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February 21, 2024

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Chapel Hill - Carrboro Board of Education
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Chapel Hill, NC 27516

Mark Bell, Mayor
Town of Hillsborough
P.O. Box 429
Hillsborough, NC 27278

Subject: Schools Adequate Public Facilities Ordinance Technical Advisory Committee
(SAPFOTAC) Annual Report

Dear Sir or Madam:

This letter is to update you on the status of the 2024 Annual SAPFOTAC Report. In accordance with the SAPFO Memoranda of Understanding (MOU), the Board of County Commissioners (BOCC) approved the November 15, 2023 actual membership and capacity numbers for Orange County Schools and Chapel Hill - Carrboro City Schools at its meeting on December 4, 2023.

The SAPFOTAC, comprised of representatives of both school systems and the Planning Directors of the County and Towns, has produced the 2024 Annual Report. Per the SAPFO MOU, the annual technical report contains information on Levels of Service, Building Capacity, Membership Date, Capital Investment Plan, Student Membership Projection Methodology, Student Membership Projections, Student Membership Growth Rate, Student/Housing Generation Rate, and the SAPFO Process. Enclosed for your use are copies of the 2024 Executive Summary and the February 20, 2024 BOCC meeting agenda item abstract when the BOCC received the draft report.


The full draft SAPFOTAC report is available on the Orange County Planning Department website in the Long-Range & Comprehensive Planning section at the following link:

<http://www.orangecountync.gov/3031/Long-Range-Comprehensive-Planning>

The 2024 Annual SAPFOTAC Report is scheduled to be certified by the BOCC at a regular meeting in April 2024. If you have any comments pertaining to the report, please forward them to Cy Stober, Orange County Planning and Inspections Director, 919-245-2575 or dstober@orangecountync.gov, no later than 5:00 p.m. on **March 29, 2024**. Any comments received will be part of our agenda package in April.

Please share this information and the 2024 SAPFOTAC report with your respective boards.

Sincerely,



Jamezetta Bedford
Chair
Board of Orange County Commissioners

Enclosures

cc: Bonnie Hammersley, Orange County Manager
Travis Myren, Deputy Orange County Manager
Marie Parker, Interim Manager, Town of Carrboro
Chris Blue, Interim Manager, Town of Chapel Hill
Eric Peterson, Manager, Town of Hillsborough
Nyah Hamlett, Superintendent, Chapel Hill-Carrboro City Schools
Al Ciarochi, Deputy Superintendent for Operations, Chapel Hill-Carrboro City Schools
Andre Stewart, Chief Operations Officer, Chapel Hill-Carrboro City Schools
Quamesha Whitted-Miller, Director of Student Enrollment, Chapel Hill-Carrboro City Schools
Jim Merrill, Interim Superintendent, Orange County Schools
Dwane Foster, Chief Operations Officer, Orange County Schools
Trish McGuire, Planning Director, Town of Carrboro
Britany Waddell, Planning and Development Services Director, Town of Chapel Hill
Shannan Campbell, Planning and Economic Development Manager, Town of Hillsborough

2024 SAPFOTAC Executive Summary

I. Base Memorandum of Understanding

A. Level of Service(No Change).....Pg. 1

	<i>Chapel Hill/Carrboro School District</i>	<i>Orange County School District</i>
<i>Elementary</i>	105%	105%
<i>Middle</i>	107%	107%
<i>High</i>	110%	110%

B. Building Capacity and Membership(Change).....Pg. 2

	<i>Chapel Hill/Carrboro School District</i>			<i>Orange County School District</i>		
	Capacity	Membership	Change from Prior Year	Capacity	Membership	Change from Prior Year
<i>Elementary</i>	5664	4575	- 82	3361	3055	- 4
<i>Middle</i>	2944	2716	- 82	2166	1579	-19
<i>High</i>	3975	3974	+24	2939	2382	-105

C. Membership Date – November 15.....(No Change).....Pg. 18

II. Annual Update to SAPFO System

A. Capital Investment Plan (CIP)(No Change).....Pg. 19

B. Student Membership Projection Methodology(No Change).....Pg. 20 The average of 3, 5, and 10-year history/cohort survival, linear and arithmetic projection models.

C. Student Membership Projections(Change).....Pg. 30

Analysis of 5 Years of Projections for 202-2024 School Year – Chapel Hill/Carrboro City Schools

(The first column for each year includes the student membership projection made for 2023-2024 in that given year. The second column for each year includes the number of students the projection was off compared to actual membership. An “L” indicates the projection was low compared to the actual, whereas an “H” indicates the projection was high compared to the actual.)

		Year Projection Made for 2023-2024 Membership									
	Actual 2023 Membership	2018-2019		2019-2020		2020-2021		2021-2022		2022-2023	
Elementary	4575	5498	H923	5367	H792	4708	H133	4582	L7	4581	H6
Middle	2716	2943	H227	2992	H276	2830	H114	2742	H26	2710	L6
High	3974	4037	H63	4085	H111	3915	L59	3908	L66	3914	H60

Analysis of 5 Years of Projections for 2023-2024 School Year – Orange County Schools

(The first column for each year includes the student membership projection made for 2023-2024 in that given year. The second column for each year includes the number of students the projection was off compared to actual membership. An “L” indicates the projection was low compared to the actual, whereas an “H” indicates the projection was high compared to the actual.)

		Year Projection Made for 2023-2024 Membership									
	Actual 2023 Membership	2018-2019		2019-2020		2020-2021		2021-2022		2022-2023	
Elementary	3055	3321	H266	3320	H265	2994	L61	3000	L55	3063	H8
Middle	1579	1710	H131	1713	H134	1611	H32	1622	H43	1588	H9
High	2382	2426	H44	2433	H51	2367	L15	2508	H126	2446	H64

D. Student Membership Growth Rate(Change).....Pg. 37

Projected Average Annual Growth Rate Over Next 10 Years										
		Chapel Hill/Carrboro School District					Orange County School District			
Year Projection Made:		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2019-2020	2020-2021	2021-2022	2022-2023
Elementary		0.65%	-0.23%	-0.88%	-0.47%	-1.14%	0.84%	-0.02%	-0.04%	0.26%
Middle		-0.07%	-1.50%	-2.10%	-1.77%	-1.96%	0.37%	-0.67%	-0.72%	-0.15%
High		0.03%	-1.44%	-2.15%	-2.09%	-1.83%	0.21%	-0.98%	-1.06%	0.98%

E. Student / Housing Generation Rate(No Change).....Pg. 40

SCHOOL ADEQUATE PUBLIC FACILITIES ORDINANCE STATUS

(Based on future year Student Membership Projections)

CHAPEL HILL/CARRBORO SCHOOL DISTRICT

Elementary School Level

- A. Does not currently exceed 105% LOS standard (current LOS is 80.8%).
- B. The projected growth rate at this level is expected to increase but remain negative over the next 10 years (average -1.14% per year compared to an average of -1.89% over the past 10 years).
- C. Projections are not showing a need for an additional Elementary School in the 10-year projection period.

Middle School Level

- A. Does not currently exceed 107% LOS standard (current LOS is 92.3%).
- B. The projected growth rate at this level is expected to decrease and remain negative over the next 10 years (average -1.96% compared to an average of -0.48% over the past 10 years).
- C. Projections are not showing a need for an additional Middle School in the 10-year projection period.

High School Level

- A. Does not currently exceed the 110% LOS standard (current LOS is 100.0%).
- B. The projected growth rate at this level is expected to decrease and be negative over the next 10 years (average -1.83% compared to +0.56% over the past 10 years).

- C. Projections are not showing a need to expand Carrboro High School from the initial capacity of 800 students to the ultimate capacity of 1,200 students in the 10-year projection period.

ORANGE COUNTY SCHOOL DISTRICT

Elementary School Level

- A. Does not currently exceed 105% LOS standard (current LOS is 90.9%).
- B. The projected growth rate at this level is expected to increase but remain negative over the next 10 years (average -0.14% compared to -1.13% over the past 10 years).
- C. Projections are not showing a need for an additional Elementary School in the 10-year projection period.

Middle School Level

- A. Does not currently exceed 107% LOS standard (current LOS is 72.9%).
- B. The projected growth rate at this level is expected to increase but remain negative over the next 10 years (average -0.44% compared to -0.98% over the past 10 years).
- C. Projections are not showing a need for an additional Middle School in the 10-year projection period.

High School Level

- A. Does not currently exceed 110% LOS standard (current LOS is 81.0%).
- B. The projected growth rate at this level is expected to decrease and remain negative over the next 10 years (average -0.91% compared to -0.13% over the past 10 years).
- C. Projections are not showing a need for additional High School in the 10-year projection period.

ADDITIONAL INFORMATION

Pre-K Students

In recent years, Pre-K enrollment has been a topic of discussion with both school districts. At this time, SAPFO has not been amended to include Pre-K in the membership and capacity numbers. However, Pre-K numbers and impacts continue to be monitored by the SAPFOTAC. Pre-K students for each district is as follows:

	Chapel Hill-Carrboro City Schools	Orange County Schools
School Year	Number of Students	Number of Students
2019-20	267	144
2020-21	208 (-59)	86 (-58)
2021-22	222 (+14)	125 (+39)
2022-23	295 (+73)	101 (-24)
2023-24	250 (-45)	91 (-10)

Charter and Private Schools

Currently, there are two Charter Schools located in the Town of Hillsborough. Charter student membership for these two schools is as follows:

	Eno River Academy	The Expedition School
School Year	Number of Students	Number of Students
2017-18	542	326
2018-19	655 (+113)	355 (+29)
2019-20	715 (+60)	365 (+10)
2020-21	747 (+32)	365*
2021-22	751 (+4)	
2022-23	777 (+26)	
2023-24	805 (+28)	362 (-3)
<i>*The Expedition School reached full capacity of 365 students in 2019-20</i>		

Charter and private schools are not included as part of the SAPFO Annual Report and, as a result, their membership and capacity numbers are not included in future projections. SAPFO projections are used for projecting only public school capacity/construction needs. However, the SAPFO Technical Advisory Committee does monitor charter and private schools and their effect on student enrollment in both school districts. If a charter or private school were to close and a spike were to be realized in school enrollment, the student projections would likely accelerate the need for additional capacity in future years, but likely still within an appropriate time for CIP planning. Charter Schools are also monitored by the Department of Public Instruction (DPI) which provides pupil information, based on data received from Charter Schools located in Orange County, to the County for funding purposes. The County budgeted for charter schools as follows:

	Chapel Hill-Carrboro City Schools	Orange County Schools
Fiscal Year	Number of Students	Number of Students
2017-18	162	617
2018-19	155 (-7)	769 (+152)
2019-20	169 (+14)	843 (+74)
2020-21	166 (-3)	885 (+42)
2021-22	156 (-10)	919 (+34)
2022-23	205 (+49)	951 (+32)
2023-24	210 (+5)	999 (+48)

Although charter and private schools numbers are not collected for SAPFO purposes, impacts due to enrollment at these schools are accounted for in SAPFO process with the annual reporting of student membership and growth rates contained in the 10-year student projections.

Future Residential Development

Proposed growth is not included in the SAPFO projection system until actual students begin enrollment. The Certificate of Adequate Public Schools (CAPS) test is conducted during the approval process at a certain stage. Once students are enrolled in a school year, through annual reporting of student membership numbers, 10-year student projections can be updated to display

future capacity needs in time to efficiently plan for future school capacity/construction requests. The SAPFOTAC continue to monitor and evaluate the demand and growth of residential development throughout Orange County as well as its effect on student membership rates. Below is a list of larger residential projects and the potential number of students from these projects which may have an impact in the short term. Please note, the City of Mebane is not a party to the SAPFO agreement and therefore does not require that CAPS (Certificate of Adequate Public Schools) be issued prior to development approvals. As a result, the expected number of students is based on unit type and bedroom count estimates.

Residential Project	Jurisdiction	Proposed Total Units Remaining	Expected Number of Students
Jade Creek	Carrboro	72	Elementary: 19 Middle: 13 High: 12
Weavers Grove	Chapel Hill	235	Elementary: 44 Middle: 18 High: 20
Park Apartments	Chapel Hill	283	Elementary: 19 Middle: 7 High: 9
Trinity Court Affordable Housing	Chapel Hill	54	Elementary: 7 Middle: 3 High: 4
Columbia Street Annex	Chapel Hill	59	Elementary: 9 Middle: 3 High: 3
101-111 Erwin Road	Chapel Hill	52	Elementary: 21 Middle: 10 High: 9
710 N Estes Townhomes	Chapel Hill	107	Elementary: 21 Middle: 10 High: 9
Stanat's Place	Chapel Hill	47	Elementary: 12 Middle: 4 High: 4
Aura Blue Hill	Chapel Hill	301	Elementary: 21 Middle: 8 High: 11
Calyx (Glen Lennox)	Chapel Hill	291	Elementary: 18 Middle: 6 High: 9
Collins Ridge Phase 1	Hillsborough	672	Elementary: 84 Middle: 45 High: 57

Residential Project	Jurisdiction	Proposed Total Units Remaining	Expected Number of Students
Persimmon at Cates Creek	Hillsborough	346	Elementary: 22 Middle: 11 High: 15
Stagecoach Corner	Mebane	35	Elementary: 9 Middle: 5 High: 6
Bowman Place	Mebane	67	Elementary: 15 Middle: 7 High: 8
The Townes of Oakwood Square	Mebane	58	Elementary: 3 Middle: 2 High: 3
Tupelo Junction I	Mebane	157	Elementary: 38 Middle: 19 High: 20
Tupelo Junction II	Mebane	207	Elementary: 56 Middle: 27 High: 35
Oakwood Subdivision	Mebane	409	Elementary: 110 Middle: 53 High: 70
11th Street Apartments	Mebane	48	Elementary: 10 Middle: 4 High: 5
Oak Grove Trails	Mebane	51	Elementary: 3 Middle: 2 High: 2
Meadows	Mebane	17	Elementary: 3 Middle: 2 High: 2
Meadowstone	Mebane	147	Elementary: 8 Middle: 5 High: 6
Edenvue	Orange County (OCS)	38	Elementary: 10 Middle: 5 High: 7

The SAPFOTAC also monitors projects that have not reached the stage of the development process when CAPS are issued. Therefore, student estimates are not yet available. The following is a list of projects for which rezoning has been approved:

Residential Project	Jurisdiction	Expected Number of Units
Newbury	Carrboro	38-44
South Green	Carrboro	63
Hillmont	Chapel Hill	500
Gateway	Chapel Hill	388
St Paul Village	Chapel Hill	350
Chapel Hill Crossing	Chapel Hill	290-344
101 E Rosemary St	Chapel Hill	150
South Creek	Chapel Hill	688-815
Jay St Affordable Housing	Chapel Hill	48
Homestead Road Tri-Point	Chapel Hill	119

School Renovation and Expansion

The Schools Adequate Public Facilities Ordinance (SAPFO) student projections illustrate when the adopted level of service capacities are forecasted to be met and/or exceeded in anticipation of Capital Improvement Plan (CIP) planning and the construction of a new school. Both school districts continue planning efforts to renovate and expand existing facilities to address school capacity needs in a more feasible way. Additional capacity resulting from school renovations and expansions will be added to the projection models in stages, once funding is approved, versus the addition of greater capacity when a new school is constructed and completed. The renovation and expansion to existing facilities may delay construction of new schools further into the future, depending on how and how much capacity is added to the system. Decisions on the timing of reconstruction (i.e. capacity additions) funding would be directly linked to the SAPFO model at the appropriate time.

2023 Woolpert Facilities Capital Needs Assessment and Operations Research and Education Laboratory (ORED) Student Projections

In 2023, Orange County contracted with Woolpert, Inc. to conduct a Facilities Capital Needs Assessment on all schools within both districts. Part of the assessment included calculating capacity at each school. At the Elementary level, two capacity calculations were completed: one that excluded space used by Pre-K programs and one that did not account for Pre-K usage. Woolpert, Inc. has presented its findings and discussions regarding the results are on-going. Also in 2023, each school district contracted with NC State's Operations Research and Education Laboratory (ORED) to complete a "Land Use Study" and student membership projections. ORED's projection model includes a forecasting component whereas the SAPFO model is mathematically based using historical data and accepted projection methodologies. Discussions regarding the results of the study are on-going.

**ORANGE COUNTY
BOARD OF COMMISSIONERS
ACTION AGENDA ITEM ABSTRACT**
Meeting Date: February 20, 2024

**Action Agenda
Item No. 8-b**

SUBJECT: Schools Adequate Public Facilities Ordinance (SAPFO) – Receipt and Transmittal of 2024 Annual Technical Advisory Committee Report

DEPARTMENT: Planning and Inspections

ATTACHMENT(S):

1. SAPFO Partners Transmittal Letter
2. Draft 2024 SAPFOTAC Annual Report and Larger Scale Projection Worksheets

INFORMATION CONTACT:

Perdita Holtz, Deputy Director, 919-245-2578
Cy Stober, Director, 919-245-2575

PURPOSE: To receive the 2024 Annual Report of the SAPFO Technical Advisory Committee (SAPFOTAC) and transmit it to the SAPFO partners for comments before certification in April.

NOTE: School Capacity Capital Investment Plan (CIP) Needs Analysis projects no new school system capacity needs in the next 10 years for elementary, middle, and high school levels for both Orange County Schools (OCS) and Chapel Hill-Carrboro City Schools (CHCCS).

BACKGROUND:

1. OREd/Woolpert Alternative Projection and Capacity Assessments

Over the past year, the County and school districts have researched alternative student enrollment projection and capacity assessments through the Operational Research and Education Laboratory (OREd) and Woolpert, Inc. consultants respectively. These alternative assessments were presented to the Board for review at the January 16, 2024 Board meeting. These assessments are not currently utilized through the SAPFO processes, but also recognize no projected new school system capacity needs in the next 10 years. The County will run these alternative assessments in parallel to the current SAPFO projections and capacity figures for the next year. The possibility of amending the SAPFO program to utilize the alternative student enrollment projection methodology and capacity assessments is expected to be reviewed this calendar year, with possible implementation before the next cycle of SAPFO analysis.

2. Annual Report

Each year since 2004, the SAPFOTAC Report is updated to reflect changing conditions of student membership and school capacity. This information is analyzed and used to project future school construction needs based on adopted level of service standards. There are two steps to the full report to keep the SAPFO system calibrated: Student Membership and Capacity is certified in the fall; and then the full annual report is produced the following winter/spring. At the December 4, 2023 BOCC meeting, the Board approved the November 15, 2023 actual Student Membership and Capacity numbers (i.e. first part) for both OCS and CHCCS. A draft of the full annual SAPFOTAC Report (Attachment 2) is complete and has been reviewed by the SAPFOTAC members.

3. SAPFOTAC

The SAPFOTAC is comprised of representatives of both school systems, the Planning Directors of the County and Towns, and County Finance staff. It is tasked to produce an annual report for the governing boards of each SAPFO partner outlining changes in actual membership, capacity, student projections, and their collective impacts on the Capital Investment Plan (CIP) and the future issuance of Certificates of Adequate Public Schools (CAPS). The CAPS are a requirement for new residential developments and reflect the capacity of the applicable school system to absorb the new students generated by the development project. Orange County's Planning Staff compiles the report, holds a meeting discussing the various aspects with the SAPFOTAC, and then prepares a draft report that is reviewed by the SAPFOTAC (Attachment 2).

4. Membership Data

CHCCS membership decreased in total by 140 students from the previous year:

- 82 Elementary School
- 82 Middle School
- + 24 High School

OCS membership decreased in total by 128 students from the previous year:

- 4 Elementary School
- 19 Middle School
- 105 High School

5. Capacity Data

There were no changes to school capacities this year.

6. Capacity Information

SAPFO vs. DPI

The SAPFO is a local ordinance, independent of State Department of Public Instruction (DPI) projections and rules regarding class size. The SAPFO, for instance, does not count temporary modular classrooms as fulfilling the capacity level of service outlined in the SAPFO interlocal Memorandum of Understanding (MOU). The MOU limits capacity analysis to 'bricks and mortar' structures instead of temporary facilities, and also requires its own set of future student projections to identify long-term capital school construction needs. However, the County did phase in DPI's smaller class size mandates in previous years, which decreased capacity. Decisions would have to be made if new changes at the State level affecting class size should, or should not, be reflected in the County's SAPFO.

6. Student Projection Analysis

CHCCS

Student membership projections show an overall decrease in membership at all levels within the 10-year planning period. Projections are shown on page 36 of the report.

OCS

Student membership projections show a flat membership projection at the Elementary level over the next 10 years, with decreases in the near-term followed by increases in later years. At the Middle and High School levels, the projections show an overall decrease in membership within the 10-year planning period. Projections are shown on page 35 of the report.

7. School Capacity CIP Needs Analysis

CHCCS

Projected needs:

Elementary School	Projections show no needs in the next 10 years
Middle School	Projections show no needs in the next 10 years
High School	Projections show no needs in the next 10 years

OCS

Projected needs:

Elementary School	Projections show no needs in the next 10 years
Middle School	Projections show no needs in the next 10 years
High School	Projections show no needs in the next 10 years

8. Student Generation Rates

The updated student generation rates were approved on May 19, 2015 and are shown in Attachment II.E.1 of the report. Updated rates began to be used for CAPS issuances in the fall of 2015 and are based on an inventory of recently built units from January 1, 2004 to December 31, 2013.

9. Access to Full Report

The draft SAPFOTAC report will be posted on the Orange County Planning & Inspections Department's website. A letter ([Attachment 1](#)) and the Executive Summary of the report will be sent to all SAPFO partners after this BOCC meeting advising them of the availability of the draft report and inviting comment.

10. Additional Information

Mebane

The City of Mebane is not a SAPFO partner and does not utilize CAPS in its residential development review. However, County staff corresponds with Mebane annually in much the same way it does with SAPFO signatory communities, and Mebane has continually provided its residential growth figures, as represented by certificates of occupancy as well as projected residential growth estimates. These figures are reflected in the Annual Report, including the Executive Summary.

Pre-K Enrollment

SAPFO does not include Pre-K in its membership and capacity numbers. In recent years, however, Pre-K enrollment has been a topic of discussion for both school districts. Pre-K membership enrollment for both districts is contained in the Executive Summary of the report.

Charter Schools

Charter and private schools are not included as part of the SAPFO Annual Report and, as a result, their membership and capacity numbers are not formally monitored or included in future projections. However, the SAPFOTAC monitors charter and private schools and their effect on student enrollment upon both school districts. Additional information regarding charter school enrollment is contained in the Executive Summary.

FINANCIAL IMPACT: Current student growth projections do not show capacity needs for additional schools in either the CHCCS District or OCS District during the 10-year projection period.

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is applicable to this item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**

The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

ENVIRONMENTAL IMPACT: There are no Orange County Environmental Responsibility Goal impacts applicable to this item.

RECOMMENDATION(S): The Manager recommends the Board:

1. Receive the 2024 SAPFOTAC Annual Report; and
2. Authorize the Chair to sign the transmittal letter to SAPFO partners contained in Attachment 1.