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City of Fairfax Joint School Board and City Council Work Session, Tuesday, September 2, 2025

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- Agenda: https://fairfax.granicus.com/AgendaViewer.php?view_id=13&clip_id=4306
- Minutes: https://fairfax.granicus.com/MinutesViewer.php?view_id=13&clip_id=4306&doc_id=274f8cb4-89bc-11f0-a766-005056a89546

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[00:00:09] Good evening. I'd like to call this special meeting of September 2nd, 2025 to order. We will now recess the special meeting and go into a work session. See how smooth that happened? Ms. Clark, what do you have for us first?

[00:00:26] The first work session item we have is a joint discussion with the school board regarding the school bonds and renovations. I'll recognize J.C. Martinez, Chief Financial Officer, for the discussion. Thank you. Mayor, Council, the city's financial advisors, Davenport and Company, LLC, will present for discussion an overview and update of the city's key financial programs and strategies.

[00:00:51] The presentation and discussion are designed to provide an update and overview to the school board and city council on financial topics relevant to the school bonds and planned renovation schedule for the two elementary schools and the high school roof.

[00:01:06] I'd like to acknowledge Kyle Lux, who will actually be doing the presentation along with myself. Thank you. Kyle? All right. Thank you, Mr. Martinez, Madam Mayor, members of city council and the school board. Nice to see you all this evening.

[00:01:25] Again, Kyle Lux with Davenport, the city's financial advisor. So with JC's intro there, we have a presentation that's up on the screen. But I think big picture, what we really have is an update on the school capital program. And so we're asked to kind of give a specific focus to that topic this evening, numerically, analytically, thinking through those types of topics with a little bit of overview and then certainly, as always, many back and forth and questions that you may have.

[00:01:55] So I'll walk through that, and JC, I think you'll flip the slides over there. And by all means, as there's questions as we go, feel free to jump in. I think the first page background again as the city's financial advisor which we've appreciated doing for I think the better part of 20 plus years of lost count exactly, but That's it's been a great partnership over those years So our our job our goal here is really to take in the information that You as an overall city with city council school board have given us in terms of the priorities with the capital projects obviously in this case schools and review that analyze it understand what it looks like that will

[00:02:33] have an impact on whether it's on the budget, whether it's on the city's policies, credit ratings, so forth and so on. It is not for us to tell you which projects to do. It's not for us to say what's a good project or a bad project. That's obviously the purview of the governing bodies here. We're really taking in the information we've been given in terms of those priorities and giving you some hopefully helpful input in terms of next steps.

[00:02:57] So I think, JC, on the second page, a little bit of background. I think everybody in this room knows this. But obviously, last November, you as a city held a referendum, first referendum in a long, long time for school bonds here in the city. We were around for the last one in the early 2000s, passed roughly 70% of the voters in the amount of \$220 million.

[00:03:21] There was a lot of planning that went into that number. What you're seeing today is sort of an evolution of that planning that was done even prior to that referendum. The projects that were a portion or included within a referendum, you see on the page here, Daniels Run Elementary School, Providence Elementary School, and the Fairfax roof replacement.

[00:03:40] And so those are the projects we were given and the topic of what we will work our way through here. The middle of the page is obviously big numbers for the city. You are AAA rated. We'll talk about that. But \$220 million, it's a material amount in the context of a city of your size.

[00:03:57] And so a lot of planning was undertaken leading up to that referendum at the time. From a budgetary standpoint, and we'll talk more about this, the budgetary impact of that roughly \$220 million was about 18 to 20 pennies in the real estate tax rate.

[00:04:14] So that's kind of where we were roughly a year or so ago. We'll give you an update on where that is today. It hasn't changed much, and how to maybe think about that going forward. It doesn't mean it has to happen all at once. It's a good barometer, though, to understand from a cash flow standpoint, from a budgetary standpoint what does it take from a revenues of the city in order to undertake a series of projects in that scale of roughly 220 million obviously 2026 budget we're in that year it's going quickly you you know got some

[00:04:52] additional revenues by virtue of City Council on that but nothing material at least as we understand it for schools on a recurring basis for the capital side So we're really kind of rolling forward

where we've been here for about a year plus. Page three, again, with the numbers we've been given, the planning costs for the schools, about \$3 million in this budget year.

[00:05:16] We understand from JC and his team that's being funded from dollars already within the CIP, so we're not borrowing for those dollars. That's been funded, as we understand it, within the budget, within the CIP. And so for FY26, the year we're in right now, you've got that, and you're working your way through it.

[00:05:32] So the real question is, okay, what do we do after that from a financial standpoint? Bottom of the page, again, an important footnote, which is everything we're going to talk about in here is school-specific, obviously, given the joint nature of this workshop.

[00:05:49] And so we'll make that point for the folks in the city council. If you'll have us, we'll be looking, obviously, at the larger CIP as well, figure out how these puzzle pieces fit together. But everything we're talking about today is just the schools and the referendum. On page four, a little bit of background.

[00:06:10] So I mentioned this earlier. The city is AAA rated. That is the highest possible credit rating that a local government can have. Somewhat ironically, it's actually higher than the federal government up the street. But you and your peers in the local government world, in northern Virginia, many in Maryland as well, enjoy those top-tier AAA credit ratings.

[00:06:29] They are a barometer to the financial markets in terms of the overall financial health and wellness of the city. And importantly, they're also a very direct input to your cost of dollars or your interest rate when the time comes to go borrow for capital projects.

[00:06:46] And so you've had those credit ratings as a city since roughly 2010, which interestingly was not a good economic time period. Coming out of that recession, the financial crisis in 08-09, the city was actually able to achieve those AAA credit ratings for the first time coming out of some very rough economic time periods.

[00:07:05] You've had those over the last 15 or so years. And so what we'll talk about is, to a large extent, how the rating agency is likely to think about taking on projects like this in terms of the schools.

[00:07:21] They've already had a little bit of briefing on that, and we've certainly been watching their commentary. On page five, again, a little bit of a background here. What is it the rating agencies care about?

[00:07:36] So when they are coming up with these AAA credit ratings for the city, What are they really looking at? We've tried to break that down on page five in a pie chart, if you will. You get four quadrants. I won't walk through this sort of slice by slice, so to speak.

[00:07:54] But if you start with the top left, one of the single biggest components of a credit rating for the city or any local government is your economic situation. That counts for about 30%, maybe 25%, 30% of the credit rating. And just by virtue of where we are in northern Virginia, in an area it's historically been economically vibrant you get a very nice benefit just by virtue of where you're physically located that's benefited you for the last 15-20 years it is not something though that is within your direct day-to-day control so we view that you know certainly numerically as a positive but it's not something that you

[00:08:33] and City Council even the school board could necessarily impact on day-to-day basis so then as you work your way around the circle the things that that the city and the city council primarily can impact

on a day-to-day basis. Top right is the financial performance and flexibility. So what they're really looking at there is do we have structurally balanced budgets, meaning do we have enough revenue to cover our recurring expenditures?

[00:08:56] Do we have strong fund balances? Are we in compliance with our fund balance policies? Those are the types of things that are within your, as a city council's, direct day-to-day control. And so that's as we start to work our way around the circle, the areas that are very important to the rating agencies as they're reviewing the city's credit profile bottom right you've got management that certainly is everyone sitting here along with the city manager along with the CFO the sort of checks they look at there again go back to you have policies do you follow your policies we have a little bit in here on the policies maybe updating those are you doing

[00:09:32] multi-year planning which by definition you know us being here is is indeed you're doing that multi-year planning. And so you get very high scores as a city on that side. And then the last slice of the pie, bottom left, is the debt side of the pie. And so they've changed this terminology.

[00:09:48] Sometimes they call it leverage. Sometimes they'll call it debt. What they're really looking at is what are the outstanding long-term obligations of the city. That's both debt and pensions. You as a city have well-funded pensions. That hasn't historically been a concern. And so the real focus here is on the debt side of the equation.

[00:10:07] And so if we're talking now about taking on a material amount of new projects, one of the single best ways you can do that and maintain very strong credit ratings is to make sure you're maximizing as a city those other areas of the pie chart there. So things like the finances, the fund balance policies, structurally balanced budgets, in accordance with adopted policies, all those types of things, and call it the other three quadrants, go a long way to helping to maintain, maximize those AAA ratings while we're going through a process of taking on very large capital projects.

[00:10:44] So we just give that as some background. Pages 6 and 7, we've just taken some snippets from the rating reports. The first is Moody's, the second is S&P. I'm not going to read this word for word. I think you've had this in your packet. You see the strengths and the challenges they list there.

[00:11:00] We've highlighted on purpose the city's fund balance position. That is something, while not directly related to the school bonds per se, it's something that has become much stronger over the last 10 or so years, and it is something that helps to counterbalance the fact that you as a city are embarking on some large generational types of capital projects.

[00:11:19] And so if we have just a couple takeaways from the Moody's page on page 6, and we'll flip the page on page 7 to S&P, it is the importance of fund balance in the credit rating process. Again, maybe not directly related to how do we pay for school projects or any capital project, but it is very important to how the rating agencies look at your financial flexibility.

[00:11:42] They're going to look at a city like Fairfax and say, okay, if we've got very strong fund balances, we have as a city more capacity to absorb challenges, surprises, whether it's economically or locally, and so that's something that they care, meaning the rating agencies care a lot about.

[00:12:03] So as we flip one more page, we'll really get into the specifics here this evening. So the school bonds, the school projects that were identified and planned, approved via that referendum, what does that look like in terms of dollars?

[00:12:22] Again, the dollars, numbers that were given to us. So you can see the bottom of the page, the breakout there between the three projects. And this is laid out purposely on a fiscal year basis. I think the best estimate that the school engineers have at this point to help us as your advisor working with JC to understand what dollars do we need in what fiscal year and helps us plan annually to kind of build up to that time period.

[00:12:53] So what you start with in 2026 is \$2,981,713. Just round that off and call that \$3 million. That's that \$3 million I referenced that is in your budget, in your CIP, already funded for planning. And so that's sort of taken care of, that first little slice of the pie.

[00:13:11] What you then move on to, though, is you move into FY27, 28, 29, are clearly more material dollars. in 2027, about \$22 million, 2028, another \$22 million, and then you get to 2029, getting up to roughly \$100 million in that year.

[00:13:28] And so I think the process and the time period for us to be here now in September, I guess it is September, it was August a couple days ago, but it went quickly, is to start thinking about your next budget cycle, which would be here quickly, knowing that'll be FY27.

[00:13:45] And that's when those dollars start to creep up from \$3 million up to \$22 million. And so we want to be here proactively to help guide some of this discussion because it'll need to be, as these numbers play out as they're laid out here, that'll need to be part of the FY27 budget discussion in a serious way.

[00:14:03] How is it that the city plans to go forward with that next phase, which is roughly \$22 million? The plan that's been laid out takes us in increments, so it doesn't take all \$220 million at once. It's obviously three projects that each can have their own dynamics, And so we're taking that incrementally on basically an annual year with your budget cycle.

[00:14:26] If I can, Kyle, just a quick note that's not listed on the sheet. But for fiscal year 2026, as Kyle noted, about \$3 million was budgeted and appropriated in FY26. I will make a statement that in discussions and collaboration with the school board, specifically the previous superintendent the school roof was actually a part of FY 26 that 4.5 million was actually pushed out as a way to make a concession to ensure that we were able to have a balanced budget for FY 26 they identified

[00:15:02] a reappropriation of a school activity in the CIP previously I think hopefully council remembers that and that's sort of where that three million dollars came from but originally the most Mosley report or those projections the cash flow did show about four point five million dollars being needed and/or allocated for the high school roof in FY 26 that we have now delayed at least for one year so basically that 2032 row is that additional year from pushing out that high school roof thank you thank you something as we go to page nine so

[00:15:41] transitioning over into as we again run these planning numbers ran these run these assumptions through you know the city's sort of budget through your policies we use a variety of assumptions yet deal with those assumptions is to be more in the conservative side we don't know nor do you what interest rates will do what inflation will do but the hope is we're we're erring on the more conservative side given the information we have today again top of the page the idea here is to take this in sort of annual increments so it's not 220 million all at once it's annual borrowings that would allow you to

[00:16:16] course correct allow you to build some dollars into the budget on an annual basis the middle of the page what we've assumed is a 5% planning rate so very simple we do that a lot for capital planning

you'll see it in the general fund side as well current market rates are below that they're probably in the low fours but again we like to err on the side of conservatism as we do that planning because we don't have any control nor do you over where interest rates are going but the third bullet point down we put a note there about the value of a penny on the real estate tax rate what is there it's about eight

[00:16:55] hundred and thirty five thousand dollars you see you can correct me if if we're wrong or in the right range there but about the hundred thirty five thousand dollars and that's there because we run these numbers we like to understand if we had no other revenue source outside of the real estate tax rate and assume that real estate tax doesn't grow at all, what is the relative impact to the real estate tax rate?

[00:17:16] Now, in reality, you as a city have a number of different levers you can pull in terms of revenues. We'll talk about the 1% sales tax that's been discussed over the last several years. That's a potential lever. You don't have it right now, but you might in the future. So there's a variety of different, again, our terminology, levers that can be pulled from the revenue standpoint.

[00:17:36] For purposes of this analysis, we've tried to make it simple and just say if the only thing we had was the real estate tax rate and it only was at the value it is today so assume it doesn't grow at all you've been growing in a nice rapid pace assume it doesn't grow at all that's what we've assumed in here again the idea being let's try and err on the more conservative side of the equation bottom of the page there again this is all schools we're not talking about the general city CIP it's purposely just focused on schools page 10 from an interest rate perspective won't spend a lot of time on this page but basically

[00:18:13] rates remain good in the credit markets. You have very high credit ratings that get you access to those credit markets with the lowest possible market rates. Again, our rough estimate as I talked today, probably in the low fours if we were to go sell bonds tomorrow. So again, we're planning five on purpose. We're probably in around the low fours in terms of the current market. So on the next page, what we've done here is just tried to summarize a lot of different ways to kind of

[00:18:48] look at and layer these numbers together, but just give you a sense of what the payments would be for each of the various schools as it's laid out in those prior cash flows. So you see broken out there, Daniel's Run, Providence, Fairfax High School, The Roof. This basically just shows on an annual basis what those payments step up to given the timing from a couple pages ago. So again, in 2027, which is the fiscal year coming up on, that roughly \$22 million that's in that CIP,

[00:19:22] if we borrow that, we have a payment that begins. In that year, we'll have about a \$1.8 million, I'm rounding up there, about a \$1.8 million payment or thereabouts. The next year, it starts to build to about \$3.6 million. The next year after that, about \$11.5. And then as you get to the end of the decade 2030 we really reached the peak at about 16 to 17 million dollars a year that in isolation is one thing we're to take this we're to translate that again to that real estate tax rate it's not saying it's the only revenue source you have but it's clear you have to identify additional

[00:20:01] revenues to make payments like that we're also going to translate that to the size of the city's budget it's one thing to look at the numbers in isolation And we need to understand what that looks like relative to the city and its budget. But again, these are pretty good order of magnitude estimates of how those payments would step up over several budget cycles.

[00:20:24] We flipped the page to page 12. So this is that what we call tax equivalent impact I was referencing early. We've taken those debt service estimates on the prior page and just said, okay, if the only

revenue source we had to make those payments was new revenues and real estate tax rate. What would that take in terms of equivalent pennies? And you see it right there on the page. And so far left-hand side, that is the \$220 million in the aggregate. In 2027, it's about two and a half

[00:21:01] pennies. 28, it's an additional two. 29, it's about nine. And so 29 is when those payments really start to ramp up, and then five and one and a half. So a total over basically about six years of about 20 pens. And again, I made that caveat. I'll probably continue to make it. That assumes no growth in the tax base. It assumes no other revenue sources. It assumes no one percent sales tax. The only thing you had was that real estate tax rate. That's what that is. On the right-hand side of the page, we've just tried to break it down by school if that's useful. These numbers aren't surgically precise they could probably move around a little bit but just gives you an

[00:21:40] order of magnitude of per project daniels runs about 7.4 providence is about 8.4 and the roof is about 4.2 in that range plus or minus so you can see that relative breakout amongst the various projects importantly as you look at 2027 that two and a half pennies as we've done this planning we've assumed that two and a half pennies occurs um that may be uh you know us putting the cart before the horse. But as we think about the next series of things, as we think about additional revenue sources, again, the idea being, let's try and be more conservative as opposed to less,

[00:22:19] we've kind of baked that into the cake for the moment for the FY 2027 budget. You can tell us to change that, amend that, but that's what we've assumed. As we go to the next page, so all of that, again, presupposing the real estate tax rates, the only revenue source we had, how do we stack up, which I think probably most folks in this room, you know, look at this, see it, and understand it, How do we stack up relative to our neighbors and peers across the Northern Virginia region?

[00:22:50] So you as a city right now, you're at 105.5, the top blue bar there. And what we've done in the bottom section is to compare you to a variety of other Northern Virginia jurisdictions. There's one caveat I would make to this graph.

[00:23:06] If you were to take out the bottom four local governments, that's basically the counties. You've got Fairfax County, Arlington County, Prince William, and Loudon. Those are really probably different animals relative to the city of your size.

[00:23:22] And so as you look at that peer median, it's \$1.16 if you factor everybody in there. But if you factor out the counties, understanding that may be a little bit apples to oranges, that peer group median is more like \$1.28. And that's, again, if you're a town, that's factoring in the county tax rate plus the town tax rate.

[00:23:40] We're trying to adjust some things for an apples-to-apples comparison. But that just gives you that relative sense of things, arguably being, you know, the Herndons, the Viendas, the Falls Church especially, probably more analogous to you in the city of Fairfax than like a Loudoun County that just is also a client of ours but very extreme with the size they have and the data center revenue, which is, you know, makes them unique in the country relative to the region.

[00:24:06] On the next page, so on this page, what we're showing is two of the city's very important policies. Mentioned earlier, the rating agencies care about policies.

[00:24:25] You're following those policies. The city, from a debt perspective, has two longstanding policies. The left-hand side is debt service to expenditures, and the right-hand side is debt to assessed

value. The left-hand side graph is really adjusting those debt service payments we looked at a couple pages ago for the size of the city's budget.

[00:24:48] Your policy as a city for a long time, it hasn't been adjusted for probably 20-some years, is to have a 9% debt service to expenditures limitation. You actually exceeded this as a city back when the last school referendum was done in the early to mid-2000s.

[00:25:08] And I think, as JC would echo, this is something we've talked about, just given the size and scale of your city and the capital program, adjusting to make sure that it fits the current day in terms of what you've identified on the school side and likely what you've identified on the city side as well.

[00:25:25] But all that said, what you see with that policy is we're right now at about 6%, 7%. It goes to about 12-plus percent over the course of the next five or seven years. This factors in very little growth in your budget, so as your budget continues to grow, this ratio actually looks a little bit better.

[00:25:43] So again, trying to err on the conservative side, if you grow at the same pace that you have historically, if interest rates are better than we've assumed, these ratios will all look a little bit better. It's not going to keep you down in the 6% or 7% range, but it'll be incrementally better if, indeed, you continue growing at the pace you have.

[00:26:01] Similar story on the right-hand side, debt-to-assessed value, just another way of looking at that debt profile for local government. you've got a 3% policy. Without any growth, effectively, we get 2% growth in there, but pretty modest amount of growth. You get basically to right at that 3% policy.

[00:26:21] If I can, Kyle, just a quick comment on this specifically. And as you mentioned, so back in early, mid-2000s, 2004, 2008 timeframe, when actually the city was upgraded to AAA status by both Moody's and S&P about a year apart.

[00:26:41] Our debt service to expenditure ratio was slightly above 14%. So we had just done the last school bond referendum in the city's history. Also, similar to that, our debt versus assessed value was about hovering right below 3.5%.

[00:27:00] So we have broached that internal policy, And we've had discussions with both rating agencies about amending that policy. If Kyle could recall some of those conversations and maybe expand on how that's viewed with the rating agencies, I think that would be beneficial with counsel.

[00:27:20] Absolutely. And so the rating agency, just like anyone else in politics or business, they don't like surprises. And so back in that early 2000 time period, the fact that you broached that policy was not a surprise. There was a school bond referendum. There was a lot of capital projects. The planning had been done.

[00:27:36] and so they knew meaning they the rating issues that there was a plan to have a structurally balanced budget there was a plan to fully fund the debt service there was a plan to basically work your way through what were large generational capital projects 20-25 years ago and then come back down which you did as a city and so a lot of the rating agencies view of that JC you're to your point is understanding what your plan is year over year is it a surprise we're going up no certainly not. But what are the other things that you as a city are doing to help counteract the fact that that debt service to expenditure ratio is going to increase? And that's where it

[00:28:15] gets to things like making sure we've got a really strong fund balance, making sure we're doing those other things and those other quadrants we were talking about to help bolster the overall finances of the city. And that tends to give the rating agencies a lot of comfort. This 9% policy, too, It's very low for any city of your size.

[00:28:34] And the scale of capital projects nowadays, we really think that should be higher. We don't tend to see policies that low anymore. And so, again, a comparative for you on page 15, again, taking other Virginia AAAs, you see there where about 6% policies, meaning the percentages here, range anywhere from to Fredericksburg Falls Church at 10-plus percent. Chesapeake's a much different situation, down to

[00:29:11] 3.5 percent. And so anywhere in that range. And this is just looking at Virginia. The other thing the RAGs will do, though, is they will look nationally. And so if we go one state south into North Carolina, there are a fair number of growing local governments, whether cities or counties, taking on large generational capital projects that have a ratio that's much, much higher. And so again, it's not out of the realm of what the rating agencies see nationally, even regionally, to have something in a ratio like this that is on the higher side, if indeed there is an

[00:29:48] overall holistic plan to it. And again, knowing we're a city that is working our way through generational, you know, once every 25 or so years capital projects. I think as we flip the page, you see a similar picture, if you will. This is that debt to assessed value ratio. We're at about 1.3%. You can see anywhere in the range of 2.9%, 3% as the peak. Falls Church, maybe a direct comp, meaning comparison here in Northern Virginia, they've taken on some very large capital projects.

[00:30:21] They kind of worked their way down a little bit, but if you go back five, seven years, they were much, much higher on debt service to expenditures and debt to assessed value, and they've kind of absorbed some of those projects the last several years. On page 17, we'll talk a little bit about this and just is a point of reference I actually started my day in Rocky Mount Virginia in Franklin County it's a ways from here we're talking about doing school projects down there and the exact same the topic on this page is this 1% sales tax exact same topic came up and so folks as far away as the Roanoke

[00:31:00] region are asking the exact same question as many many local governments all across the state whether you're in Southwest Virginia you're in Northern Virginia, you're in Hampton Roads, are thinking about and asking about this 1% sales tax. So we're going to bring it up. I know we've broached this in the past.

[00:31:18] It is not something, it's not an arrow you have in your quiver, a lever you can pull right now. We don't pretend to know if you will be able to. It's going to depend on a lot of politics. But certainly we can tell you as we work across the state is there are local governments in In far southwest Virginia, there's rural, urban, many, many, many local governments and many, many different constituencies are very interested in this potential revenue source.

[00:31:45] Nine local governments, by virtue of a little bit of history, have already been able to implement it. You can see who they are there. There's Charlotte, Gloucester, Halifax, Henry, so forth and so on. Everybody's a long way from here in northern Virginia. It hasn't made it through the governor, had bipartisan support in both houses this year.

[00:32:06] Obviously, this is a gubernatorial election. We don't pretend to be political experts. But certainly, there is a hope out there that this will be a revenue source coming forward. But by no means do

we have any specific knowledge of that. And so that's why we set this planning up with the understanding, sort of the assumption, that the only revenue source we have is the real estate tax rate.

[00:32:27] From a timing perspective, say on the positive side, if indeed this were to work its way through state government, make its way to you at the local level, hold a referendum that would have to be approved if things work in the way that it has in the past.

[00:32:47] What that really means is that it would be FY28, meaning not FY27 the year coming up, but FY28 before we'd really see the revenues from this potential or hopeful new revenue source kick in. So if we're in FY26 now, we likely have all of FY27, which starts about a year from now, and then FY28 before we'd really see those dollars kick in.

[00:33:17] And so on page 18, why do we talk so much about this? It is for school construction specifically. I think you probably all know that in this room, given your various positions. It's also a material amount of dollars.

[00:33:33] And so for effectively every local government that we've looked at planning on the capital side for schools for it, whether it's, again, urban, rural, suburban, whatever it is, it's a material amount of dollars. And so our best estimate at the moment for the cities, that could be between \$12 and \$14 million per year.

[00:33:52] That's what that 1% equates to. There's some nuances about what exactly counts within that 1%, but rough dollars, it's about \$12 or \$14 million a year. So you take that \$12 million or \$14 million a year and think back a couple slides ago, the peak debt service on the school program was about \$17 million.

[00:34:11] So it almost entirely covers what we think right now would be the peak debt service on the school program. And it entirely covers it, or almost entirely covers it, again, assuming no growth in these revenues. So we're trying to be as conservative as possible, use current dollars.

[00:34:28] And so if you run some modest growth out on those revenue streams, it really would basically cover the debt service on the school program as it's been estimated right now. Again, importantly from a timing, you're not going to see that in FY26. We know that.

[00:34:43] You almost certainly couldn't find a way to see that in FY27. So it's really FY28 before those dollars would start to be helpful, be useful to you in the budget. But if indeed that were the case, if indeed it was approved in a local referendum, it would go a long way to and probably cover all of the debt service on your referendum I think that's the end of the presentation opening up to council and school board members if they have any questions or the school board chair if

[00:35:19] she has anything that she would like to add before the questions yes I would like to get just clarify or provide clarification so as JC and Kyle both stated the design phase that we are currently in was funded primarily from the school board returning three million dollars in cip funds and then we delayed the roof which was four and a half

[00:35:52] million dollars which that helped balance the 26 budget which now that delay on the roof we all have to realize that roof has now gone up in price so i feel like i just want to say we're kicking this can down the road. We kind of have to make a decision about how we're going to proceed next week. You all are supposed to award the contract. Do we really want to spend this \$3 billion of taxpayer money if we have no intent in moving forward? Because if you shelve this design,

[00:36:30] in a matter of years, a lot of it is going to be obsolete. It'll have to be redone. Plus, the cost of it changes once the timeline, we've reached the end of the timeline where they've projected the increases. Now the \$220 million bond no longer is enough. So I would like some of the discussion to be around what we are willing to publicly commit to in terms of this bond and the renovations. Mr. Phillips, did you want to speak about? Well, I think, good evening, everybody.

[00:37:08] I think in addition to the question about the \$3 million, it's just thinking about, you know, of the things when we did the comprehensive facilities assessment we looked at or the company the organization that did the study looked at the items that were going to be needed they didn't look at it just from a renovation lens they looked at what needed to be done so we talked about like useful life of the air conditioning systems the plumbing things like that and they made predictions about what needed to be done and if you recall looking at the study i think the study was

[00:37:43] completed in 23 to 2023 and so um there were about uh seven million dollars worth of repairs that were scheduled not scheduled but predicted to be needed in 23 and 24 and so just to kind of catch up to those things is about a seven million dollar uh cip bill or or you know the funding would need to come from somewhere and those are the things like you know many of you have students in school right now um we're doing a lot of work with fcps to keep the air conditioner running the hvac running and so they're very real things that impact instruction you know it's not just a theoretical

[00:38:22] like there's some pipes in the wall that might have a problem down the road we feel it already and i think we're fortunate to have good partners in fcps and good folks working on it and just those kind of things will start to come do whether we do the renovation or not you know and it's just important to remember those things it doesn't they don't it's not just the really nice new facility that we look at and new spaces and things like that it's just the reality I think if you look out just to FY 28 in total counting that 7 million is about a 20 million dollar expectation again they may not all come due at that time but that's the prediction so just keeping those things

[00:39:01] in mind also when you're thinking about like making our decision about when I when to move forward and how to move forward do any other board members have any uh comments or questions i mean i would just like to echo what we're saying i would like to spend the three million on the design knowing that we're going to be able to move forward after and not waste taxpayer money um thank you all right i will open it up to our council members if we've got

[00:39:39] questions or comments from the council members on this council member peterson and then council member McQuillan. Well, thanks. Lots of great information here. If we go, and this is a question that may go to our chief financial officer here, but maybe putting things into a big picture perspective here. We have a schedule translation, if you will, of what the expenditures under the

[00:40:12] school bond would be to sales, excuse me, real estate tax here in the city. And that is just for the school bond over that same period of time i think we have at least under current plan or assumption a series of major capital improvement projects as well do we know and this gets to the issue of cumulative tax burden do we know based on present circumstance what those levels are cumulatively for that series of major capital improvement projects how much they add

[00:40:52] We do, Council Member Peterson, so we have an estimate, and that's a working estimate because not all those projects have been fully appropriated. So we do have a five-year CIP plan that was approved, only one year appropriated, and then you look out four years.

[00:41:09] Some of the bigger projects that are sort of coming online or being proposed are the property yard, fire station three, Willard Sherwood, and then also potentially in addition to the police headquarters garage. In combination, that's about another \$150 million about, so I would easily say that potentially about half of what's being proposed here for the \$220 million, so half of that, would easily be another potential \$0.10 just on the real estate tax rate.

[00:41:42] But the big difference is those projects were not voted on by the residents, and council has not fully adopted or appropriated those entire amounts yet. they can be changed if council so chooses this could be changed as well on the schools but that would be a decision the council would have to make so i guess to answer your questions i would say at least 10 cents for the proposed cip schedule for the next five years or so and the duration of that would be five years the duration for what sir the increased of 10 cents increased rate of 10

[00:42:21] sense so it would probably be beyond 10 years uh very similar to what's being proposed here is if we were to increase the rate by the 20 or so cents that was listed here that would be needed for a defined time frame yeah the the term of the bond it may be another way to think about that council members is that 10 pennies could be done over a series of five years and so i think when you think about that over that time period same concept whereby if you assume the only

[00:42:56] revenue source you have is that real estate tax rate it's something you wouldn't need all 10 pennies at once or the equivalent thereof it could be done incrementally and there may be other revenue sources growth in the budget so forth and so on that could help but i think i would agree entirely with with jc in terms of the the you know ballpark estimate on the 10 pennies So just to be clear, it would be on an annual basis.

[00:43:21] What I'm looking for is how much per year for how many years, assuming you intelligently spread this. What does that look like if you take the entire stack of major CIP projects? I think commutatively it would be about \$0.10 over the course of five years or so.

[00:43:38] Not \$0.10 every year for five years, but \$0.10 equivalent over the course of five years. Okay. So probably on average about \$0.02 a year. It might be a little bit more. It might be a little bit less, depending on the pace of those projects.

[00:43:55] Okay. Thank you. Council Member McQuillan. I don't have any questions. I just wanted to say thank you for that presentation. And as somebody who was on school board and worked hard during the campaign to advocate for this bond referendum, Having 70% of our public vote in favor of this means that I will be supporting it, and I want to continue pushing forward with making sure that we don't have any more delays on funding this.

[00:44:28] It's been clear what the public wants us to do in terms of our students and our most vulnerable demographic here in the city. So that's where I stand, and I would like to hear from the rest of council what your thoughts are. Thank you. Council Member Hall and then Council Member Amos.

[00:44:50] Thank you for the presentation, for the information, for the good questions and additional comments. I think this lens tonight is looking at this almost in its own bubble. And I appreciate the questions that are being asked and the other information that's being shared because the school bond, the 70% passage rate, that's its own bubble.

[00:45:13] But all of these other areas are additional bubbles that really just fall under this big umbrella of what we as a city or we as taxpayers can actually take on and what we can afford. I will start by saying I'm all in for schools.

[00:45:31] I think it's one of the most important assets that we have here in the city. I think our children are our future, literally. Thank you, Whitney Houston. But I do just think that this is something that nearly 70% of our residents said they wanted, and I would actually be very curious to see if we put some of these other projects on a ballot what their approval rating would be, because I think that we have, if you look at the CIP, I think there's been a number of projects that have been added on in recent years that it seems like we don't know where the money is going to be coming from, but

[00:46:08] we just put them on this five-year plan and hope that somehow they're going to happen. And as far as I'm concerned, the other projects that have been mentioned, the property yard, I understand there are concerns there, there are restrictions, there are problems.

[00:46:23] The fire station, the Willard Sherwood Center, the police garage, to me personally, those things are not as important as supporting our schools and making sure that we get this renovation right, and also by making sure that our ridiculously old leaking roof at the high school is actually fixed, hopefully once and for all, for at least the next 20 or 30 years.

[00:46:45] I would like to just ask Mr. Martinez for some clarification from you. You had said the \$0.10 for the next five years. My understanding about the Willard Sherwood specifically was that on its own, that building was about \$0.08 to \$0.09 once we are moving forward or if we move forward with that.

[00:47:07] So I'm just curious how that factors into the other \$0.10 that you were mentioning. So, Council Member, just an estimate trying to go off of memory. So I'm actually looking at the actual amount right now from a previous discussion that we had with council in late January of this year.

[00:47:24] The amount is actually 172. That was what the estimate was. And I don't know if during that presentation, 172 million, if that amount was based on the CIP that was adopted, which it shouldn't be because budget had been adopted by then.

[00:47:43] So I think some changes have been made. Based off of that, we would be looking more like at 15, 16 cents. I was thinking it was about 150, maybe a little less, but we're at 172, so that would be about 15 cents. So about half of that, seven cents or so, potentially, would be from Willard Sherwood as a standalone project.

[00:48:05] The property yard is another 60-some-odd million dollars along with the fire station, so they start adding up relatively quick. They do add up very quickly in a very short period of time. Thank you for their revised information on those. I strongly feel that this 1% needs to happen, whether it happens with the next governor or the governor after that.

[00:48:29] I have no idea. But we, and I know we are, but we need to be advocating much more strongly. We need to get our legislators involved, and we need to maybe be the only place in Northern Virginia that gets to do this because we have to fight hard for this. Our students deserve it.

[00:48:46] Our families deserve it, and our residents deserve it. And we cannot continue to put burdens like the school bond in conjunction with all these other projects without considering the long-term impacts. So I'm all in for the schools.

[00:49:04] My support for other projects is certainly questionable. Thank you. Council Member Amos. Thank you. Great presentation. Just a quick note for everyone as well. I do want to know that Fairfax County did a public bond referendum last year for public safety services and it passed with roughly the same rate of schools at 70 percent.

[00:49:26] So I'm sure if that were on the referendum that would be a good benchmark to assess that from people who care about public safety and schools relatively equally. There could be some disproportion, but regardless I did want to flag that statistic. In addition to that, and this may be a separate conversation or a later follow-up, but for opportunities to institute some PPEA agreements and to work on, for example, Fire Station 3. Have we made any progress in that regard? It's something that I think would help offset some of the costs that we have coming down the pipeline.

[00:50:00] Sure. Great question, Council Member, and we have not made any substantial progress with that. We have engaged with others on trying to solicit or ask for them to solicit to us as a traditional PPEA. That has not happened. We could put out a solicitation if need be but we have not gotten that direction or have not gotten to that milestone yet I guess as a quick follow-up what would it take to get is that just a decision by council or what would that be to more

[00:50:35] formally move through that process yes councilmember if you wish to do that we could certainly council wants to actively pursue it we could certainly do that there's basically two ways we can take get in something that's unsolicited or we can actually go basically like an RFP process if you will if you recall we had an informational we did request for information and to see sort of what the appetite would be in the in that community we

[00:51:09] had one provider express interest and provide just general information it was that was not an actual solicitation did not actually have any numbers attached to it but what they said was that the likely private component would be residential multi-family residential or hospitality is what they was what they saw doesn't mean that others might not see something different but the the way that we would make the way that that's going to work best is again is that partnership

[00:51:44] so part of the issue for council is what kinds of things are you open to those types of of partnerships as far as what what what the market's going to bear in terms of what you can put with that and so i know for other projects just residential specifically and i know it's project specific but council members have expressed questions and comments about additional residential development um and so that's one of the things that we probably or you all should probably have

[00:52:18] perhaps a larger conversation on but in general if we want to if council wants us to put something together um to to solicit we can certainly do that it would just take council action to tell us to do that uh thank you for the clarification that's something i certainly support and i've supported ever pretty much ever since i've been here uh but i mean the request for information i remember when that occurred that was roughly February March timeframe and I know we didn't get a lot of bids but I do acknowledge also that some of my developer friends following that did express that they weren't even aware that we had a bid out or not a bid but an RFI out so I think there is some at least some interest and

[00:52:58] I think that would be an option worth exploring because it can significantly help us on costs. Councilmember Hardy Chandler. I do want to thank you for the presentation I do not have children in the school district but let me tell you you as a resident, this is an important investment for all of us. So whether you're directly connected with schools or not, I think this is something that we can't continue to

kick forward. This is something that certainly continues to contribute to the quality of life that we have in our city.

[00:53:37] So I want to explicitly express my support for this referendum, which I also supported as we were campaigning and we should not continue to move this down the line recognizing in your words we have generational impacts when we make those decisions and there are costs certainly that are financial but there are other costs to these delays so number one full commitment number two i think it's really important that we keep in mind or i'll say my commitment is to our residents

[00:54:11] across the lifespan. Kids will graduate from these schools and become adults and become older adults in our community. So that's not to the exclusion of other projects that safeguard their safety and well-being. What you said, Kyle, in your presentation is about the levers. And so I think one of the things I would ask moving forward, and I think this links to Councilmember Amos' comment, is that we explore opportunities to pull all the levers that we possibly can,

[00:54:45] but again, reiterating that we have a commitment across the lifespan. I support this. I support looking at the projects that are in our CIP because of the impacts on the rest of our citizens, rest of our residents, but also maximizing ways in which we can pull every possible lever that we can. Thank you.

[00:55:12] Council Member McQuillan and then Council Member Bates. I just wanted to say that I second Council Member Amos' request for us moving forward with a PPE for the other CIP projects or upcoming projects that we have that that might be appropriate for as well as following sorry seconding Council Member Hardy Chandler's statement regarding different levers those levers and different things that we can look towards to pull from other revenues, since that's something that is stated here in identifying additional reoccurring revenues

[00:55:51] or experience revenue growth. So I second that. Thank you. Council Member Bates? I also agree with Council Member McQuillan in seconding Council Member Amos and Hardy Chandler's thoughts. And I may not have kids in the city schools myself either, but just five years ago I was a kid in the city schools.

[00:56:12] And the physical state and aesthetic and condition of the schools can have quite a profound impact on the ability of students to come to school happy and ready to learn.

[00:56:34] If school's getting run down, things aren't working right, that really can just kind of change the atmosphere and change the mood in the school and, you know, introduce additional stressors.

[00:56:53] And so it's very important that we make sure that the students have quality facilities to go learn in. Other questions, comments? Council Member Peterson?

[00:57:08] I think this will be a question also for our CFO. For a 1% sales tax here in the city of Fairfax, do we have a sense of the household level impact that a 1 cent sales tax has here?

[00:57:29] An average would be fine, but I know there's a differential here. Council Member, I don't think we have it broken out by impact to household. I think on the slide that's currently up is just sort of the total revenue that the city would potentially generate.

[00:57:47] Currently, it's about \$13.5 million. I think it's hard, potentially hard, to try to break that out by household, depending on how much a household goes out and spends.

[00:58:03] It would vary between households, needless to say. But we can try to compute an average based on just an average household income, if need be, of what that potential additional 1% impact would be. We could try to do that for you.

[00:58:20] I think it would be helpful. First, I think, in my view, I share the views of others and the public here that schools are clearly essential infrastructure and need the support. but we are in a bit of a balancing act then about how we do that in the face of other things that are being proposed as well. There are many other capital improvement projects which come at a cost in terms of an elevated real estate tax, but even if the school sales tax passes, we still

[00:58:55] have a financial impact on households, and you have cumulative tax burden going on here between real estate taxes and sales tax. The sales tax is an interesting one because that disproportionately hurts lower income people. And so we need to maybe be aware of that as we go forward. So I agree with earlier comments here that I think we're going to need to be quite sensitive to these other potential expenditures and how they could or should, how they can and should be managed and whether they should proceed if schools are going to be the first priority that

[00:59:35] doesn't automatically mean everything else that's in the cip list is also going to be a priority we may be making some trade-offs here some sacrifices in order to put schools first and i think that is possible given the sensitivity that exists in the city over taxes of any any kind but i do think the essential infrastructure of schools is quite critical the other thing I would just say is I also welcome more information on PPEs that's a bit of a two-edged sword and so it would be helpful to know both sides of that equation the experience has been yes and no cuts and then gains I mean

[01:00:14] it kind of depends on circumstance design a whole series of things and so I would support if we're interested in that doing our homework and having eyes wide open so we're fully informed Council member Hardy Chandler just one final thing as we weigh the cost of things I think we also have to weigh the cost of not doing them which also has repercussions so I'll just add my two cents worth in or maybe my one cent

[01:00:48] worth in this case the one cent sales tax has been supported by our Northern Virginia delegation for two years and delegations around the state in both parties. I assume that that support is not going to be any different in this next legislative session. What made the difference is there was a governor who would not sign it. It was not the people in the Senate and in the House who did not want it. They wanted it. It passed with strong support. So the key here is there has to be a different governor in order to make this one cent sales tax go. The second thing is that it can, the earliest that it can be implemented,

[01:01:25] if it's on a referendum, and if it passes, it's the FY28 budget. Well, that budget will be decided by the people sitting on this dais who will take office in 486 days. So prior to that, this dais will decide the next budget, and we will decide what our obligations are to this referendum. But it will be a different dais, maybe some of the same people, maybe not, who will look at the 28 budget and if there is a one percent it changes everything dramatically so talking about making

[01:02:02] cuts to things like the willard sherwood center which is a long-term collaboration with the county in which we have already invested a tremendous amount of money when we don't know whether or not we're going to get the one percent but to torpedo a long-term project in which we have not just an investment but a commitment in order to make a commitment to the schools when we do not know whether a lot of money will be coming to us in 28 that solves a lot of this problem to me is not good

governance. We do have obligations in our CIP that we have made and it is a way there is a way to do two things at once and it's just important to have the Willard Sherwood Center for other

[01:02:41] residents of this city for instance the seniors who want the senior center there as it is to make sure we have a commitment to the schools. So I would ask everyone to keep in mind this dais will decide the next budget in 2027 but there's every possibility that a new governor and we will know that in about a hundred days will make the difference and then we will know the money is coming if this community supports a one cent sale tax at the same rate at which they supported the school bond referendum at 70 percent and the other thing i would say about that one percent sales tax

[01:03:19] it's not just residents who pay it the students are paying it visitors are paying it tourists are paying it. Everybody who comes into the city and buys something is paying it. It is not something that is on the burden simply of the residents who live in the city. It spreads it out. So I would just ask us all to look at the short term. Do we want to make this \$3 million commitment because we are willing to make the follow-up commitment in a reasonable amount of time, which is the purview of this dais for the 27 budget, or not? Because the 28 budget is going to be different. And again,

[01:03:56] Once we know who is governor, we might have a better idea about how to project more reasonably. And that is like less than 100 days away. So I just think all of these things are, you talk about pulling levers or using levers, these are all the things we have to consider.

[01:04:14] They don't exist by themselves in a vacuum. All of these things are interrelated. So I think the question, I think there's no one here who doesn't support the schools. I don't think there's any, all of us supported the bond referendum. All of us want us to see the renovations and the repairs happen, but there's some unknown things out there, and some information we will have sooner than other information that we will have.

[01:04:36] But when we sit here starting to talk about how we are going to rob Peter to pay Paul, then that's a whole different ballgame. So I would like for us to address what I believe the question on the table is tonight. Are we going to spend \$3 million because in the next budget, there is going to be follow-up money in some amount to move forward with the design?

[01:05:00] I think, I believe that is the question on the table. Chairman Pitches? Yes, that is the question on the table. And let me say that nobody on the school board is trying to sacrifice one age group for another. We're simply, we're not saying that the senior center or anything is less important.

[01:05:21] They're just two very different needs. You're talking about kids who have to go to school in buildings with trash cans down the hallway catching water. for three or four, sometimes five months of the year. Talking about HVAC that is constantly broken.

[01:05:39] How many plumbing issues have we had? Water heaters that have leaked, exploded and leaked into our libraries. I mean, this is different. These repairs will have to be done one way or another. So the cost is not going to go away.

[01:05:56] It's just where you're going to see it. So I just want to make that clear. And in terms of the private-public partnerships, i do think the city should start to look into that i would caution you about a lot of development because i don't want to hear that the tuition bill is too high when we have kids that come out of those developments um and you know so and we don't want to build a third elementary school so you know those are a ppp is a great way to finance things i just would caution hope that

[01:06:31] we look at the right projects in terms of that um but i just want to make it perfectly clear that the school board is not saying that all these other projects are not needed projects it's what i think the council has to decide you have to figure out what's most important what has the greatest need what affects this community the most and i would say schools council member hall

[01:07:05] Thank you, Chair Pitches. I also think that it's about identifying needs versus wants. And I think we all have different needs versus wants when it comes down to what our priorities are on council. And I think that when you are serving with, you know, five other people and the mayor up here, you do deal with a lot of different priorities. And I am happy that we had this meeting so that we could, what sounds like, all put forth schools as a priority, regardless of the other projects that are in discussion or not. They are not on the table at this time. The other thing that I will just wrap up with and say is that our schools don't

[01:07:42] just serve our students. They serve our families. They serve our community. They serve our tiny little tykes that are coming for other things. They serve our businesses. People hold meetings there. There are church groups that come. There are basketball games there. This is not just about students. It's not just about the roughly 2,800, 3,000 students that we have in the city.

[01:08:06] real estate values we have businesses that come in during the holiday market sales the craft sales i mean the schools are an integral part of our community i i agree and so i think the question this has been a good work session i hope everyone's gotten their questions asked and put forward their thoughts here but the question is is three million dollars going to be spent because in next year's budget there is going to be a follow-up on the money

[01:08:44] we're expending by awarding that contract mr. Foster any thoughts mayor thank you yes so what's going to be as the chair pitches alluded to you will have an item on your September 9th agenda which is to award a contract for to start the design and in the contract is actually more than 3 million but 3 million is all we have to spend so part of it the way so the way it's being will be handled is that you're committing to funding that you know we already have the

[01:09:23] 3 million but you're committing to this contract to then continue to fund that we would then fund the remainder of it in future years so that's when you would actually I guess technically be making your decision this is just a work session you're not making that decisions even but I think what the chair and the school board members are looking for is basically what they said is that are are we willing or is council willing to make that commitment so that is on your agenda for next week so you will actually be voting next week on this item unless you push it to a future date we are not suggesting that they're ready to

[01:10:02] you've heard the needs and and what what is out there so again we we've set this sort of schedule just like what Kyle and that you know Davenport's laid out is based on us continuing on this schedule that we already have in place so the decision point for you is next week and and then we will can continue to move with the school board will continue to move forward the only other thing not to change the subject but just very briefly I heard three council members express

[01:10:37] specific support for pursuing PPE a or P3 options so if there is no objection what we will do is we will we will I say pursue that we will have to come back to you at a future meeting but we will put together materials and so forth so where we could actually put out a formal request for some of these other projects so if if there's not objection then we will start working on that council member peterson well i guess this may be

[01:11:14] a clarification or request or both but it would seem to me that as we explore possibility and potential of the mechanism we need to learn more about its functionality and the implications of design decisions on that i think we need to do a little bit of homework before we dive into actually proposing specific rfi type information here i'm not comfortable at this stage that i know enough about what these options and implications are to be ready to support an rfi so i would think

[01:11:52] we would take this a step at a time and do that first as a part of whatever we do here are there any other objections council member amos just to be quick we can also do both simultaneously we can learn more about how ppeas function but we can also start setting up the process for bids because ultimately we won't engage in a project until we agree as a council that it's worth moving forward anyway so it's one of those we can do both simultaneously council member hall i am on board with both at the same time the thing that i do want to point out though is that when we had the

[01:12:31] PPEA conversation specifically associated with the fire station, one of the things that, if I recall, they heavily focused on was adding additional residential. And my understanding is that that is a frequent or common denominator when it comes to PPEAs, or PPEs, whatever you want to call them.

[01:12:49] And I'm not opposed to that, but I do just think that we need to, again, look holistically at the other proposals that are coming our way, at the other areas of retail that are being diminished and turned into residential and to the school's credit, trying to understand how many more students will be coming in and what that additional tuition cost is going to be and how all these numbers work together. So my answer is yes, I'm on board for the conversation, but I do just want to point out those potential conflict points that need to be, I think, very much addressed in the

[01:13:27] information that we're receiving thank you any other objections it looks like we have a majority that want to pursue two things at once okay thank you well we will start working on that okay thank you and without anything else I will thank JC and Kyle and our school board members for joining us tonight for this

[01:13:50] very robust and productive discussion thank you so much so as people are moving about mr. Harden how are you doing well thank you and how is your new

[01:14:27] roll going just while we're is everything so far so good no excellent always good to hear good very two hats you do you do many things well well we we we are ably backed in community development planning Jason Sutton is serving as as acting he's here this evening so we are trying to cover all all basis well I I think you are doing doing a good job at it from what I can see from where I'm sitting thanks so miss Clark are we ready to move forward

[01:15:03] with the presentation on development proffers overview that are school specific yes and school specific correct all right fascinating topic and what a wonderful follow-on to the discussion that we just had we are certainly pleased to be here with with you this evening particularly in light of the session with with the school board as as part of our topic this evening we'll touch on the work that they are doing as well I will start off the presentation covering development proffers generally and Eric Foreman who's with with me this

[01:15:39] evening will speak to progress specifically for schools so on this slide an overview of tonight's presentation the city's ability to accept proffers is based upon enabling authority and so we'll touch on the state code and changes in the state code that prompted all localities a few years ago to adjust how proffers

are handled we'll go through how proffers are now accepted and how that's changed then as noted we'll talk about proffers for schools and we'll wrap up with some things to consider and possible next

[01:16:17] steps that we would like your feedback on so council certainly familiar but by way of background. Proffers are reasonable provisions volunteered by an applicant who would be a landowner or developer as part of a rezoning. Proffers are not required. They can relate to public facilities such as parks, schools, public safety, buildings, or transportation infrastructure. Proffers can be conditions that limit the use of the property. Monetary

[01:16:55] contributions toward capital improvements may also be proffered. Proffers are typically listed in a separate document as part of an application package that's referenced and approved with the rezoning ordinance. Next slide, please. Here are a few notes on how proffers are applied. Again, they are part of rezonings. Special use permits, special exceptions may have conditions, but those are not proffers legally planned districts have master development plans those are rezonings but

[01:17:33] they're a little bit different as commitments in quotes commitments are made as part of the plan and narrative that's presented by the applicant so rezonings to one of the city's general zoning districts, you see these CR, RM, so forth, may include proffers. Proffers must provide a direct benefit to new residential development that's being considered. And we'll talk more on an

[01:18:06] upcoming slide, but the notion of direct benefit kind of extends beyond what in previous times was deemed a rational nexus between development and its impacts. Monetary contributions that are applied to projects through the locality's capital improvement program must begin within 12 years of acceptance of the proffers.

[01:18:36] And monetary contributions cannot be applied to operating costs or normal repairs. They must expand capacity. So when did proffers change? 2016. And the amendments in 2016 were really a game changer in terms of development, the development process, and how proffers are considered. The amendments applied to all residential rezonings and residential portions of mixed-use rezonings. Proffers were categorized

[01:19:10] into on-site and off-site with some slight differences in the rules for each. These amendments supplemented any law that they were consistent with, but superseded any laws that they were inconsistent with, with respect to that notwithstanding phrase that you see there on the slide. So the legal considerations with proffers really tightened up as part of those 2016 changes. For example, in a dispute, the applicant now only needed to demonstrate a

[01:19:47] preponderance of evidence that the controlling basis for denial was failure to submit an unreasonable proffer while the locality is now held to a higher standard of having to demonstrate clear and convincing evidence that it was not. Courts could now rule that the rezoning be approved by the locality without the proffer deemed unreasonable and without any additional public notice if the locality is on the wrong side, so to speak, of that decision, and localities

[01:20:22] may also have to pay attorney's fees and court costs. So a lot of changes there. So how did the proffers change as part of those 2016 amendments? The definition of an unreasonable proffer was added to the state code. Although some of the key components of an unreasonable proffer were not defined, a proffer that is unreasonable is unreasonable if it does not address impacts that are specifically attributable to the new development. One can certainly surmise what

[01:21:01] specifically attributable may be, but it isn't defined in the code, and so it does leave some some debate. New development must also receive a direct and material benefit from an off-site proffer. Again, in this case, direct and material benefit is not defined, but the code notes that the impact created by the new development must be in excess of the public facility capacity.

[01:21:29] This language has led to a more quantitative process, but it's one without parameters on what truly qualifies. The legislation also put proffers into four categories of public facilities, transportation, schools, public safety, and parks. Cash contributions are also considered off-site proffers, so all the same considerations and regulations apply to those. The amendment also clarified that it's unreasonable if there is existing capacity in the public facility.

[01:22:07] So in light of these changes, the city changed how proffers are accepted in a few ways. One, the city amended the zoning ordinance following along with those 2016 amendments.

[01:22:24] Now the zoning ordinance, for example, says that discussions regarding proffers may not be held as part of preliminary discussions on an application. One-on-one meetings with applicants were discouraged. The city formalized the development review process and the pre-application process.

[01:22:47] We are trying to be very thoughtful always in how we communicate, and proffers are scrutinized very closely. A key distinction that we would like to highlight is that not all areas are created equal.

[01:23:03] Residential rezonings within the bounds of a small area plan are exempt from the 2016 regulations provided those areas meet certain requirements such as transit, access, and minimum density levels, which the city's activity centers do.

[01:23:21] This exemption provides greater latitude for negotiations between the localities and applicants. And as council is aware, the city's activity centers and small area plans envision residential and mixed-use development in those areas.

[01:23:41] So they actually fold together very nicely. So that's a bit of an overview on proffers generally. I will now turn to Eric to step through specifically on schools. Okay. Well, thank you very much. The overview on proffers, generally, proffers can fund improvements that directly benefit a new development, but there's caveats, and there's a lot of caveats.

[01:24:06] There was a lot of text on those slides. School proffers are another example of it. We figured we'd take advantage of this joint work session, talk specifically about school proffers, but much of the same applies, that there are caveats, there are conditions, there are things that this proffer money can fund. Now, many localities apply proffers to education expenses, and the reason is clear. School costs are one of the larger development-related costs that jurisdictions tend

[01:24:39] to see. School proffers are fairly common in Virginia, but they're also a bit complex, as you might expect. So we figured it might make sense to just look at some of the main issues that are involved specifically with school proffers. The most important thing to keep in mind about school proffers is what the proffer money can be used for. So people often point to the annual cost of educating a student, whatever it is, \$20,000, \$25,000 a year. But proffer money from rezonings

[01:25:13] can't be applied to that, can't be applied to those annual or recurring kind of costs. So instead, and you see the state code down here, state code stipulates that any proper money for schools must be

dedicated to construction or must be dedicated to renovation projects that enhance school capacity. So basically saying that this money has to be used for new facilities that would be required because of additional enrollment pressures from that particular new development, from the development that's proffering this money.

[01:25:55] A few slides ago, Mr. Hardin mentioned that proffers need to address impacts that are specifically attributable to that new development. So doing so in the context of educational proffers, this means figuring out how those impacts can be calculated on a per-housing unit basis.

[01:26:13] So that way there could be some kind of a rational connection between those impacts and between what's being proffered. That's really true for any kind of cash proffer, but certainly true for education proffers. So for school proffers, what that means is coming up with an equation, coming up with a formula for per housing unit costs.

[01:26:36] And that kind of formula would have two parts. One would look at how many students may be generated by that new development, by the development that's proffering money. The other part that you see on the right here is to take that number of students and figure out how much new space would be required to accommodate them.

[01:26:58] And once you have that space number, to figure out what the cost of providing that space would be. So we'll take a look at each of these two elements in the next two slides. Student generation. So that's what's up first here.

[01:27:13] Student generation is probably the more straightforward of these. And part of that reason is because city staff and city of Fairfax schools calculate student generation ratios every year. So we do that based on actual enrollment numbers.

[01:27:31] So this chart down here, this is one of the main outputs from this year's presentation that was delivered to the school board on enrollment. So to boil down a whole lot of information and a whole lot of work, this blue chart here, this shows the extent of student generation that we would likely expect from new development in these kind of housing unit categories.

[01:27:56] So student generation, it's typically expressed as a ratio. So what that means, if you take a look at this chart here, it says here that the student generation ratio, let's say for townhouses, student generation ratio is 0.215.

[01:28:13] And you can look at that as thinking that each newly built townhouse could be expected to generate 0.215 of a student, a little bit easier to explain in a larger context. So for every 100 new townhouses, the city could expect 21.5, so let's say in the low 20s, as far as student generation.

[01:28:35] So these are the main housing unit types that we see. So for apartments, like it says here, for every 100 new apartment units, we would expect 11 or 12 students, again, based on the current ratios or current enrollment that we're seeing now. One of the benefits for us being a small jurisdiction is that we can examine development and examine impacts at this kind of level, which is really a gift to be able to do.

[01:29:02] So we use these analyses. We use this in staff's fiscal impact analysis for new development. And also in the case of proffers, this could also be used to estimate student generation for proffer formulas.

[01:29:18] So right there, that's one half of the formula, one half of the equation that we would use. So that's one component. The other component, the other half of the proper formula is calculating the cost of

facility improvements that would be needed to accommodate those new students.

[01:29:38] And that means figuring out an amount of space needed for new students. So that would likely be a square footage per student. And once that's figured out, to calculate the cost of actually constructing that space. So there's a number of ways to go about doing this.

[01:29:56] None of it is fairly straightforward, but we are fortunate here because Fairfax County Public Schools uses a proffer formula. That proffer formula is updated periodically. We won't go into the details of that methodology. It is available online.

[01:30:12] It's public information. But basically, FCPS takes the square footage and takes the construction costs per square foot for all three levels of school, so for an elementary school, for middle school, for a high school, factors in an average number of students per school, and factors in a level of service adjustment that accounts for the physical lifespan of the facilities.

[01:30:39] And doing all of that arrives at a recommended proffer contribution. So like it says down here in the red text, the FCPS current recommended proffer contribution is \$14,956 per expected student.

[01:30:59] So that's not per housing unit. That's per expected student. This is the number, if you take a deep dive into Fairfax County rezonings, This is the number that is most frequently used as a proffer contribution from developers, and this is where it comes from.

[01:31:16] It comes from this formula. So this is significant for us in the city of Fairfax because our city schools and FCPS, they use shared instructional resources. The schools are built to the same standards.

[01:31:31] We're in the same region as far as construction costs. And really, if the city of Fairfax were to develop a proffer methodology, it would be reasonable to use the FCPS recommended proffer per student as a contribution and to merge that with our own student generation estimates or those yield ratios that we looked at before.

[01:31:57] So there obviously would be a lot more discussion on this if the city were to elect to pursue this, were to want to go down this path further. This is just one thought for how to approach the question of figuring out reasonable contribution amounts, but it is a likely scenario to keep in mind.

[01:32:17] So taking this one step further, just to put this whole concept into a bit of context, I think it would help to look at some sample developments. This chart here shows three sample developments. These are the types of developments that we tend to see here in Fairfax City.

[01:32:38] So using a scenario where our student generation ratios, again, are merged with that FCPS per student methodology, we can kind of come up with an idea of how much of a contribution we might see for an averaged kind of project.

[01:33:00] So let's say we have a 400-unit multifamily complex. So we would likely expect maybe 32 or so students from that kind of complex. Given that \$14,900 or so per student proffer condition, we would be looking, again, at a 400-unit multifamily complex.

[01:33:22] We'd be looking at a recommended contribution of \$478,000. Now, to borrow a phrase from Kyle from Davenport, who just went before, this is not surgically precise. I mean, this is just a ballpark estimate, just to give some kind of an idea, because it's tough stuff to figure out.

[01:33:41] Same thing with the rest of these. We have a 50-unit townhouse development down here in the middle row. So this is something equivalent to, let's say, Sutton Heights, which is 50 units. You could see this kind of thing on three to four acres of development. We would be looking at about 11 expected students from that kind of development.

[01:34:01] And under this scenario, could see a recommended proffer contribution of about \$164,000 from that kind of townhouse development. Again, just a ballpark estimate just to give some kind of framework about what we would be looking at under this scenario.

[01:34:22] So the last few slides, and certainly Mr. Harden's talk, showed that there is a lot to consider here, a lot to consider for the city council, a lot to consider for school board in the case of school proffers. And really, the most important thing to consider, and especially with school proffers, is just getting the idea that school proffers, it doesn't mean that a locality or a school system gets free money. There's conditions attached. And again, should the council, should the school board elect to explore this topic

[01:34:59] school proffers, those conditions would lead to these items to consider. The main one being right here at the top is whether school proffers would be beneficial to the city and to our schools. And like I said, I mean, this isn't just free money. So this is not a simple question to answer. As a subset to that question, we've got the second one here, whether proffers appear to be a reasonable approach to offset some of these development related costs that we incur from new development,

[01:35:34] from new residential development. So again, just keep in mind that the proffers don't apply to annual costs, but they're limited to capacity specific enhancements that result from new development pressures. This third point here is very important considering that we have a relatively small school system with four schools. And that's whether the city schools would have enough capacity-enhancing projects to justify school proffers. The items that were discussed as far as the bond referendum are maintenance type of projects, mostly. And so maintenance kind of

[01:36:13] projects, a new roof and whatnot, could not be considered a capacity-enhancing project. So this really is a big question, because if there's a chance that we may not have capacity-enhancing projects over a 12-year period, then the money collected from proffers just could not be used.

[01:36:34] So it is most certainly an important question. And then finally, down here at the bottom, if the answers to all of these three questions, I guess, end up being affirmative, the city would need to decide, well, one of the last points that Mr. Harden talked about, whether to accept school proffers from all residential rezonings or to limit it to activity centers. He had mentioned that not all areas are considered equal, and in proffer legislation, that's absolutely true. There's fewer state requirements in some developments than others.

[01:37:11] So a lot to think about. We obviously won't answer all of these questions tonight, But these are the big issues that we would need to consider if we explore the idea of school proffers, if we explore this idea further.

[01:37:29] So on the topic of exploring the idea of proffers in general, so not just limited to school proffers, on the topic of exploring it a little bit further, this is a good time to briefly mention a study that's now getting underway in the city.

[01:37:46] The city has engaged a firm that specializes in fiscal and economic analysis, and they will be examining level of service standards, so level of service not just for schools but citywide. And what that

means, what the project looks to do, looks to examine and quantify standards for city services, so standards for parks, transportation, public safety, and so on.

[01:38:14] And the reason for doing that is to figure out potential impacts to city services that might be resulting from new development. And that, in turn, would enable the city to create standards for potential recommended proffers, so in order to potentially offset those impacts.

[01:38:33] So this is not limited to schools. Again, it's citywide. This is just getting started. We'll keep council informed about this project as we move along. I just wanted to mention it now because it is something that could be relevant to the proffer discussion.

[01:38:53] So what could potentially be next here? You know, basically what's next is to consider whether establishing proffer policies would be beneficial to the city. There's obviously a lot to that conversation, so this would likely fall into two parts.

[01:39:11] One part would be working with city schools to potentially develop a proper policy for school facilities and then for other aspects of city government. So that would really be for using to use the results of that level of service study to work with our city departments to create those same kind of proper policies for things, again, like transportation for public safety for parks and so on.

[01:39:40] So if it's possible to give an overview of proffers in 25 minutes or whatever that was, that's it. That's proffers in general, some school-specific information. So we'd be glad to answer any questions that you all might have now.

[01:40:00] Thank you for the presentation. Do we have questions for Mr. Foreman and Mr. Harden? Council Member McQuillan. I know it's early in the process, but do we have any staff recommendations for proceeding with the process or any concerns from staff regarding the discussion of this topic?

[01:40:26] No, we don't. We're, you know, a topic that we've certainly been happy to speak to regarding school proffers specifically. If the council desired to move that forward in advance of the study that Mr. Foreman mentioned, staff would likely follow that Fairfax County methodology.

[01:40:50] That, as was noted, that would likely make the most sense for us. If at the end of that study period there was additional information or things that would inform that in a way that might suggest modification, that's something that we would bring back to the council at that point to talk about potential changes.

[01:41:11] But we could pursue, you know, either option. Other questions, Councilmember Hall. Thank you very much. This is always an interesting conversation, I think, and I learn a little bit more each time we have it. When is the last time that that \$14,956 amount was updated within the county?

[01:41:31] Do you know? 2022. So they do not update it annually. I'm not positive if they're on a fixed process, a fixed calendar. Tends to be, from what I recall, every six years, five years or so. Five or six years.

[01:41:46] Okay. Unfortunately, data from 2022 seems outdated at this point, knowing how much costs have gone up, but I understand they can't do it every year. I am happy that we, you, go through this level of detail every year, but for the school board, for city council, I think it's really important and really helpful.

[01:42:07] If we were to consider a cost per student model, I recognize that we have the ratios that we use to determine what we think are going to be our student yields. Is there a true-up amount or a date and

time at which the actual number of students that live in a townhouse community are counted to go back and say to the developer, hey, we thought it was going to be 22, but it's really 42?

[01:42:34] Is there any sort of window for that? Can't be renegotiated after the fact. So once the – and that's the reason for these estimates is it has to be an amount that's proffered at the time of rezoning, and then it is what it is.

[01:42:50] If the student generation is more or if the student generation is less, that's what it is. Yeah, and that's what I figured your answer was going to be. I just wanted to ask the question. I'm also wondering if, if proffers were collected during like a bond referendum debt window, could any of those dollars be used towards the debt repayment since specifically with the elementary schools, we would be adding on two additional classrooms at each location?

[01:43:20] That, that would be a question for the school board and school superintendent to get in, into the details of what those renovations are and whether they would align with state code. So I don't feel comfortable saying yes or no with that. And I should add the city attorney and the school attorney as well, and they would all have to weigh in on that one.

[01:43:44] Okay. But in theory, if we are adding capacity in the form of four different classrooms at two different schools, I think that's on its own. The answer would then be yes, we are adding capacity. I think my question is knowing that we're doing that and that let's say this was implemented next year, which I realize is not going to happen.

[01:44:01] but we know that we're going to be renovating the schools, could those funds then be collected and proffered in the interim, knowing that we're doing that capacity within the next 12 years? Yes. All other things aside, as long as the construction begins within 12 years, the monies can be applied to, you know, proper money can be applied to any capital project that it's designated for. Yes. Okay. Then I think my, my kind of takeaway on here is that with all of the redevelopment that's being considered. This is not an unreasonable conversation to have,

[01:44:37] but I do think that it's slightly twofold in that, yes, we might need to renovate the middle school and the high school in years to come. Will we need to add capacity? We don't know the answer to that yet. So I think, you know, having a two different proffered approach where one, you could do the school approach, one, you could consider other, if that's a possibility, I think that would be a good way to proceed. Thank you. Other comments? Council Member Peterson and then

[01:45:10] Council Member Bates. Just one quick clarification. I also caught the cost of student number here just under 15 and I think the FY26 budgets in both the city and the county have that just a little bit above and a little bit below 20,000. What's the difference in those two numbers? Is it just timing that the \$15,000 is from 2022 and hasn't been updated? Is that what's going on, or is there something else? Well, that and that \$14,956 number relates as much to construction

[01:45:45] costs as it does anything else. So the number that we tend to see in the budget is more for tuition type of per student charge. This is a completely different formula, and it's based on square footage per student, and it's based on construction costs. So it's actually surprising that it's as close to \$20,000 as it is, but it's measuring something completely different.

[01:46:14] Okay, that's helpful. And then any idea what percent historically and currently of new development has had school proffers could you repeat that question when units are built do they always

have a school proffer or no or generally what do we expect in terms of how many of them will have a school proffer school proffers um have to this point have only been volunteered right um by certain developments seeing as the city hasn't had a

[01:46:48] policy previously and moreover the city you know as was discussed earlier this evening you know in 20 plus years now has not had any capacity expanding projects in the school system. Okay it's helpful but I'm curious if we have any sort of a baseline understanding of present circumstance and how that might change with policy in the future. Do we have any sense of what impact a new policy might have on the prevalence of proffers if if the city adopts a policy so similar for example to

[01:47:28] fairfax county then we would see these kind of proffers in i don't want to say all rezonings because that's really really would be up to council but in most of most of the more numerous rezonings on a per on a housing unit basis just to add a little more context uh over the last

[01:48:01] 20-ish years that i've been here working on land use applications it's really dependent on who is the school board chair at that point in time what the current fall enrollment looks like in terms of capacity particularly what the county's enrollment is the number of county students that are in our schools at any given time because we may have capacity if the student enrollment from the county is not up on any given year when i say it's up to each school board superintendent those discussions take place within the context of each application some have had a very conservative approach

[01:48:40] and have not asked for contributions because there are no earmarked cip projects for capacity expansions others have noted that we will likely within 12 years be expanding capacity and have asked for a contribution but it's not clear to certainly staff or to the development community what that expectation is because nothing has been formulated okay so it sounds like it's a little bit unclear prospectively what the impact of a new policy would have but it would certainly shift

[01:49:15] things we just don't know whether that's a dramatic shift or a marginal shift is that fair okay thank you council member bates uh can you go back to slide 10 for a sec i just want to point out the first couple there city staff calculate student generation ratios annually and reviewed by the school board each year and you mentioned that these are the same numbers that are considered

[01:49:48] as part of the fiscal analyses is that correct correct would you mind elaborating a bit on the process in relation to the involvement of city staff and school board in terms of arriving at those numbers? Sure. We work cooperatively with our city schools and with Fairfax County Public Schools to get enrollment figures every year. So every year we can take a look at our development.

[01:50:19] So let's take a look, for example, at Scout in the Circle. So we can see how many students are enrolled at that one development every year. We can do that for all of the developments in the city, and that helps build the list of comparables to figure out potential student generation from new development. For new development, we look at relatively new comparables.

[01:50:46] So if we're looking at new townhouses, for example, we would look at newly built townhouse developments as a comparable instead of looking at, for example, Comstock or the Assembly, because we think that those present much differently as far as student generation than newer development. Yeah, thank you. And I just want to add that it seems to me that this is another way to make sure that developers are covering their fair share in terms of

[01:51:24] contributions to infrastructure. And so I certainly want to make sure that we're considering every possible route to ensuring that developers are working with the community to make sure that they are supporting the residents that they're going to be moving into the city. Thank you. Councilmember Hardy Chandler. Thank you for this information. It really highlights the complexity of these decisions. I'm curious about the level of service standards, because I really appreciate data-driven decisions. It says it will be

[01:52:02] conducted in 25-26. Do we have a sense of when we would have the results of the project? Right now, the consultant is looking for late spring to complete it. I'd say late spring, early summer. I think this might be May or June for completion.

[01:52:21] For completion of the project with the results and recommendations at that time? Okay, thank you. Council Member Amos? I echo what Council Member Bates said. My question would be, and this isn't a tonight question, but I would be curious on the effects that this could potentially have on development or growth rates.

[01:52:46] So if there's a comparison between jurisdictions that have implemented this policy versus those that haven't to see if this is something that could potentially be a cause and effect issue. When you talk about the development or the effect on growth rates, you're talking about proffers in general, so not just school proffers but overall proffer policies and recommendations.

[01:53:09] That and just for example, like does it affect the number of proposals? Do you see less developers willing to engage with a community that has this in place versus those that don't? I'd be curious on what those numbers look like. That's a great question for the consultants who work on this because they work on it nationally.

[01:53:26] so i i will pass that question on on to them so they can address it council member quillen so what happens in the event that we don't build anything in those 12 years we have the plans to do it but something happens what happens with the funds or what happens it's scary stuff the money has to be given back that's it yeah no it goes to the state it goes to the state yes but yes we the locality cannot hang on to that in perpetuity but there's no penalties there's no additional fees if we were

[01:54:02] to okay that's what thank you right so i just want to echo what has already been said here i mean the proffers are very narrow as far as building capacity and data makes all the difference because we make assumptions here or our assumption here is that if you build new housing and new developments that there will be children there well once upon a time in the city of fairfax there were five elementary schools now there are two elementary schools so the birth rate has been dropping in this country for over a decade and a lot of our school-aged children are now being

[01:54:40] sent being sent on airplanes every day deported from this country with their families which also has an unintended consequence on school enrollment when you think going into the future what our enrollment will actually look like if the birth rate is down and school-aged children are leaving the country in large numbers so my only thing about looking at the data is that we do need to consider that just simply building housing is not necessarily going to produce the projected number of students. I'm for proffers, but they're so narrowly to capacity that if we don't use it,

[01:55:17] and this is Council Member McQuillan's question, if we ask for proffers, and it turns out we don't need to add more capacity to these schools because the enrollment is not what we thought it was

going to be. It didn't go up. It went down. Then we're just in a situation, again, we give the money to the state but i just think we shouldn't make assumptions that building housing produces school children because i think there's factors at play and measuring the data in the next two years will tell us whether or not our projections about school enrollment are on track or they're

[01:55:51] off track so i mean i you know i support having a policy i do um in case we need to build capacity but i do think the data is going to tell the story about how many students we can reasonably project regardless of new housing in the city other questions or comments before oh yeah council member hall um mr foreman the ratios that you do that you provide every year over the past five or ten years have they consistently gone up down all over the place as far as what actual student

[01:56:28] yields are for new development they've gone slightly up so new new development being multifamily and being townhouses, which are the bulk of new development that we've seen. For existing development, so for established types of housing units, established single family housing developments and whatnot, those numbers have gone down.

[01:56:53] Are they offsetting each other? By and large. It's tough to say because the 2020 enrollment drop, we still haven't recovered from that. We have about 3,000 students in the school system now i think in and and this is students from fairfax city i think in 2019 we had 3100 or or or so so thank you it it has balanced out but we we had that enrollment dip

[01:57:26] after 2020 that messes up projections quite a bit right well and the students that live let's say in a new townhouse community if they don't go to our city public schools we're not considering them in our ratios is that correct no we we are uh for because that that the ratios are really based on fiscal uh considerations but i guess what i'm asking is if you're getting data from fairfax county and from the city with the enrollment are you also calling the private schools in the area to know how many city kids are going to their schools?

[01:58:06] No, we do not know private school enrollment. I wish we did. We do not. So that number of 33,000 or so students, those are city resident students. That's counted whether or not they attend city schools.

[01:58:22] So about 7% do not attend city schools. We also have an inflow of students from elsewhere in Fairfax County. Okay. No, I mean, it's a good point. I mean, we don't know what we don't know. And we don't know where we're gonna be in five years or 10 years as far as students or housing or anything goes.

[01:58:40] So thank you, was just curious about the trend. - Thank you both very much. This has been informative. Again, a very productive conversation on the dais.

[01:58:55] We are now going to go into a closed meeting to discuss personnel matters. And the closed meeting will move to room 339, the city manager's conference room.



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