



**RECEIVE THE SCHOOLS ADEQUATE PUBLIC FACILITIES ORDINANCE (SAPFO)
2021 ANNUAL TECHNICAL ADVISORY COMMITTEE REPORT**

STAFF REPORT

TOWN OF CHAPEL HILL PLANNING DEPARTMENT
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PROJECT LOCATION Chapel Hill-Carrboro City Schools District	BUSINESS MEETING DATE April 7, 2021	REQUESTED BY SAPFO Partners
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STAFF'S RECOMMENDATION

That the Council receive this report and provide any comments to the Orange County Board of County Commissioners.

PROCESS

In 2003, the School Adequate Public Facilities Ordinance partners (Carrboro, Chapel Hill, Chapel Hill-Carrboro City Board of Education, and Board of County Commissioners (BOCC)) entered into the Schools Adequate Public Facilities Memorandum of Understanding. The Memorandum calls for the following process:

- 1** BOCC transmits Draft Report to Partners
- 2** Council and Partners provide comments
- 3** BOCC certifies Annual SAPFO Report (anticipated May 2021)

The School Adequate Public Facilities Ordinance (SAPFO) is a dynamic regulatory tool with two primary parts.

- The Certificate of Adequate Public Schools (CAPS) tests student generation rates from development projects against the available capacity within a school; and
- Historical enrollment is tracked and future enrollment is projected against existing capacity.

The current SAPFO report does not show immediate capital needs and indicates a need to continue school district analysis to determine the best method to resolve new demands through redistricting, renovation, new school construction, or other methods.

FISCAL IMPACT

Current student growth projections show no need over the next 10 years for additional schools or capacity in the Chapel Hill-Carrboro City Schools District.

KEY DATA

Level of Service (LOS) Standard
(Membership as percentage of Capacity)

Chapel Hill-Carrboro City School District	
Elementary	105%
Middle	107%
High	110%

Building Capacities

	Capacity	Membership	Increase from Prior Year
Elementary	5,664	4,893	(470)
Middle	2,944	2,917	(127)
High	3,975	3,932	(8)
Total	12,583	11,742	(605)

SAPFO STATUS

Elementary School Level

- a. Does not exceed 105% LOS standard (currently 86.4%)
- b. Growth rate expected to decrease over next 10 years (average ~-0.23% growth per year)
- c. No new elementary school needed for next 10 years

Middle School Level

- a. Does not exceed 107% LOS standard (currently 99.1%)
- b. Growth rate expected to decrease over next 10 years (average ~-1.5% per year)
- c. No new middle school needed for next 10 years

High School Level

- a. Does not exceed 110% LOS standard (98.9%)
- b. Growth rate expected to decrease over next 10 years (average ~-1.44% per year)
- c. No new high school capacity needed for next 10 years

ATTACHMENT

1. Technical Report
2. Orange County, NC Schools Adequate Public Facility Ordinance Annual Report 2020 (Draft)
3. SAPFO Memorandum of Understanding
4. CHCCS 2020-2021 Student Projections

TECHNICAL REPORT

Council Meeting – 04/01/2020

SAPFO ANNUAL REPORT 2020

The annual SAPFO report is written by Orange County staff. Town of Chapel Hill staff offers the following Technical Report to summarize key information.

BACKGROUND

The information in the annual report identifies the effect that changes in membership and capacity have on the Capital Investment Plan (CIP) and the future issuance of Certificates of Adequate Public Schools (CAPS). Available student capacity is calculated annually on November 15th, based on actual student membership at that point in time.

Certificates of Adequate Public Schools (CAPS): Per the 2003 Memorandum, any development within Chapel Hill, Carrboro, or Orange County proposing to increase the overall number of residential units must secure a CAPS document from the local school board. This document verifies that the new residential units will not exceed the available student capacity for a given year as certified in the annual report. In Chapel Hill, residential development approved by the Town Council or Planning Commission includes a stipulation requiring that a CAPS document be presented to the Town prior to beginning site construction.

KEY THEMES FROM THE 2020 REPORT

- *Impacts of COVID-19:* Both Orange County and Chapel Hill-Carrboro City Schools have experienced decreased membership due to impacts of COVID-19, as many students have been withdrawn and enrolled in private schools with in-person learning or homeschooled. While this decrease is likely temporary, the loss of students has impacted 10-year projections. Orange County Planning Staff has developed four alternative projections to model future growth rates and service levels without impacts from COVID-19. All four projections predicted that no new capacity is needed in the 10-year projection period for both districts.
- *Changes in Class Size:* State legislation from 2018 (House Bill 90) sets limits for average kindergarten to third grade class sizes as follows:
 - 2019 - 2020 1:19
 - 2020 - 2021 1:18
 - 2021 - 2022 1:17

Based on the 2020 SAPFOTAC Report data, these reductions in average class size may create elementary school capacity issues starting in the 2024-2025 school year if the class limits occur. In order to address these impacts, the School Boards and Orange County Board of Commissioners continue to meet and review options for the school capacity changes which can be implemented into the SAPFO annual report and 10-year student membership and building capacity projections.

- *Pre-K Enrollment:* While there has been ongoing discussion of including Pre-K enrollment in SAPFO, staff's focus has remained on COVID-19 for the past year. However, Pre-K membership numbers are monitored by the SAPFOTAC and are included in the annual report as of the last school year.
- *Charter Schools:* Charter and private schools are not included in the annual report, but SAPFOTAC monitors their effect on student enrollment. If a charter or private school were to close, the projections would likely accelerate the need for additional capacity, but likely within an appropriate time to include updates to the Capital

Investment Plan.

- *Future Residential Growth:* Planned residential development in the near future may increase student membership and accelerate school construction and expansion needs into the 10-year projection period. However, proposed growth is not included in the SAPFO projection system until students begin enrollment. Once students begin enrolling, the 10-year projections can be updated to display future capacity needs in time to efficiently plan for future school capacity/construction requests.
- *School Renovation and Expansion:* Both school districts continue planning efforts to renovate and expand existing facilities to address school capacity needs in a more feasible way than the construction of a new school. These expansions will be added to the projection model in stages, and may delay construction of new schools further into the future.

FISCAL IMPACT/RESOURCES

Current student growth projections do not show new school capacity needs in the next 10 years for Chapel Hill-Carrboro City Schools.