



Date of Council Meeting: August 11, 2015

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Capital Intensity Factor and Regional Road Contributions (Town Plan Appendix B)

Staff Contact: Susan Berry Hill, Director, Department of Planning and Zoning

Council Action Requested: (1) Direction from Council is needed to proceed with the development of a non-school capital intensity factor, and to update existing proffer guidelines for regional road improvements (Town Plan Appendix B). (2) If Council direction is to proceed, authorization is needed to proceed with a request for proposals to hire a professional consultant to assist Town staff.

Staff Recommendation: If Council desires to address capital costs resulting from growth associated with proposed land development applications, it is recommended that the Town solicit proposals to hire a consultant to assist Town staff to develop a new non-school capital intensity factor, and to update the off-site transportation proffer guidelines (Appendix B of the Town Plan).

Commission Recommendation: Not applicable at this time.

Fiscal Impact: Preliminary estimates indicate a cost range of \$70,000 - \$80,000 to develop a non-school capital intensity factor (CIF) and to amend/replace Appendix B. The higher end of this range would include addressing needed transportation infrastructure along with other capital needs thereby replacing the need for Appendix B.

Alternately, if Council were to decide to update Appendix B, but not develop a new non-school CIF for other capital facilities, staff estimates the cost to be approximately \$20,000 to \$30,000.

It is difficult to estimate the Town's return on investment of developing a new proffer guideline either through a new CIF that includes transportation capital needs, or solely updating Appendix B. The amount of time taken to recoup this expenditure will depend on the level of land development activity that the Town experiences in the future which in turn is dependent upon a number of other factors including the state of the economy, emerging trends, etc. The return on investment would also depend upon the review of each rezoning application that comes before the Town.

In the Commonwealth of Virginia, proffers are voluntary, and the negotiation process throughout the application review is sometimes unpredictable in terms of what an applicant

will offer, and what Council ultimately accepts. Administration of a CIF however offers a predictable and more consistent approach from which to start proffer negotiation with each application. Moreover, consistent administration of a CIF can help defray costs of growth on the Town's capital facilities.

Work Plan Impact: Town Departments do not have adequate resources at this time to complete these work items without the use of a professional consultant. Key Departments potentially working on this project would include Finance and Administrative Services, Planning and Zoning, and the Town Manager's Office. Other Departments that would contribute to the development of inputs used to develop the capital intensity factor would include Public Works & Capital Projects, Parks & Recreation, Leesburg Airport, Leesburg Police, and the Department of Plan Review.

Executive Summary: When considering rezonings that would result in higher densities and increased development, Leesburg currently uses two proffer guidelines to assess the impacts of growth. These are the school proffer guidelines as approved through Resolution 2005-111, and the regional road proffer guideline through Appendix B of the Town Plan. Neither of these guidelines have been updated in recent years, and staff recommends that they be updated to reflect current capital impact assessments. Additionally, Council has requested information about the development of a new capital intensity factor for general capital facilities. These issues were discussed at the Council work session on July 13, 2015.

Background: There is a direct relationship between impacts associated with growth resulting from land development approvals above by-right densities and the corresponding need for additional capital improvements. Land development proffers are one tool to help a community offset the costs of growth, and have been used by Leesburg to offset some capital costs associated with development.

At its work session on July 13, Council discussed the question of whether the Town should expand upon the use of proffers for general capital improvements by adopting a non-school capital intensity factor (CIF). This CIF would address a broader range of capital needs and assure that proffer guidelines are based on current and future capital standards and needs specific to Leesburg. Capital facilities that could be covered by a CIF include parks and recreation, stormwater, safety and police, transportation, and general town facilities.

At the July 13 work session, Council requested the following information:

Funding Source for Consultant Work: Current funding is not available to fund this project. As a such, a supplemental appropriation will be needed in order for the Department of Planning and Zoning to move forward with this work.

Timeline for Work: Staff estimates that development of a capital intensity factor will take approximately eight to ten months. Development of a capital intensity factor would

include capital needs/costs of transportation infrastructure. As such, updates to Appendix B would be incorporated in this work project.

Staff estimates an update to Appendix B would take approximately 4-6 months.

Attachment: Resolution

PRESENTED August 11, 2015

RESOLUTION NO. _____

ADOPTED _____

A RESOLUTION: TO SOLICIT CONSULTANT ASSISTANCE TO DEVELOP A CAPITAL INTENSITY FACTOR (CIF) FOR THE TOWN OF LEESBURG AND TO UPDATE APPENDIX B IN THE TOWN PLAN (OFF-SITE TRANSPORTATION COSTS)

WHEREAS, there are capital costs associated with growth resulting from the approval of land development proposals which will increase development density and intensity above by-right levels; and

WHEREAS, the Town of Leesburg does not currently have a non-school Capital Intensity Factor to offset these capital costs; and

WHEREAS, the Town wishes to develop a proffer guideline in the form of a Capital Intensity Factor to address non-school capital costs associated with growth resulting from land development; and

WHEREAS, the Town adopted Appendix B of the Town Plan in 1988 as a proffer guideline to offset impacts to the Town transportation system associated with proposed land development; and

WHEREAS, Appendix B was developed based on the Transportation Network Policy Map in the Town Plan which shows planned road networks and other transportation facilities; and

WHEREAS, the Town's road network planning has evolved since 1988 with additions and deletions of transportation facilities; and

WHEREAS, Appendix B has been updated over the years only with respect to adjusting factors for inflation but not to update the methodology to reflect the current planned transportation infrastructure; and

WHEREAS, the Town of Leesburg wishes to utilize proffer guidelines that reflect current capital infrastructure needs in the Town.

A RESOLUTION: TO SOLICIT CONSULTANT ASSISTANCE TO DEVELOP A CAPITAL INTENSITY FACTOR (CIF) FOR THE TOWN OF LEESBURG AND TO UPDATE APPENDIX B IN THE TOWN PLAN (OFF-SITE TRANSPORTATION COSTS)

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia as follows:

Direction is hereby provided to staff to develop and issue a Request for Proposal(s) to solicit consultant assistance to develop a non-school Capital Intensity Factor and to update Appendix B of the Town Plan.

PASSED this 11TH day of August, 2015.

Kristen C. Umstattd
Mayor

ATTEST:

Clerk of Council