

MOTION:

**June 17, 2014
Regular Meeting
Res. No. 14-**

SECOND:

RE: ADOPT THE 2014 POLICY GUIDE FOR MONETARY CONTRIBUTIONS

ACTION:

WHEREAS, the Comprehensive Plan includes level of service components for schools, parks, fire and rescue, libraries, and transportation chapters; and

WHEREAS, a Policy Guide for Monetary Contributions was created to establish the suggested monetary contributions for development applications to address levels of service in 1998; and

WHEREAS, pursuant to the Board's request to update the policy guide, it was updated in 2000, 2002, 2004 and 2006; and

WHEREAS, On October 8, 2013, the Board of County Supervisors initiated a review and update of the 2006 Policy Guide for Monetary Contributions (RES 13-604); and

WHEREAS, the Policy Guide for Monetary Contributions has been updated to reflect updated demographic and supporting statistical information necessary to complete the required computations for each suggested proffer amount; and

WHEREAS, staff has coordinated the update with the associated level of service agencies; and

WHEREAS, on June 3, 2014, the Board of County Supervisors directed staff to prepare a suggested monetary contribution level for Police based on the existing Comprehensive Plan level of service standards; and

WHEREAS, staff is in the process of developing the Police proffer policy and will forward it to the BOCS after it has been fully vetted by staff; and

WHEREAS, staff does not recommend changes to the existing non-residential Fire & Rescue proffer at this time;

NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors does hereby adopt the updated 2014 Policy Guide for Monetary Contributions, to become effective July 1, 2014;

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BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors does hereby initiate an amendment to the Schools Chapter of the Comprehensive Plan to address the school capacity issue.

ATTACHMENT: 2014 Policy Guide for Monetary Contributions

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Planning Director

ATTEST: _____
Clerk to the Board

Policy Guide for Monetary Contributions

POLICY GUIDE for MONETARY CONTRIBUTIONS

Prince William County Office of Planning

Revised _____
Effective _____

Revised
Effective

Policy Guide for Monetary Contributions

I. Background

The Virginia General Assembly, at its 1974 session, enacted legislation allowing counties having an urban county executive form of government to accept the voluntary proffering of certain conditions in writing from a zoning applicant. Va. Code Section 15.2-2303. In a subsequent action, the State Code was amended allowing a handful of other jurisdictions, including Prince William County, to accept proffers. In 1976, the Prince William County Zoning Ordinance was amended to include provisions for the acceptance and enforcement of proffers submitted with rezoning applications. The purpose of the legislation, known as conditional zoning, is to provide additional flexibility to local jurisdictions. The concept intends that the negative effects of a particular zoning application be offset to some degree through the proffering of mitigative conditions by the applicant. Proffers have become an increasingly significant factor in the County's land use regulation process.

II. Purpose of This Document

As part of the 1990 Comprehensive Plan, Prince William County established level of service (LOS) criteria for the various chapters of the Comprehensive Plan. LOS is a standard or benchmark by which to measure the quantity and/or quality of service provided by a government agency. LOS criteria were established for the Transportation, Parks and Open Space, Fire and Rescue Plans and an LOS standard for the Library Plan was adopted in 1994.

LOS standards are measured on a Countywide basis. The LOS standards provide an objective justification for mitigation requests. If a proposal does not meet the established LOS for a particular chapter of the Plan, either a monetary, facility and/or site proffer is expected to be provided. Such a proffer seeks to mitigate the demand on Countywide schools, parks, roads, fire and rescue services, and libraries presented by the proposed development.

In most cases, LOS standards have been computed on a "per capita" or per resident basis. According to Prince William County's Demographer, the population of Prince William County was 419,577 as of September 30, 2013. The purpose of this document is to provide a guide to the methodologies used for those equitable monetary contributions for the Schools, Fire and Rescue, Libraries, Parks and Open Space, and Transportation Plans in the Comprehensive Plan.

Policy Guide for Monetary Contributions

SUMMARY OF REQUESTED MONETARY PROFFER AMOUNTS

Single Family	<u>Amount</u>
Schools	\$20,694
Parks	\$5,591
Libraries	\$812
Fire and Rescue	\$1,053
Transportation	\$16,780
Total	\$44,930
Townhouse	
Schools	\$17,489
Parks	\$5,144
Libraries	\$805
Fire and Rescue	\$974
Transportation	\$15,425
Total	\$39,837
Multifamily	
Schools	\$10,300
Parks	\$3,792
Libraries	\$597
Fire and Rescue	\$718
Transportation	\$11,371
Total	\$26,778

These suggested voluntary monetary contributions reflect 2013 data. Actual proffer contributions may be adjusted to account for inflation, based on the Consumer Price Index. The Board of County Supervisors reaffirms its commitment to address workforce affordable housing either by requesting affordable units with new development or requesting an increased contribution in lieu of construction of affordable units.

Policy Guide for Monetary Contributions

Schools

Level of Service for Schools is defined as average use capacity determined on a Countywide basis. These average use capacity ratios are used to determine the capital cost per student. In turn, these figures are used to determine the capital cost per unit type based on student generation factor for each education level for each unit type.

Student Generation Factors (SGF)

*provided by Prince William County Schools (2013 Student Census) and excludes proffered age-restricted units.

	<u>Single Family</u>	<u>Townhouse</u>	<u>Multifamily</u>	<u>Total</u>
Elementary	0.305	0.289	0.192	0.284
Middle	0.162	0.129	0.077	0.140
High	0.214	0.153	0.085	0.177
Total	0.681	0.572	0.353	0.601

Costs

Standards	Elementary	Middle	High**
Acres/School Site	20	40	80
Cost/Acre *	\$132,813	\$132,813	\$132,813
Total Land Cost	\$2,656,260	\$5,312,520	\$10,625,040
Facility Cost	\$27,973,000	\$53,246,000	\$90,465,000
Total Cost	\$30,629,260	\$58,558,520	\$101,090,040
Student Capacity	924	1,464	2,053
Gross Capital Cost/Student	\$33,149	\$39,999	\$49,240

*Cost/Acre based on public land acquisition between 2011–2013

**Battlefield High School Model

Policy Guide for Monetary Contributions

Cost per Unit Type

Type	Cost/Student	Single Family		Townhouse		Multifamily	
		SGF	Cost/Unit	SGF	Cost/Unit	SGF	Cost/Unit
Elementary	\$33,149	0.305	\$10,110	0.289	\$9,580	0.192	\$6,365
Middle	\$39,999	0.162	\$6,480	0.129	\$5,160	0.077	\$3,080
High	\$49,240	0.214	\$10,537	0.153	\$7,534	0.085	\$4,185
Total			\$27,127		\$22,274		\$13,630

State/Federal Contribution Calculation

Total capital budget for schools	=	\$206,126,000
% of Capital budget used for new construction	=	67.8%
% of Capital budget used for renewal	=	32.2%
Total \$ received from state for capital	=	\$13,964,000
$\$13,964,000 \times 0.678$	=	\$9,467,592

Percent of state/federal going to new development	=	4.593%
$\$9,467,592 / \$206,126,000$	=	4.593%

Suggested Monetary Contribution

The suggested monetary contribution for schools is determined by subtracting from the gross cost per housing unit both funding received from state and federal sources for capital needs and a debt service credit. The debt service credit is derived annually by amortizing projected CIP school debt.

Unit Type	Gross Cost per Unit	Less State/Federal Share of Capital <small>FY14 = 4.593%</small>	Less Credit for Debt Service*	Net Cost per Unit
Single Family	\$27,127	-\$1,267	-\$5,166	\$20,694
Townhouse	\$22,274	-\$1,048	-\$3,737	\$17,489
Multifamily	\$13,630	-\$644	-\$2,686	\$10,300

*Debt Service calculations provided by Finance Department

Policy Guide for Monetary Contributions

Parks

Determination of Gross Cost of parkland per Dwelling Unit

Step 1 Parks standard for acres of parkland per 1,000 residents

Parks standard is 15.0 acres of parkland per 1,000 residents, calculated as follows:

acres of neighborhood park per 1,000 residents --- 1
acres of community park per 1,000 residents ----- 4
acres of regional park per 1,000 residents ----- 6
acres of linear/resource park per 1,000 residents ---4.0
total acres of parkland per 1,000 residents 15.0

Based on updated information from the County Demographer as of September 30, 2013, on average, there are:

3.32 persons/unit in	Single-family houses
3.04 persons/unit in	Townhouses
2.24 persons/unit in	Multifamily/Condominium units

Park Construction Costs

Cost Per Acre to develop a Park (Includes Land, Site Improvement and Facility Costs)

*Provided by Parks and Recreation Department

Community Park = \$147,615 per acre

Regional Park = \$151,008 per acre

Linear Park = \$25,640 per acre

4/1,000 = 0.004 acres of Community Park per person

6/1,000 = 0.006 acres of Regional Park per person

4/1,000 = 0.004 acres of Linear Park per person

0.004 acres * \$147,615 = \$590 per person for community park

0.006 acres * \$151,008 = \$906 per person for regional park

0.004 acres * \$25,640 = \$103 per person for linear park

= \$1,599 per person cost

Single Family Dwelling Unit Cost

3.32 * \$1,599 = \$5,309

Townhouse Dwelling Unit Cost

3.04 * \$1,599 = \$4,861

Multiple Family Dwelling Unit Cost

2.24 * \$1,599 = \$3,582

Policy Guide for Monetary Contributions

Additional Facility Needs

The following calculation represents the facility needs generated by new development that have not been accommodated within the calculations for school recreation facilities or new park construction.

Additional people by 2030 = 142,376

Facility costs = \$23,564,752

*Costs based on estimates provided by the Parks and Recreation Department

*Facility estimates provided by the Planning Office based on the Comprehensive Plan

$\$23,564,752 / 142,376 = \166 per person

Single Family Dwelling Unit Cost

$3.32 * \$166 = \551

Townhouse Dwelling Unit Cost

$3.04 * \$166 = \505

Multiple Family Dwelling Unit Cost

$2.24 * \$166 = \372

The suggested monetary contribution for parks is determined by subtracting from the gross cost per housing unit both funding received from state and federal sources for capital needs and a debt service credit. The debt service credit is derived annually by amortizing projected CIP debt.

Unit Type	Gross Cost per Unit – New Parks	Gross Cost per Unit – Additional Facilities	Less State/Federal Share of Capital 2.5% of gross cost	Less Credit for Debt Service*	Net Cost per Unit
Single Family	\$5,309	\$551	-\$147	-\$121	\$5,592
Townhouse	\$4,861	\$505	-\$135	-\$87	\$5,144
Multifamily	\$3,582	\$372	-\$99	-\$63	\$3,792

*Debt Service calculations provided by Finance Department

Policy Guide for Monetary Contributions

Libraries

Level of Service for Libraries is defined as building square footage and volumes (books) needed in order to meet nationally recognized standards for suburban populations.

Square Feet of Library Building Needed = 0.41 square feet per capita

Volumes Needed = 2.5 volumes per capita

COSTS:

Standards

Square feet/capita	0.41	\$257.48
Building cost/square foot	\$628	
Acres/capita	0.000053	\$7.04
Cost/acre **	\$132,813	
Construction Cost Per Capita		\$264.52
Volumes/capita	2.5	
Cost/volume ***	2.5 * \$30.00	\$75.00
Gross Cost Per Capita	$\$170.63 + \$75.00 =$	\$339.52

Single Family Dwelling Unit Cost

3.32 persons per household * \$339.52 = \$1,127

Townhouse Dwelling Unit Cost

3.04 persons per household * \$339.52 = \$1,032

Multiple Family Dwelling Unit Cost

2.24 persons per household * \$339.52 = \$761

Suggested Monetary Contribution

Unit	Gross Cost per Unit	Less Credit for Debt Service	Net Cost per Unit
Single Family	\$1,127	-\$315	\$812
Townhouse	\$1,033	-\$228	\$805
Multifamily	\$761	-\$164	\$597

*Debt Service Calculation provided by Finance Department

**Cost/Acre based on the average of the public land acquisition between 2011 – 2013

***Cost/Volume is computed by using the acquisitions module to determine the actual average cost per volume paid in the last fiscal year, then adjusted based on assumptions about collections.

Policy Guide for Monetary Contributions

Fire and Rescue

NEEDS:

Needs are defined as building square footage, acreage, and equipment needed to provide new fire and rescue stations that meet local service standards for suburban populations, expressed as cost/capita (residential) and cost/incident (nonresidential).

Cost Per Station

Bldg. Cost Per Sq. Ft.*	\$602.17
Land (per acre)*	\$132,813
Equipment**	\$3,870,000

*17,500 square feet on 5.0 acres = 6.0 new stations needed
(Based on projected population growth of 142,376 by 2030)

** Based on current cost to outfit a fully equipped station

RESIDENTIAL COSTS:

Residential Factor: (2013 data)

$$\frac{\text{Residential incidents}}{\text{Total incidents}} = \frac{21,818}{44,404} = 0.54$$

Residential factor applied to total cost of fire and rescue services.

Standards for Residential:

Bldg. cost/capita ¹	105,000 square feet (6 stations)/142,376 = 0.7374		
	0.7374	x \$602.17	x 0.54 = \$239.78
Land cost/capita ²	0.0002215	x \$132,813 = \$29.42	x 0.54 = \$ 15.89
Equipment cost/capita ¹	\$163.09	x 0.54	= \$ 88.07

COST PER CAPITA

\$343.74

Multiply by 3.32 for single-family dwelling (\$343.74 x 3.32 = \$1,141.22)

Multiply by 3.04 for townhouse (\$343.74 x 3.04 = \$1,044.97)

Multiply by 2.24 for multifamily (\$343.74 x 2.24 = \$769.98)

¹ This figure is based on the average cost times the number of stations needed divided by the new population.

² This figure is based on the average cost of recent land acquisitions for county agencies.

Policy Guide for Monetary Contributions

Suggested Monetary Contribution (Amortize current debt and project CIP debt)

Unit Type	Gross Cost per Unit	Less Funds Fire Levy for Capital FY14=3.57%	Less Credit for Debt Service	Net Cost per Unit
Single Family	\$1,141	-\$43	-\$45	\$1,053
Townhouse	\$1,045	-\$39	-\$32	\$974
Multifamily	\$770	-\$29	-\$23	\$718

*Based on FY14 Capital Budget

*Debt Service calculations provided by Finance Department

NONRESIDENTIAL COSTS:

Suggested monetary contribution based on 2006 Policy Guide For Monetary Contributions

Unit	Cost
Nonresidential	\$0.61 per sq. ft.

Policy Guide for Monetary Contributions

Transportation

In accordance with the Comprehensive Plan, the following calculations are based upon roadways classified as Major Collector and above. Roadways classified as Minor Collectors and Local Streets are evaluated in conjunction with development proposals as stipulated in the Prince William County Design and Construction Standards Manual (DCSM). Calculations reference lane-miles. Lane-miles are defined as the product of the number of through-traffic lanes for a given segment of roadway multiplied by the length in miles of that given segment of roadway.

Standards:

Total lane-miles needed in 2030 to meet LOS goals in adopted Thoroughfare Plan network ³	=	1,555.8
Less lane-miles opened to traffic through December 31, 2015		- 1,124.1
Additional lane-miles of road needed by 2030	=	<u>431.7</u>
Less improvements included in the Metropolitan Washington Council of Governments (COG's) 2013 Financially Constrained Long-Range Plan (CLRP) ⁴		- 98.4
Lane-miles of unfunded road improvements (rounded to nearest tenth mile)	=	<u>333.3</u>
Multiplied by the estimated average cost/mile of new road ⁵		x \$4,300,000
Total estimated cost of unfunded road improvements	=	<u>\$1,433,190,000</u>

The following are forecasted residential trips based on current Thoroughfare Plan and COG Round 8.1 forecast.

Total trips per day forecasted for 2030 ⁶	=	1,977,610
Resident-based trips per day		
Home-based work trips	=	48,257
Home-based other trips	=	357,135
Home-based shopping trips	=	164,161
Trips to other counties	=	<u>433,565</u>

³ Includes interstates, parkways, principal and minor arterials, major collectors and ramps that are identified in the 2030 Thoroughfare Plan.

⁴ The number shown includes the 41.1 lane-miles approved by Prince William County voters for funding in 2002, as well as the 102.0 lane-miles approved in the 2006 bond referendum and the 49.5 lane miles under consideration for a 2010 bond referendum, which have been paid through a combination of local, state and federal funds.

⁵ Based upon actual costs for recent Capital Division construction projects.

⁶ Forecasted trips per day from 2010 Comprehensive Plan transportation model.

Policy Guide for Monetary Contributions

Total resident-based trips per day	=	1,103,118
Residential share of total trips (1,103,118/1,977,610 rounded to whole percent)	=	56%
Residential share of unfunded road improvements (\$1,433,620,000 x .56)	=	\$799,438,558

Residential Share

An applicant for a rezoning for residential use will be asked to proffer a LOS contribution to help offset the unfunded road improvements identified above. The methodology for calculating this LOS contribution is shown below. If the applicant elects to dedicate transportation improvements and/or right-of-way for roads identified in the Thoroughfare Plan which are above and beyond what is required to mitigate the transportation impact of the proposed development and satisfy VDOT safety requirements, the value of that dedication will be credited against the suggested monetary contribution. The value of that credit will be determined based on the County's assessed value of the right-of-way and the cost of the transportation improvement using the County's Unit Price List.

Calculating the Cost of a Lane Mile on a per Household Basis

Total Lane Miles/2030 Population = $1,555.8/561,953 = 0.00277$ lane miles per person
 Persons Per HH * 0.00277 * \$4,300,000 (estimated average cost/mile of new road) = X

Single Family = $3.32 \text{ pphh} * 0.00277 * \$4,300,000 = \$39,545$
 Townhouse = $3.04 \text{ pphh} * 0.00277 * \$4,300,000 = \$36,209$
 Multifamily = $2.24 \text{ pphh} * 0.00277 * \$4,300,000 = \$26,681$

Calculating the Suggested Proffer Amount

Additional lane-miles of road needed by 2030 = 431.7
 431.7 lane miles needed – 98.4 funded lane miles = $333.3/431.7 = 77.2\%$ unfunded lane miles

$X * 0.772 * 0.56$ (Residential Share of Total Trips) = Suggested Proffer Amount

Single Family = $\$39,545 * 0.772 * 0.56 = \$17,096$
 Townhouse = $\$36,209 * 0.772 * 0.56 = \$15,654$
 Multifamily = $\$26,681 * 0.772 * 0.56 = \$11,535$

Cost per unit type:

Type of Dwelling Unit	Gross Cost Per Unit	Less Debt Service Credit	Cost/Unit
Single-family	\$17,096	-\$316	\$16,780
Townhouse	\$15,654	-\$229	\$15,425
Multifamily	\$11,535	-\$164	\$11,371

*Debt Service Calculation provided by Finance Department

Revised
Effective

Policy Guide for Monetary Contributions

Non-Residential Share

Based upon the per unit residential calculations shown above, Prince William County will still experience a shortfall of \$633,751,442 for necessary roadway improvements required by 2030. The Council of Governments (COG) Round 8.1 forecasts approximately 61,100 additional jobs will be created from nonresidential uses by 2030. Applicants for rezoning nonresidential development will be asked to contribute right-of-way, roadway construction, and other transportation improvements that serve to mitigate the impacts of that development on the level of service LOS of roads serving that development. Cash contributions in lieu of transportation improvements may also be requested, provided the cash contribution is calculated based on the approximate costs of the transportation improvements that serve to mitigate and have a reasonable relationship to the proposed development. The Traffic Impact Analysis (TIA) submitted with each nonresidential development application will indicate the extent of that impact and the mitigation measures required to maintain an acceptable level of service. These mitigating improvements and the anticipated revenue growth from new nonresidential development are anticipated to alleviate the nearly \$634 million shortfall.

Policy Guide for Monetary Contributions

Suggested Proffer Language

To facilitate the subsequent review of site and subdivision plans, the proffer statement should be written in clear and concise language with consideration toward future interpretation. The performance details of a proffered condition should be defined. More specifically, the proffer text should include information pertaining to not only what is being proffered, but also when the action will occur and who is involved in performance of the action.

Where possible, proffers should define objective standards of performance to avoid any subsequent debate regarding interpretation. Restatements of already existing state or local requirements should be omitted from the proffer text.

Each proffer should state the time frame within which the proffered obligation will be performed. In the absence of explicit language indicating when performance is to occur, the County will generally request demonstration of performance of the proffered obligation with the preliminary or first final site or subdivision plan affecting the rezoned property. Actual performance is expected at the time of development subject to approved plans and issuance of permits. Examples of preferred collection dates for monetary proffers generally are listed below:

- Final plan approval
- Lump sum with the issuance of a land disturbance permit
- Lump sum with the first building permit for a particular type of unit
- Per lot or unit amount with every building permit for a particular type of unit

Pursuant to direction from the Board of County Supervisors, applicants will be encouraged to make monetary contributions for transportation improvements as a lump sum prior to issuance of a site development permit.

In order to facilitate more efficient use of proffered monetary contributions, the direction of such contributions to specific capital projects will be discouraged, as will limitation of monetary contributions to a specific area of the County.

Applicants proffering monetary contributions will be encouraged to include a provision to adjust the proffered amount consistent with the increase in the cost of improvements over time. The County will maintain a cost of construction “index” to assist the applicant in determining the appropriate rate.

The County Attorney’s Office will assist the Planning Office in review of proffer language. Applicants seeking assistance with drafting specific proffer language are encouraged to contact the Planning Office.

Policy Guide for Monetary Contributions

Exception Policies

There are some instances where the strict adherence to the Policy Guide is inappropriate. Although each proposal will be looked at on a case by case basis, these exceptions can be divided into three broad categories:

1. Credits for on site or off site improvements

Since the beginning of the proffer process in late 1970's, the County has allowed credits for physical improvements and donations of land. The County will continue this policy with the understanding that physical improvements (such as school site donation, road construction above and beyond that required by the code) must address the level-of-service measures outlined in the Comprehensive Plan. Confirmation of value, correct location, useable acreage, and need will be determined by the County.

2. Uses that have reduced or have no impact on certain levels of service

There are some uses that have no impact on a specific level-of-service measure. Each proposal will be considered on a case-by-case basis and at the sole discretion of the County. Consideration may be given to reducing proffer amount requests in such circumstances.

In particular, developments with an age-restricted component that prohibits school-age children will have no impact on the schools level of service; therefore, the proffer amounts for schools will not be requested for any age-restricted unit proposed within the County.

3. Targeted or desirable land uses

There are a select number of targeted industries and land uses for which the County may consider a reduction in monetary contributions. These targeted industries are listed by the Department of Economic Development.

Attachment A – June 3, 2014 BOCS Meeting Staff Report



Melissa S. Peacor
County Executive

COUNTY OF PRINCE WILLIAM
OFFICE OF EXECUTIVE MANAGEMENT
1 County Complex Court, Prince William, Virginia 22192-9201
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May 28, 2014

TO: Board of County Supervisors

FROM: Christopher M. Price, AICP
Director of Planning *amm*

THRU: Melissa S. Peacor
County Executive

RE: Adopt the 2014 Policy Guide For Monetary Contributions – **Countywide**

I. Background Information is as follows:

- A. Proffers Overview – Proffers are voluntary contributions (monetary and non-monetary) made by applicants in order to mitigate potential impacts of proposed developments. Once offered by the applicant and accepted by the Board of County Supervisors, proffers become part of the zoning of the subject property and have similar legal standing to other applicable zoning provisions. Proffered funds can be used to add capacity to capital facilities in accordance with the proffer language and consistent with state law.

Proffers are a significant factor in the County's land use regulation process and are used to link land use decisions to impacts on public facilities. This linkage must be based on the proposed development, the proportionate impacts that it will likely create, and conditions appropriate to mitigate those impacts. To ensure that this relationship is achieved, Prince William County has developed a Policy Guide for Monetary Contributions (proffer policy) to anticipate impacts of development and to provide a framework for negotiating conditions to mitigate those impacts. Prince William County's policy is based on unit type and is uniform throughout the County. Recommended contributions by unit type are detailed in the Policy Guide for Monetary Contributions.

Between July 1, 1992 and December 31, 2013, Prince William County has collected \$209,350,112 in cash proffers. This cash amount is in addition to non-cash proffers such as land dedications, roadway improvements and other on-site and off-site improvements that, in tandem with cash proffers, mitigate potential impacts on public facilities.

- B. Proffers History – In 1974, the Virginia General Assembly enacted legislation allowing counties to accept voluntary proffering of certain conditions in writing from a zoning applicant. In 1976, the Prince William County Zoning Ordinance

Attachment A – June 3, 2014 BOCS Meeting Staff Report

Policy Guide for Monetary Contributions Update
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was amended to allow for acceptance and enforcement of proffers submitted with rezoning applications. In 1990, the County established Level of Service standards and incorporated those standards into the Comprehensive Plan. In 1999, the Board of County Supervisors instituted the first Policy Guide for Monetary Contributions. That guide has been updated periodically, with the effective date of the last update being July 1, 2006 (See Attachment A). Since 2006, the General Assembly has adopted legislation that requires proffer funds to be expended within twelve years of receipt. In addition, a jurisdiction is not permitted to require cash proffers to be paid until such time that a final inspection has been completed on the property. The most recent change in proffer legislation indicates that proffer funds may not be utilized for any capital improvement to an existing facility that does not expand the capacity of that facility.

- C. Policy Guide For Monetary Contributions Methodology – The policy guide provides a suggested dollar amount for voluntary contributions made by applicants to mitigate the potential impacts of proposed developments. The methodology is detailed in the guide and is generally based on input factors provided by each level of service agency. Examples of the input factors include site acquisition and construction costs, student generation rates, number of road lane miles, etc. Per unit contributions are based on levels of service standards consistent with the Comprehensive Plan. In order to ensure adequate mitigation of impacts over time, the policy includes an inflationary escalator clause.
- D. BOCS Initiation – On October 8, 2013, the Board of County Supervisors (BOCS) initiated a review and update of the 2006 Policy Guide for Monetary Contributions (RES 13-604).
- E. BOCS Directive – On February 25, 2014, a directive was issued by Supervisor May (DIR 14-27) to study the possibility of requesting capital contributions from new development with respect to large capital projects, such as the proposed jail addition (Attachment B).
- F. School Board Action – On April 23, 2014, the Prince William County School Board adopted prototype designs for their new school facilities. Schools staff revised their previously prepared calculations accordingly.
- G. Agency Coordination – As part of the proffer policy review, staff held meetings with representatives of each level of service review agency, including; Fire and Rescue, Libraries, Parks and Recreation, Schools, Transportation, Adult Detention Center, Finance, and the Office of Management and Budget. Each meeting allowed staff to receive feedback on potential issues and concerns with the existing Policy Guide for Monetary Contributions and the corresponding Comprehensive Plan level of service standard. Recommendations for updates to input criteria and methodologies are based on feedback from the levels of service agencies. Each agency has provided written confirmation that the updated methodologies and calculations accurately reflect existing conditions.

Attachment A – June 3, 2014 BOCS Meeting Staff Report

Policy Guide for Monetary Contributions Update
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II. Current Situation is as follows:

- A. Proffer Policy Update – The Policy Guide for Monetary Contributions is based on the level of service criteria identified within the Comprehensive Plan. It is important that the Policy Guide maintains a rational nexus with the Comprehensive Plan to ensure the suggested proffer amounts meet level of service needs and that they are roughly proportional to the costs required to mitigate impacts directly associated with the proposed development.
- B. Level of Service Categories – The following summarizes the draft update of the Policy Guide for Monetary Contributions associated with each level of service category. Commentary on each level of service methodology is provided in Appendix C.

1. Schools – The proposed proffer for Schools is as follows:

Schools Proffer	2006	2014	% Change
Single Family	\$14,462	\$20,694	+43
Townhouse	\$11,685	\$17,489	+50
Multifamily	\$5,033	\$10,300	+105

- a) Policy Impact – The 2008 Comprehensive Plan school facility standards identifies specific capacity numbers for each type of school. The School Board has amended their planned capacities for elementary schools, middle schools and high schools. Staff recommends initiation of a Comprehensive Plan amendment to align planning policies with school standards.

2. Parks – The proposed proffer for Parks is as follows:

Parks Proffer	2006	2014	% Change
Single Family	\$3,972	\$5,591	+41
Townhouse	\$3,725	\$5,144	+38
Multifamily	\$2,679	\$3,792	+42

3. Libraries – The proposed proffer for Libraries is as follows:

Libraries Proffer	2006	2014	% Change
Single Family	\$610	\$812	+33
Townhouse	\$601	\$805	+34
Multifamily	\$418	\$597	+43

4. Fire & Rescue – Fire & Rescue is the only level of service category that suggests a proffer amount for non-residential development. The proposed proffer for Fire & Rescue is as follows:

Fire & Rescue Proffer	2006	2014	% Change
-----------------------	------	------	----------

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Single Family	\$749	\$1,053	+41
Townhouse	\$720	\$974	+35
Multifamily	\$509	\$718	+41
Nonresidential	\$0.61 per sq.ft.	\$1.33 per sq.ft.	+118

5. Transportation – The proposed proffer for Transportation is as follows::

Standards	2006	2014	% Change
Single Family	\$17,926	\$16,780	-6
Townhouse	\$15,196	\$15,425	+1.5
Multifamily	\$10,887	\$11,371	+4

C. Summary of Findings – The combined totals for each existing level of service results in a final recommended contribution. The comparison of the proposed amount and the 2006 amount is provided below:

Unit Type	2006 Adopted	2014 Proposed	% Change
Single Family	\$37,719	\$44,930	19%
Townhouse	\$31,927	\$39,837	25%
Multifamily	\$19,526	\$26,778	37%

D. Adult Detention Center Directive – Based on Directive 14-27, the Planning Office met with staff at the Adult Detention Center to prepare and review a proposed proffer methodology. As a result, the suggested proffer amounts are as follows:

Proposed ADC Proffer	2014
Single Family	\$700
Townhouse	\$693
Multifamily	\$514

Staff does not recommend adoption of the Adult Detention Center proffer due to the fact that there is currently no level of service standard within the Comprehensive Plan to justify the proposed proffer.

E. Policy Considerations – In addition to the suggested monetary contribution amounts and the associated methodology for each level of service category, the Planning Office has been asked to consider several policy issues including the following:

1. Credit for By-Right Uses - Some jurisdictions provide a credit for a by-right units (or a portion thereof) from the suggested proffer contribution since these units could be constructed without any legislative approval (e.g Rezoning or Special Use Permit). Such a policy could encourage redevelopment in areas of the County where the zoning is already

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established and the County is actively pursuing and encouraging new investment and/or more creative community development strategies. However, it is difficult to accurately ascertain the amount of by right units that should be credited without an approved subdivision plan. For example, issues such as environmental constraints, necessary waivers/modifications, etc. may limit the amount of by right development and such limitations may not fully be known at the time of a rezoning. Staff recommends that the policy remain silent on this issue and that such credits continue to be negotiated on a case by case basis to achieve outcomes consistent with the Comprehensive Plan.

2. Funds Transfer Between Categories- Prince William County specifically delineates each level of service category and collects/spends proffer funds accordingly. Some jurisdictions collect for “General Government” which can be utilized for a variety of capital facility needs. Proffer funds must be utilized for capacity adding capital facility improvements intended to mitigate impacts associated specifically with proposed development. In addition, recent court decisions and state legislation appear to further limit the ability to collect and allocate proffer funds without specificity. As such, staff recommends retaining our existing system of categorizing level of service contributions by service type.
3. Age Restricted Units – The current Policy Guide for Monetary Contributions does not specifically address the issue of requesting proffers to mitigate schools impacts associated with age restricted communities; however in practice neither Schools nor the Planning Office requests school proffers from proposed age restricted units (although we do request such proffers for instances where a proffer amendment is being requested to eliminate an age restriction). In addition, there does not appear to be a legal basis by which to connect the mitigation of impacts associated with increases in school children to an increase in age restricted units. The revised Schools level of service calculation has been updated to remove age restricted units from the total units by which the number of school children are derived. The effect of this change has been a higher per household student generation rate due to fewer households being included in the calculation. This results in a higher cash proffer amount for Schools.
4. Credit for Constructed Facilities – The County routinely negotiates for the construction of public facilities intended to mitigate the impacts associated with new development. Credits are considered and negotiated within the context of recent court decisions and State Code changes. Construction of such facilities is generally given a credit against the level of service calculations. In general, the County prefers the construction of public facilities to the provision of cash contributions because the actual construction allows for the phased mitigation of impacts tied to residential construction activity rather than future construction utilizing proffered

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funds pooled from various projects.

5. Surrounding Communities – As part of the initiation, the BOCS directed staff to investigate neighboring community policies regarding monetary contributions. A summary of these findings is provided in Appendix E.

- F. Issues for Future Consideration - Several issues were identified that may warrant consideration in future updates to the Comprehensive Plan and corresponding updates to our levels of service standards. Such issues include changes to the Libraries business model that may necessitate future Comprehensive Plan amendments, development of a monetary proffer for transit (including PRTC and VRE), a monetary proffer for Police, and development of a level of service standard for Senior Centers and human services facilities.

III. Issues in order of importance are:

- A. Policy – Are the policies incorporated into the revised policy guide consistent with the level of service approach outlined within the Comprehensive Plan?
- B. Fiscal Impacts – What are the impacts of the proposed revisions to the policy guide on the County's fiscal strategy?
- C. Timing – When will implementation of the revisions to the policy guide occur?
- D. Legal – Are there any legal implications associated with the Board's consideration of the proposed revisions?

IV. Alternatives beginning with the staff recommendation are as follows:

- A. Adopt the 2014 Policy Guide for Monetary Contributions.
 1. Policy – The Policy Guide for Monetary Contributions is consistent with the general tenets of the Comprehensive Plan. It provides for calculation of the initial capital costs needed to support each new dwelling unit. Staff is not recommending inclusion of the newly created Adult Detention Center since it lacks a level of service standard within the Comprehensive Plan. Further, staff is recommending an amendment to the Comprehensive Plan to amend school student capacity levels. Without this amendment the proposed methodology for schools is inconsistent with the Comprehensive Plan.
 2. Fiscal Impacts – The proposed monetary contributions are intended to offset the impact of the initial capital costs generated by each new dwelling unit for the five services identified within the Comprehensive Plan.

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3. Timing – The revised policy will apply to applications for rezoning accepted on or after July 1, 2014. Periodic reviews to the policy as appropriate are necessary to ensure that the policy remains aligned with the Comprehensive Plan. Adjustments should occur as needed to the current policy for changing conditions.
4. Legal – Cash proffers are voluntary contributions. This methodology provides the rationale in determining a suggested cash proffer amount necessary to mitigate anticipated impacts of future development.

B. Take No Action.

1. Policy – The policy guide will not be updated for infrastructure costs and relative household data.
2. Fiscal Impacts – This alternative would result in a Policy Guide that does not accurately reflect the impact of initial capital costs generated by each new dwelling unit and would also not reflect changes to the Comprehensive Plan that have occurred since 2006.
3. Timing – Not applicable
4. Legal – Cash proffers are voluntary. The current methodology provides a rationale for the determination of suggested amounts.

- V. Recommendation is that the Board of County Supervisors concur with Alternative A and approve the attached Resolution.

Staff: Christopher Price, AICP, Planning Director, 703.792.7615

Attachments:

- A. 2006 Policy Guide for Monetary Contributions
- B. BOCS Initiating Resolution
- C. Methodology and Assumptions of the Proposed Policy Guide
- D. Adult Detention Center Draft Level of Service Calculation
- E. Jurisdictional Proffer Amount Comparison

Policy Guide for Monetary Contributions

**POLICY GUIDE for MONETARY
CONTRIBUTIONS**

Prince William County Office of Planning

Adopted May 2, 2006
Effective July 1, 2006

Attachment A – 2006 Policy Guide for Monetary Contributions

Policy Guide for Monetary Contributions

I. Background

The Virginia General Assembly, at its 1974 session, enacted legislation allowing counties having an urban county executive form of government to accept the voluntary proffering of certain conditions in writing from a zoning applicant. Va. Code Section 15.2-2303. In a subsequent action, the State Code was amended allowing a handful of other jurisdictions, including Prince William County, to accept proffers. In 1976, the Prince William County Zoning Ordinance was amended to include provisions for the acceptance and enforcement of proffers submitted with rezoning applications. The purpose of the legislation, known as conditional zoning, is to provide additional flexibility to local jurisdictions. The concept intends that the negative effects of a particular zoning application be offset to some degree through the proffering of mitigative conditions by the applicant. Proffers have become an increasingly significant factor in the County's land use regulation process.

II. Purpose of This Document

As part of the 1990 Comprehensive Plan, Prince William County established level of service (LOS) criteria for the various chapters of the Comprehensive Plan. LOS is a standard or benchmark by which to measure the quantity and/or quality of service provided by a government agency. LOS criteria were established for the Transportation, Parks and Open Space, and Fire and Rescue Plans. The Library Plan, adopted in 1994, also includes LOS criteria.

LOS standards are measured on a Countywide basis. The LOS standards provide an objective justification for mitigation requests. If a proposal does not meet the established LOS for a particular chapter of the Plan, either a monetary, facility and/or site proffer is expected to be provided. Such a proffer seeks to mitigate the demand on Countywide schools, parks, roads, fire and rescue services, and libraries presented by the proposed development.

In most cases, LOS standards have been computed on a "per capita" or per resident basis. According to Prince William County's Office of Information Technology (OIT), the population of Prince William County was 354,383 as of June 15, 2005. The purpose of this document is to provide a guide to the methodologies used for those equitable monetary contributions for the Schools, Fire and Rescue, Libraries, Parks and Open Space, and Transportation Plans in the Comprehensive Plan.

Adopted May 2, 2006
Effective July 1, 2006

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Policy Guide for Monetary Contributions

SUMMARY OF REQUESTED MONETARY PROFFER AMOUNTS

Single Family	Amount
Service	
Schools	\$14,462
Parks	\$3,972
Libraries	\$610
Fire and Rescue	\$749
Transportation	\$17,926
Subtotal	\$37,719
Townhouse	
Service	
Schools	\$11,685
Parks	\$3,725
Libraries	\$601
Fire and Rescue	\$720
Transportation	\$15,196
Subtotal	\$31,927
Multifamily	
Service	
Schools	\$5,033
Parks	\$2,679
Libraries	\$418
Fire and Rescue	\$509
Transportation	\$10,887
Subtotal	\$19,526

These suggested voluntary monetary contributions reflect 2005 data. Actual proffer contributions may be adjusted to account for inflation, based on the Consumer Price Index. The Board of County Supervisors reaffirms its commitment to address workforce affordable housing either by requesting affordable units with new development or requesting an increased contribution in lieu of construction of affordable units.

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Policy Guide for Monetary Contributions

Schools

Level of Service for Schools is defined as average use capacity determined on a Countywide basis. These average use capacity ratios are used to determine the capital cost per student. In turn, these figures are used to determine the capital cost per unit type based on student generation factor for each education level for each unit type.

Student Generation Factors (SGF)

	<u>Single Family</u>	<u>Townhouse</u>	<u>Multifamily</u>	<u>Total</u>
Elementary	0.289	0.251	0.135	0.252
Middle	0.152	0.118	0.056	0.127
High	0.206	0.151	0.062	0.167
Total	0.647	0.520	0.253	0.546

Costs

Standards	Elementary	Middle	High
Acres/School Site	20	40	80
Cost/Acre **	\$128,468	\$128,468	\$128,468
Cost/Site	\$2,569,360	\$5,138,720	\$10,277,400
Facility Cost	\$16,930,000	\$32,700,000	\$64,190,000
Total Cost	\$19,499,360	\$37,838,720	\$74,467,440
Student Capacity	850	1,250	2,150
Gross Cost/Student	\$22,940	\$30,271	\$34,636

**Cost/Acre based on the average of the public land acquisitions between 7/03 – 7/05

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Cost per Unit Type

Type	Cost/Student	Single Family		Townhouse		Multifamily	
		SGF*	Cost/Unit	SGF*	Cost/Unit	SGF*	Cost/Unit
Elementary	\$22,940	0.289	\$6,630	0.251	\$5,758	0.135	\$3,097
Middle	\$30,271	0.152	\$4,601	0.118	\$3,572	0.056	\$1,695
High	\$34,636	0.206	\$7,135	.151	\$5,230	0.062	\$2,147
Total			\$18,366		\$14,560		\$6,940

*SGF = Student Generation Factor

Suggested Monetary Contribution

The suggested monetary contribution for schools is determined by subtracting from the gross cost per housing unit both funding received from state and federal sources for capital needs and a debt service credit. The debt service credit is derived annually by amortizing projected CIP school debt.

Unit Type	Gross Cost per Unit	Less State/Federal Share of Capital <small>FY06 = 11.2%</small>	Less Credit for Debt Service*	Net Cost
Single Family	\$18,366	-\$2,056	-\$1,848	\$14,462
Townhouse	\$14,560	-\$1,630	-\$1,245	\$11,685
Multifamily	\$6,940	-\$777	-\$1,130	\$5,033

*See attached debt service tables

Total capital budget for schools	=	\$107,454,000
% of Capital budget used for new construction	=	67.6%
% of Capital budget used for renewal	=	32.4%
Total \$ received from state for capital	=	\$17,815,000
$\$17,815,000 \times 0.676$	=	\$12,042,940
Percent of state/federal going to new development	=	11.2%
$\$12,042,940 / \$107,454,000$	=	11.2%

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Policy Guide for Monetary Contributions

	School Credit					
	Single Family - 6 Years					
	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Average Assessed Value	\$ 493,565	\$ 567,600	\$ 613,000	\$ 655,900	\$ 688,700	\$ 709,400
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	4,491	4,353	4,401	4,611	4,835	5,065
Percent to Credit	1.3%	1.1%	2.6%	3.9%	4.6%	5.3%
Annual debt service credit	\$ 57	\$ 49	\$ 186	\$ 179	\$ 221	\$ 267
Total Credit	\$1,848					
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for Schools	\$ 4,954,663	\$ 4,895,500	\$ 12,435,383	\$ 19,969,134	\$ 25,500,993	\$ 31,900,490
Percent to Credit (Debt service as a percent of real estate revenue)	1.3%	1.1%	2.6%	3.9%	4.6%	5.3%
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Year	Single Family						
	Fiscal Year						
	2006	2007	2008	2009	2010	2011	
1.0	\$ 56.67						\$56.67
2.0		\$ 49.35					\$49.35
3.0			\$ 116.07				\$116.07
4.0				\$ 179.32			\$179.32
5.0					\$ 220.82		\$220.82
6.0						\$ 266.61	\$266.61
7.0						\$ 253.28	\$253.28
8.0						\$ 239.95	\$239.95
9.0						\$ 226.62	\$226.62
10.0						\$ 213.29	\$213.29
11.0						\$ 199.96	\$199.96
12.0						\$ 186.63	\$186.63
13.0						\$ 173.29	\$173.29
14.0						\$ 159.96	\$159.96
15.0						\$ 146.63	\$146.63
16.0						\$ 133.30	\$133.30
17.0						\$ 119.97	\$119.97
18.0						\$ 106.64	\$106.64
19.0						\$ 93.31	\$93.31
20.0						\$ 79.98	\$79.98
							Total
							6.1% NPV
							\$3,221.65
							\$1,848

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Policy Guide for Monetary Contributions

	School Credit		Townhouse - 6 Years			
	2006	2007	2008	2009	2010	2011
Average Assessed Value	\$ 332,477	\$ 382,300	\$ 412,900	\$ 441,800	\$ 463,900	\$ 477,800
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	3,026	2,932	2,965	3,106	3,257	3,411
Percent to Credit	1.3%	1.1%	2.6%	3.9%	4.6%	5.3%
Annual debt service credit	\$ 38	\$ 33	\$ 78	\$ 121	\$ 149	\$ 180
Total Credit	\$1,245					
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for Schools	\$ 4,954,663	\$ 4,895,500	\$ 12,435,383	\$ 19,969,134	\$ 25,500,993	\$ 31,900,490
Percent to Credit (Debt service as a percent of real estate revenue)	1.3%	1.1%	2.6%	3.9%	4.6%	5.3%
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Single Family

Year	Fiscal Year						
	2006	2007	2008	2009	2010	2011	
1.0	\$ 38.17						\$38.17
2.0		\$ 33.24					\$33.24
3.0			\$ 78.18				\$78.18
4.0				\$ 120.79			\$120.79
5.0					\$ 148.74		\$148.74
6.0						\$ 179.57	\$179.57
7.0						\$ 170.39	\$170.39
8.0						\$ 161.61	\$161.61
9.0						\$ 152.63	\$152.63
10.0						\$ 143.65	\$143.65
11.0						\$ 134.68	\$134.68
12.0						\$ 125.70	\$125.70
13.0						\$ 116.72	\$116.72
14.0						\$ 107.74	\$107.74
15.0						\$ 98.76	\$98.76
16.0						\$ 89.78	\$89.78
17.0						\$ 80.81	\$80.81
18.0						\$ 71.83	\$71.83
19.0						\$ 62.85	\$62.85
20.0						\$ 53.87	\$53.87
							\$2,169.90
							\$1,245
							Discount Rate
							Total
							6.1% NPV

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	School Credit		Multifamily 6 Years			
	2006	2007	2008	2009	2010	2011
		1,149,943,331	1,080,115,274	1,069,903,949	1,050,124,688	1,029,921,634
Average Assessed Value	\$ 301,754	\$ 347,000	\$ 374,800	\$ 401,000	\$ 421,100	\$ 433,700
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	2,746	2,661	2,691	2,819	2,956	3,097
Percent to Credit	1.3%	1.1%	2.6%	3.9%	4.6%	5.3%
Annual debt service credit	\$ 35	\$ 30	\$ 71	\$ 110	\$ 135	\$ 163
Total Credit	\$1,130					
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for Schools	\$ 4,954,663	\$ 4,895,500	\$ 12,435,383	\$ 19,969,134	\$ 25,500,993	\$ 31,600,490
Percent to Credit (Debt service as a percent of real estate revenue)	1.3%	1.1%	2.6%	3.9%	4.6%	5.3%
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Year	Single Family						
	2006	2007	2008	2009	2010	2011	
1.0	\$ 34.65						\$34.65
2.0		\$ 30.17					\$30.17
3.0			\$ 70.97				\$70.97
4.0				\$ 109.63			\$109.63
5.0					\$ 135.02		\$135.02
6.0						\$ 162.99	\$162.99
7.0						154.84	\$154.84
8.0						146.69	\$146.69
9.0						138.54	\$138.54
10.0						130.39	\$130.39
11.0						122.25	\$122.25
12.0						114.10	\$114.10
13.0						105.95	\$105.95
14.0						97.80	\$97.80
15.0						89.65	\$89.65
16.0						81.50	\$81.50
17.0						73.35	\$73.35
18.0						65.20	\$65.20
19.0						57.05	\$57.05
20.0						48.90	\$48.90
						Total	\$1,969.62
						Discount Rate	6.1% NPV
							\$1,130

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Policy Guide for Monetary Contributions

Parks (no changes proposed)

Determination of Gross Cost per Dwelling Unit

Step 1 a = Park Authority standard for acres of parkland per 1,000 residents
Park Authority standard is 13.8 acres of parkland per 1,000 residents,
calculated as follows:

acres of neighborhood park per 1,000 residents ---	1
acres of community park per 1,000 residents -----	4
acres of regional park per 1,000 residents -----	6
acres of special use park per 1,000 residents -----	2.8
total acres of parkland per 1,000 residents	13.8

Based on updated information from the Office of Information Technology, and approved for use by the Policy Committee in February 2003, on average, there are:

3.19 persons/unit	in	Single-family houses
2.94 persons/unit	in	Townhouses
2.14 persons/unit	in	Multifamily/Condominium units

Step 2 c = a x d

Where: c = the gross cost per new dwelling unit to acquire and develop an acre of parkland

d = the cost per acre to acquire and develop an acre of parkland (\$97,259 average cost per acre)

Determination of Net Cost per Dwelling Unit

Step 3 n = c - (g + b)

Where: n = the net cost to the County per new dwelling unit to acquire and develop an acre of parkland

g = state/federal/other contributions for parks (2.50% of c)*

b = debt service credit per dwelling unit

*2.50% average amount of funds from state and federal grants estimated July, 2003

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Per Unit Calculations

Single Family

Gross Cost				
Step 1	a	=	$\frac{3.19 (13.8)}{1000}$	= 0.044022
Step 2	c	=	$(0.044022) * \$97,259$	= \$4,282
Net Cost				
Step 3	g	=	0.025 (\$4,282)	= \$107
	b	=	\$202	
	n	=	$\$4,282 - (\$107 + 202)$	= \$3,972

Townhouse

Gross Cost				
Step 1	a	=	$\frac{2.94 (13.8)}{1000}$	= .040572
Step 2	c	=	$(0.040572) \$97,259$	= \$3,946
Net Cost				
Step 3	g	=	0.025 (\$3,946)	= \$99
	b	=	\$122	
	n	=	$\$3,946 - (99 + 122)$	= \$3,725

Multifamily/Condo

Gross Cost				
Step 1	a	=	$\frac{2.14 (13.8)}{1000}$	= .029532
Step 2	c	=	$(.029532) (92,085)$	= \$2,872
Net Cost				
Step 3	g	=	0.025 (2,872)	= \$92
	b	=	\$121	
	n	=	$\$2,872 - (72 + 121)$	= \$2,679

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Suggested Monetary Contribution (Amortize only projected CIP debt)

The suggested monetary contribution for parks is determined by subtracting from the gross cost per housing unit both funding received from state and federal sources for capital needs, and a debt service credit. The debt service credit is derived annually by amortizing projected CIP debt.

Unit Type	Gross Cost per Unit	Less State/Federal Share of Capital 2.5%	Less Credit for Debt Service*	Net Cost
Single Family	\$4,282	-\$107	-\$202	\$3,972
Townhouse	\$3,946	-\$99	-\$122	\$3,725
Multifamily	\$2,872	-\$72	-\$121	\$2,679

*See attached debt service tables

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	Parks Credit		Single Family - 6 Years				
			1.080000562	1.039999792	1.0400001	1.039998941	1.039998941
	Fiscal Year						
	2004	2005	2006	2007	2008	2009	
Average Assessed Value	\$ 355,835	\$ 384,302	\$ 399,674	\$ 415,661	\$ 432,287	\$ 449,578	
Real Estate Tax Rate	1.16	1.16	1.16	1.16	1.16	1.16	
Real Estate Tax Revenue	4,128	4,458	4,636	4,822	5,015	5,215	
Percent to Credit	0.0%	0.3%	0.3%	0.3%	0.6%	0.6%	
Annual debt service credit	\$ -	\$ 13	\$ 12	\$ 15	\$ 28	\$ 29	
Total Credit	\$202						
Real Estate Tax Revenue	\$ 315,284,640	\$ 354,952,584	\$ 382,745,950	\$ 411,525,970	\$ 442,338,782	\$ 475,458,689	
Debt Service for Parks	\$ -	\$ 999,521.25	\$ 975,173.94	\$ 1,265,826.63	\$ 2,461,379.31	\$ 2,679,637.00	
Percent to Credit (Debt service as a percent of real estate revenue)	0.0%	0.3%	0.3%	0.3%	0.6%	0.6%	
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	

Single Family

Year	Fiscal Year						
	2004	2005	2006	2007	2008	2009	
1.0	\$ -						\$0.00
2.0		\$ 12.55					\$12.55
3.0			\$ 11.81				\$11.81
4.0				\$ 14.83			\$14.83
5.0					\$ 27.90		\$27.90
6.0						\$ 29.39	\$29.39
7.0						27.92	\$27.92
8.0						26.45	\$26.45
9.0						24.98	\$24.98
10.0						23.51	\$23.51
11.0						22.04	\$22.04
12.0						20.57	\$20.57
13.0						19.10	\$19.10
14.0						17.64	\$17.64
15.0						16.17	\$16.17
16.0						14.70	\$14.70
17.0						13.23	\$13.23
18.0						11.76	\$11.76
19.0						10.29	\$10.29
20.0						8.82	\$8.82
						Total	\$353.67
		Discount Rate		6.1%	NPV		\$202

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	Parks Credit		Townhouse - 6 Years				
			1.080001113	1.039996907	1.040003304	1.039997458	1.039997458
			Fiscal Year				
	2004	2005	2006	2007	2008	2009	
Average Assessed Value	\$ 215,572	\$ 232,818	\$ 242,130	\$ 251,816	\$ 261,858	\$ 272,383	
Real Estate Tax Rate	1.16	1.16	1.16	1.16	1.16	1.16	
Real Estate Tax Revenue	2,501	2,701	2,809	2,921	3,038	3,159	
Percent to Credit	0.0%	0.3%	0.3%	0.3%	0.6%	0.6%	
Annual debt service credit	\$ -	\$ 8	\$ 7	\$ 9	\$ 17	\$ 18	
Total Credit	\$122						
Real Estate Tax Revenue	\$ 315,284,640	\$ 354,952,584	\$ 382,745,950	\$ 411,525,970	\$ 442,338,782	\$ 475,458,689	
Debt Service for Parks	\$ -	\$ 999,621.25	\$ 975,173.94	\$ 1,265,826.63	\$ 2,481,379.31	\$ 2,679,637.00	
Percent to Credit (Debt service as a percent of real estate revenue)	0.0%	0.3%	0.3%	0.3%	0.6%	0.6%	
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	

Year	Fiscal Year						
	2004	2005	2006	2007	2008	2009	
1.0	\$ -						\$0.00
2.0		\$ 7.60					\$7.60
3.0			\$ 7.16				\$7.16
4.0				\$ 8.99			\$8.99
5.0					\$ 16.90		\$16.90
6.0						\$ 17.81	\$17.81
7.0						16.92	\$16.92
8.0						16.03	\$16.03
9.0						15.14	\$15.14
10.0						14.24	\$14.24
11.0						13.35	\$13.35
12.0						12.46	\$12.46
13.0						11.57	\$11.57
14.0						10.68	\$10.68
15.0						9.79	\$9.79
16.0						8.90	\$8.90
17.0						8.01	\$8.01
18.0						7.12	\$7.12
19.0						6.23	\$6.23
20.0						5.34	\$5.34
						Total	\$214.26
Discount Rate						6.1% NPV	\$122

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	Parks Credit		Multifamily 6 Years				
			1.080002058	1.039997921	1.04000333	1.039999359	1.039999359
			Fiscal Year				
	2004	2005	2006	2007	2008	2009	
Average Assessed Value	\$ 213,807	\$ 230,912	\$ 240,148	\$ 249,754	\$ 259,744	\$ 270,134	
Real Estate Tax Rate	1.16	1.16	1.16	1.16	1.16	1.16	
Real Estate Tax Revenue	2,480	2,879	2,786	2,897	3,013	3,134	
Percent to Credit	0.0%	0.3%	0.3%	0.3%	0.6%	0.6%	
Annual debt service credit	\$ -	\$ 8	\$ 7	\$ 9	\$ 17	\$ 18	
Total Credit	\$121						
Real Estate Tax Revenue	\$ 315,284,640	\$ 354,952,584	\$ 382,745,950	\$ 411,525,970	\$ 442,338,782	\$ 475,458,889	
Debt Service for Parks	\$ -	\$ 999,521.25	\$ 975,173.94	\$ 1,265,826.63	\$ 2,461,379.31	\$ 2,679,637.00	
Percent to Credit (Debt service as a percent of real estate revenue)	0.0%	0.3%	0.3%	0.3%	0.6%	0.6%	
Discount Rate	6.1%						

Multifamily

Year	Fiscal Year						
	2004	2005	2006	2007	2008	2009	
1.0	\$ -						\$0.00
2.0		\$ 7.54					\$7.54
3.0			\$ 7.10				\$7.10
4.0				\$ 8.91			\$8.91
5.0					\$ 16.77		\$16.77
6.0						\$ 17.66	\$17.66
7.0						16.78	\$16.78
8.0						15.89	\$15.89
9.0						15.01	\$15.01
10.0						14.13	\$14.13
11.0						13.25	\$13.25
12.0						12.36	\$12.36
13.0						11.48	\$11.48
14.0						10.60	\$10.60
15.0						9.71	\$9.71
16.0						8.83	\$8.83
17.0						7.95	\$7.95
18.0						7.06	\$7.06
19.0						6.18	\$6.18
20.0						5.30	\$5.30
					Total		\$212.51
			Discount Rate		6.1% NPV		\$121

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Libraries

Level of Service for Libraries is defined as building square footage and volumes (books) needed in order to meet nationally recognized standards for suburban populations.

Square Feet of Library Building Needed = 0.41 square feet per capita

Volumes Needed = 2.5 volumes per capita

COSTS:

Standards

Square feet/capita	0.41	\$173.84
Building cost/square foot	\$424	
Acres/capita	0.000053	\$6.81
Cost/acre **	\$128,468	
Subtotal to construct building per capita		\$180.65
Volumes/capita	2.5	\$60.00
Cost/volume ***	\$24.00	

GROSS COST PER CAPITA **\$240.65**
 Multiply by 3.19 for single-family dwelling, 2.94 for townhouse, or 2.14 for multifamily

Suggested Monetary Contribution

Unit	Amount	Less Credit for Debt Service	Net
Single Family	\$767.67	-\$157.00	\$610.67
Townhouse	\$707.51	-\$106.00	\$601.51
Multifamily	\$514.99	-\$96.00	\$418.99

**Cost/Acre based on the average of the public land acquisitions between 7/03 – 7/05

***Cost/Volume is computed by using the acquisitions module to determine the actual average cost per volume paid in the last fiscal year, then adjusted based on assumptions about collections.

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	Library Credit					
	Single Family - 6 Years					
	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Average Assessed Value	\$ 493,565	\$ 567,600	\$ 613,000	\$ 655,900	\$ 688,700	\$ 709,400
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	4,491	4,353	4,401	4,611	4,835	5,065
Percent to Credit	0.0%	0.0%	0.4%	0.5%	0.5%	0.4%
Annual debt service credit	\$ -	\$ -	\$ 18	\$ 24	\$ 23	\$ 21
Annual Credit	\$157					
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 512,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for Libraries	\$ -	\$ -	\$ 1,918,500	\$ 2,694,950	\$ 2,606,950	\$ 2,518,950
Percent to Credit	0.0%	0.0%	0.4%	0.5%	0.5%	0.4%
Debt service as a percent of real estate revenue						
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Year	Single Family						
	Fiscal Year						
	2006	2007	2008	2009	2010	2011	
1.0	\$ -						\$0.00
2.0		\$ -					\$0.00
3.0			\$ 17.91				\$17.91
4.0				\$ 24.20			\$24.20
5.0					\$ 22.57		\$22.57
6.0						\$ 21.05	\$21.05
7.0						20.00	\$20.00
8.0						18.95	\$18.95
9.0						17.89	\$17.89
10.0						16.84	\$16.84
11.0						15.79	\$15.79
12.0						14.74	\$14.74
13.0						13.68	\$13.68
14.0						12.63	\$12.63
15.0						11.58	\$11.58
16.0						10.53	\$10.53
17.0						9.47	\$9.47
18.0						8.42	\$8.42
19.0						7.37	\$7.37
20.0						6.32	\$6.32
							\$269.94
							\$157
			Discount Rate		Total		
				6.1% NPV			

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	Library Credit		Townhouse - 6 Years			
			Fiscal Year			
	2006	2007	2008	2009	2010	2011
Average Assessed Value	\$ 332,477	\$ 382,300	\$ 412,900	\$ 441,800	\$ 463,900	\$ 477,800
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	3,026	2,932	2,965	3,106	3,257	3,411
Percent to Credit	0.0%	0.0%	0.4%	0.5%	0.5%	0.4%
Annual debt service credit	\$ -	\$ -	\$ 12	\$ 16	\$ 15	\$ 14
Total Credit	\$106					
Real Estate Tax Revenue	\$ 392,886,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for Libraries	\$ -	\$ -	\$ 1,918,500	\$ 2,694,950	\$ 2,606,950	\$ 2,518,950
Percent to Credit (Debt service as a percent of real estate revenue)	0.0%	0.0%	0.4%	0.5%	0.5%	0.4%
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Year	Single Family						
	Fiscal Year						
	2006	2007	2008	2009	2010	2011	
1.0	\$						\$0.00
2.0		\$					\$0.00
3.0			\$				\$12.06
4.0				\$			\$16.30
5.0					\$		\$15.21
6.0						\$	\$14.18
7.0							\$13.47
8.0							\$12.76
9.0							\$12.05
10.0							\$11.34
11.0							\$10.63
12.0							\$9.93
13.0							\$9.22
14.0							\$8.51
15.0							\$7.80
16.0							\$7.09
17.0							\$6.38
18.0							\$5.67
19.0							\$4.96
20.0							\$4.25
							\$181.81
							\$106
							Discount Rate
							Total
							6.1% NPV

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	Library Credit		Multifamily 6 Years				
			1,149,433.31	1,080,152.74	1,069,903.89	1,050,124.68	1,029,921.64
			Fiscal Year				
	2006	2007	2008	2009	2010	2011	
Average Assessed Value	\$ 301,754	\$ 347,000	\$ 374,800	\$ 401,000	\$ 421,100	\$ 433,700	
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71	
Real Estate Tax Revenue	2,746	2,661	2,691	2,819	2,956	3,097	
Percent to Credit	0.0%	0.0%	0.4%	0.5%	0.5%	0.4%	
Annual debt service credit	\$ -	\$ -	\$ 11	\$ 15	\$ 14	\$ 13	
Total Credit	\$96						
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000	
Debt Service for Libraries	\$ -	\$ -	\$ 1,918,500	\$ 2,694,950	\$ 2,606,950	\$ 2,518,950	
Percent to Credit (Debt service as a percent of real estate revenue)	0.0%	0.0%	0.4%	0.5%	0.5%	0.4%	
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	

Year	Single Family						
	Fiscal Year						
	2006	2007	2008	2009	2010	2011	
1.0	\$						\$0.00
2.0		\$					\$0.00
3.0			\$				\$10.95
4.0				\$			\$14.80
5.0					\$		\$13.80
6.0						\$	12.87
7.0							12.25
8.0							11.58
9.0							10.94
10.0							10.30
11.0							9.65
12.0							9.01
13.0							8.37
14.0							7.72
15.0							7.08
16.0							6.44
17.0							5.79
18.0							5.15
19.0							4.50
20.0							3.86
							<u>\$3.86</u>
							<u>\$165.03</u>
							<u>\$96</u>
				Discount Rate	6.1%	Total NPV	

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Fire and Rescue

NEEDS:

Needs are defined as building square footage, acreage, and equipment needed to provide fire and rescue service that meets local service standards for suburban populations, expressed as cost/capita (residential) and cost/incident (nonresidential).

RESIDENTIAL COSTS:

Residential Factor: (2005 data)

$$\frac{\text{Residential incidents}}{\text{Total incidents}} = \frac{17,939}{30,655} = 0.585$$

Residential factor applied to total cost of fire and rescue services.

Standards for Residential:

Bldg. cost/capita ¹	\$298.00	x	0.585	=	\$174.33
Land cost/capita ²	\$68.88	x	0.585	=	\$ 40.29
Equipment cost/capita ¹	\$106.43	x	0.585	=	\$ 62.26

COST PER CAPITA

\$276.89

Multiply by 3.19 for single-family dwelling, 2.94 for townhouse, or 2.14 for multifamily

¹ This figure is based on the average cost over the proceeding 3 years.

² This figure is based on the average cost of recent land acquisitions for county agencies.

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Suggested Monetary Contribution (Amortize current debt and project CIP debt)

Unit Type	Gross Cost per Unit	Less Funds Fire Levy for Capital = 1.97%	Less Credit for Debt Service	Net Cost
Single Family	\$883.27	-\$17.40	-\$116.00	\$749.87
Townhouse	\$814.04	-\$16.04	-\$78.00	\$720.00
Multifamily	\$592.54	-\$11.67	-\$71.00	\$509.87

*Based on FY05 Capital Budget

NONRESIDENTIAL COSTS:

Standards for Nonresidential:

Capital cost of station
(land, building, and equipment) \$ 8,328,031 = \$ 2,942.68
Maximum desirable incidents served per station 3,000 Capital cost per incident

Capital cost per incident x nonresidential incident generation factor (0.000206sf)
\$ 2942.68 x 0.000206 = \$ 0.61
per square foot

Suggested Monetary Contribution

Unit	Amount
Nonresidential	\$ 0.61 per sq. ft.

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	F&R Credit					
	Single Family - 6 Years					
	1.149999695	1.079986668	1.069983687	1.050007623	1.030056628	
	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Average Assessed Value	\$ 493,365	\$ 567,600	\$ 613,000	\$ 655,900	\$ 688,700	\$ 709,400
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	4,491	4,353	4,401	4,611	4,835	5,063
Percent to Credit	0.1%	0.2%	0.3%	0.3%	0.3%	0.3%
Annual debt service credit	\$ 2.68	\$ 10.42	\$ 13.16	\$ 15.07	\$ 14.13	\$ 13.91
Total Credit	\$116					
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for F&R	\$ 234,375	\$ 1,034,081	\$ 1,409,679	\$ 1,678,029	\$ 1,632,196	\$ 1,664,464
Percent to Credit (Debt service as a percent of real estate revenue)	0.1%	0.2%	0.3%	0.3%	0.3%	0.3%
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Year	Single Family						
	Fiscal Year						
	2006	2007	2008	2009	2010	2011	
1.0	\$ 2.68						\$2.68
2.0		\$ 10.42					\$10.42
3.0			\$ 13.16				\$13.16
4.0				\$ 15.07			\$15.07
5.0					\$ 14.13		\$14.13
6.0						\$ 13.91	\$13.91
7.0						13.22	\$13.22
8.0						12.52	\$12.52
9.0						11.82	\$11.82
10.0						11.13	\$11.13
11.0						10.43	\$10.43
12.0						9.74	\$9.74
13.0						9.04	\$9.04
14.0						8.35	\$8.35
15.0						7.65	\$7.65
16.0						6.96	\$6.96
17.0						6.26	\$6.26
18.0						5.56	\$5.56
19.0						4.87	\$4.87
20.0						4.17	\$4.17
							\$191.09
			Discount Rate		Total 6.1% NPV		\$116

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	F&R Credit					
	Townhouse - 6 Years					
	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Average Assessed Value	\$ 332,477	\$ 382,300	\$ 412,900	\$ 441,800	\$ 467,900	\$ 477,800
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	3,026	2,932	2,965	3,106	3,257	3,411
Percent to Credit	0.1%	0.2%	0.3%	0.3%	0.3%	0.3%
Annual debt service credit	\$ 2	\$ 7	\$ 9	\$ 10	\$ 10	\$ 9
Total Credit	\$78					
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for F&R	-\$ 234,375	\$ 1,034,081	\$ 1,409,079	\$ 1,678,029	\$ 1,632,196	\$ 1,664,464
Percent to Credit (Debt service as a percent of real estate revenue)	0.1%	0.2%	0.3%	0.3%	0.3%	0.3%
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Year	Single Family						
	Fiscal Year						
	2006	2007	2008	2009	2010	2011	
1.0	\$ 1.81						\$1.81
2.0		\$ 7.02					\$7.02
3.0			\$ 8.86				\$8.86
4.0				\$ 10.15			\$10.15
5.0					\$ 9.52		\$9.52
6.0						\$ 9.37	\$9.37
7.0						8.90	\$8.90
8.0						8.43	\$8.43
9.0						7.96	\$7.96
10.0						7.50	\$7.50
11.0						7.03	\$7.03
12.0						6.56	\$6.56
13.0						6.09	\$6.09
14.0						5.62	\$5.62
15.0						5.15	\$5.15
16.0						4.68	\$4.68
17.0						4.22	\$4.22
18.0						3.75	\$3.75
19.0						3.28	\$3.28
20.0						2.81	\$2.81
						Total	\$128.71
						Discount Rate	6.1% NPV
							\$78

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	F&R Credit					
	Multifamily 6 Years					
	1,149,943,331	1,980,115,374	1,069,903,949	1,050,124,688	1,029,921,634	
	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Average Assessed Value	\$ 301,754	\$ 347,000	\$ 374,800	\$ 401,000	\$ 421,100	\$ 433,700
Real Estate Tax Rate	0.91	0.77	0.72	0.70	0.70	0.71
Real Estate Tax Revenue	2,746	2,661	2,691	2,819	2,956	3,097
Percent to Credit	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%
Annual Debt Service Credit	\$ 2	\$ 6	\$ 8	\$ 9	\$ 9	\$ 9
Total Credit	<u>\$71</u>					
Real Estate Tax Revenue	\$ 392,686,000	\$ 431,840,000	\$ 471,552,000	\$ 513,476,000	\$ 558,333,000	\$ 606,059,000
Debt Service for F&R	\$ 234,375	\$ 1,034,081	\$ 1,409,679	\$ 1,678,029	\$ 1,632,196	\$ 1,664,464
Percent to Credit	0.1%	0.2%	0.3%	0.3%	0.3%	0.3%
Debt Service as a Percent of Real Estate Revenue						
Discount Rate	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%

Year	Single Family						
	Fiscal Year						
	2004	2005	2006	2007	2008	2009	
1.0	\$ 1.64						\$1.64
2.0		\$ 6.37					\$6.37
3.0			\$ 8.04				\$8.04
4.0				\$ 9.21			\$9.21
5.0					\$ 8.64		\$8.64
6.0						\$ 8.50	\$8.50
7.0						\$ 8.08	\$8.08
8.0						\$ 7.65	\$7.65
9.0						\$ 7.23	\$7.23
10.0						\$ 6.80	\$6.80
11.0						\$ 6.38	\$6.38
12.0						\$ 5.95	\$5.95
13.0						\$ 5.53	\$5.53
14.0						\$ 5.10	\$5.10
15.0						\$ 4.68	\$4.68
16.0						\$ 4.25	\$4.25
17.0						\$ 3.83	\$3.83
18.0						\$ 3.40	\$3.40
19.0						\$ 2.98	\$2.98
20.0						\$ 2.55	\$2.55
						Total	\$116.83
						Discount Rate	6.1% NPV
							<u>\$71</u>

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Transportation

In accordance with the Comprehensive Plan, the following calculations are based upon roadways classified as Major Collector and above. Roadways classified as Minor Collectors and Local Streets are evaluated in conjunction with development proposals as stipulated in the Prince William County Design and Construction Standards Manual (DCSM). Calculations reference lane-miles. Lane-miles are defined as the product of the number of through-traffic lanes for a given segment of roadway multiplied by the length in miles of that given segment of roadway.

Standards:

Total lane-miles needed in 2025 to meet LOS goals in adopted Thoroughfare Plan network	=	1,659.0 ⁽³⁾
Less lane-miles opened to traffic through January 1, 2006		- 967.6
		691.4
Additional lane-miles of road needed by 2025	=	691.4
Less improvements included in the Metropolitan Washington Council of Governments (COG's) 2005 Financially Constrained Long-Range Plan (CLRP)		- 346.9 ⁽⁴⁾
		344.5
Lane-miles of unfunded road improvements (rounded to nearest mile)	=	344.5
Multiplied by the estimated average cost/mile of new road		x \$4,000,000 ⁽⁵⁾
		\$ 1,378,000,000
Total estimated cost of unfunded road improvements	=	\$ 1,378,000,000

The following are forecasted residential trips based on current Thoroughfare Plan and COG Round 7 forecast.

Total trips per day forecasted for 2025	=	1,989,731 ⁽⁶⁾
Resident-based trips per day		
Home-based work trips	=	108,067
Home-based other trips	=	473,862
Home-based shopping trips	=	222,097
Trips to other counties	=	367,581
		1,171,607
Total resident-based trips per day	=	1,171,607

³ Includes Interstates, Parkways, Principal and Minor Arterials, Major Collectors and ramps identified in 2025 Thoroughfare Plan.

⁴ The number shown includes the 41.1 lane-miles approved by Prince William County voters for funding in 2002, the 102.0 lane-miles under consideration for a 2006 bond referendum and the 49.5 lane-miles under consideration for a 2010 bond referendum.

⁵ Based upon actual costs for recent Road Bond Branch construction projects.

⁶ Forecasted trips per day from 2006 Comprehensive Plan transportation model.

Adopted May 2, 2006
Effective July 1, 2006

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Attachment A – 2006 Policy Guide for Monetary Contributions

Policy Guide for Monetary Contributions

Residential share of total trips (1,171,607 / 1,989,731 rounded to whole percent)	=	59%
Residential share of unfunded road improvements (\$1,378,000,000 x .59)	=	\$ 813,020,000

Residential Share

An applicant for a rezoning for residential use will be asked to proffer a LOS contribution to help offset the unfunded road improvements identified above. The methodology for calculating this LOS contribution is shown below. If the applicant elects to dedicate transportation improvements and/or right-of-way for roads identified in the Thoroughfare Plan which are above and beyond what is required to mitigate the transportation impact of the proposed development and satisfy VDOT safety requirements, the value of that dedication will be credited against the suggested monetary contribution. The value of that credit will be determined based on the County's assessed value of the right-of-way and the cost of the transportation improvement using the County's Unit Price List. The value of the credit will be determined during subdivision plan approval.

Cost per unit type:

Forecasted residential trip generation by type of dwelling unit in 2025:

Type of Dwelling Unit	New Units by 2025	Daily Trip Generation/Unit	Total New Trips by Unit Type	% New Trips by Unit Type
Single family	25,397	10.0	253,970	56%
Townhouse	5,885	8.7	51,200	11%
Multifamily	24,642	6.0	147,852	33%
TOTAL	55,924		453,022	100%

Distribution of costs attributable to residential trip making to type of dwelling unit in 2025:

Type of Dwelling Unit	Residential Share of Unfunded Needs	% New Trips by Unit Type	Residential Share by Unit Type	New Units by 2025	Cost/Unit
Single-family	\$813,020,000	0.56	\$455,291,200	25,397	\$17,926
Townhouse	\$813,020,000	0.11	\$ 89,432,200	5,885	\$15,196
Multifamily	\$813,020,000	0.33	\$268,296,600	24,642	\$10,887
TOTAL		1.00	\$813,020,000	55,924	

Adopted May 2, 2006
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Non-Residential Share

Based upon the per unit residential calculations shown above, Prince William County will still experience a shortfall of \$564,980,000 for necessary roadway improvements required by 2025. The Council of Governments (COG) Round 7 forecasts however, approximately 73,000 additional jobs will be created from nonresidential uses by 2025. Applicants for nonresidential development will be asked to contribute right-of-way, roadway construction, and other transportation improvements that serve to mitigate the impacts of that development on the LOS of roads serving that development. Cash contributions in lieu of transportation improvements may also be requested, provided the cash contribution is calculated based on the approximate costs of the transportation improvements that serve to mitigate and have a reasonable relationship to the proposed development. The Traffic Impact Analysis (TIA) submitted with each nonresidential development application will serve as an indication of the extent of that impact and the mitigation required to maintain LOS. These mitigating improvements and the anticipated revenue growth from new nonresidential development are anticipated to alleviate the \$564 million shortfall.

Adopted May 2, 2006
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Suggested Proffer Language

To facilitate the subsequent review of site and subdivision plans, the proffer statement should be written in clear and concise language with consideration toward future interpretation. The performance details of a proffered condition should be defined. More specifically, the proffer text should include information pertaining to not only what is being proffered, but also when the action will occur and who is involved in performance of the action.

Where possible, proffers should define objective standards of performance to avoid any subsequent debate regarding interpretation. Restatements of already existing state or local requirements should be omitted from the proffer text.

Each proffer should state the time frame within which the proffered obligation will be performed. In the absence of explicit language indicating when performance is to occur, the County will generally request demonstration of performance of the proffered obligation with the preliminary or first final site or subdivision plan affecting the rezoned property. Actual performance is expected at the time of development subject to approved plans and issuance of permits. Examples of preferred collection dates for monetary proffers generally are listed below:

- Final plan approval
- Lump sum with the issuance of a land disturbance permit
- Lump sum with the first building permit for a particular type of unit
- Per lot or unit amount with every building permit for a particular type of unit

Pursuant to direction from the Board of County Supervisors, applicants will be encouraged to make monetary contributions for transportation improvements as a lump sum prior to issuance of a site development permit.

In order to facilitate more efficient use of proffered monetary contributions, the direction of such contributions to specific capital projects will be discouraged, as will limitation of monetary contributions to a specific area of the County.

Applicants proffering monetary contributions will be encouraged to include a provision to adjust the proffered amount consistent with the increase in the cost of improvements over time. The County will maintain a cost of construction "index" to assist the applicant in determining the appropriate rate.

The County Attorney's Office will assist the Planning Office in review of proffer language. Applicants seeking assistance with drafting specific proffer language are encouraged to contact the Planning Office.

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Policy Guide for Monetary Contributions

Exception Policies

There are some instances where the strict adherence to the Policy Guide is inappropriate. Although each proposal will be looked at on a case by case basis, these exceptions can be divided into three broad categories:

1. Credits for on site or off site improvements

Since the beginning of the proffer process in late 1970's, the County has allowed credits for physical improvements and donations of land. The County will continue this policy with the understanding that physical improvements (such as school site donation, road construction above and beyond that required by the code) must address the level-of-service measures outlined in the Comprehensive Plan. Confirmation of value, correct location, useable acreage, and need will be determined by the County.

2. Uses that have reduced or have no impact on certain levels of service

There are some uses that have no impact on a specific level-of-service measure. In particular, developments with an age-restricted component that prohibits school-age children will have no impact on the Schools level of service; therefore, the proffer amounts for schools may not be requested. Similarly, units such as assisted living may have a lower traffic generation rate based on population per unit type and may be eligible for reduced proffers. Each proposal will be considered on a case-by-case basis and at the sole discretion of the County. Consideration may be given to reducing proffer amount requests.

3. Targeted or desirable land uses

There are a select number of targeted industries and land uses for which the County may consider a reduction in monetary contributions. These targeted industries are listed by the Department of Economic Development.

Adopted May 2, 2006
Effective July 1, 2006

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Attachment B – BOCS Initiating Resolution

MOTION: MAY **October 8, 2013**
SECOND: CANDLAND **Regular Meeting**
Res. No. 13-604
RE: **INITIATE REVIEW AND UPDATE OF THE POLICY GUIDE FOR**
MONETARY CONTRIBUTIONS – COUNTYWIDE
ACTION: **APPROVED**

WHEREAS, the Planning Director presented the Board of County Supervisors with information about proffers and the Policy Guide for Monetary Contributions, including a comparison with nearby jurisdictions; and

WHEREAS, the Comprehensive Plan includes level of service guidelines for schools, parks, fire and rescue facilities, libraries, and transportation infrastructure; and

WHEREAS, the Policy Guide for Monetary Contributions was last updated on May 2, 2006; and

WHEREAS, staff indicated that a review and update of the Policy Guide for Monetary Contributions would take approximately six months to complete;

NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors does hereby initiate a review and update of the Policy Guide for Monetary Contributions to provide the Board of County Supervisors an accurate reflection of the costs needed to meet level of service guidelines found in the Comprehensive Plan.

Votes:

Ayes: Caddigan, Candland, Covington, May, Nohe, Principi, Stewart

Nays: None

Absent from Vote: None

Absent from Meeting: Jenkins

For Information:

Planning Director

ATTEST: _____


Clerk to the Board

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Attachment A – June 3, 2014 BOCS Meeting Staff Report

Attachment C – Methodology and Assumptions of the Proposed Policy Guide

Methodology and Assumptions – The methodologies for each level of service category have been developed to achieve as much uniformity as possible throughout while recognizing the unique differences within each service area. The general assumptions are as follows:

A. General Assumptions –

1. Persons Per Household (Provided by County Demographer) –
 - a. Single Family - 3.32
 - b. Townhouse - 3.04
 - c. Multifamily - 2.24
2. Population Projections (Provided by County Demographer) –
 - a. September 30, 2013 Population - 419,577
 - b. 2030 Population Projection - 561,953
3. Average Cost of Land Per Acre – \$132,813 (Based on County land purchase FY11-13 exclusive of right-of-way acquisition).
4. Debt Service (Provided by Finance Department) – The debt service calculation for each level of service agency is generally described as an amount deducted from the calculated cost per dwelling unit for facilities already planned and identified in the FY15 CIP. This is the debt service for known projects that the new units should not have to pay as part of the proffers, as they will be paying it as part of their taxes.

B. Level of Service Categories – The following summarizes the draft update of the Policy Guide for Monetary Contributions associated with each level of service category.

1. Schools – Prince William County Schools provided updated data to the Planning Office in regards to current costs and facility standards.
 - a) Methodology - The methodology generally remains the same, with the exception of an adjustment to the total number of households used to calculate students per unit which has been updated to remove age restricted units (the effect of which increases the requested contribution amounts). In addition, updated input factors include the following:
 - i. Updated land acquisition costs – 3.4% increase from 2006
 - ii. Updated facility costs as follows:
 - Elementary School – 65% increase from 2006
 - Middle School – 63% increase from 2006
 - High School – 41% increase from 2006
 - iii. Updated school capacities
 - iv. Updated student generation factors – Increase of 10% (age-restricted units removed from calculation)

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Attachment C – Methodology and Assumptions of the Proposed Policy Guide

The increase in the suggested proffer amount is primarily the result of a substantial increase in facility construction costs. On April 23, 2014, the School Board elected to utilize the Battlefield/Freedom High School model as the design for the 13th High School. The 2006 facility cost estimate for a high school was \$64 million, while the facility cost for a future high school is over \$90 million. The following table provides information on the last four high schools constructed by the School District.

School	Year	Sq.Ft./Pupil	Building Cost
12 th	2014	199	78,907,000
Patriot	2009	153	58,655,600
Freedom	2002	130	31,006,970
Battlefield	2002	129	28,893,426

*Source: Virginia Department of Education

b) Result – The proposed proffer for Schools is as follows:

Schools Proffer	2006	2014	% Change
Single Family	\$14,462	\$20,694	+43
Townhouse	\$11,685	\$17,489	+50
Multifamily	\$5,033	\$10,300	+105

c) Policy Impact – The 2008 Comprehensive Plan school facility standards identifies specific capacity numbers for each type of school. The School Board has amended their planned capacities for elementary schools, middle schools and high schools. Staff recommends initiation of a Comprehensive Plan amendment to align planning policies with school standards. The change is as follows:

Schools Type	2008 Comprehensive Plan Student Capacity	Proposed Student Capacity
Elementary School	850	924
Middle School	1,250	1,464
High School	2,150	2,053

2. Parks – The Policy Guide for Monetary Contributions has not been updated since the 2008 update to the Parks, Open Space & Trails Chapter of the Comprehensive Plan. In an effort to coordinate the County’s policies, the Capital Improvement Program (CIP), and the Department of Parks and Recreation policies, the Planning Office has worked closely with Parks and Recreation to modify the proffer methodology to accurately reflect current costs and align with the Comprehensive Plan.

Attachment A – June 3, 2014 BOCS Meeting Staff Report

Attachment C – Methodology and Assumptions of the Proposed Policy Guide

a) **Methodology** – The proposed methodology reflects the Comprehensive Plan standard of 15.0 acres of parkland per 1,000 residents (the prior standard was 13.8 acres of parkland per 1,000 residents). The revised methodology centers on cost estimates for the development of a community park, regional park and linear park. Costs to develop each type of park were provided by the Department of Parks and Recreation. In order to avoid “double counting”, the updated methodology ensures that park facilities developed on a school site are not included in the calculation. Modifications to the existing methodology were also necessary to ensure that, consistent with Virginia Code, existing parks needs are not included in the proffer amounts but rather that each unit contributes its proportionate share of the impact that it will generate.

b) **Result** – The proposed proffer for Parks is as follows:

Parks Proffer	2006	2014	% Change
Single Family	\$3,972	\$5,591	+41
Townhouse	\$3,725	\$5,144	+38
Multifamily	\$2,679	\$3,792	+42

3. **Libraries** – Prince William County Libraries provided updated data to the Planning Office in regards to current costs and facility standards.

a) **Methodology** – The Library methodology remains the same, however the input calculations were updated to reflect recent construction costs and per acre land acquisition cost. The following updates are noted:

- i. Building Costs per sq.ft. – increase of 48% from 2006
- ii. Land Costs – increase of 3.4% from 2006
- iii. Material Costs – increase of 25% from 2006.

b) **Result** - The suggested proffer has increased by approximately one-third above the 2006 amount. The significant factors influencing the overall total include an increased debt service credit, an increase in the number of residents per unit (e.g. 3.32 persons per single family dwelling in comparison to 3.19 persons per single family dwelling in 2006) and an increased building construction cost.

Libraries Proffer	2006	2014	% Change
Single Family	\$610	\$812	+33
Townhouse	\$601	\$805	+34
Multifamily	\$418	\$597	+43

Attachment A – June 3, 2014 BOCS Meeting Staff Report

Attachment C – Methodology and Assumptions of the Proposed Policy Guide

4. Fire & Rescue – The Department of Fire and Rescue provided updated data to the Planning Office in regards to current costs and facility standards.
- a) Methodology – As a result of this review, modifications to the input calculations are proposed as described below:
- i. Building cost per square foot was updated to reflect the construction costs of the three most recent fire stations. As a result of the increase in construction costs, the building cost per capita increased 37.5% from 2006
 - ii. Land costs have been updated to reflect the County average
 - iii. Residential/non-residential incidents were updated using 2013 data – Non-residential incidents increased by 7.5%
 - iv. Equipment costs were updated utilizing the Fire Department’s most recent estimates to outfit a fully equipped station – Increase of 41.4% from 2006
 - v. Non-residential contribution statistics were updated - Increase of 121% from 2006
- b) Result – Fire & Rescue is the only level of service category that suggests a proffer amount for non-residential development. The suggested proffer amount has increased for non-residential uses from \$0.61 per square foot in 2006 to \$1.33 per square foot. This increase is primarily due to a significant increase in the construction and equipment costs necessary to develop and outfit a fire station. The suggested proffer has increased as a result of higher construction costs and an increase in the number of people per dwelling unit.

Fire & Rescue Proffer	2006	2014	% Change
Single Family	\$749	\$1,053	+41
Townhouse	\$720	\$974	+35
Multifamily	\$509	\$718	+41
Nonresidential	\$0.61 per sq.ft.	\$1.33 per sq.ft.	+118

5. Transportation – The Prince William County Department of Transportation provided updated data to the Planning Office in regards to project costs and facility standards.
- a) Methodology – The existing methodology and input calculations have been updated to reflect the following:
- i. Total lane miles planned by 2030 – decrease of 6.2% from 2006

Attachment A – June 3, 2014 BOCS Meeting Staff Report

Attachment C – Methodology and Assumptions of the Proposed Policy Guide

- ii. Cost to construct a mile of new road – increase of 7.5% from 2006
 - iii. Updated trips per day/traffic generation rates
 - iv. Funded lane miles in the Constrained Long Range Plan were reduced from 346.9 to 98.4 miles
 - v. Updated the residential share of unfunded road improvements – decrease of 1.3% from 2006
 - vi. Constrained Long-Range Transportation Plan (CLRP) funding was included and deducted from the total cost
 - vii. New funding from the Northern Virginia Transportation Authority (NVTVA) was deducted
 - viii. Debt service credit calculation was added
- b) Issues – Modifications to the existing methodology were necessary to ensure that, consistent with Virginia Code, existing transportation needs are not included in the proffer amounts but rather that each unit contributes its proportionate share of the impact that it will generate.
- c) Result – The suggested proffer amounts are as follows:

Standards	2006	2014	% Change
Single Family	\$17,926	\$16,780	-6
Townhouse	\$15,196	\$15,425	+1.5
Multifamily	\$10,887	\$11,371	+4

6. Adult Detention Center – Based on Directive 14-27, the Planning Office met with staff at the Adult Detention Center to review a proposed proffer methodology.
- a) Methodology – The Regional Adult Detention Center Phase II Expansion Study, completed by Moseley Architects on December 23, 2013 was utilized to determine the number of beds needed to accommodate future population growth. In addition, the per bed cost of the proposed expansion was utilized as the basis for a larger scale facility cost estimate. The methodology subtracts State financial contributions, as well as the City of Manassas contribution, and isolates costs associated with new development, rather than County deficiencies that may already exist.
- b) Result – The suggested proffer amounts are as follows:

Proposed ADC Proffer	2014
Single Family	\$700
Townhouse	\$693
Multifamily	\$514

Attachment A – June 3, 2014 BOCS Meeting Staff Report

Attachment D – Adult Detention Center Draft Level of Service Calculation

Adult Detention Center

The suggested adult detention center proffer is based on the Regional Adult Detention Center Phase II Expansion Study, completed on December 23, 2013. The proffer calculation utilizes projected needs based on year 2030 population estimates. State funding, debt service and the City of Manassas share of costs are excluded from the final total.

Estimates

Total Number of Beds Needed by 2030 = 1,892
 2030 Projected Population = 561,953
 419,577 existing population
 561,953-419,577 = 142,376 additional persons by 2030

Construction Cost Per Bed = \$186,683

*Based on estimated costs of ADC expansion

Suggested Proffer Calculation

Beds per Person = 1,892 beds/561,953 = 0.00337 beds per person
 0.00337 * 142,376 = 480 additional beds by 2030

\$186,683 * 480 beds = \$89,607,840 Gross Cost
 \$89,607,840/142,376 = \$629 Per Person

Single Family = 3.32 pphh * \$629 = \$2,088
 Townhouse = 3.04 pphh * \$629 = \$1,912
 Multifamily = 2.24 pphh * \$629 = \$1,409

Deductions

\$89,607,840 * 50% State Funding exclusion = \$44,803,920/142,376 = \$315
 Single Family = 3.32 pphh * \$315 = \$1,046
 Townhouse = 3.04 pphh * \$315 = \$958
 Multifamily = 2.24 pphh * \$315 = \$706

City of Manassas Cost Share = 6.7% = \$3,001,863/142,376 = \$21
 Single Family = 3.32 pphh * \$21 = \$70
 Townhouse = 3.04 pphh * \$21 = \$64
 Multifamily = 2.24 pphh * \$21 = \$47

Type of Dwelling Unit	Gross Cost	Less Debt Service Credit	Less State Funding 50%	Less City of Manassas Share 6.7%	Cost/Unit
Single-family	\$2,088	-\$272	-\$1,046	-\$70	\$700
Townhouse	\$1,912	-\$137	-\$958	-\$64	\$693
Multifamily	\$1,409	-\$142	-\$706	-\$47	\$514

*Debt Service calculation provided by the Finance Department

Attachment A – June 3, 2014 BOCS Meeting Staff Report

Attachment E – Jurisdictional Proffer Amount Comparison

A. Comparison Chart of Adjacent Jurisdictions

County (Last Revised)	Single-Family Unit	Townhouse Unit	Multifamily Unit
Loudoun (7/09)	\$45,923 - \$59,470	\$30,716 - \$40,385	\$17,837 - \$23,758
Stafford (Existing)	\$45,923	\$39,125	\$25,155
Stafford (2014 PC Approved Draft) *	\$29,975	\$16,182	\$15,102
Prince William (2014 Proposed)	\$44,930	\$39,837	\$26,778
Prince William (Existing)	\$37,719	\$31,927	\$19,526
Spotsylvania (5/10)	\$33,285	\$24,088	\$11,539
Fauquier (11/08)	\$28,613	\$20,597	\$13,158
Chesterfield (9/13)	\$18,966	\$18,966	\$18,966

1. Loudoun County Monetary Contribution – Loudoun County’s policy is based on its Capital Improvement Program (CIP). Proffer contributions are set aside for both school and non-school improvements designated within the CIP. The cost range for each unit type is based on the varied cost of providing services to different geographic areas of the County.
 - Credit is given for a portion of by-right development potential. Prince William County uses the Comprehensive Plan rather than the CIP as a basis for its policy. This results in a more accurate long-range assessment of actual needs. Utilizing the CIP, as Loudoun does, only projects programmed costs over the next 6 years. The Comprehensive Plan anticipates improvements that will be necessary over the next 20 years based on long term growth projections.
 - In addition, Prince William County identifies specific level of service agencies in its calculation as opposed to the Loudoun method, which designates school and non-school improvements. While the Loudoun methodology grants more flexibility in the use of its proffer funds for non-school improvements, the Prince William County method results in a more accurate assessment of where funds will be utilized, based on the impacts a specific unit has on the community, thus placing Prince William County in a stronger position if challenged regarding the use and legitimacy of its proffer expenditures.

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Attachment E – Jurisdictional Proffer Amount Comparison

2. Stafford County Monetary Contribution – Stafford County maintains a proffer policy for Fire and Rescue, Library, Parks and Recreation, Schools and General Government. Stafford increased proffer amounts in 2012, but since that time the Planning Commission has recommended approval to the Board for a reduced proffer policy. A proposal to substantially reduce those amounts is currently under consideration by the Board. Part of the reduction is due to the Board’s past decision to remove the transportation proffer since transportation is now covered under a separate impact fee requirement (\$3,000 for all unit types). One of the key differences in Stafford’s methodology includes utilizing state average costs for school construction. Prince William County utilizes costs provided by the School District based on actual construction costs.
3. Fairfax, Alexandria and Arlington Monetary Contribution – Each of these jurisdictions negotiates impact mitigation on a case by case basis. There is no formal proffer policy established and the required contribution amount may vary depending on the circumstances of the development case.

Attachment B – June 10, 2014 NVIBA Letter



June 10, 2014

Christopher Price, Director
Prince William County Planning Office
5 County Complex Court, Suite 210
Prince William, VA 22192

**Re: Policy Guide for Monetary Contributions
Follow Up Comments / Questions**

Dear Mr. Price,

In regard to your presentation before the Prince William County Board of Supervisors on June 3, 2014, the Northern Virginia Building Industry (NVBIA) would like to provide follow up comments and questions pertaining to the updated Policy Guide for Monetary Contributions, and supporting documentation that are included in your May 28, 2014 staff report.

As the largest residential home construction trade group in the commonwealth of Virginia, NVBIA represents the interests of over 580 builders and trade partners, many of whom do business in Prince William County. A substantial number of the companies and people that build our homes are located in Prince William County and, as we have seen over the past eight years, the health of our industry directly impacts the health of Prince William County's economy. As detailed below, the proposed proffer increases are substantial and will have an adverse effect on the still fragile housing industry.

Service	2006 Guidelines	2014 Proposed Guidelines	Delta	% Increase / Decrease
<u>Single Family</u>				
Schools	\$ 14,462	\$ 20,694	\$ 6,232	43%
Parks	\$ 3,972	\$ 5,591	\$ 1,619	41%
Libraries	\$ 610	\$ 812	\$ 202	33%
Fire and Rescue	\$ 749	\$ 1,053	\$ 304	41%
Transportation	\$ 17,926	\$ 16,780	\$ (1,146)	-6%
Subtotal	\$ 37,719	\$ 44,930	\$ 7,211	19%
<u>Townhouse</u>				
Schools	\$ 11,685	\$ 17,489	\$ 5,804	50%
Parks	\$ 3,725	\$ 5,144	\$ 1,419	38%
Libraries	\$ 601	\$ 805	\$ 204	34%

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www.NVBIA.com

Attachment B – June 10, 2014 NVIBA Letter

Fire and Rescue	\$	720	\$	974	\$	254	35%
Transportation	\$	<u>15,196</u>	\$	<u>15,425</u>	\$	229	2%
	\$	31,927.00	\$	39,837	\$	7,910	25%

Multifamily

Schools	\$	5,033	\$	10,300	\$	5,267	105%
Parks	\$	2,679	\$	3,792	\$	1,113	42%
Libraries	\$	418	\$	597	\$	179	43%
Fire and Rescue	\$	509	\$	718	\$	209	41%
Transportation	\$	<u>10,887</u>	\$	<u>11,371</u>	\$	484	4%
	\$	19,526	\$	26,778	\$	7,252	27%

Following the Monetary Guidelines increases in 2006, NVBIA hired a consultant to complete a comprehensive analysis of the methodology that was used to calculate the monetary contribution amounts, and the data that was supplied by each level of service department to support the new amounts. While the results of the study generally indicated the methodology Prince William County uses is sound, it also revealed that the data provided by each level of service department that was used in the calculations was often inflated.

In reviewing Attachment "C" to the staff report, we have the following comments and questions:

Schools:

The methodology outlined in the Policy Guide for Monetary Contributions suggests site acquisition and construction costs for public facilities be based on costs at the time the policy is revised. The Facility Costs for Schools in the proposed Monetary Policy Guide used to update the School Level of Service (LOS) are significantly higher than the Current Costs for school construction and furnishing as outlined in the Schools Approved CIP for Fiscal Years 2015-24. The Facility Costs of \$27,973,000, \$53,246,000 and \$90,465,000 appear to reflect project budgets in excess of current costs rather than current costs which is the methodology outlined in the Guide.

1. **Elementary School Facility Costs.** The Facility Cost for Elementary Schools should be revised from \$27,973,000 to \$23,037,000 to reflect current school construction costs for the Haymarket and Devlin Road elementary schools that are currently under construction. The average cost of the construction contract bids for Devlin Road (\$20,286,000) and Haymarket (\$18,788,000) elementary schools is \$19,537,000. The total project costs outside of the construction contract for change orders, engineering, furnishings, etc. for elementary schools as shown on page D-2 of the FY15-24 Schools CIP is around \$3,500,000. This brings the current total Facility Costs for the Elementary Schools under construction to \$23,037,000. The \$27,973,000 Facility Cost in the Monetary Policy Guide appears to be a project budget in excess of the Current Costs, which is inconsistent with the methodology outlined in the Monetary Policy Guide.
2. **Middle School Facility Costs.** The Facility Cost for Middle Schools should be revised from \$53,246,000 to \$42,593,000 to more accurately reflect current school construction costs.
 Approach – Increase the actual Facility Cost for the recently constructed Reagan MS which has a

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Attachment B – June 10, 2014 NVIBA Letter

capacity of 1,102 students to the new prototype middle school that will have a capacity of 1,464 students and increase the per pupil cost by an additional 30% for modernization and the new middle school prototype.

$$\begin{aligned} \text{MS Adjusted Cost} &= (\$24,662,430 \text{ Reagan MS actual Facility Cost} / 1,102 \text{ student capacity}) \\ &\quad \times 1,464 \text{ student capacity of the new prototype} \\ &\quad \times 1.30\% \text{ (30\% increase for modernization and the new prototype)} \\ &= \$42,593,000 \text{ or } \$29,094 \text{ per pupil} \end{aligned}$$

The per pupil cost of \$29,094 is consistent with the per pupil cost for the Trailside MS recently completed in Loudoun County and other middle schools recently constructed. The \$53,246,000 Facility Cost in the Monetary Policy Guide appears to be a project budget in excess of the Current Costs, which is inconsistent with the methodology outlined in the Monetary Policy Guide.

- High School Facility Costs.** The revised Facility Cost for High Schools for the Battlefield/Freedom model of \$90,465,000 is higher than the actual Facility Cost for Patriot High School of \$85,204,494 (\$92,596,265 Total Cost – \$7,391,771 Land Cost) as shown on page D-2 of the FY15-24 Schools CIP. The \$90,465,000 or \$44,065 per pupil remains among the highest per pupil cost in the state and is still extremely high compared to similar capacity high schools that are currently under construction in Stafford and Loudoun Counties that have construction costs of \$28,460 and \$32,591 per pupil as stated on page D-7 of the FY15-24 Schools CIP even if you add \$5,000 to \$6,000 per pupil for engineering, furnishings, etc.

The Facility Cost for High Schools should be revised from \$90,465,000 to around \$72,475,000 to reflect the current school construction costs for the Battlefield/Freedom prototype of 130 sf/pupil. Approach – Adjust the actual Facility Cost for Patriot HS, the 153 sf/pupil prototype and the CIP Construction Project Budget for the 12th HS, the 199 sf/pupil prototype to the Battlefield/Freedom prototype of 130 sf/pupil.

$$\text{Patriot HS Adjusted Cost} = (\$85,204,494 / 153 \text{ sf/pupil}) \times 130 \text{ sf/pupil} = \$72,396,000$$

$$12^{\text{th}} \text{ HS Adjusted Cost} = (\$110,943,000 / 199 \text{ sf/pupil}) \times 130 \text{ sf/pupil} = \$72,475,000$$

\$72,475,000 or \$35,302 per pupil is consistent with the per pupil cost for similar capacity high schools that are currently under construction in Stafford and Loudoun Counties. The \$90,465,000 Facility Cost in the Monetary Policy Guide appears to be a project budget in excess of the Current Costs which is inconsistent with the methodology outlined in the Monetary Policy Guide.

Attachment B – June 10, 2014 NVIBA Letter

Parks:

1. Why does the cost per acre for Community and Regional Parks differ from the County average cost per acre of \$132,813?

Transportation:

1. Please update footnote 4 in the Guide to reflect current conditions and the specific number of lane miles funded by all funding sources. Historical funding sources have been the VDOT Six Year Plan, Revenue Sharing, CMAQ, HSIP, TRIP, RSTP, TROF, Road Bond Referendums, Proffers, General Funds, Transportation Reserve Fund, Innovation Business Park Land Sales and a variety of Federal Funds.
2. The 98.4 lane miles funded represents a total investment of \$423,120,000 and an average annual investment of \$26,445,000 (98.4 miles x \$4,300,000 / (2030 – 2014)) over the next 16 years. The average annual investment of \$26,445,000 per year seems very low given the annual investment over the past 10 years of \$50,000,000 to \$60,000,000 per year as outlined in the FY2007 through FY2015 Transportation CIP's. Observation – When reviewing the Transportation CIP's for the past 9 FY's we observed a pattern. The first 2 FY's of each CIP have identified funding levels typically in the \$50,000,000 to \$60,000,000 per year range and then the funding levels for the next 4 FY's drop off very sharply often to \$0 or close to \$0. Each CIP is a snap shot in time and could lead one to conclude that it is difficult to predict the level of transportation funding for a specific project out more than 2 years. If it is difficult to predict the level of transportation funding out more than 2 years in the CIP's then it may be a significant challenge to accurately reflect the level of transportation funding out 16 years in the Monetary Policy Guide. We would recommend that an average annual funding level over the past 5 years of \$50,516,322 (((\$67,866,795 FY15 + 63,089,399 FY14 + \$58,058,385 FY13 + \$54,100,725 FY12 + \$9,466,305 FY11) / 5) be used to estimate future funding levels and the number of funded lane miles through 2030.

$$\begin{aligned} \text{Funded Lane Miles} &= \$50,516,322 \text{ per year} \times 16 \text{ years} / \$4,300,000 \text{ per lane mile} \\ &= 188.0 \text{ lane miles} \end{aligned}$$

Since it is difficult to estimate transportation funding levels in the near future, estimating them out 16 years is quite a challenge and appears to be significantly underestimating the total number of funded lane miles. We recommend that the 5-year average of the actual transportation funding levels be used to estimate future funding levels and the total number of funded lane miles through 2030. The number of funded lane miles should be revised upward from 98.4 to around 188.0 to more accurately reflect the current level of transportation funding. Given the County's commitment to transportation and their robust road construction program over the past 20 years with funding from numerous sources it would be difficult to foresee

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Attachment B – June 10, 2014 NVIBA Letter

transportation funding levels falling significantly below current transportation funding levels— especially with a major new source of transportation funding.

3. Many members have questions regarding how the new NVTA funding of roughly \$40,000,000 per year raised in Prince William County will benefit transportation projects in the County. Since NVTA funding is intended to be over and above existing funding levels, the NVTA funding should provide a significant amount of new funding over and above existing funding levels for transportation projects. Please explain how this new funding will benefit transportation projects and how many additional lane miles are expected to be constructed through 2030 with the increase level of transportation funding.

I am sure you would agree that we should be using the most accurate data possible to calculate the proposed Monetary Contributions and we believe that the above outlined changes will go a long way toward achieving the goals of the Board without causing an adverse impact on the county's economy.

After you have had a chance to review this information, we would appreciate the opportunity to discuss this important issue with you prior to the Board taking action on June 17th.

I appreciate your consideration and I look forward to hearing back from you in the near future.

Kindest Regards,



J. Truett Young, President

Northern Virginia Building Industry Association.

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Attachment C – Staff Response to June 10, NVBIA Questions



COUNTY OF PRINCE WILLIAM

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PLANNING
OFFICE

Christopher M. Price, AICP
Director of Planning

June 11, 2014

J. Truett Young, President
Northern Virginia Building Industry Association
3684 Centerview Drive, Suite 110B
Chantilly, VA 20151

Re: Policy Guide for Monetary Contributions, Follow Up Comments / Questions

Dear Mr. Young,

Thank you for your correspondence. The information that you have provided is appreciated. The letter from the Northern Virginia Building Industry Association (NVBIA) dated June 10, 2014 makes comments regarding the Schools, Parks, and Transportation sections of the Policy Guide for Monetary Contributions. Our responses are provided below.

Schools

The NVBIA has noted that the new school prototypes, while less expensive than previously identified alternatives, are still more expensive than recently completed school construction projects. As such, you have a request that we utilize actual costs associated with recently completed capital facility projects rather than Capital Improvement Program (CIP) project estimates. CIP project estimates are based on multiple data points including recent construction costs, predesign activities, market trends, recent bid data, historical information, and other industry standard estimating guides. The objective is to have the most up-to-date and realistic cost estimate to ensure that sufficient funding is identified to support the completion of the planned capital project. Staff's recommendation is that utilizing well established, up-to-date CIP cost estimates, using multiple data sources, is the most prudent way to tie the mitigation of impacts associated with the need for future capital facilities with the Comprehensive Plan levels of service.

Parks

Why does the cost per acre for Community and Regional Parks differ from the County average cost per acre of \$132,813? The per acre costs within the Parks section reflects the average cost to develop an acre of parkland. The County cost per acre referred to in the question includes the cost of land only. The Community and Regional Park per acre cost includes land, site improvements such as parking lots and utilities, and facility costs.

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Attachment C – Staff Response to June 10, NVBIA Questions

Policy Guide for Monetary Contributions, Follow Up Comments / Questions

June 11, 2014

Page 2

Transportation

1. Comment has been addressed by adding additional language to the footnote.
2. Although you are correct in observing that there have been high levels of transportation funding in the past 4 years, this is due to the finalization of the 2006 (\$300 million) County road bond program. The County's bonding authority expires in 2016, and the CIP and 5-year budget do not include any additional bonding authority for transportation projects. If the Board approves additional transportation bond programs, the County will re-examine its methodology of calculating monetary contributions for transportation projects. The current methodology is based on what the County believes it can afford in transportation improvements through the next 16 years. This was based on the financial analysis of the region's Constrained Long-Range Plan (CLRP), which included the use of local, regional, state and federal funding.
3. The only guaranteed funding the County will be receiving from NVRTA on an annual basis is the "30% local funds" which total \$10 million/year. This funding can be used for public transportation improvements, which means that the money could fund transit, pedestrian, bicycle and safety projects, not necessarily road projects. The CLRP miles include roads that the County assumes will be funded through the 30% NVRTA local funding.

The 70% regional money can fund all the modes of travel mentioned above and the County is not guaranteed to receive an annual allocation. The legislation specifies that the regional funds must benefit the jurisdictions that they are raised in over the long term. However, the terms "benefit" and "long term" have not yet been defined but the benefits of these funds may include projects outside the physical jurisdiction of the county. Also, regional transit improvements such as VRE and PRTC will count against Prince William County's "benefits" from these regional funds. Thus, the County does not believe that the totality of this funding will go to road improvements. Until the Board makes policy decisions about this funding, it is uncertain how it will be allocated to road projects.

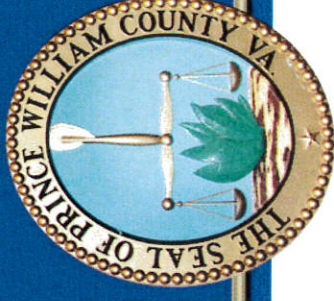
Transit projects have become a priority for Prince William County and significant amounts of funding have been recently allocated to major transit projects. Thus the County may analyze the possibility of a level of service contribution towards transit as approved in the 2010 update of the Comprehensive Plan under the new Transit section.

Again, thank you for providing input. Please contact me if you have any questions or if you would like any additional information.

Sincerely,



Christopher M. Price
Director of Planning



Prince William County Government
Board of County Supervisors

Policy Guide for Monetary Contributions Update

*Chris Price, Director
Planning Office*

Project Timeline

- October 8, 2013 – BOCs initiated a review of the Policy Guide (RES 13-604)
- February 25, 2014 - BOCs Directive (DIR 14-27) to study the possibility of including Adult Detention Center capital costs into the Policy Guide for Monetary Contributions
- April 23, 2014 – School Board selected prototype facility designs
- June 3, 2014 – Staff Presentation to BOCs



NVBIA Comments

- Staff received comments on the proposed update from the Northern Virginia Building Industry Association
- Most of the comments relate to using Capital Improvement Program (CIP) cost and revenue estimates rather than prior year costs and revenues
- Staff recommends utilizing CIP estimates as the most prudent way to tie the mitigation of impacts associated with the need for future capital facilities with the Comprehensive Plan levels of service



Recommendations

- Update the Schools, Parks, Transportation, and Libraries suggested monetary contributions as presented on June 3rd. Do not adopt the proposed Adult Detention Center suggested monetary contributions.
- Update the suggested monetary contribution amount for Fire and Rescue, however do not increase the Fire and Rescue non-residential suggested contribution amount until such time that the policy can be evaluated in conjunction with an update to the Economic Development Chapter of the Comprehensive Plan
- Consider a policy Proffer policy once the guidelines have been fully vetted by staff and provided to the BOCs.



Recommended Proffer Guidelines



	Single Family	Townhouse	Multifamily
Schools	\$20,694	\$17,489	\$10,300
Parks	\$5,591	\$5,144	\$3,792
Libraries	\$812	\$805	\$597
Fire and Rescue	\$1,053	\$974	\$718
Transportation	\$16,780	\$15,425	\$11,371
Total	\$44,930	\$39,837	\$26,778





Melissa S. Peacor
County Executive

COUNTY OF PRINCE WILLIAM

OFFICE OF EXECUTIVE MANAGEMENT


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June 11, 2014

TO: Board of County Supervisors

FROM: Christopher M. Price, AICP 
Director of Planning

THRU: Melissa S. Peacor
County Executive

RE: Adopt the 2014 Policy Guide for Monetary Contributions – **Countywide**

One June 3, 2014, staff presented a proposed update to the Policy Guide for Monetary Contributions (Proffer Policy) to the Board of County Supervisors (BOCS). A copy of the staff report is included as Attachment A. In order to allow for additional public review, the BOCS did not take action on the item but rather directed that staff bring the proposed update forward for consideration on June 17, 2014. In addition, the BOCS requested that staff discuss the proposed policy update with representatives from the Northern Virginia Building Industry Association (NVBIA) and that staff review, update, and make recommendations regarding a Police level of service methodology. During the presentation, staff recommended that the BOCS consider delaying implementation of the proposed Fire and Rescue nonresidential proffer until such time that a review and update of the Comprehensive Plan Economic Development Chapter is completed. Subsequent to that meeting, staff met with NVBIA representatives and worked with the Police Department to update the previously proposed Police methodology. The NVBIA has submitted a comment letter (Attachment B) and staff has prepared a response (Attachment C). The proposed Police methodology is described below.

Police Methodology

A suggested monetary contribution for Police is being developed using the most recent available cost estimate data. The proposed methodology is still undergoing review and will be provided to the BOCS as soon as it is available. The methodology utilizes the existing level of service standards within the adopted Comprehensive Plan to estimate facility and equipment needs and is based on the methodology developed in 2007.

Staff Recommendation

Based on our analysis and review of information received, staff recommends the following:

1. Update the Schools, Parks, Transportation, and Libraries suggested monetary contributions as presented on June 3rd. Do not adopt the proposed Adult Detention Center suggested monetary contributions.
2. Update the suggested monetary contribution amount for Fire and Rescue, however do not increase the Fire and Rescue non-residential suggested contribution amount until such time that the policy can be evaluated in conjunction with an update to the Economic Development Chapter of the Comprehensive Plan.
3. Staff recommends consideration of a Police proffer policy once the guidelines have been fully vetted by staff and provided to the BOCS.

The recommended contributions are summarized as follows:

Single Family	<u>Amount</u>
Schools	\$20,694
Parks	\$5,591
Libraries	\$812
Fire and Rescue	\$1,053
Transportation	\$16,780
Total	\$44,930
Townhouse	
Schools	\$17,489
Parks	\$5,144
Libraries	\$805
Fire and Rescue	\$974
Transportation	\$15,425
Total	\$39,837
Multifamily	
Schools	\$10,300
Parks	\$3,792
Libraries	\$597
Fire and Rescue	\$718
Transportation	\$11,371
Total	\$26,778

Attachments:

Attachment A: June 3, 2014 BOCS Meeting Staff Report

Attachment B: June 10, 2014 NVBIA Letter

Attachment C: Staff Response to June 10, NVBIA Questions