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March 19, 2014

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Town of Chapel Hill
405 Martin Luther King Jr. Blvd.
Chapel Hill, NC 27514

Donna Coffey, Chair
Orange County Board of Education
200 E. King Street
Hillsborough, NC 27278

Lydia Lavelle, Mayor
Town of Carrboro
301 W. Main Street
Carrboro, NC 27510

Jamezetta Bedford, Chair
Chapel Hill-Carrboro Board of Education
750 Merritt Mill Road
Chapel Hill, NC 27516

Tom Stevens, 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 2014 Annual SAPFOTAC Report. In accordance with the SAPFO Memoranda of Understanding (MOU), the Board of County Commissioners (BOCC) approved the November 15, 2013 actual membership and capacity numbers for Orange County Schools and Chapel Hill – Carrboro City Schools at its meeting on December 2, 2013.

The SAPFOTAC, comprised of representatives of both school systems and the Planning Directors of the County and Towns has produced the 2014 Annual Report. As per the SAPFO MOU, the annual technical report contains information on Level 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 2014 Executive Summary and the March 18, 2014 BOCC meeting agenda item abstract when the BOCC received the draft report.

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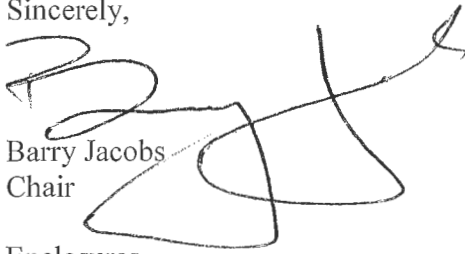
The full draft SAPFOTAC report is available on the Orange County Planning Department website in the Current Interest Projects section

<http://www.co.orange.nc.us/planning/SpecialProjects.asp>

The 2014 Annual SAPFOTAC Report is scheduled to be certified by the BOCC at a regular meeting in May 2014. Therefore, if you have any comments pertaining to the report, please forward them to Craig N. Benedict, Planning Director, no later than 5:00 p.m. on **April 21, 2014**. Mr. Benedict can be reached by phone at (919) 245-2592, by e-mail at cbenedict@orangecountync.gov, or by fax at (919) 644-3002. Any comments received will be part of our agenda package in May.

Please share this information and the 2014 SAPFOTAC report with your respective boards.

Sincerely,



Barry Jacobs
Chair

Enclosures

cc: Board of County Commissioners

Michael Talbert, Interim Orange County Manager

Roger L. Stancil, Manager, Town of Chapel Hill

David Andrews, Manager, Town of Carrboro

Eric Peterson, Manager, Town of Hillsborough

Tom Forcella, Superintendent, Chapel Hill-Carrboro City Schools

Gerri Martin, Superintendent, Orange County Schools

Todd LoFrese, Assistant Superintendent for Support Services, Chapel Hill-Carrboro City Schools

Catherine Mau, Coordinator for Student Enrollment, Chapel Hill-Carrboro City Schools

Craig Benedict, Planning Director, Orange County

J.B. Culpepper, Planning Director, Town of Chapel Hill

Margaret Hauth, Planning Director, Town of Hillsborough

Trish McGuire, Planning Director, Town of Carrboro ✓

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2014 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	Increase from Prior Year	Capacity	Membership	Increase from Prior Year
<i>Elementary</i>	5829	5554	11	3694	3433	30
<i>Middle</i>	2840	2858	73	2166	1747	63
<i>High</i>	3875	3764	(32)	2439	2421	106

C. Membership Date – November 15.....(No Change)Pg.17

II. Annual Update to SAPFO System

A. Capital Investment Plan (CIP).....(No Change)Pg. 18

B. Student Membership Projection Methodology.....(No Change)Pg. 19

The average of 3, 5, and 10 year history/cohort survival, linear and arithmetic projection models.

C. Student Membership Projections(Change)Pg. 29

Analysis of 5 Years of Projections for 2013-14 School Year – Chapel Hill Carrboro City Schools

(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 2013-14 Membership									
	Actual 2013 Membership	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
Elementary	5554	5703	H149	5604	H50	5489	L65	5572	H18	5612	H58
Middle	2858	2960	H102	2848	L10	2795	L63	2796	L62	2862	H4
High	3764	3930	H166	3792	H28	3733	L31	3783	H19	3828	H64

Analysis of 5 Years of Projections for 2013-14 School Year – Orange County Schools

(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 2013-14 Membership									
	Actual 2013 Membership	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
Elementary	3433	3337	L96	3355	L78	3435	H2	3438	H5	3433	-
Middle	1747	1708	L39	1751	H4	1732	L15	1716	L31	1733	L14
High	2421	2254	L167	2298	L123	2258	L163	2278	L143	2355	L66

D. Student Growth Rate(Change).....Pg. 39

Projected Average Annual Growth Rate over Next 10 Years										
Year Projection Made:	Chapel Hill/Carrboro School District					Orange County School District				
	2009-10	2010-11	2011-12	2012-13	2013-14	2009-10	2010-11	2011-12	2012-13	2013-14
Elementary	1.72%	1.44%	1.59%	1.18%	1.44%	1.34%	1.57%	1.6%	1.31%	1.30%
Middle	1.93%	1.67%	1.94%	1.59%	1.58%	1.53%	1.84%	2.01%	1.64%	1.42%
High	1.8%	1.57%	1.73%	1.60%	1.27%	1.38%	1.59%	1.61%	1.43%	1.35%

E. Student / Housing Generation Rate(No Change).....Pg. 42

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 95.3%).
- B. The projected growth rate at this level is expected to decrease over the next 10 years but remain positive (average ~1.4% per year compared to 2.0% over the past 10 years).
- C. Capacity has increased by 585 students due to the opening of Northside Elementary School. Projections show that Chapel Hill/Carrboro Elementary School #12 will be needed in 2020-21. This is one year earlier than last year's projections.

Middle School Level

- A. Does not currently exceed 107% LOS standard (current LOS is 100.6%).
- B. The projected growth rate at this level is expected to increase at a greater rate over the next 10 years than it has in the previous 10 years (average ~1.6% compared to an average of 0.67% over the past 10 years).
- C. The planned addition to Culbreth Middle School for the 2014-15 school year is proposed to increase capacity with the addition of 104 seats. As a result, projections show that Chapel Hill/Carrboro Middle School #5 is projected to be needed in 2020-21. This is three years later than last year's projections

High School Level

- A. Does not currently exceed the 110% LOS standard (current LOS is 97.1%).

- B. The projected growth rate at this level is expected to decrease, but remain positive over the next 10 years (average ~1.3% compared to 1.86% over the past 10 years).
- C. Expansion of Carrboro High School from the initial capacity of 800 students to the ultimate capacity of 1,200 students is projected to be needed in 2023-24. This is three years later than last year's projections which showed a need in 2020-21.

ORANGE COUNTY SCHOOL DISTRICT

Elementary School Level

- A. Does not currently exceed 105% LOS standard (current LOS is 92.9%).
- B. The projected growth rate at this level is expected decrease but remain positive over the next 10 years (average ~1.3% compared to 1.6% over the past 10 years).
- C. Orange County Elementary School # 8 is projected to be needed in 2023-24. This is a change from last year's projections which did not show a need for a new Elementary School in the 10 year projection period.

Middle School Level

- A. Does not currently exceed 107% LOS standard (current LOS is 80.7%).
- B. The projected growth rate at this level is expected to increase at a greater rate over the next 10 years (average ~1.4% compared to 0.35% over the past 10 years).
- C. Projections are not showing a need for an additional Middle School in the 10 year projection period. Staff continues to monitor new development activity in the Orange County portion of Mebane, which is not a party to the Schools APFO MOU at this time.

High School Level

- A. Does not currently exceed 110% LOS standard (current LOS is 99.3%).
- B. The projected growth rate at this level is expected to decrease but remain positive over the next 10 years (average ~1.4% compared to 2.4% over the past 10 years).
- C. Expansion of Cedar Ridge High School from the initial capacity of 500 students to the 1,500 students is projected to be needed in 2022-23. This is a change from last year's projections which did not show a need for additional capacity in the 10-year projection period.

Changes in CAPS (Certificate of Adequate Public Schools) System

As a result of a North Carolina Supreme Court ruling in August 2012, the local governments that are party to the SAPFO considered modification of their development regulations as they pertain to CAPS in 2013. However, at this time the local governments have not pursued revisions to existing standards contained within the CAPS system or SAPFO MOUs.

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: March 18, 2014

**Action Agenda
Item No. 6-d**

SUBJECT: Schools Adequate Public Facilities Ordinance (SAPFO) – Receipt and Transmittal of 2014 Annual Technical Advisory Committee Report

DEPARTMENT: Planning & Inspections

PUBLIC HEARING: (Y/N)

No

ATTACHMENT(S):

1. SAPFO Partners Transmittal Letter
2. Draft 2014 SAPFOTAC Annual Report
& Larger Scale Projection Worksheets

INFORMATION CONTACT:

Ashley Moncado, 919-245-2589
Perdita Holtz, 919-245-2578
Craig Benedict, 919-245-2592

PURPOSE: To receive the 2014 Annual Report of the SAPFO Technical Advisory Committee (SAPFOTAC) and transmit it to the SAPFO partners for comments before certification in May.

BACKGROUND:

1. Annual Report

Each year the SAPFOTAC Report is updated to reflect actual changing conditions of student membership and school capacity. This information is analyzed and used to project future school construction needs based on adopted levels of service standards. There are two steps to the full report. The first part (Student Membership and Capacity) is certified in the fall and then this full report, in the following spring, is to keep the SAPFO system calibrated. At the December 2, 2013 Board of County Commissioners meeting, the Board approved the November 15, 2013 actual membership and capacity numbers (i.e. first part) for both Orange County Schools and Chapel Hill-Carrboro City Schools.

A draft of the full annual SAPFOTAC Report is complete and has been reviewed by the SAPFOTAC members.

2. SAPFOTAC

The SAPFOTAC, comprised of representatives of both school systems and the Planning Directors of the County and Towns, 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 Program (CIP) and the future issuance of Certificates of Adequate Public Schools (CAPS). Orange County's Planning Staff compiles the report, holds a meeting discussing the various aspects, and then prepares a draft report, which is reviewed by the SAPFO Technical Advisory Committee.

3. Membership Data

CHCCS total increase from the previous year: 52 students

- 11 Elementary School
- 73 Middle School

However, new construction activity has slowed in recent years due to the economic downturn. Because the City of Mebane is not a party to the SAPFO at this time, CAPS are not required by the local government to be issued prior to development approvals. However, once students generated from Mebane development actually enter the school system, faster enrollment increases would affect projections and may identify CIP needs within 10 years, unless enrollment is balanced by slower growth in other areas of the district.

8. Student Generation Rates and New Study

On October 6, 2009, the Orange County Board of Commissioners approved the updated Student Generation Rates, as recommended by the SAPFOTAC. The updated Student Generation Rates became effective with the November 15, 2010 CAPS system update. Both Orange County Schools and Chapel Hill-Carrboro City Schools report having observed an even larger increase in students generated from new developments in both districts.

The SAPFOTAC discussed the increased number of students generated in both districts and proposed multi-family projects that may continue to have an effect on student membership numbers. While this may be a short term trend caused by the current economic climate or other factors, the SAPFOTAC recommended further evaluation of the adopted Student Generation Rates and the impacts different types of housing may have on student membership rates. As a result, Orange County will be entering into a contract with Tischler-Bise to study student generation rates for newer housing in the Orange County and Chapel Hill-Carrboro City School Districts.

9. Access to Full Report

The draft SAPFOTAC report will be posted on the Orange County Planning Department's web site. A letter 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. It is anticipated the draft 2014 SAPFOTAC report will be brought back to the BOCC for certification at the May 8, 2014 regular meeting.

FINANCIAL IMPACT: Current 10-year student growth projections show future needs for additional schools in the CHCCS District. Elementary School #12 is projected to be needed in 2020-21, Middle School #5 is projected to be needed in 2020-21, and additional High School level capacity in the CHCCS District is projected to be needed in 2023-24. In the OCS District, Elementary School #8 is projected to be needed in 2023-24 and additional High School level capacity in the OCS District is projected to be needed in 2022-23.

Section 7 of the Schools Adequate Public Facilities Memorandum of Understanding (MOU) states, "Orange County will use its best efforts to provide the funding to carry out the Capital Improvement Plan referenced in Section 1 above."

RECOMMENDATION(S): The Manager recommends the Board:

1. Receive the 2014 SAPFOTAC Annual Report; and
2. Authorize the Chair to sign the transmittal letter to SAPFO partners contained in Attachment 1.

(32) High School
 OCS total increase from the previous year: 199 students
 30 Elementary School
 63 Middle School
 106 High School
 () denotes decrease

4. Capacity Data

Capacity for Chapel Hill/Carrboro City Schools was increased by 585 students as a result of the opening of Northside Elementary School. There were no changes to school capacities this year for Orange County Schools.

5. Capacity Issues

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 requires 'bricks and mortar' 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 the smaller class size in previous years that decreased capacity. Decisions will have to be made if new discussions at the state level create any class size changes that should or shouldn't be reflected in the County's SAPFO.

This year, CHCCS does not exceed the adopted levels of service established in the SAPFO. Projections do show potential needs at the elementary, middle, and high school levels within the 10-year planning period. Projected needs are noted below.

Additionally, OCS does not exceed the adopted levels of service established in the SAPFO at this time nor do projections show potential needs at the middle school level within the 10-year planning period. However, projections do show a potential need at the elementary and high school level within the 10-year planning period. Projected needs are noted below.

6. Student Projection Analysis

Student membership projections show an increase at all levels in both school systems, except for a small projected decrease in 2014-15 at the high school level for OCS. The projections are shown on pages 37-38 of the report.

7. Orange County Schools Systems; CIP Needs Analysis

CHCCS

Projected needs:

New Elementary #12	2020-2021 (projected overage of 45 students; 105.8% LOS)
New Middle School #5	2020-2021 (projected overage of 39 students; 108.3% LOS)
High School	2023-2024 (projected overage of 6 students; 110.1% LOS)

OCS

Projected needs:

New Elementary # 8	2023-2024 (projected overage of 28 students; 105.7% LOS)
Middle School	projections show no needs in the next 10 years
High School	2022-23 (projected overage of 59 students; 112.4% LOS)

The SAPFOTAC report notes that there are a significant number of approved, but undeveloped lots within the portion of the City of Mebane that lies within Orange County.