



County of Fairfax, Virginia

MEMORANDUM

DATE: June 27, 2018
TO: Board of Supervisors
FROM: Joseph M. Mondoro, Chief Financial Officer
SUBJECT: Responses to BOS Budget Questions – Package 14

Attached for your review is Package 14 of responses to Board questions on the FY 2019 budget. If you have any questions or need additional information, please do not hesitate to contact me. The following responses are included in this package:

Question Number	Question	Supervisor	Pages
73	Please provide information about the current status of proffers and how they are being used to fund school construction requirements.	Smyth	256

It should be noted, the estimated time to compile this response was 15 hours of county staff time.

Attachment

cc: Bryan J. Hill, County Executive
Tisha Deeghan, Deputy County Executive
David J. Molchany, Deputy County Executive
David M. Rohrer, Deputy County Executive
Robert A. Stalzer, Deputy County Executive

Response to Questions on the FY 2019 Budget

Request By: Supervisor Smyth

Question: Please provide information about the current status of proffers and how they are being used to fund school construction requirements.

Response:

Proffer contributions are collected by Land Development Services (LDS) during site plan reviews and transferred to recipients, including Fairfax County Public Schools (FCPS). From June 2007 through the present, LDS has collected and transferred over 300 schools-related proffers totaling more than \$25 million in value. The value of individual proffer contributions can vary significantly but according to FCPS, recent transfers have resulted in FCPS receiving approximately \$2.2 million per year through proffer contributions, the equivalent of approximately 1 percent of FCPS' annual capital expenditures. The average funding that FCPS receives is \$87,462 per proffer as of May 2018.

During site plan review, LDS calculates the appropriate amount due based on the proffer language and the proposed scope of work on the associated site plan. The proffer balance is then transferred to FCPS, based on the individual proffer language and existing regulations, at the appropriate trigger point in development. Triggers may include different milestones such as site plan approval, issuance of a Residential Use Permit (RUP)/Non-RUP, or final bond release.

Once the proffer balance is transferred, FCPS is responsible for ensuring each proffer is allocated to its intended purpose based on the specific proffer language, or for reallocating the proffered funds through the formal reallocation process. The specific use of the proffer funds is wholly dependent on individual proffer language and the needs of the referenced schools which serve the property providing the proffer.

In 2014, the state proffer law was modified to mandate that proffer contributions to schools could only be used to remedy capacity issues. Since this change went into effect, the majority of proffer contributions are utilized to repurpose interior space within schools to offset capacity deficits in compliance with the state law. Examples of the type of projects supported by proffers include the construction of science labs in Luther Jackson Middle School, Marshall High School and McLean High School. Proffer contributions are also dedicated to larger capital projects; however, renovation or new construction projects require significant resources and are primarily financed through bond funding.