

Meeting Summary: Committee Meeting #3

March 11, 2015; 7:00 – 10:00 pm

Park & Natural Resources Building

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## 1. Opening Remarks and Meeting Overview

- Study Committee Chair John Milliken reviewed the [committee's charge](#) as it relates to demographics and population trends and the overall schedule for committee meetings.
- The Chair announced that the Economic Sustainability Subcommittee will be meeting to form findings from the first two committee meetings and will be leading the full Study Committee in discussion at Meeting #4 (March 25).
- Later in the meeting, the Chair recognized County Board Member John Vihstadt, School Board Member Barbara Kanninen, State Senator Barbara Favola, and County Manager Barbara Donnellan.

## 2. Regional Trends in Property Assessments

- Dr. Lisa Sturtevant, Vice President of Research at the National Housing Conference, delivered a [presentation](#) on key national and regional demographic trends.
- Key takeaways from the presentation:
  - Growth in new households has lagged since 2007, but the rate of household formation is beginning to pick up with the improving economy.
  - Homeownership rates have also declined, which suggests that there is pent-up demand for housing. In the last few years, eight people have moved to the region for every housing unit built.
  - First-time homebuyers will be a key driver as the housing market picks up.
  - There is a growing demand for single-family homes. Recently the share of single family housing as a percentage of all housing built has declined to about 50%. Survey data suggests that this share will increase back to historic levels, but the demand will be for smaller homes with lower prices.
  - Millennials were a large share of DC and Arlington's growth from 2000 to 2012, but recent trends indicate that this generation may be shifting to suburbs like Fairfax, Montgomery, and Prince Georges Counties.
  - Generation X lost the most wealth during the recession due to foreclosures. This generation may be staying in place and renovating current homes rather than moving up.
  - The vast majority of Baby Boomers in the region are living in the suburbs. This generation has a strong preference for homeownership and will likely be down-sizing to smaller homes or condos. This will open up single family housing in the suburbs for Millennials.

### 3. Forecast & Projection Overview

- Robert Brosnan, Assistant County Manager, provided a brief overview of the County and Arlington Public Schools (APS) presentations on forecasts and projections.
- Mr. Brosnan also recognized Steven Cover, who was recently appointed as the County's Director of Community Planning, Housing and Development.
- The County and APS will be presenting historical trends and recent data on the County's demographics and how those trends and data are used to forecast future growth and project school enrollment based on established methodologies.
- The County and APS are in the process of hiring a consultant to validate their methodologies and to suggest potential improvements. The consultant will present at a future Study Committee meeting.
- A number of [questions](#) (slides 2 - 6) that the County and APS have heard from the community were listed. Some the questions will be addressed at this meeting, and some require additional research or will be addressed at a future Study Committee meeting.

### 4. County Demographics and Forecasts

- Elizabeth Hardy and Andrew D'huyvetter, Planners with the County Department of Community Planning, Housing and Development, [presented](#) (slides 7 – 57) on the County's demographics, housing supply, and forecast of population, households and employment.
- The County forecasts differ from APS's student projections and each serves a different purpose. The County forecasts future development based on the County's plans and policies and uses factors to convert buildings to population, housing units, households, and employment. This meets a Metropolitan Washington Council of Governments (MWCOCG) requirement stemming from the Clean Air Act to track existing and forecast future development. In contrast, APS starts with a subset of the County's population (ages 0 - 18) and projects future student enrollment. The County forecast and the APS projections both use the same housing development pipeline data to forecast and project near term growth in population and school enrollment.
- Key takeaways from the presentation:
  - Between 2000 and 2013, the average household size increased for both owner and renter occupied single family homes in Arlington.
  - In 2010, Millennials (ages 10 – 28 in 2010) were the dominant generation living in Arlington. The County will be monitoring this generation to see if it continues to grow or if it has already peaked.
  - Age cohorts that have grown in Arlington since 2010 include 35 to 44, Over 65, and Under 5.
  - Migration in and out of Arlington is highest for 18 to 34 year olds. Between 2012 and 2013, Arlington saw a net increase of people aged 20 to 39 and a net decrease of people under the age of 20.
  - 64% of Arlington's housing supply is multi-family, and 94% of the net new housing built is also multi-family.
  - The County's single family neighborhoods are changing, as older houses are torn down and replaced with new ones and existing houses are expanded through additions.
  - Arlington's population is forecasted to grow by 36% between 2010 and 2040, for a total population of 283,000 in 2040.

- Arlington’s employment base is forecasted to grow by 36% between 2010 and 2040, for a total of 301,300 employees in 2040
- The County is monitoring trends that may affect its forecasting methodology and has been collaborating with APS on identifying trends that may affect school enrollment patterns.

## 5. School Enrollment and Projections

- Lionel White, Director of Facilities Planning for APS, delivered a [presentation](#) (slides 1 – 47) on recent and historic student enrollment trends, the methodology for projecting future enrollment, and the latest enrollment projections.
- Key takeaways from the presentation:
  - Enrollment for the 2014-2015 school year is 24,529. APS enrollment has not been this high since the 1960s.
  - A small proportion of the enrollment growth over the past decade is due to expanded Pre-K options. Pre-K enrollment increases are controlled based on available matching funds from the commonwealth.
  - In the 2014-2015 school year the largest classes (or cohorts) are Kindergarten, 1<sup>st</sup> and 2<sup>nd</sup> grades. The smallest classes are 10<sup>th</sup>, 11<sup>th</sup>, and 12<sup>th</sup> grades.
  - Compared to 2004, 2007, and 2010, enrollment is currently higher at every grade level.
  - Enrollment has increased by an annual rate of 2% or more since 2008.
  - APS uses a grade progression ratio method to project enrollment, which is the methodology used by most school districts in the U.S. Grade progression ratio projects the future student population as current students progress from one grade to the next.
  - APS’s methodology is accurate for the first five years. Projections beyond five years are less accurate because the students at the lowest grades have not been born yet.
  - The number of births to county residents has been increasing since 2006, and the ratio of Kindergarten enrollment to births five years prior (i.e. 2014 K enrollment to 2009 births) has increased from 55% in 2005 to 75% in 2014. These trends suggest that larger Kindergarten classes will be entering the school system in the next four years.
  - APS tracks the average number of students that come from different housing types. The highest student generation rate is for single-family detached housing (0.42 students per unit). The lowest rate is for high-rise condominiums (0.03 students per unit). The countywide average is 0.21 students per unit.
  - The current ten year projections anticipate an increase of 7,800 students over the next decade.
  - The accuracy of APS’s one year projections has been within a preferred range of +/- 2% for nine of the last ten years.
- John Chadwick, Assistant Superintendent for APS Facilities and Operations, followed Mr. White’s presentation with an [overview](#) (slides 48 – 66) of actions APS has taken since 1994 to increase school capacity.

## 6. Study Committee Discussion on Presentations

- Study Committee Vice Chair Ginger Brown reiterated that the County and APS will be hiring a third party consultant to review their forecast and projection methodologies. The consultant is expected to present its findings at the April 8 Study Committee meeting.

- County and APS staff have also written a [companion document](#) that provides additional detail on the methodologies.
- The Committee Vice Chair facilitated the committee’s discussion by posing the following questions related to the material presented.
  - What is the most surprising or interesting thing that you heard tonight?
  - There are a number of ways in which “housing” is discussed and used throughout the various presentations. Are the various concepts and uses of the word “housing” clear?
  - Historically, single-family homes have generated the most children. What internal and external factors could cause a shift to higher numbers of children coming from multi-family buildings?
  - As a result of the Committee’s charge, a consultant is being hired to validate County and APS methodologies. Are there key demographic trends or influencing factors that we need to be monitoring that the consultant should keep in mind? What are we missing?
  - Should APS be collecting more information that might help us better anticipate future student population?
- Study Committee discussion (*with presenter responses when provided*):
  - How is the data on wage stagnation reconciled with the forecasted increase in population? *Dr. Sturtevant replied that the employment in the region is continuing to grow. Northern Virginia is expected to add 44,000 jobs in next 20 years. Those jobs may have lower wages than jobs in the past, but people will still be coming to the region.*
  - Surprising to hear that student generation rates are higher for single-family houses than for multi-family. That is different from what we are hearing in the community.
  - Even though the student generation factor is low for multi-family housing, that is where most of the housing growth is happening.
  - Appreciate hearing the differentiation between projections and forecasts and that the County and APS are measuring different things. How can we mirror our population forecasts with student forecasts, i.e. what will our student population be in 30 years?
  - A missing piece of information is housing unit size (i.e. square footage or number of bedrooms). This could indicate whether people will need to move as their families grow.
  - Have there been any changes in the number of children per family? APS enrollment peaked in the late 1960s when the County’s total population was much smaller than today.
  - Has private school enrollment changed over the same time period that APS enrollment has increased?
  - Would it be possible to see a heat map of birth rates within the County as a smaller geography, such as ZIP code?
  - Consider looking at other indicators of school enrollment that are more qualitative. We can’t assume that historical averages from a period of recession will be predictive of future experience as we come out of a recession.
  - Is student data longitudinal or a snapshot in time? Does APS track individual students as they progress through each grade as part of its projection methodology? Does the methodology capture segments of the community that are moving in and out, e.g. military families, foreign service employees, political appointees? *The data used for projections is a three year snapshot. It does not track individual students or in and out migration.*

- Does the birth data come only from Arlington hospitals? Does it capture births that happen in other jurisdictions? *The birth data comes from the commonwealth and covers all babies born in Virginia with an Arlington address. It does not capture out of state births. Even without the complete data, this year's Kindergarten projections were 99.8% accurate.*
- Consider reaching out to health care providers and insurers to find more information on Arlington residents giving birth in Maryland or D.C.
- The data shows an increase in capture rates between 8<sup>th</sup> and 9<sup>th</sup> grades. Many families choose private school for K-8 and then switch to an APS high school. Projections that new jobs will have lower wages may mean that more residents will choose public school for elementary and middle school.
- Is there a trend of Arlington natives moving to the suburbs when they are in their 20s but coming back when they are more established in their careers and are more able to afford to live in Arlington?
- Can APS ask where new students are coming from when they enroll (e.g. another county, private school, home school)?
- Growth in average household size for single family houses is something that should be looked at more closely.
- Understanding the difference in purposes for the forecasts, maybe there could be benefits from a single forecasting model for the County and APS.
- Slide 19 of the APS presentation shows that increase in enrollment has been higher in the lower grades than higher grades. Are students leaving the school system (either to regional magnet schools or private schools) in the later grades?
- What housing types are the new students coming from? Is it coming from new construction (which is primarily multi-family) or new families moving into existing single-family neighborhoods?
- What is the maximum number of students we could expect in the school system? What would happen if Arlington's student generation rates become more like those in Fairfax County?
- The County and APS seem to have different ways of defining different housing types. There is a 4,000 unit difference between the housing data in the County and APS presentations. *The County and APS are currently working together to reconcile housing types by address. The housing numbers in the presentations have different base years (2013 for APS and 2015 for the County). The consultant will also be reviewing any discrepancies in the data.*
- Provide gross numbers for affordable housing and student generation rates over time instead of just percentages.
- The Pre-K enrollment numbers are artificially suppressed based on the availability of seats. Expanding Pre-K could cause some families to consider staying in the County rather than moving elsewhere.
- In the 1980s when school enrollment was much lower, APS was not offering Pre-K or full day Kindergarten. Those programs may be increasing student retention.
- APS used to send out a school census survey that asked questions that could be helpful for projections. Should some version of that be reinstated? *The school census was required by the commonwealth and administered by the commonwealth. It is no longer a requirement.*
- We need to pay close attention to projected enrollment beyond five years to better understand how many new schools we will need to accommodate projected growth.

- The committee is not just looking at demographics for school needs. We are also considering how demographics will affect other facilities.
- Langston and Reed are missing from the presentation of recent school renovations.
- The Committee Vice Chair then asked for comments from Resident Forum members in attendance.
  - Many neighbors are building additions onto their homes rather than moving out of the County for a larger house to accommodate children or parents moving in. Can the County and APS look at additions to predict students?
  - Single family homes are shrinking as a percentage of the County's total housing stock, but they are still providing most of the growth in student population. Any growth in school enrollment from multi-family is on top of that.
  - What is the maximum number of single family houses that could be built in Arlington under current zoning?
  - Housing sales data could be an indicator of school enrollment. Is there a correlation between the neighborhoods with the highest student generation rates and real estate transactions?
  - The County and APS should also be tracking the number of bedrooms in housing units.
  - School enrollment is also affected by larger lots that are subdivided so that one older house is replaced with two new ones.
  - How does the housing trend data presented by Dr. Sturtevant impact school enrollment trends?
  - When addressing school capacity issues, there is a tendency to assume that all students have the same needs. The percentage of low income students in a school can have an impact student performance. The APS data presented tonight is at the County level, but the drivers of enrollment increases are different in different neighborhoods.
- The Committee Chair concluded the meeting by reminding the committee will have an opportunity to dig deeper into issues through the subcommittees. The Economic Sustainability and Demographics Subcommittees will hold their first meetings in the next two weeks.

**Web:**

[bit.ly/ACGFacStudy](http://bit.ly/ACGFacStudy)



*Together, Arlington County and Arlington Public Schools have launched a broad-based planning effort that will build a consensus framework for assessing the community's future funding, resource and facility needs. [Learn more about the Arlington Community Facilities Study.](http://bit.ly/ACGFacStudy)*