

**VISTAS AT FERRY FARM
STAFFORD, VA**

SB 549 PROFFER ANALYSIS

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— PUBLIC FINANCE —

VISTAS AT FERRY FARM STAFFORD COUNTY, VA

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I. Introduction

The purpose of this document is to satisfy portions of the SB 549 proffer analysis requirement (as subsequently described) for the proposed Vistas at Ferry Farm Age-Restricted Residential Development (the “Development”) and its associated residential rezoning submission. More specifically, this document addresses legislative requirements and Stafford County policy related to “proffers” (a one-time voluntary monetary commitment from a property owner related to a property that is subject to rezoning) for the Development.

LEGISLATION PERTAINING TO RESIDENTIAL PROFFERS

Section 15.2-2303.4 of the Code of Virginia (the “Residential Proffer Legislation”) places certain limitations on proffers for residential rezoning cases filed after July 1, 2016. As stipulated by the Residential Proffer Legislation, a local government may only request or accept a proffer if it is directly related to the impact on public facilities and services specifically attributable to the property subject to residential rezoning. Moreover, the Residential Proffer Legislation does not allow for the proffer to be unreasonable.

The Residential Proffer Legislation designates four categories of public improvements and facilities, which are as follows:

- **Public school facility improvements:** construction of new primary and secondary public schools or expansion of existing primary and secondary schools, to include all buildings, structures, parking, and other costs directly related thereto;
- **Public safety facility improvements:** construction of new law enforcement, fire, emergency, medical, and rescue facilities or expansion of existing public facilities, to include all buildings, structures, parking and other costs directly related thereto;
- **Public park facility improvements:** construction of public parks or improvements and/or expansion of existing public parks, with “public parks” including playgrounds and other recreational facilities;
- **Public transportation facility improvements:** construction of new roads; improvement or expansion of existing roads and related appurtenances as required by applicable standards of the Virginia Department of Transportation, or the applicable standards of a locality; and construction, improvement, or expansion of buildings, structures, parking, and other costs directly related to transit.

According to the Residential Proffer Legislation, no public facility improvement shall include any operating expense of an existing public facility, such as ordinary maintenance or repair, or any capital improvement to an existing public facility, such as a renovation or technology upgrade, that does not expand the capacity of such facility. In addition, all proffers will be deemed unreasonable unless the proffer addresses an impact on public facilities that is specifically attributable to the proposed

residential development and for which there will not be adequate existing capacity for the proposed residential development.

This document includes calculations of the projected impact of the Development on public school facility improvements, public safety facilities improvements, and public park facility improvements. A separate traffic impact analysis is being prepared that will address impacts to public transportation facility improvements.

SB 549 PROFFER ANALYSIS

In response to the Residential Proffer Legislation, Stafford County adopted policies to ensure any proffer requested or accepted meets the standards mandated by the legislation.

This document focuses on the identification of potential impacts to public facility improvements resulting from the proposed Development. As subsequently discussed, calculations of proposed proffers will be reviewed after Stafford County has had the opportunity to provide comments to this document.

Subsequent sections of this document provide a detailed description of the Development and its potential impacts on public facility improvements. This document also provides a detailed explanation of the methodology employed in calculating these impacts.

II. The Development

DEVELOPMENT SUMMARY

As proposed by Naomi Road, LLC (the “Developer,” or the “Applicant”), the Development is an age-restricted residential community that includes 136 apartment units and 11,000 square feet of office space in an approximately 7.118-acre site within the George Washington Magisterial District in Stafford County.

The site is mostly vacant with six dilapidated houses. As subsequently noted, the maximum residential development allowed by-right under current zoning is five single-family detached units. Accordingly, impacts herein are estimated for those units net of the five “by-right” units, or 131 apartment units (calculated as 136 proposed units – 5 by-right units).

THE SITE

The Development is an irregularly-shaped 7.118-acre site located between Kings Highway and Naomi Road. The site is generally bordered by Kings Highway to the north and west, Naomi Road to the south, and a railroad track to the east. Access will be provided from the south via Naomi Road. The property parcel identifications are:

54-79 54-79A 54-80 54-80A 54-81

The site (see Exhibit A) is contemplated as Age-Restricted Housing (“R-5”) and Office (“B-3”).

According to the Stafford County Code of Ordinances (the “County Code”), R-5 Age-Restricted Housing districts are established “to provide areas of high-intensity residential uses designed and intended to be multifamily dwellings for persons fifty-five (55) years in age or older, in accordance with all federal and state laws and regulations. Such districts shall be located within the designated urban services area, where public water and sewer are available and transportation systems are adequate, and outside of the military impact areas in the comprehensive plan.”

The Stafford County Code of Ordinances (the “County Code”) states B-3 Office districts are designed to “provide areas in the county for the location of professional offices and office parks. Such areas should be located as transitional areas between commercial and residential uses.”

The parcels comprising the Development site is currently zoned as Agricultural (“A-1”). According to the County Code, the purpose of A-1 zoning is “to reserve areas for traditional agricultural activities and to provide for their continuation as well as preservation of areas of rural character.” The Applicant seeks approval for the appropriate rezoning to facilitate the contemplated Development. Current zoning allows for the construction of five single-family detached units at the site.

III. Public Facility Improvement Impacts

OVERVIEW

As mentioned, this document includes a calculation of public facility impacts, which are detailed in the subsequent sub-sections. Included in each section is a discussion of the methodology employed in estimating impacts. The included subsections are as follows:

- **Public school facility improvements** – In keeping with Stafford County practices, impacts are calculated collectively for elementary, middle, and high schools, and are based on projected incremental additional students that will result from the Development.
- **Public safety facility improvements** – Also in keeping with County practices, impacts are calculated for Sheriff's Department, as well as Fire and Rescue services, and are based on projected incremental additional residents that will result from the Development.
- **Public park facility improvements** – Impacts are based on projected incremental additional residents that will result from the Development.
- **Public transportation facility improvements** – Impacts are based on projected incremental additional residents that will result from the Development.

III-A. Public School Facility Improvement Impacts

METHODOLOGY

To project impacts to public school facility improvements, MuniCap first researched the student generation factors used by Stafford County Public Schools. These factors are calculated separately by school type (elementary, middle, and high school) and by unit type (single-family attached, single-family detached, and multi-family). The student generation factors are shown below in Table III-A.1.

TABLE III-A.1
Current Student Generation Factors^(a)

| <i>Unit Type</i> | <i>Elementary School</i> | <i>Middle School</i> | <i>High School</i> | <i>Total</i> |
|------------------------|--------------------------|----------------------|--------------------|--------------|
| Single-family attached | 0.431 | 0.235 | 0.281 | 0.947 |
| Single-family detached | 0.265 | 0.126 | 0.153 | 0.544 |
| Multi-family | 0.113 | 0.040 | 0.074 | 0.227 |

Source: Stafford County Planning Department. Factors are for new developments.

MuniCap then applied these student generation factors to the proposed units within the Development that are in excess of development allowed under the current zoning designation. It is also assumed that none of the age-restricted units will generate any additional students.

PROJECTED NET STUDENT IMPACTS

As previously described, the Development consists of age-restricted units. No additional students are expected to be generated as a result of the Development.

MITIGATION STRATEGIES

The Residential Proffer Legislation stipulates that proffers can only provide for needs exceeding existing capacity. Since the Development is not expected to create an additional service demand for elementary, middle, and high school facilities, any proffer related to such school facilities would be inappropriate under the Residential Proffer Legislation. Accordingly, no proffer has been calculated for public school facility costs.

The Applicant will coordinate with the appropriate Stafford County staff after they have had the opportunity to review this document and provide comments. The Applicant will undertake efforts necessary to ensure that the proposed mitigation strategy is consistent with all applicable law, including, but not limited to, the Residential Proffer Legislation.

III-B. Public Safety Facility Improvement Impacts

METHODOLOGY

To estimate public safety facilities, MuniCap first estimated the total population that will reside within the proposed Development based on U.S. Census Bureau data. MuniCap then applied the level of service (“LOS”) standards for various public safety services as identified in the Stafford County Comprehensive Plan to calculate the impact of the Development on public safety services. MuniCap then compared the existing capacity at the relevant public safety facilities to the forecasted increase in required services resulting from the proposed development and determined whether the projected demand exceeded current capacity.

PROJECTED NET RESIDENT IMPACTS

As previously described, the Development includes 131 new age-restricted apartment units in excess of current zoning allowance. Based on the projected development and the resident generation factor based on U.S. Census data, the proposed development will house an estimated 227 total residents, 219 of which will reside in units that exceed the current zoning allowance, as shown below in Table III-B.1.

TABLE III-B.1
Projected Residents – Development

| <i>Unit Type</i> | <i>Units^(a)</i> | <i>Residents Per Unit^(b)</i> | <i>Total Projected Residents</i> |
|--|----------------------------|---|----------------------------------|
| Age-restricted apartments (total) | 136 | 1.67 | 227 |
| Age-restricted apartments (above by-right) | 131 | 1.67 | 219 |

(a) Source: Naomi Road, LLC.
(b) Source: 2012-2016 American Community Survey 5-Year Estimates, U.S. Census Bureau, using PUMA system for Rappahannock-Rapidan Regional Commission, Virginia. Calculated using average occupancy for 1-, 2-, and 3-bedroom rental units and projected unit mix at Development.

CURRENT CAPACITY OF PUBLIC SAFETY FACILITIES

Sheriff's Department Facilities

According to the County's Comprehensive Annual Financial Report, the Sheriff's Department received 85,332 service calls in Fiscal Year 2017, although the percentage of these calls allocated to residential properties relative to other properties is not known at the time of this writing. Based on U.S. Census data, the current County population is 146,649; the projected 219 residents generated by the Development represent an increase of 0.15% to the current resident population (calculated as $219 \text{ new residents} \div 146,649 \text{ current residents}$).

According to the County's Comprehensive Plan, the LOS standards for the Sheriff's Office include the following:

- Respond to 100% of emergency calls for service within 5 minutes or less, on average, of being dispatched; and
- Respond to 100% of all non-emergency calls for service within 10 minutes or less, on average, of being dispatched.

The County Capital Improvement Plan does not include any improvements that increase the current capacity of Sheriff's Department facilities. Accordingly, no proffers have been calculated for Sheriff's Department facilities.

The Applicant will coordinate with the appropriate County staff to confirm that the Development does not create an impact on the Sheriff's Department facility space that exceeds current capacity.

Fire and Rescue Facilities

Based on location, the Development will be served by Fire Station #1 (Falmouth) located approximately 2.0 miles from the Development site.

As stated in the County Capital Improvement Plan, the County’s call volume for Fiscal Year 2016 was 25,039. Based on the County’s population of 146,649, the call volume per resident is 0.171 (calculated as 25,039 calls ÷ 146,649 residents).¹ Using this call volume per resident, the 219 projected residents at the Development would increase overall call volume by 37.35, as shown below in Table III-B.2.

TABLE III-B.2
Projected Fire and Rescue Facility Impacts

| <i>Facility Type</i> | <i>Projected Resident Impact</i> | <i>Call Volume Per Resident</i> | <i>Projected Call Volume Increase</i> |
|----------------------|----------------------------------|---------------------------------|---------------------------------------|
| Fire and rescue | 219 | 0.171 | 37.35 |

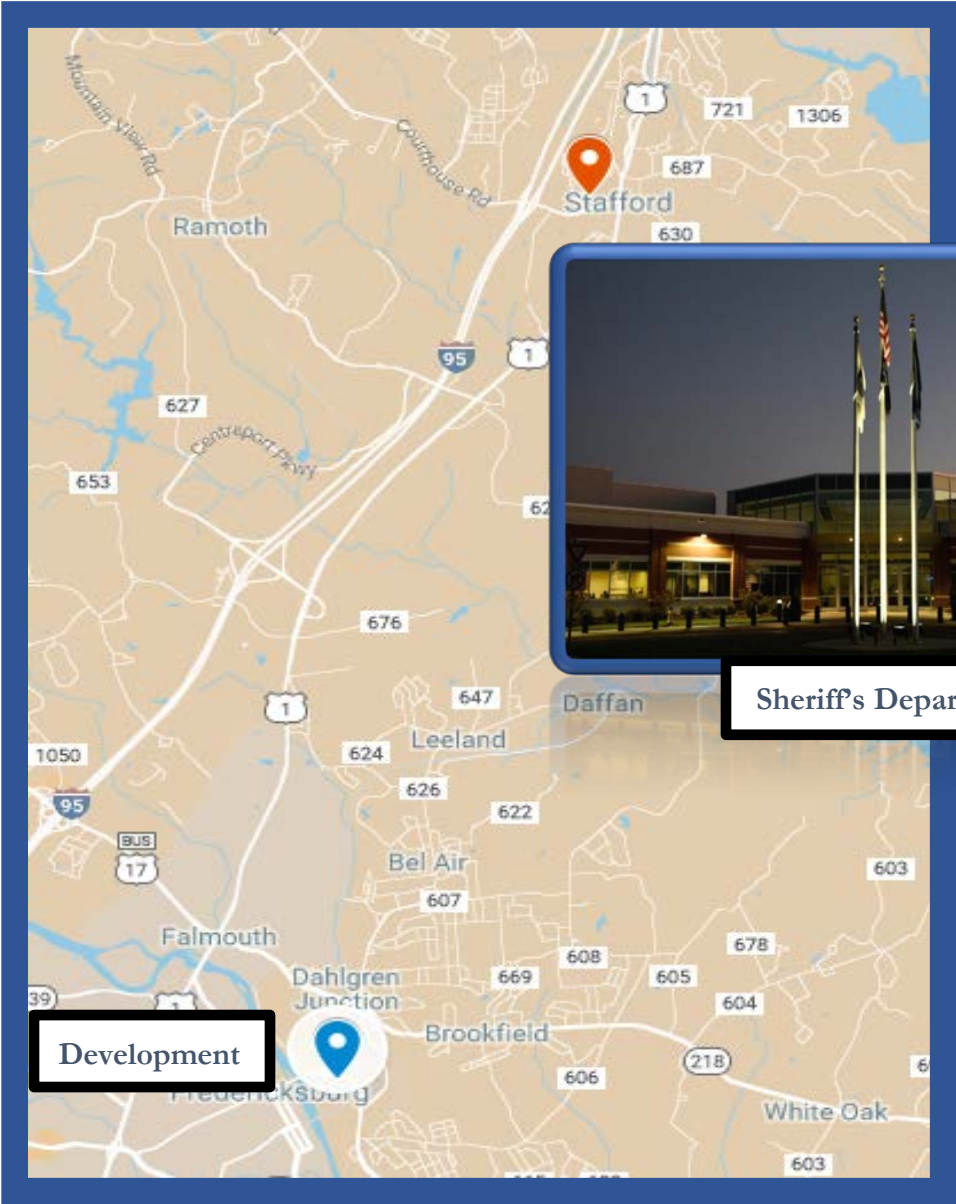
According to the County’s Comprehensive Plan, the LOS standards for the Fire and Rescue Department include the following:

- Maintain and improve upon the Insurance Services Office (“ISO”) Public Protection Classification (“PPC”) rating of 4/4y Countywide, where a rating of “1” represents an exemplary fire suppression program and “10” indicates that the area’s fire suppression program does not meet ISO’s minimum criteria; and
- Respond to 90% of all fire and emergency medical service calls within 8 minutes or less after being dispatched to incidents within the County.

This study includes a proffer for new Fire and Rescue Facilities in accordance with County policy.

¹ According to the County Fire Department, call volume is not tracked by residential vs. non-residential calls.

EXHIBIT B: AREA MAP (DEVELOPMENT SITE & SHERIFF'S DEPARTMENT FACILITY)



Sheriff's Department

Development

EXHIBIT C: AREA MAP (DEVELOPMENT SITE & FIRE AND RESCUE FACILITIES)



MITIGATION STRATEGIES

The Development creates impacts in excess of current County public safety facility capacity. However, the County Capital Improvement Plan does not include any capital improvements to Sheriff's Department facilities that increase capacity in the Development's service area. As such, any proffer related to such facilities would be inappropriate under the Residential Proffer Legislation.

Proffers for Fire and Rescue facilities are calculated in accordance with County policy in Table III-B.3 on the following page.

TABLE III-B.3
Projected Fire and Rescue Facility Impacts

| <i>Fire and Rescue Impact for the Proposed Zoning Reclassification</i> | |
|--|-----------------|
| <u>Fire and Rescue</u> | |
| a) Total population of Station 1 Service Area ^(a) | 25,983 |
| b) Total square footage for Station 14 | 15,833 |
| c) Square feet of Fire and Rescue Building needed per capita (b ÷ a) | 0.6094 |
| d) Approximate construction cost (per station) ^(b) | \$5,273,000 |
| e) Building cost per square foot (d ÷ b) | \$333.04 |
| f) Building cost per capita (e × c) | \$202.94 |
| g) Site acreage | 4.8 |
| h) Acres per capita (g ÷ a) | 0.00018 |
| i) Cost for site ^(b) | \$1,000,000 |
| j) Cost per acre (i ÷ g) | \$208,333 |
| k) Acre cost per capita (h × j) | \$38.49 |
| l) Approximate capital equipment cost (per station) | \$1,750,000 |
| m) Approximate equipment cost per square foot (l ÷ b) | \$110.53 |
| n) Equipment cost per capita (c × m) | \$67.35 |
| o) Gross cost per capita (f + k + n) | \$308.78 |
| p) Residents per apartment unit^(c) | 1.67 |
| q) Gross cost per apartment unit (o × p) | \$515.66 |
| r) Total proffer for Development (q × 131 units above by-right) | \$67,551 |
| Estimated proffer per age-restricted apartment, Total Development (r ÷ 136 units) | \$496.70 |
| ^(a) Source: Stafford County Geographic Information Systems Department. | |
| ^(b) Estimates provided by Stafford County staff. | |
| ^(c) See Table III-B.1 | |

The Applicant will coordinate with the appropriate Stafford County staff after they have had the opportunity to review this document and provide comments. The Applicant will undertake efforts necessary to ensure that the proposed mitigation strategy is consistent with all applicable law, including, but not limited to, the Residential Proffer Legislation.

III-C. Public Parks Facility Improvement Impacts

METHODOLOGY

As with public safety facilities impacts, to project impacts on public park facilities, MuniCap first estimated the total population that will reside within the proposed Development based on U.S. Census Bureau data. MuniCap then applied the level of service standards for public parks as identified in the Stafford County Comprehensive Plan to calculate the impact of the Development on public parks services. MuniCap then compared the existing capacity at the relevant public parks facilities to the forecasted increase in required services resulting from the proposed development and determined whether the projected demand exceeded current capacity.

PROJECTED NET RESIDENT IMPACTS

As previously described, the Development includes 136 new age-restricted apartment units. Based on the projected development and the average occupancy of such residential units in the County, the proposed development will house an estimated 227 total residents, with 219 residents in units above by-right, as shown in Table III-B.1 of the preceding section.

CURRENT LOS STANDARDS PUBLIC PARKS FACILITIES

The County LOS standards for public parks and recreation as outlined in the Comprehensive Plan include the following:

- Twenty acres of developed parkland for each 1,000 County residents.

The 2017 Parks Utilization Plan, prepared by the County Parks and Recreation Department, identifies the geographic areas where park facilities are lacking and assigns priority areas where parks should be located. According to the Park Utilization Plan, the Development site is not within a priority area. Therefore, this analysis assumes that the area currently has adequate park services levels and does not include a calculation of proffers for park facility improvements.

MITIGATION STRATEGIES

As stated, this analysis assumes that the Development does not create impacts in excess of current County public parks facility capacity based on the Park Utilization Plan. As such, no proffers related to such facilities are included herein.

After the appropriate Stafford County staff has had the opportunity to review this document and provide comments, the Applicant will coordinate with the County to confirm the appropriate proffer amount necessary to mitigate the additional prorated costs of eligible public parks facility improvements. The Applicant will undertake efforts necessary to ensure that the proposed mitigation strategy is consistent with all applicable law, including, but not limited to, the Residential Proffer Legislation.

Any proffer related to public parks must only mitigate the costs reasonably attributable to an increase from the Development. The Applicant will coordinate with the appropriate Stafford County staff after they have had the opportunity to review this document and provide comments. The Applicant will undertake efforts necessary to ensure that the proposed mitigation strategy is consistent with all applicable law, including, but not limited to, the Residential Proffer Legislation.

III-D. Public Transportation Facility Improvement Impacts

METHODOLOGY

A separate traffic impact analysis is being prepared that will address impacts to public transportation facility improvements.

IV. Conclusions

SUMMARY OF ANALYSIS

Based on MuniCap's analysis, the estimated cash proffer that may be collected from the Development is as shown below in Table IV-A.

TABLE IV-A
Summary of Analysis

| <i>Public Facilities</i> | <i>Estimated Proffer per Dwelling Unit</i> |
|--|--|
| Public school facilities | \$0 |
| Public safety facilities | \$497 |
| Public parks facilities | \$0 |
| Public transportation facilities | \$0 |
| Estimated proffer per dwelling unit | \$497 |
| Projected number of units | 136 |
| Total projected cash proffer | \$67,551 |

ASSUMPTIONS AND LIMITATIONS

The preceding narrative provides projections of impacts to public facility improvements as mandated by the Residential Proffer Legislation. This narrative is being submitted for review and comment by the appropriate Stafford County staff. Upon receipt of such review and commentary, the Applicant will augment this submission with specific mitigation strategies as appropriate.

This narrative does not contemplate public transportation facility improvement impacts, which will be addressed in a separate transit impact analysis.

In preparation of this narrative, MuniCap relied on multiple sources for the information presented and used herein. While these sources are believed to be reliable, MuniCap has not undertaken any efforts to independently verify the veracity of any such information.

While the methodology employed and the content provided herein are believed to be consistent with applicable law, including the Residential Proffer Legislation, none of the statements in this document should be construed as legal advice.