



Date of Council Meeting: October 13, 2015

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Information Memo

Subject: Non-school Capital Intensity Factors

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

Council Action Requested: None. Information only.

Staff Recommendation: None at this time.

Commission Recommendation: None at this time.

Fiscal Impact: If new non-school Capital Intensity Factors (CIF) are developed and Appendix B of the Town Plan (off-site regional road improvements) is updated (or included in the new, non-school CIF), and these proffer guidelines are administered consistently with each rezoning application, the Town should be in a better position to offset capital costs associated with growth thereby reducing the tax burden on Leesburg residents.

Work Plan Impact: Staff from key departments that would work on this project would include the Department of Finance and Administrative Services and the Town Manager's Office. Other Departments that would significantly contribute to the development of inputs used to develop the Capital Intensity Factors (CIF) would include Public Works & Capital Projects, Parks & Recreation, Leesburg Police, Department of Plan Review, and the Department of Planning & Zoning. It should be noted that even though the assistance of a County Management Fellow would significantly help with the development of the CIF, significant staff resources would still be required to help develop the CIF. The amount of staff resources required is difficult to completely quantify at this time.

Executive Summary: When considering rezonings that would result in higher densities and increased development, Leesburg currently uses two proffer guidelines to offset the impacts of this growth. These are the school proffer guidelines as approved through Resolution 2015-105, and the regional road proffer guideline through Town Plan Appendix B. Council has requested information about the development of a new, non-school Capital Intensity Factors (CIF) for general capital facilities. This memo will provide information for Council to consider regarding the general steps that would be taken to develop non-school CIF, and how a County Management Fellow or other assistance could be used to help with this effort.

Background: On July 13, 2015, Council discussed the development of non-school Capital Intensity Factors (CIF). Capital Intensity Factors are used to offset impacts on

capital facilities resulting from new residential development, and provides a guideline for proffer negotiations during review of residential rezoning applications. It is the estimated cost per unit, by unit type, required to offset the impact of residential growth on the Town's capital facilities. Non-school CIF is used to determine the fiscal impact that the increase in population will have on facilities.

Staff was asked whether such work effort could be conducted using in-house staff with assistance from a County Management Fellow. Information is provided below on Management Fellows, and the steps that would be taken to develop non-school related CIF.

Each year Loudoun County provides temporary full time employment opportunities for recent graduates of masters-level college programs in Business or Public Administration through the Loudoun County Management Fellow Program. These are one-year, full time positions that are structured to include three to four-month rotations in various departments within County government. This past year the Town submitted an application to Loudoun County which was accepted, and the Town received assistance from a Management Fellow to work on specified projects from July to September.

Should the Town Council wish to use a Management Fellow for development of non-school CIF, an application to the County would be submitted in the March-April 2016 timeframe. The application would be accompanied with a description of the project(s) for which the Town wishes to use the Management Fellow. The Town's application would be reviewed in the March-April timeframe and notification of acceptance would be provided in the April-May timeframe. If the Town's application for a Management Fellow is accepted, s/he would likely be assigned to work at the Town for a period of three months, starting in July. There was no cost to the Town for the assignment of a Management Fellow this year. Staff would need to ascertain from the County whether there would be a cost for the assignment of a future Management Fellow.

General steps for this project are identified below along with key Town Staff that would be needed for the project. The Management Fellow would be ideally suited for accomplishing (with assistance from key staff) the first four steps of the process. This would be the development of the inputs that will serve as the basis for CIF. The Management Fellow would also draft preliminary review document(s). After step four, staff recommends that a Fiscal Impact Committee be established with a Council representative(s), a development industry stakeholder(s), and staff to review these factors and to finalize work to develop non-school CIF similar to the framework established by Loudoun County.

General steps for the project:

1. Population projections

What: Estimates of future population projections would be made to approximately 2030.

Who: The Town's Research and Communications Manager would provide the estimates in coordination with expertise from the Metropolitan Council of Governments, Loudoun County, and other sources.

2. Per Capita Facility Standards

What: The Town adopts per capita standards for provision of capital facilities.

Who: Management Fellow and the Department of Finance and Administrative Services will work with the Departments of Public Works and Capital Improvements, Parks and Recreation, Police, Balch Library, and Plan Review to develop basic per capita standards for capital facilities.

3. Capital Facility Needs Assessment

What: Based on the per capita standards established in #2 above, the capital facility needs are estimated to address population growth to 2030.

Who: Management Fellow will work with department directors (or designee) on identifying capital needs based on the standards established in #2.

4. Capital Costs Assessment

What: Cost estimates are developed for each type of facility that is needed (or expansion of current facilities) as identified in #3 above.

Who: Management Fellow will work with Public Works and Capital Projects staff to determine the general specifications for each facility improvement and the estimated costs of construction.

5. Cost Per Capita/Cost per Household Assessment:

What: Using the population factors, develop the cost per capita and cost per household of the needed facilities. Facilities identified in the Capital Improvement Plan are deducted from the estimate.

Who: Fiscal Impact Committee will convene to review the inputs established in steps 1-4 above and develop a non-school CIF. If the Management Fellow is still available at this stage of the project, s/he would help.

6. Adoption of CIF and Adoption of Proffer Guideline for Developer's Share of CIF

What: Adopt a non-school CIF and set a standard for what percentage of the CIF would be anticipated by the applicant of a land development application.

Who: A recommendation will be made by the Fiscal Impact Committee to the Town Council. Town Council will decide on the non-school CIF and proffer guideline to establish the recommended applicant share of the CIF.