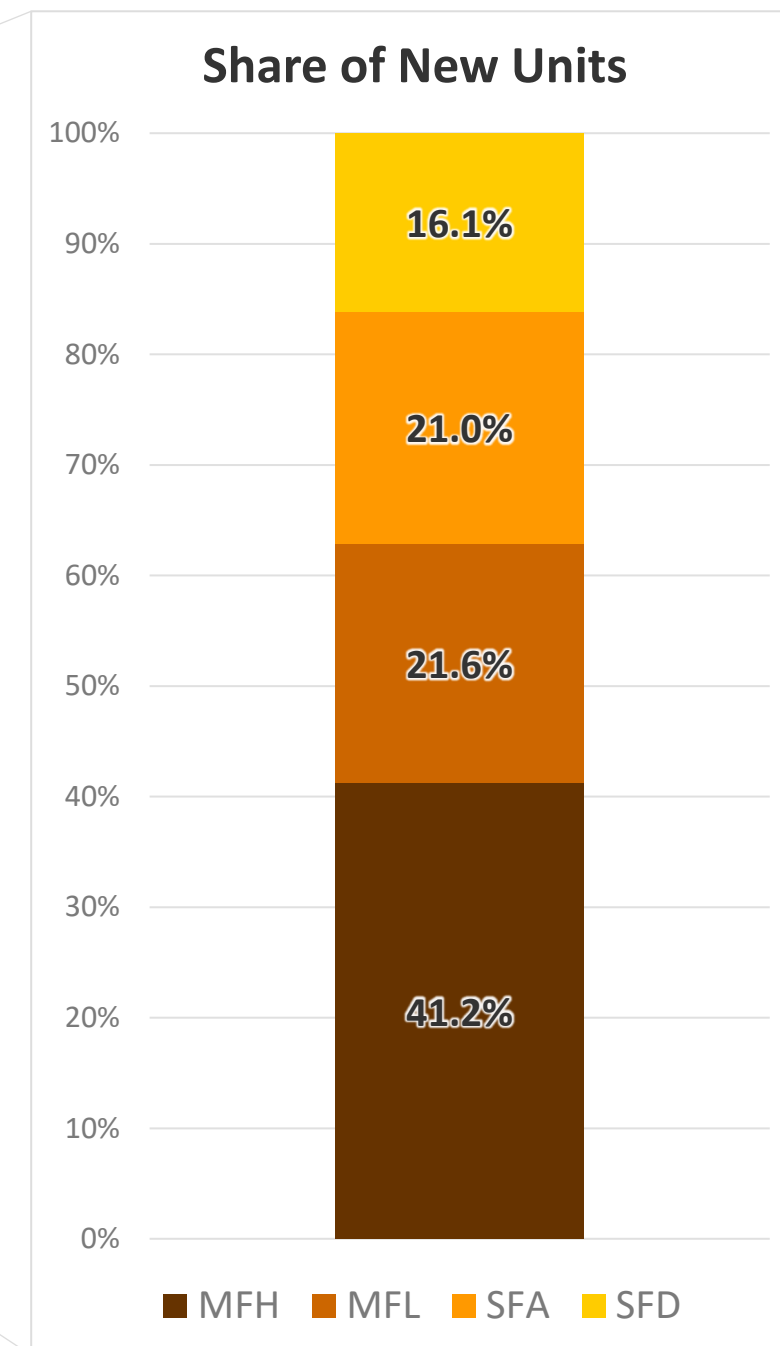
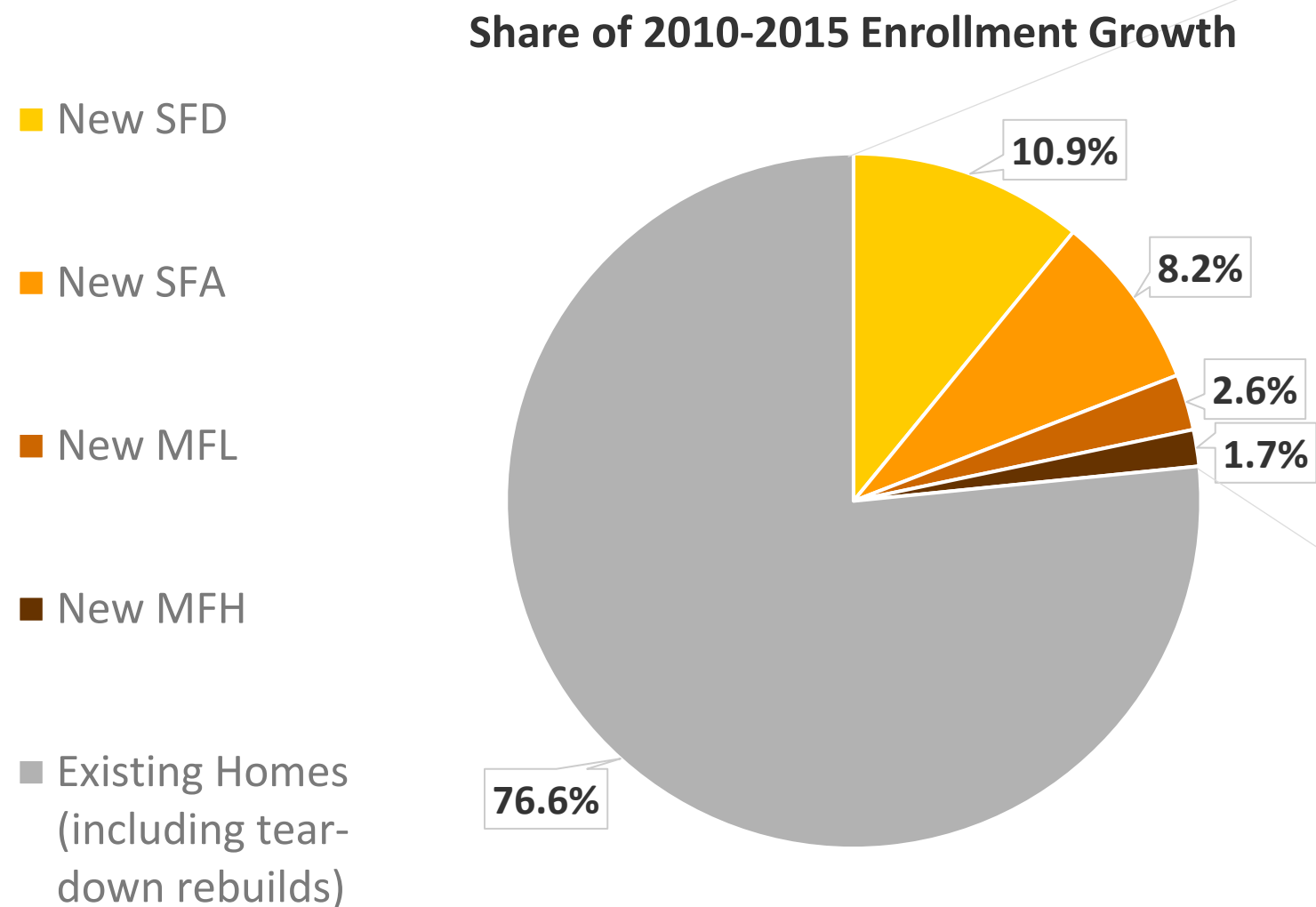
SGR of Single-Family Units by Year Last Sold



2020 GIP Update Findings

Share of Enrollment Growth from New Development

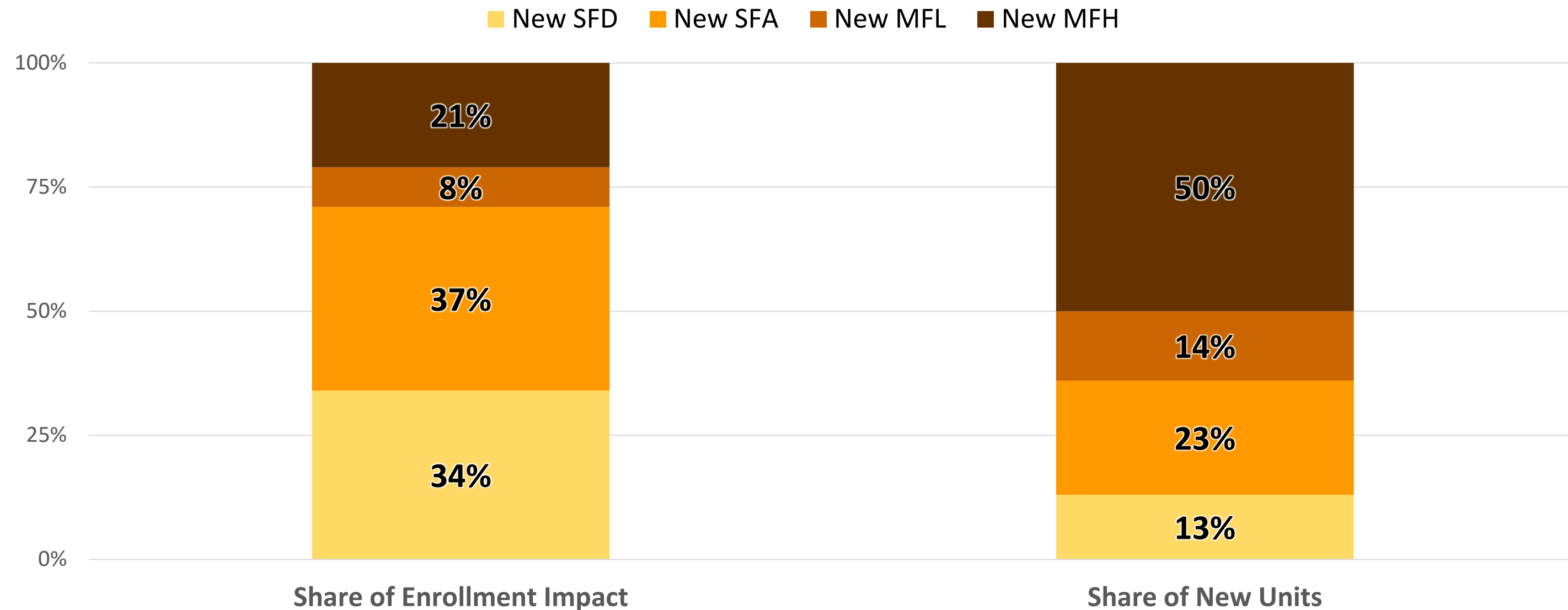
- Students coming from new development (units built between 2011-2015) contribute to less than a quarter of the enrollment growth.
 - Contribution from multi-family development is less than 5%.



2022 Analysis

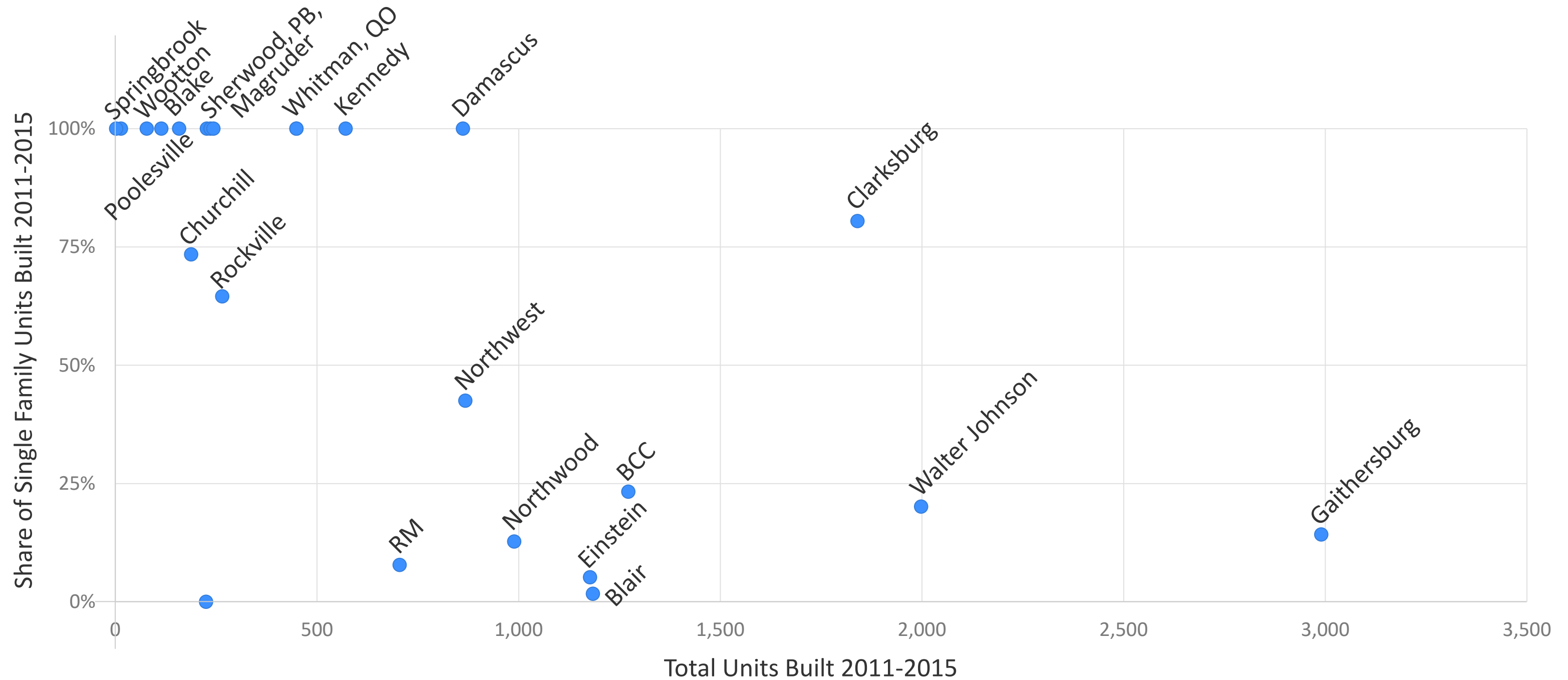
Share of Enrollment Impact by Type of Development

- MCPS' total enrollment decreased by 0.6% between 2017-2022.
 - Multi-family units' share of the enrollment impact from new development (built between 2018-2022) is still relatively low in comparison to its share of housing unit contribution.



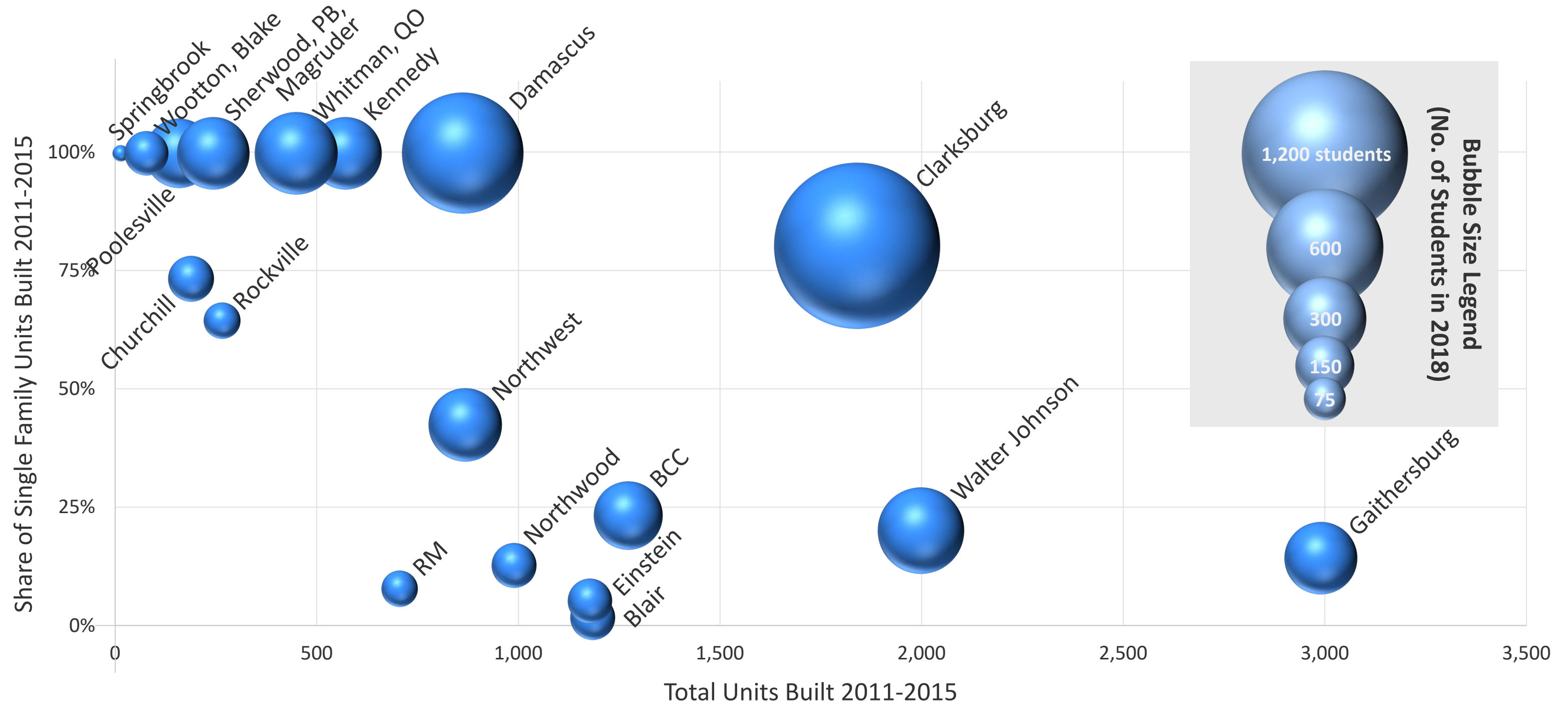
2020 GIP Update Findings

Patterns of New Development by Cluster (2018)



2020 GIP Update Findings

Patterns of New Development by Cluster (2018)



2020 GIP Major Changes

School Impact Area Class

➤ Infill Impact Area

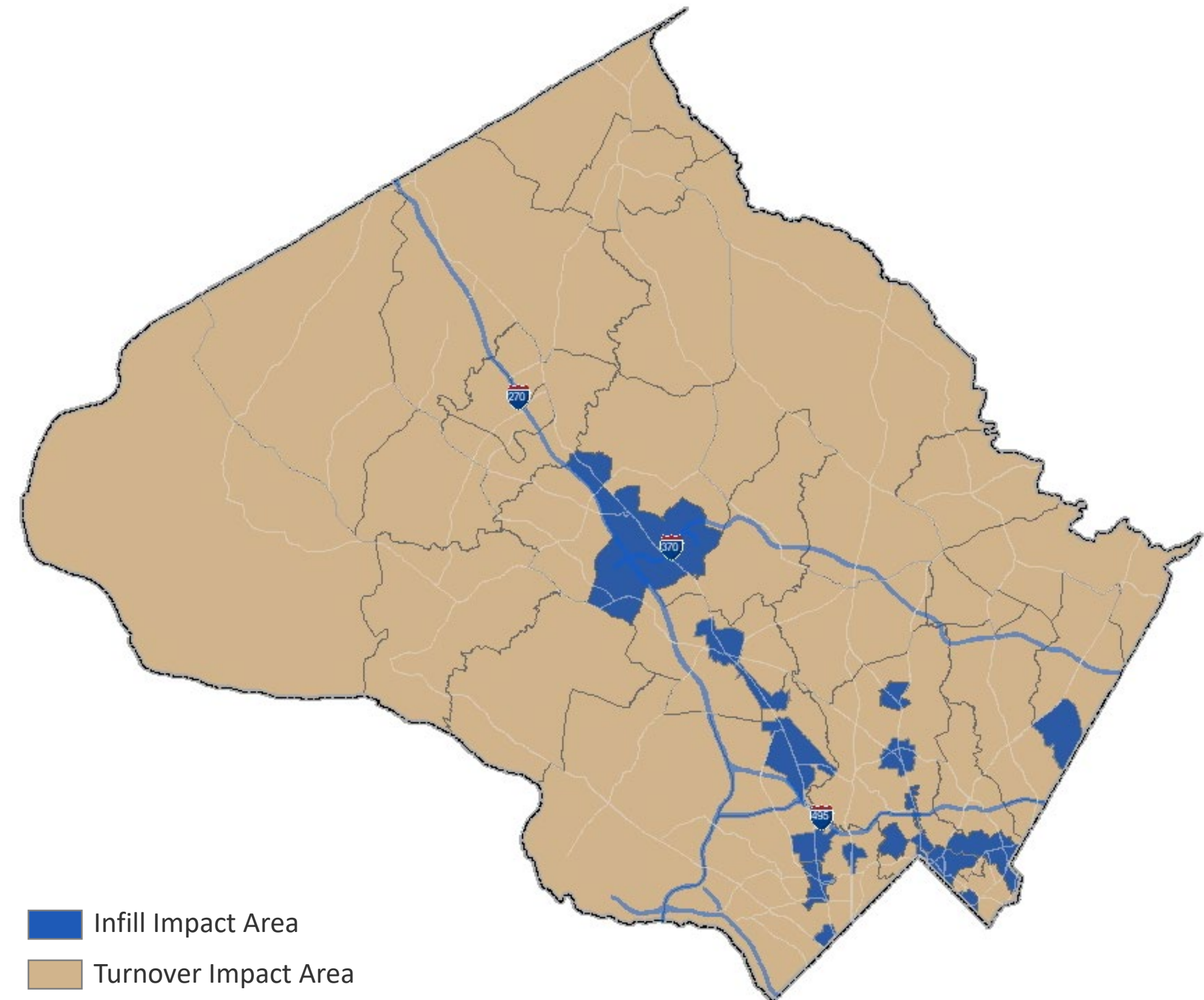
- high growth in multi-family housing units
- low impact per unit on enrollment growth

➤ Turnover Impact Area

- low housing growth
- enrollment growth largely due to turnover of existing single-family units

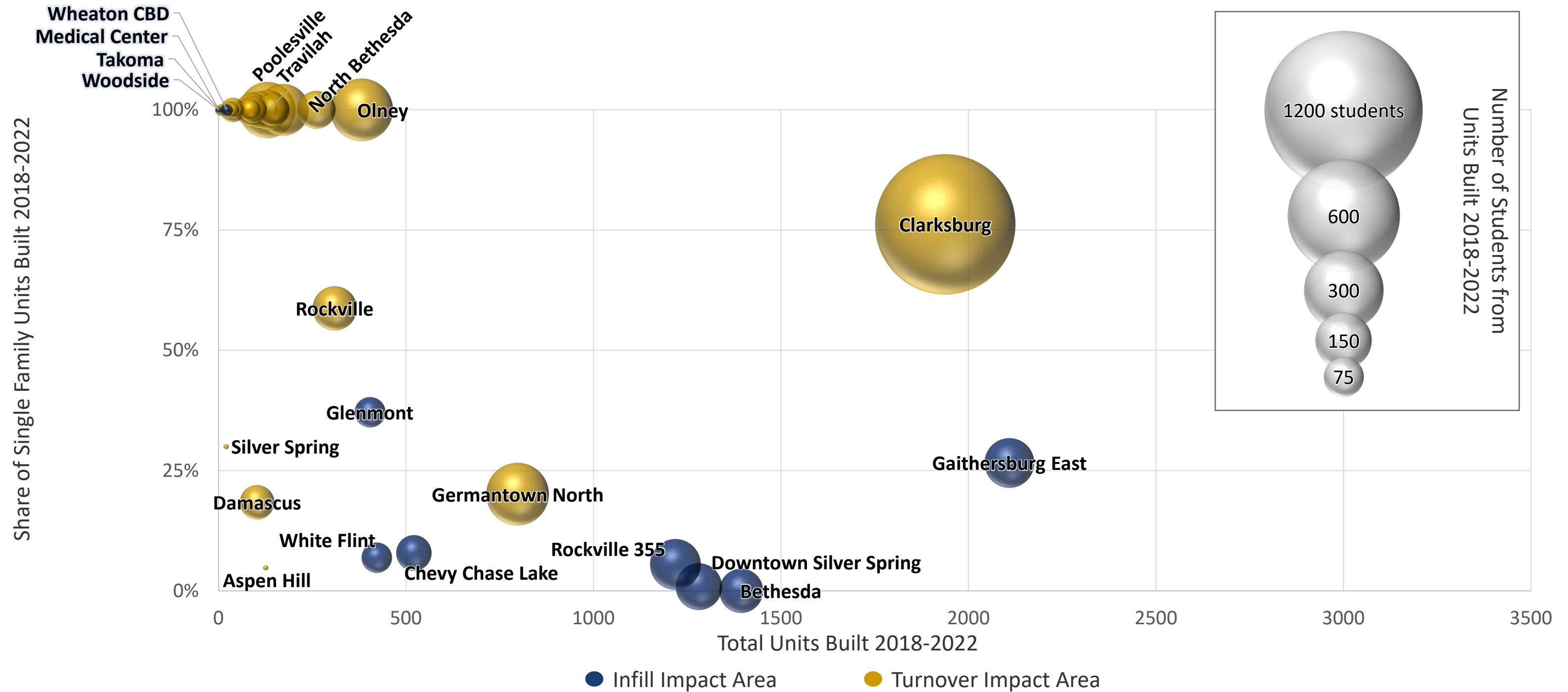
* Greenfield Impact Area

- high growth in single-family housing units
- high impact on enrollment growth
- *no area of the county was found to be in this category for the 2020-2024 GIP update*



2022 Analysis

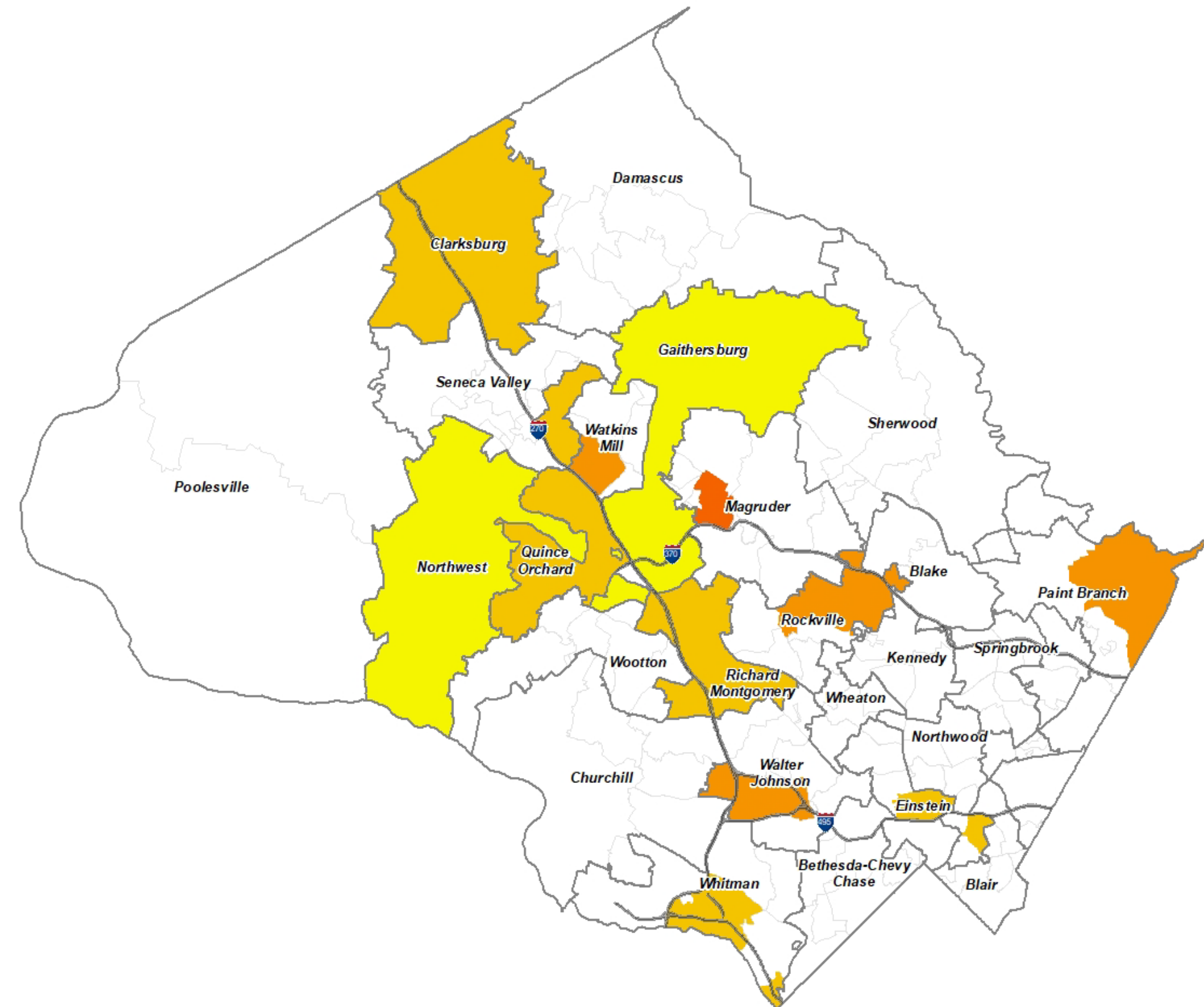
Patterns of New Development by Planning/Impact Area



2020 GIP Major Changes

Utilization Premium Paym

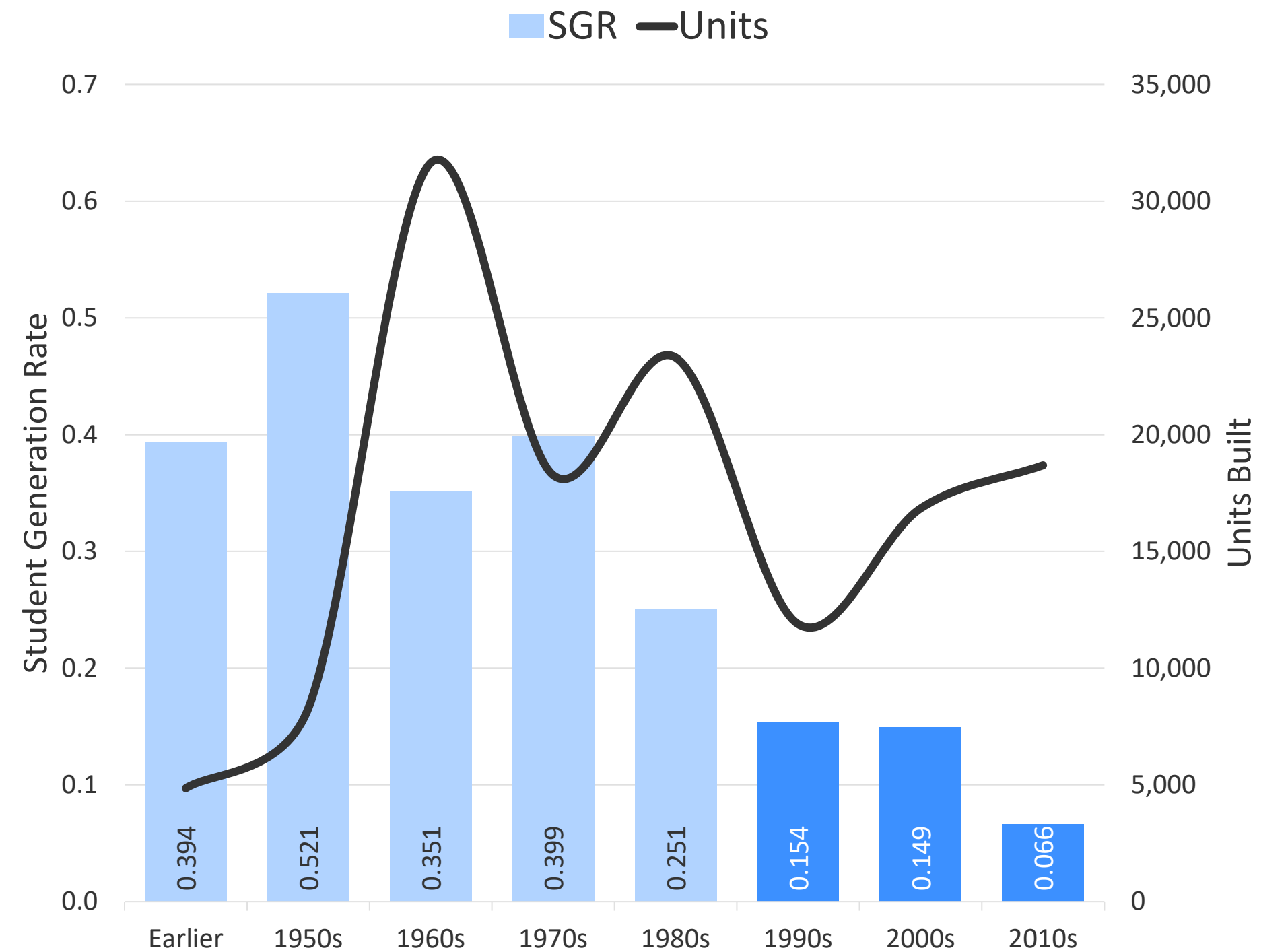
- **Moratorium eliminated.**
 - Was found ineffective in curbing enrollment growth.
 - Prevented collection of impact tax revenue that could help fund capacity relief.
- **Utilization Premium Payments (UPP)** are imposed on new development applications in school service areas with overutilized capacity in addition to school impact taxes.



2020 GIP Major Changes

SGR for Multi-Family Structures Built 1990 and Later

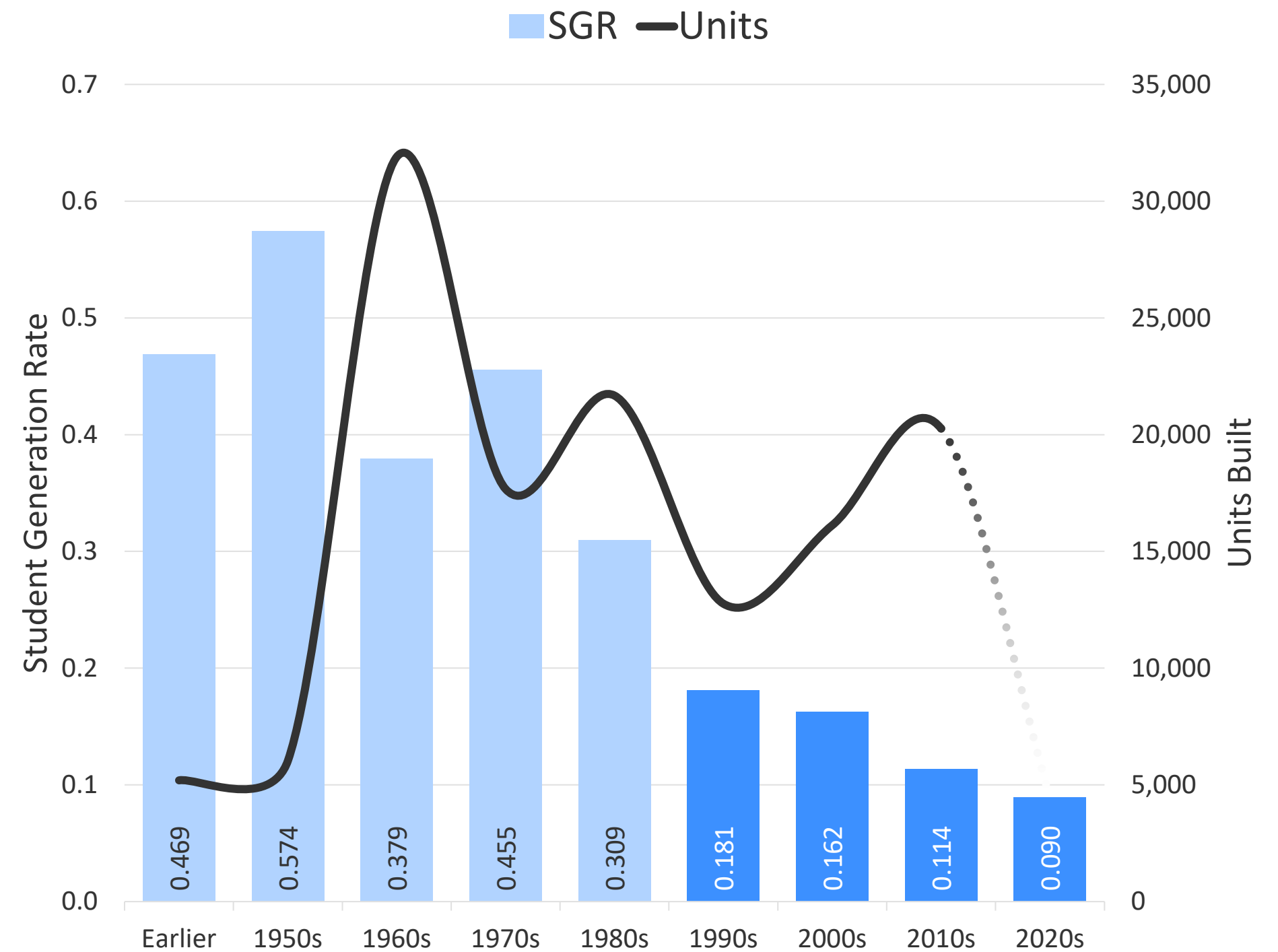
- Multi-family structures built in the 1990s and later show a significantly lower K-12 student generation rate from those built earlier.
- Official SGR of multi-family units only reflect structures built in 1990 or later.



2022 Analysis

SGR for Multi-Family Structures by Decade Built

- SGR of multi-family structures have increased overall.
- Multi-family structures built in the 1990s and later still show a significantly lower K-12 student generation rate from those built earlier.



2022 Analysis

SGR for Multi-Family Structures by Decade Built

- Seeing increased numbers of students coming from multifamily units of all ages.
- The largest relative increase compared to 4 years ago was in the multifamily units built in the 2010s.
- The largest nominal increase in students per unit was seen in those built prior to 1950, then those built in the 1980s and 1970s

	2020	2024	Increase in SGR	% Increase
Earlier	0.394	0.469	0.075	19%
1950s	0.521	0.574	0.053	10%
1960s	0.351	0.379	0.028	8%
1970s	0.399	0.455	0.056	14%
1980s	0.251	0.309	0.058	23%
1990s	0.154	0.181	0.027	18%
2000s	0.149	0.162	0.013	9%
2010s	0.066	0.114	0.048	73%

2020 GIP Major Changes

School Impact Tax

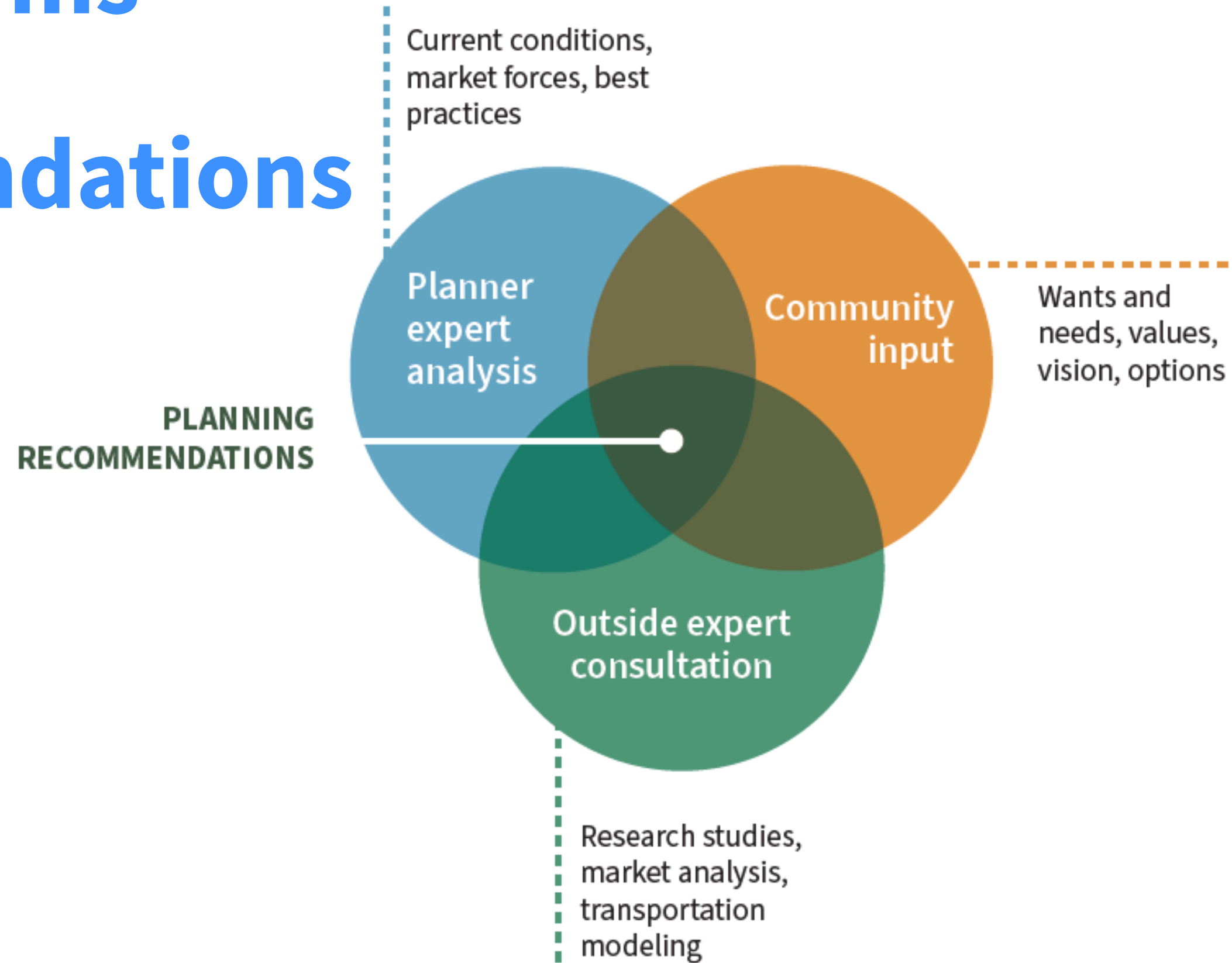
- Calculation factors were adjusted to 100% of the cost of a student seat.

(Official SGR) x (100% of School Construction Cost per Student)

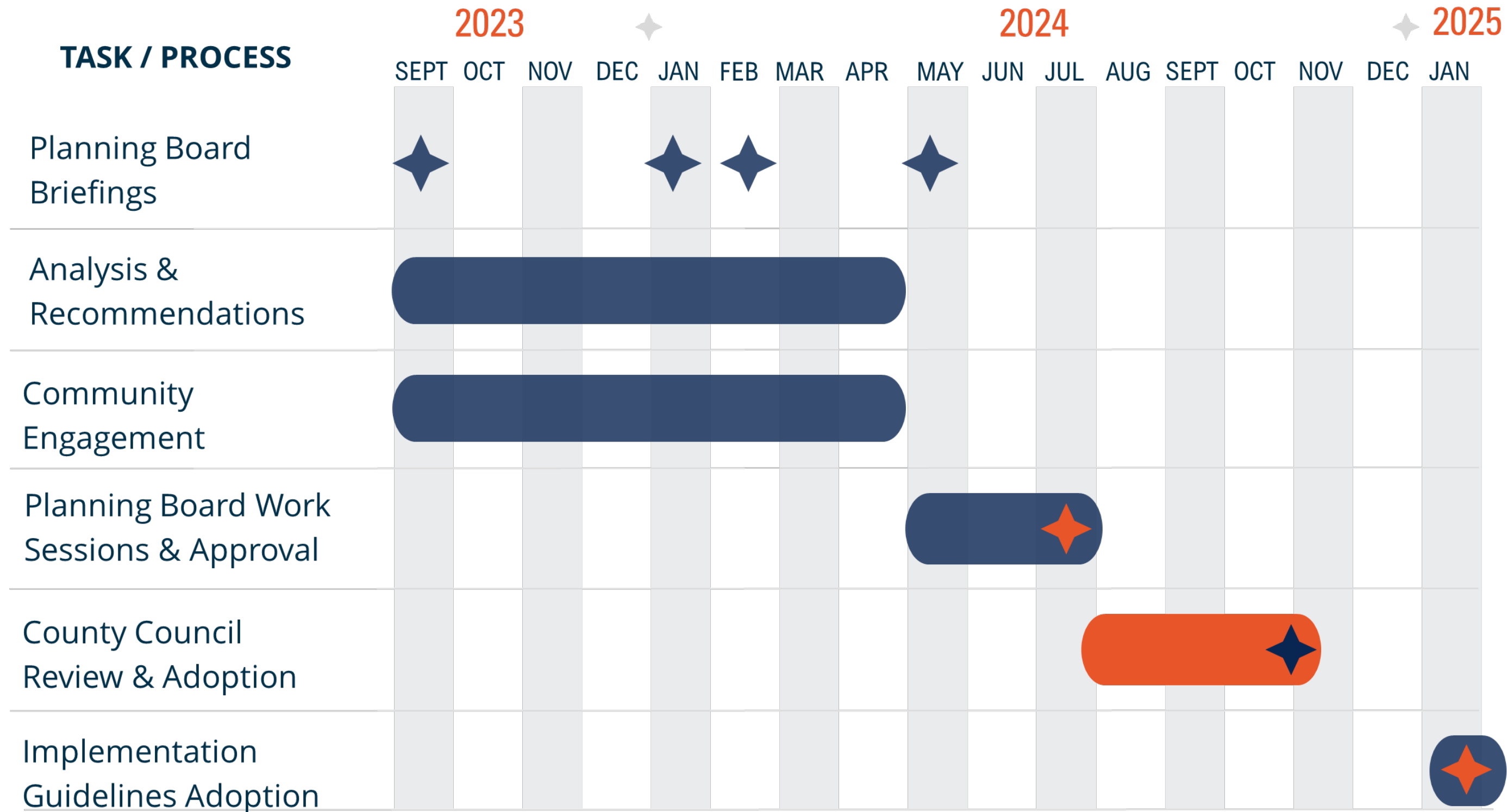
- Rates are calculated and assessed based on School Impact Area classification.

2024 GIP Update Process

What informs planning recommendations



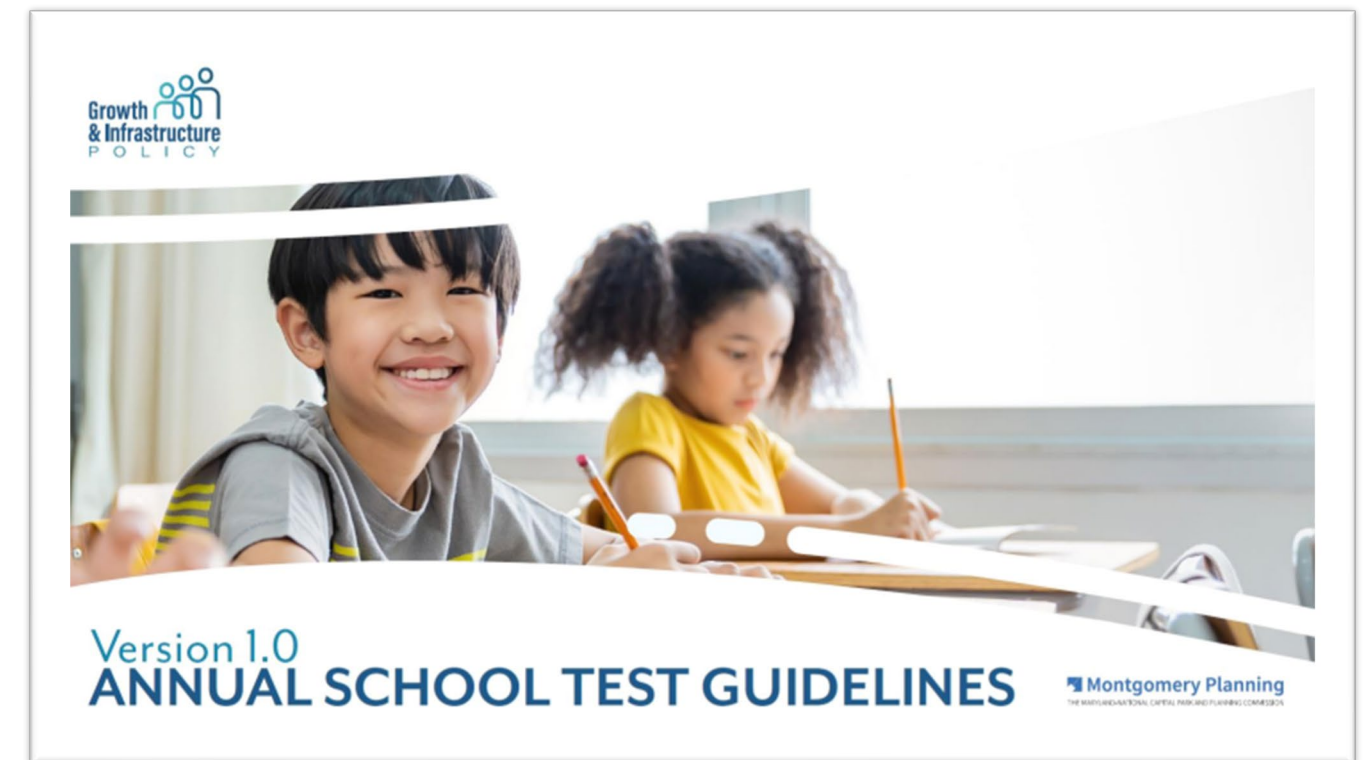
Project Schedule



2020-2024 Annual School Test and Development Review

Implementation Guidelines

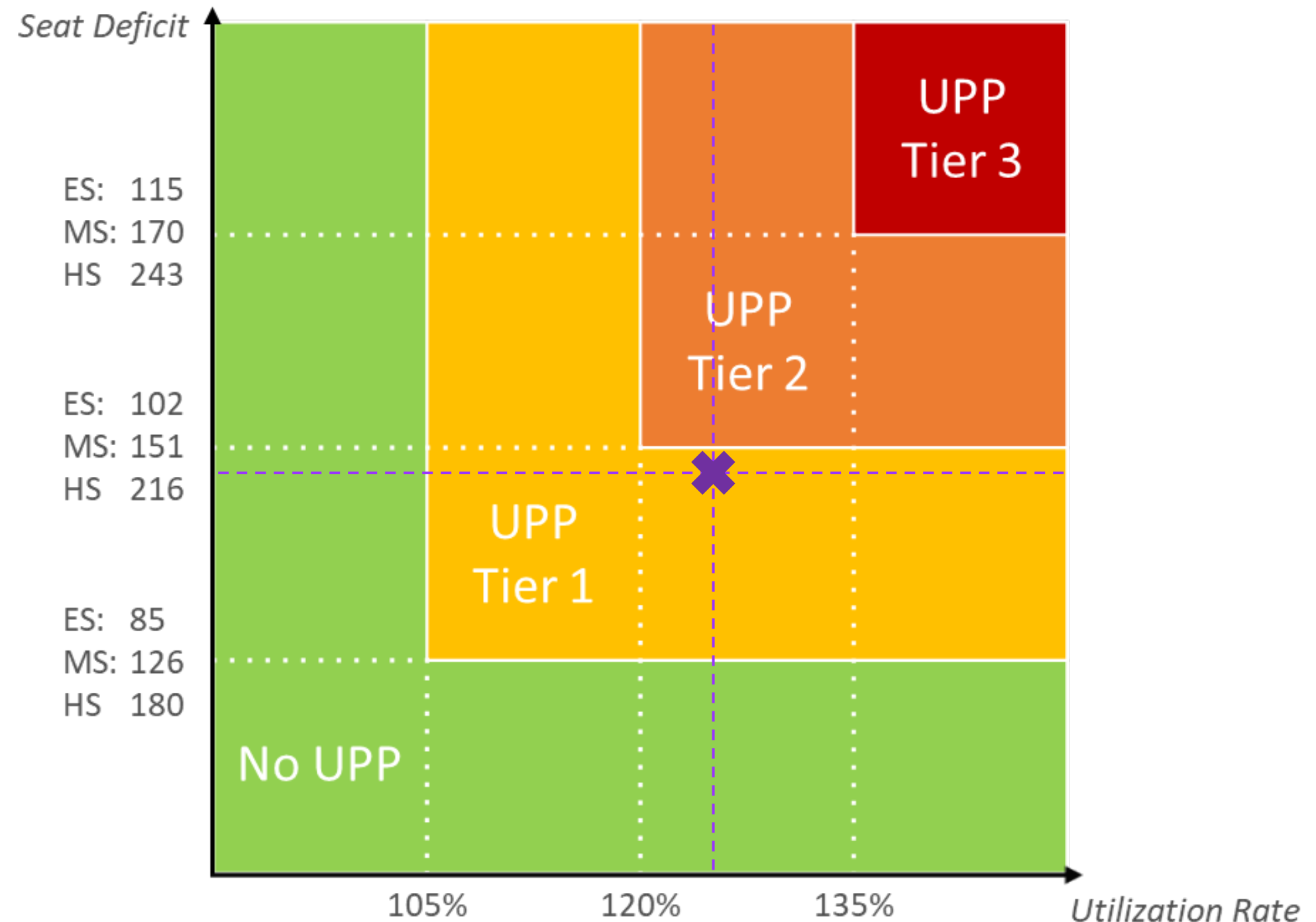
- The Council-adopted GIP establishes the broad rules for defining adequacy for schools
- The GIP is then implemented through schools-specific guidelines approved by the Planning Board:
 - **Annual School Test Guidelines**



Annual School Test Adequacy Standards

- Utilization Rate
= $Enrollment / Capacity$
- Seat Deficit
= $Capacity - Enrollment$
- ❖ [Ex.] If the 4-yr projections of an ES indicate:
 - Utilization Rate 125 %
 - Seat Deficit -100

» The ES service area will be placed in **Tier 1 UPP**, with a 2 seat adequacy ceiling.



Annual School Test

Data Source and Evaluation Year

- Data Source:
 - Educational Facilities Master Plan and Capital Improvements Program,**
MCPS Division of Capital Planning and Real Estate

Previous School Year
Upcoming School Year
1-Year Projection
4-Year Projection (AST Evaluation Year)

Schools			Actual	Projections							
			21-22	22-23	23-24	24-25	25-26	26-27	27-28	2031	2036
Walter Johnson HS	Program Capacity		2321	2321	2321	2321	2321	2321	2321	2321	2321
	Enrollment		2870	2907	2919	2963	2893	2898	2923	2950	3000
	Available Space		(549)	(586)	(598)	(642)	(572)	(577)	(602)	(629)	(679)
	Comments										
Charles W. Woodward HS	Program Capacity							2159	2159	2159	2159
	Enrollment							0	0	0	0
	Available Space							2159	2159	2159	2159
	Comments							Opens			

Annual School Test

Individual School Test Results

Growth and Infrastructure Policy FY 2024 School Test

Reflects Approved FY 2024 Capital Budget and Amendments to the FY 2023-2028 Capital Improvements Program

High School Test

Tier 1 UPP: $\geq 105\%$ utilization and ≥ 180 seat deficit
 Tier 2 UPP: $\geq 120\%$ utilization and ≥ 216 seat deficit
 Tier 3 UPP: $\geq 135\%$ utilization and ≥ 243 seat deficit

Effective: July 1, 2023

High School	Projected 2027-2028				UPP Status	UPP Adequacy Ceilings		
	Capacity	Enrollment	Utilization	Deficit/Surplus		Tier 1	Tier 2	Tier 3
Bethesda-Chevy Chase ¹	2,475	2,420	97.8%	55		235	550	922
Montgomery Blair ¹	2,867	2,804	97.8%	63		243	637	1,067
James Hubert Blake	1,743	1,935	111.0%	-192	Tier 1 UPP		157	419
Winston Churchill	1,991	2,129	106.9%	-138		42	261	559
Clarksburg	2,034	2,612	128.4%	-578	Tier 2 UPP			134
Crown ²	2,219	2,120	95.5%	99		N/A	N/A	N/A

¹ Projected enrollment reflects the estimated impact of CIP P651908, which will reassign students between the Downcounty Consortium, Bethesda-Chevy Chase HS, Walter Johnson HS, Walt Whitman HS, and Charles Woodward HS in 2026.

² Projected enrollment reflects the estimated impact of CIP P651909, which will reassign students between Gaithersburg HS, Richard Montgomery HS, Northwest HS, Quince Orchard HS, Wootton HS, and Crown HS in 2027.

Annual School Test Summary Table and Payment Factors

Growth and Infrastructure Policy FY 2024 School Test

Reflects Approved FY 2024 Capital Budget and Amendments to the FY 2023-2028 Capital Improvements Program

School Test Summary

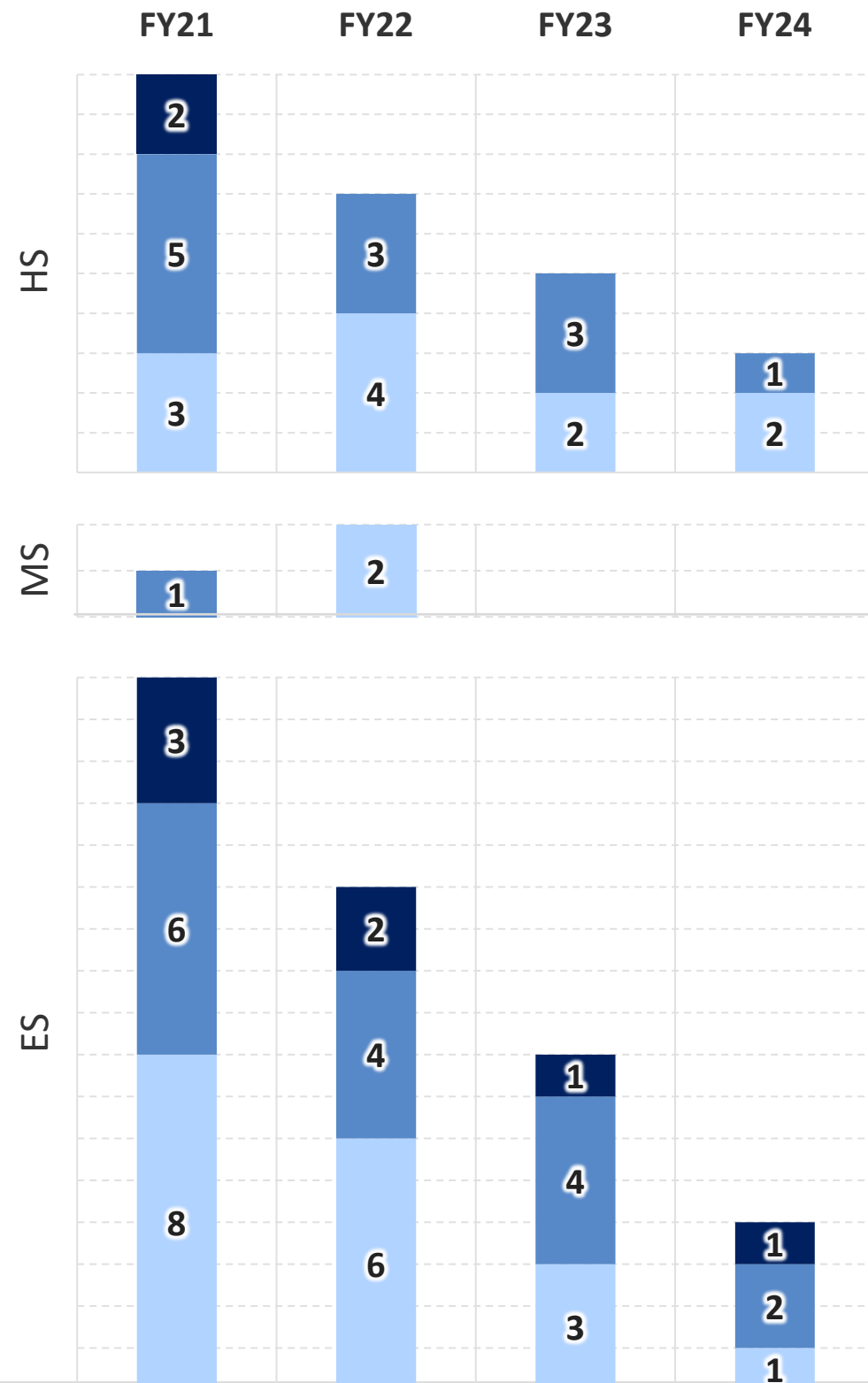
Effective: July 1, 2023

UPP Tier	High Schools	Middle Schools	Elementary Schools
TIER 1 UPP Utilization: ≥105% Seat Deficit: ≥ 85 for ES ≥ 126 for MS ≥ 180 for HS Payment Level: 40% total	13⅓% of Impact Tax James Hubert Blake HS Paint Branch HS	10% of Impact Tax (none)	16⅔% of Impact Tax Arcola ES
TIER 2 UPP Utilization: ≥ 120% Seat Deficit: ≥ 102 for ES ≥ 151 for MS ≥ 216 for HS Payment Level: 80% total	26⅔% of Impact Tax Clarksburg HS	20% of Impact Tax (none)	33⅓% of Impact Tax Ashburton ES Oakland Terrace ES
TIER 3 UPP Utilization: ≥135% Seat Deficit: ≥ 115 for ES ≥ 170 for MS ≥ 243 for HS Payment Level: 120% total	40% of Impact Tax (none)	30% of Impact Tax (none)	50% of Impact Tax Mill Creek Towne ES

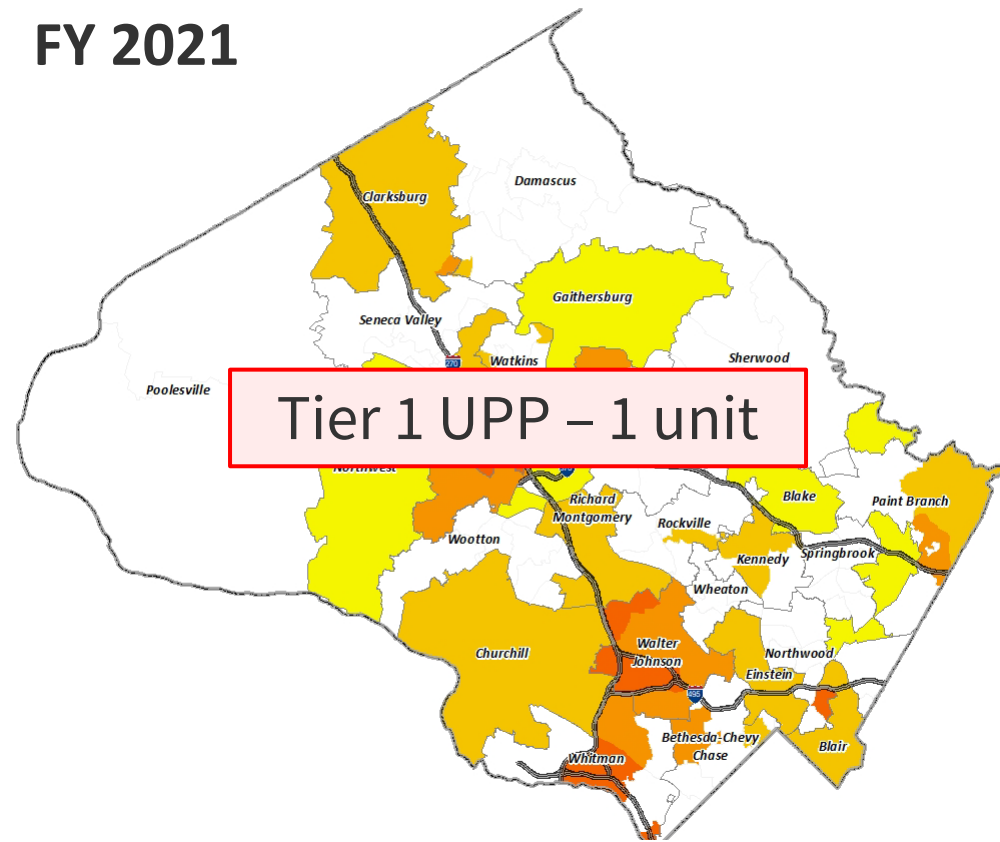
UPP Trend (FY2021-FY2024)

Number of School Service Areas in Each UPP Tier by Fiscal Year

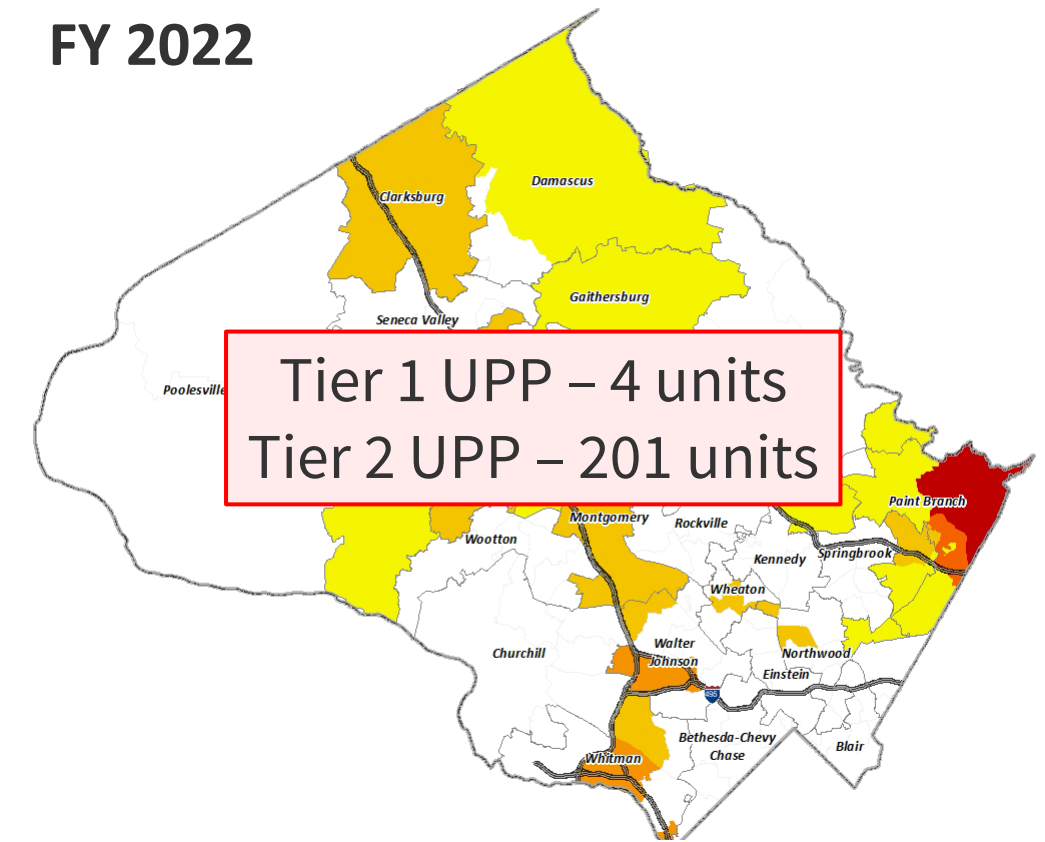
■ Tier 1 ■ Tier 2 ■ Tier 3



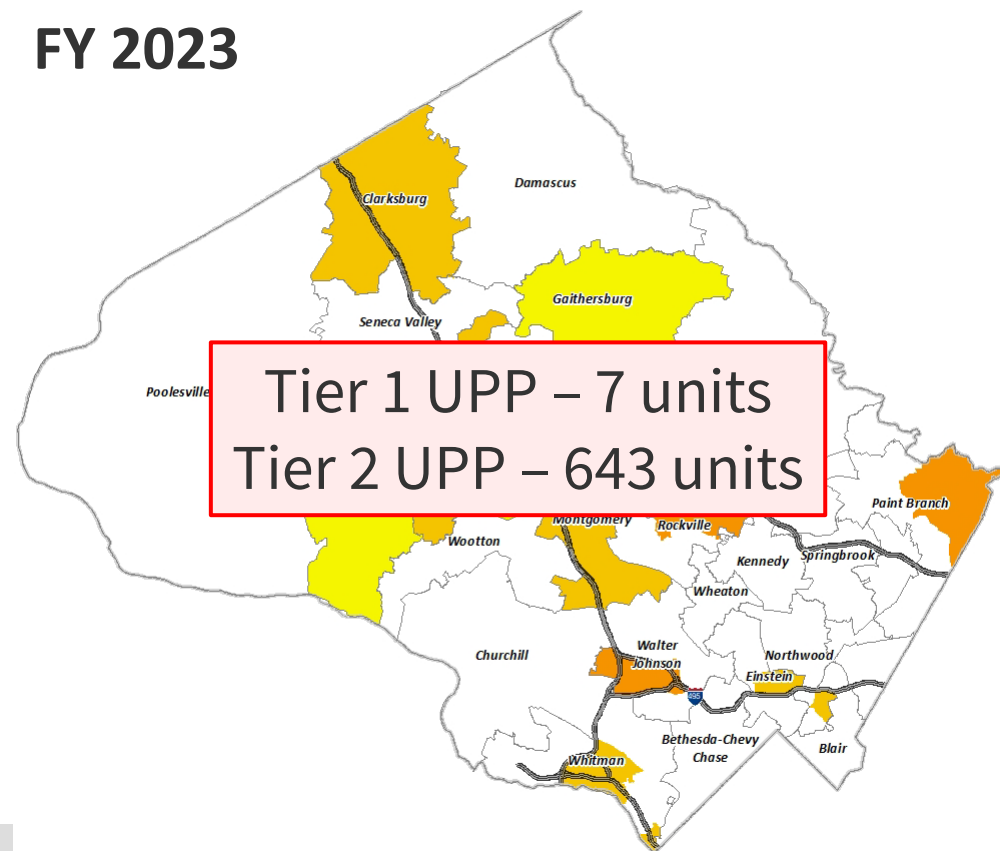
FY 2021



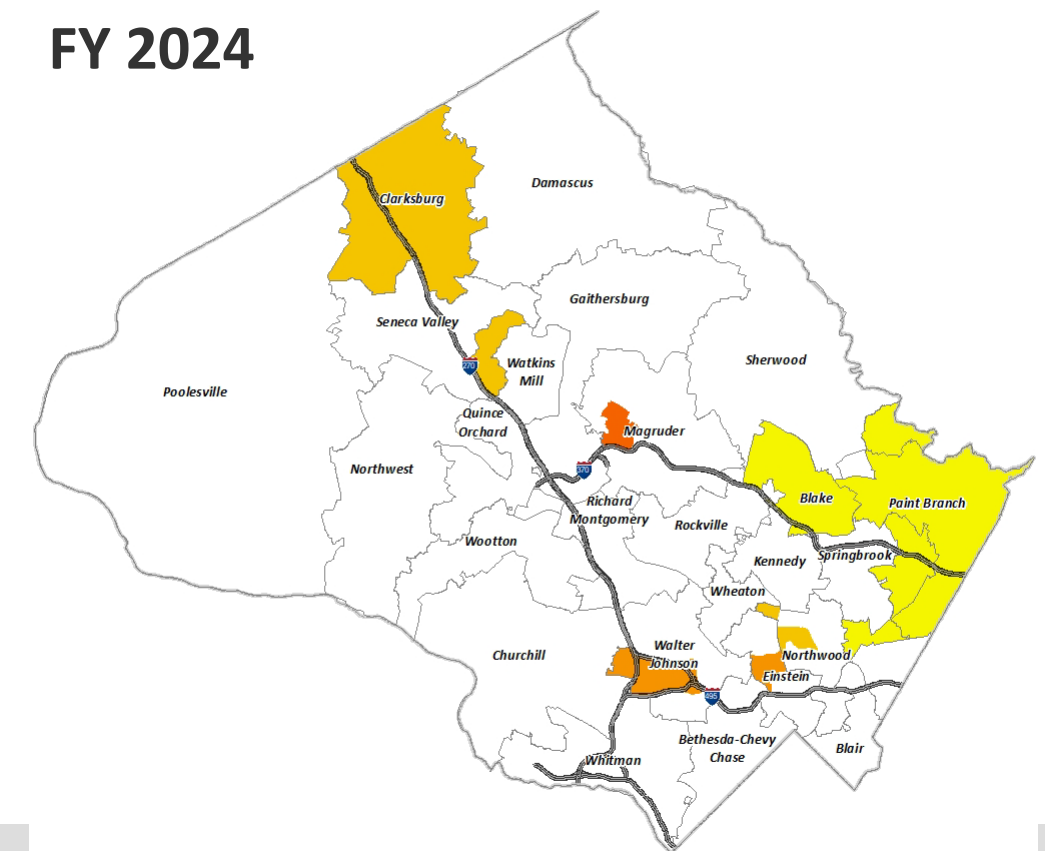
FY 2022



FY 2023



FY 2024



Development Review

School Adequacy Analysis

- ❖ [Ex.] A development project proposing 330 MFH units in downtown Bethesda applies for preliminary plan approval during FY2024.

➤ FY2024 Annual School Test Results:

School	Program Capacity	Projected School Totals, 2027			Adequacy Status	Adequacy Ceilings		
		Enrollment	% Utilization	Surplus/Deficit		Tier 1	Tier 2	Tier 3
Somerset ES	540	369	68.3%	+171	No UPP	256	279	360
Westland MS	1,073	862	80.3%	+211	No UPP	337	426	587
Bethesda-Chevy Chase HS ¹	2,475	2,420	97.8%	+55	No UPP	235	550	922

¹ Projected enrollment reflects the estimated impact of CIP P651908, which will reassign students between the Downcounty Consortium, Bethesda-Chevy Chase HS, Walter Johnson HS, Walt Whitman HS, and Woodward HS in 2026.

➤ Enrollment Impact Estimate:

Type of Unit	Net # of Units	ES Infill SGR	ES Students Generated	MS Infill SGR	MS Students Generated	HS Infill SGR	HS Students Generated
SFD	0	0.202	0.000	0.096	0.000	0.141	0.000
SFA	0	0.161	0.000	0.087	0.000	0.126	0.000
MFL	0	0.065	0.000	0.030	0.000	0.040	0.000
MFH	330	0.039	12.870	0.016	5.280	0.018	5.940
TOTALS	330		12		5		5

Discussion

Discussion

- What are the most critical issues for this update?
- How can the policy better align with Thrive and other county priorities (housing, climate, equity, etc.)?
- How have growth trends changed since the 2020 update? Any trends we should look at that we haven't already identified?
- What is the value of School Impact Areas? Are we using the appropriate contexts?
- Are there other important measures of school infrastructure adequacy that are not currently captured by the policy but should be?

Preview of Next Meeting's Topics

Next Meeting's Topics

1. Follow up from the previous meeting
2. Review:
 - A. Latest county growth trends
 - B. Enrollment and utilization trends/projections
 - C. Impact taxes, utilization premium payments, recordation tax calculation method, and FY21-24 collection
3. Discuss:
 - A. Schools CIP needs, funding, and economic development implications
 - B. GIP implications

Questions?