

# COUNTY OF ALBEMARLE



## MEMORANDUM

**TO:** Sean Dougherty, Senior Planner

**FROM:** Steven A. Allshouse, Fiscal Impact Analyst *SA*

**DATE:** February 14, 2006

**RE:** ZMA 02-04 (Cascadia)

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I analyzed two separate scenarios for the property in question. The first scenario involved the maximum *new* development that could take place under *existing* zoning, while the second scenario involved the *new* development that would occur if the County approved the *proposed* zoning changes for the property. The results of these two analyses appear in the attached "Budget Summary -- Current Zoning" and "Budget Summary -- Proposed Zoning" documents.

In the case of the first scenario, I assumed that 52 single family detached residences (SFD's) would be built during the course of the next year. CRIM estimates that, after build-out, the type and level of development that could take place under existing zoning would result in the following net annual fiscal impact:

### **Fiscal Impact -- Current Zoning**

Property Taxes	\$97,000
Other Revenues	142,000
Total Revenues	\$239,000
School Expenditures	(\$364,000)
County Govt. Expenditures	(47,000)
Total Expenditures	(\$411,000)
<b>Net Annual Fiscal Impact</b>	<b>(\$172,000)</b>

In terms of the annual impact that the development of 52 SFD's would have on the County's capital costs, CRIM estimates the following result:

**CIP Impact -- Current Zoning**

Schools CF Pay-As-You-Go	(\$0)
Schools CF Debt Service	(\$138,000)
Total Schools CIP Impact	(\$138,000)
County CF Pay-As-You-Go	(\$0)
County CF Debt Service	(\$0)
Total Cty. Govt. CIP Impact	(\$0)
<b>Net Annual CIP Impact</b>	<b>(\$138,000)</b>

*Note that these CIP figures are included in the fiscal impact numbers listed on the previous page. (The \$138,000 in capital costs is part of the \$411,000 in the estimated total annual expenditures resulting from the development of 52 SFD's). These CIP numbers are presented separately to highlight the magnitude of the capital costs that would be associated with such development.*

The second scenario that I ran involved the proposed construction of 102 SFD's, 130 single family attached/townhouse (SFA/TH) units, and 100 multifamily (MF) units on the properties. Per your notes, I assumed that 47 of the SFD's would be affordable. I assumed, also, that the value of these affordable SFD's would be \$195,000 each. You mentioned that the 55 remaining SFD's would be "pricey – probably in keeping with new homes in Fontana, which is a neighbor." I assumed, after looking at the County's 2005 average assessment of SFD's in the Fontana neighborhood, that each of the 55 remaining SFD's in Cascadia would have a value of \$373,000. Another assumption that I made in my analysis was based on your notes, in which you state that 60 dwelling units would be independent senior living residences, i.e., would have no school age children living in them. I assumed that these 60 dwelling units would be contained in some kind of multifamily structure. My final assumption was that the development would be completed in one year. CRIM estimates that, after build-out, this project would have the net annual fiscal impact shown on the following page.

**Fiscal Impact -- Proposed Zoning**

Property Taxes	\$479,000
Other Revenues	775,000
Total Revenues	\$1,254,000
School Expenditures	(\$1,471,000)
County Govt. Expenditures	(\$280,000)
Total Expenditures	(\$1,751,000)
<b>Net Annual Fiscal Impact</b>	<b>(\$497,000)</b>

As for the impact of this proposed development on the County of Albemarle's capital costs, CRIM estimated the following outcome:

**CIP Impact -- Proposed Zoning**

Schools CF Pay-As-You-Go	(\$0)
Schools CF Debt Service	(\$529,000)
Total Schools CIP Impact	(\$529,000)
County CF Pay-As-You-Go	(\$0)
County CF Debt Service	(\$0)
Total Cty. Govt. CIP Impact	(\$0)
<b>Net Annual CIP Impact</b>	<b>(\$529,000)</b>

Again, these CIP numbers are included in the total annual expenditures of \$1,751,000 shown above, and are presented separately to illustrate the relative magnitude of capital costs.

**The numbers generated by the two scenarios that I ran indicate that, if the County approves ZMA 02-04, the *differential* net annual fiscal impact would be \$497,000 - \$172,000 = \$325,000. This number means that, annually, the County would be \$325,000 *worse* off approving ZMA 02-04 than denying the proposal.**

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Notes: (1) Although my analysis suggests that the approval of ZMA 02-04 would result in a net annual fiscal drain to the County, this fact alone does not necessarily mean that ZMA 02-04 should be denied, since the *total mix* of development taking place in Albemarle County in any given year might generate a revenue-neutral outcome; (2) If Albemarle does *not* approve ZMA 02-04, the growth that is assumed to be associated with this proposed development likely would take place somewhere else in the County; and (3) When deciding whether or not to approve a proposed development, Albemarle takes into consideration a number of issues other than just the project's fiscal impact. These issues include, but are not necessarily limited to, affordable housing, transportation impacts, and environmental well-being.

SAA/saa

# Budget Summary --- Current Zoning

(Values in \$000's)

REVENUES	Year =>									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PROP TAXES										
Residential Real	\$97	\$97	\$97	\$97	\$97	\$97	\$97	\$97	\$97	\$97
Nonresidential Real	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Res Personal Prop	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Nonres Personal Prop	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other (Agricultural)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal:	\$97	\$97	\$97	\$97	\$97	\$97	\$97	\$97	\$97	\$97
OTHER										
1 Public Service Tax	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
2 Pers Prop Tax-Resid	\$38	\$38	\$38	\$38	\$38	\$38	\$38	\$38	\$38	\$38
3 Pers Prop Tax-Nonres	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 Mach & Tools Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 Sales & Use Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 Cons Util Tax-Resid	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
7 Cons Util Tax-Nonres	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 BPOL Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Util Co Licenses	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
10 Motor Vehicle Licenses	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
11 Permits & Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12 Fines & Forfeitures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 Charges for Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 State Aid	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
15 Categorical Aid - Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16 Hotel/Motel Room Tax	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
17 Delinquent RE/Pealties	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
18 State Aid to Schools	\$77	\$77	\$77	\$77	\$77	\$77	\$77	\$77	\$77	\$77
19 Meals Tax	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
20 ANNUAL REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21 SF Detached	\$14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22 SF Attached/TH	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23 Multifamily	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24 Mobile Homes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal:	\$156	\$142	\$142	\$142	\$142	\$142	\$142	\$142	\$142	\$142
Other Revenues	\$253	\$239	\$239	\$239	\$239	\$239	\$239	\$239	\$239	\$239
TOTAL ADDITIONAL ANNUAL REVENUES:										
EXPENSES										
SCHOOLS										
Operating Costs	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130	\$130
Staff Costs	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96
CF Pay-As-You-Go	\$32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CF Debt Service	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138
SUBTOTAL, SCHOOLS	\$396	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364
COUNTY GOVT.										
Operating Costs	\$48	\$38	\$38	\$38	\$38	\$38	\$38	\$38	\$38	\$38
Staff Costs	\$9	\$9	\$9	\$9	\$9	\$9	\$9	\$9	\$9	\$9
CF Pay-As-You-Go	\$63	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CF Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, COUNTY	\$120	\$47	\$47	\$47	\$47	\$47	\$47	\$47	\$47	\$47
TOTAL ADDITIONAL ANNUAL COSTS:	\$515	\$411	\$411	\$411	\$411	\$411	\$411	\$411	\$411	\$411
NET FISCAL IMPACT										
Annual	(\$263)	(\$172)	(\$172)	(\$172)	(\$172)	(\$172)	(\$172)	(\$172)	(\$172)	(\$172)
Cumulative	(\$263)	(\$435)	(\$607)	(\$779)	(\$952)	(\$1,124)	(\$1,296)	(\$1,468)	(\$1,641)	(\$1,813)

# Budget Summary -- Proposed Zoning

Year => 2005

(Values in \$000's)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>REVENUES</b>										
PROP TAXES										
Residential Real	\$465	\$465	\$465	\$465	\$465	\$465	\$465	\$465	\$465	\$465
Nonresidential Real	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14
Res Personal Prop	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Nonres Personal Prop	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other (Agricultural)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal:	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479	\$479
<b>OTHER</b>										
1 Public Service Tax	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
2 Pers Prop Tax-Resid	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215
3 Pers Prop Tax-Nonres	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12
4 Mach & Tools Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 Sales & Use Tax	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45
6 Cons Util Tax-Resid	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63
7 Cons Util Tax-Nonres	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6
8 BPOL Taxes	\$22	\$22	\$22	\$22	\$22	\$22	\$22	\$22	\$22	\$22
9 Util Co Licenses	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
10 Motor Vehicle Licenses	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18
11 Permits & Fees	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
12 Fines & Forfeitures	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
13 Charges for Services	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
14 State Aid	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24
15 Categorical Aid - Federal	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
16 Hotel/Motel Room Tax	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
17 Delinquent RE/Penalties	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13
18 State Aid to Schools	\$312	\$312	\$312	\$312	\$312	\$312	\$312	\$312	\$312	\$312
19 Meals Tax	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27
20 ANNUAL REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21 SF Detached	\$29	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22 SF Attached/TH	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23 Multifamily	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24 Mobile Homes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal:	\$842	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
<b>TOTAL ADDITIONAL ANNUAL REVENUES:</b>	\$1,322	\$1,254	\$1,254	\$1,254	\$1,254	\$1,254	\$1,254	\$1,254	\$1,254	\$1,254
<b>EXPENSES</b>										
<b>SCHOOLS</b>										
Operating Costs	\$521	\$521	\$521	\$521	\$521	\$521	\$521	\$521	\$521	\$521
Staff Costs	\$421	\$421	\$421	\$421	\$421	\$421	\$421	\$421	\$421	\$421
CF Pay-As-You-Go	\$128	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CF Debt Service	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529
SUBTOTAL, SCHOOLS	\$1,599	\$1,471	\$1,471	\$1,471	\$1,471	\$1,471	\$1,471	\$1,471	\$1,471	\$1,471
<b>COUNTY GOVT.</b>										
Operating Costs	\$290	\$222	\$222	\$222	\$222	\$222	\$222	\$222	\$222	\$222
Staff Costs	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57
CF Pay-As-You-Go	\$357	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CF Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, COUNTY	\$704	\$280	\$280	\$280	\$280	\$280	\$280	\$280	\$280	\$280
<b>TOTAL ADDITIONAL ANNUAL COSTS:</b>	\$2,303	\$1,751	\$1,751	\$1,751	\$1,751	\$1,751	\$1,751	\$1,751	\$1,751	\$1,751
<b>NET FISCAL IMPACT</b>										
Annual	(\$982)	(\$497)	(\$497)	(\$497)	(\$497)	(\$497)	(\$497)	(\$497)	(\$497)	(\$497)
Cumulative	(\$982)	(\$1,478)	(\$1,975)	(\$2,471)	(\$2,968)	(\$3,464)	(\$3,961)	(\$4,458)	(\$4,954)	(\$5,451)