

Planning for the Impacts of Development

- David Babbitt, AICP
President, David C. Babbitt & Associates, LLC
- Daniel P. Olpere, AICP
President, Local Government Management Services, LLC
- Robert C. Bender
Executive Director, North Wales Water Authority

Session Topics

- Demographic Impacts
- Local Government Services and Facilities
- Infrastructure Impacts (Utilities)
- Fiscal Impacts
- Recommendations
- Questions and Comments

Planning for the Impacts of Development

Demographic Impacts

Demographic Impacts

If the homes are built, who will move in?
 If the businesses are built, who will work there?

Two sources:

- Rutgers Center for Urban Policy Research
- Montgomery County Planning Commission

Rutgers University, Center for Urban Policy Research Residential Demographic Multipliers — Estimates of the Occupants of New Housing

(Residents, School-Age Children, Public School-Age Children)
 by State, Housing Type, Housing Size, and Housing Price

Prepared by:

Robert W. Burchell, Ph.D.
 David Litochkin, Ph.D.
 William Dolphin, M.A.
 Center for Urban Policy Research
 Edward J. Bloustein School of Planning
 and Public Policy
 Rutgers, The State University of New Jersey
 New Brunswick, New Jersey

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PENNSYLVANIA (1-1) ALL PERSONS IN UNIT:
 TOTAL PERSONS AND PERSONS BY AGE

STRUCTURE TYPE BEDROOMS VALUE (2005)/TENURE	TOTAL PERSONS	AGE									
		0-4	5-13	14-17	18-24	25-44	45-64	65-74	75+		
Single-Family Detached, 2 BR											
All Values	2.17	0.12	0.17	0.05	0.10	0.68	0.62	0.29	0.14		
Less than \$127,000	2.19	0.16	0.18	0.07	0.11	0.70	0.54	0.28	0.16		
\$127,000 to \$205,500	2.16	0.13	0.15	0.05	0.12	0.71	0.61	0.25	0.13		
More than \$205,500	2.16	0.07	0.18	0.05	0.06	0.59	0.73	0.36	0.11		
Single-Family Detached, 3 BR											
All Values	3.95	0.28	0.48	0.15	0.13	1.16	0.58	0.12	0.05		
Less than \$168,000	3.07	0.28	0.55	0.20	0.18	1.18	0.51	0.10	0.06		
\$168,000 to \$242,500	2.96	0.30	0.50	0.15	0.12	1.22	0.51	0.11	0.05		
More than \$242,500	2.82	0.25	0.39	0.12	0.10	1.01	0.76	0.14	0.04		
Single-Family Detached, 4 BR											
All Values	3.59	0.39	0.81	0.26	0.14	1.31	0.62	0.04	0.02		
Less than \$280,000	3.71	0.37	0.87	0.30	0.18	1.35	0.55	0.05	0.04		
\$280,000 to \$410,500	3.58	0.43	0.79	0.24	0.13	1.34	0.59	0.04	0.02		
More than \$410,500	3.50	0.35	0.79	0.23	0.12	1.20	0.74	0.05	0.02		
Single-Family Detached, 5 BR											
All Values	4.25	0.44	1.05	0.46	0.24	1.24	0.72	0.07	0.03		
Less than \$410,500	4.47	0.50	1.13	0.53	0.29	1.38	0.52	0.08	0.04		
\$410,500 to \$672,000	4.23	0.39	1.04	0.45	0.24	1.23	0.78	0.06	0.04		
More than \$672,000	4.02	0.46	0.97	0.38	0.18	1.09	0.86	0.06	0.02		
Single-Family Attached, 2 BR											
All Values	1.86	0.09	0.12	0.04	0.12	0.64	0.45	0.21	0.19		
Less than \$129,500	2.06	0.14	0.25	0.08	0.23	0.74	0.33	0.13	0.17		
\$129,500 to \$168,000	1.75	0.08	0.07	0.03	0.09	0.67	0.45	0.19	0.16		
More than \$168,000	1.76	0.05	0.05	0.01	0.03	0.51	0.56	0.31	0.23		
Single-Family Attached, 3 BR											
All Values	3.47	0.23	0.32	0.10	0.12	1.03	0.49	0.13	0.05		
Less than \$165,500	2.72	0.28	0.49	0.15	0.18	1.11	0.38	0.09	0.03		
\$165,500 to \$205,500	2.46	0.25	0.31	0.09	0.10	1.14	0.39	0.13	0.05		
More than \$205,500	2.22	0.13	0.15	0.06	0.09	0.79	0.73	0.18	0.07		
Single-Family Attached, 4 BR											
All Values	3.67	0.43	0.82	0.29	0.18	1.13	0.65	0.12	0.04		
Less than \$168,000	4.34	0.59	1.12	0.49	0.27	1.21	0.56	0.04	0.06		
\$168,000 to \$280,000	2.69	0.40	0.88	0.21	0.18	1.28	0.61	0.10	0.05		
More than \$280,000	2.95	0.32	0.41	0.23	0.11	0.81	0.82	0.25	0.00		

SCHOOL-AGED CHILDREN (SAC)

STRUCTURE TYPE BEDROOMS/ VALUE/ROSS/FURNISH	TOTAL SAC	GRADE			
		K-2	3-6	7-9	Gr. 9 Only
Single-Family Detached, 2 BR					
All Values	0.22	0.06	0.07	0.04	0.04
Less than \$127,000	0.25	0.06	0.07	0.05	0.06
\$127,000 to \$205,500	0.20	0.06	0.07	0.03	0.04
More than \$205,500	0.23	0.07	0.09	0.03	0.04
Single-Family Detached, 3 BR					
All Values	0.64	0.18	0.21	0.14	0.11
Less than \$168,000	0.76	0.19	0.24	0.17	0.13
\$168,000 to \$242,500	0.65	0.19	0.22	0.13	0.11
More than \$242,500	0.51	0.14	0.17	0.11	0.09
Single-Family Detached, 4 BR					
All Values	1.06	0.30	0.35	0.22	0.19
Less than \$280,000	1.17	0.31	0.40	0.23	0.23
\$280,000 to \$410,500	1.03	0.28	0.35	0.21	0.19
More than \$410,500	1.02	0.31	0.34	0.21	0.16
Single-Family Detached, 5 BR					
All Values	1.51	0.35	0.48	0.37	0.32
Less than \$410,500	1.66	0.35	0.53	0.41	0.37
\$410,500 to \$672,000	1.49	0.35	0.44	0.38	0.32
More than \$672,000	1.35	0.32	0.48	0.38	0.27
Single-Family Attached, 2 BR					
All Values	0.16	0.04	0.05	0.04	0.03
Less than \$129,500	0.22	0.08	0.11	0.08	0.06
\$129,500 to \$168,000	0.11	0.03	0.03	0.02	0.03
More than \$168,000	0.06	0.01	0.02	0.02	0.01
Single-Family Attached, 3 BR					
All Values	0.42	0.13	0.14	0.09	0.07
Less than \$165,500	0.64	0.20	0.20	0.13	0.10
\$165,500 to \$205,500	0.40	0.12	0.13	0.09	0.06
More than \$205,500	0.21	0.05	0.07	0.04	0.05
Single-Family Attached, 4 BR					
All Values	1.11	0.27	0.36	0.32	0.15
Less than \$168,000	1.61	0.35	0.57	0.42	0.26
\$168,000 to \$280,000	1.09	0.31	0.34	0.33	0.09
More than \$280,000	0.64	0.12	0.17	0.19	0.16

Montgomery County Pennsylvania Characteristics of Population in New Housing



- School Aged Children
- Age of New Residents
- Household Composition

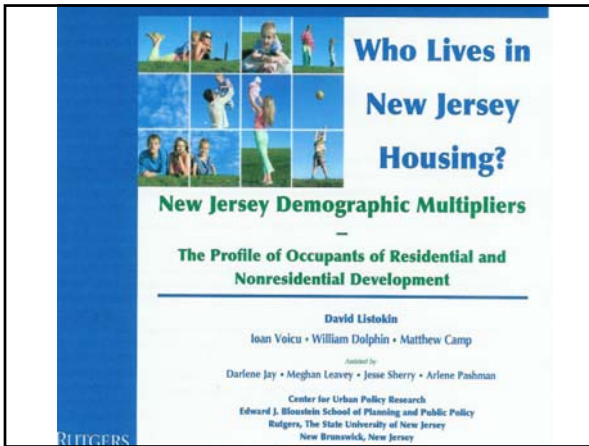
Montgomery County Planning Commission
January 2005

Characteristics of the Population in New Housing - 2000 Montgomery County, Pennsylvania

Number of New Units	Single Family Detached 8,441 (studied out of 20,952 total new units)		Single Family Attached 2,603 (out of 10,102 total units)		Multifamily 843 (out of 2,458 total units)	
	Number of People	Percent of Total	Number of People	Percent of Total	Number of People	Percent of Total
PEOPLE						
Total Number of People	21,354	100%	3,692	100%	1,271	100%
Under Age 5	2,738	13%	552	15%	80	6%
Ages 5-17	5,281	25%	711	19%	84	6%
Ages 18-24	993	5%	234	6%	93	7%
Ages 25-34	3,138	15%	1,586	43%	601	49%
Ages 35-44	3,327	16%	1,069	29%	252	20%
Ages 45-54	2,262	11%	725	19%	95	7%
Ages 55-64	922	4%	442	12%	53	4%
Ages 65 and over	650	3%	361	10%	63	5%


HOUSEHOLDS	Number	Percent Studied	Number	Percent Studied	Number	Percent Studied
Households Studied	6,328	100%	2,506	100%	729	100%
Family Households	5,812	92%	1,629	65%	729	100%
Nonfamily Households	515	8%	874	35%	0	0%
Family Households with Children Under 18	4,082	65%	784	31%	126	17%
Married Couples with Children Under 18	3,884	61%	617	25%	49	6%
Married Couples without Children	1,630	26%	781	30%	144	19%
Householder Living Alone	384	6%	692	28%	309	42%
Household with One or More People Over 65	474	7%	253	10%	51	7%
Average Household Size	3.36		2.27		1.81	

SCHOOL AGED CHILDREN	Number	Percent	Number	Percent	Number	Percent
School Aged Children Per Household	0.83		0.28		0.08	
School Aged Children Per Unit	0.82		0.27		0.08	



Summary of Statistics Derived from National Studies on Nonresidential/Residential Multipliers

Non-residential Use	A. Source and Employees per 1,000 ft. ²	B. Statistics on Employees per 1,000 ft. ²			C. Recommended Range of Employees per 1,000 ft. ²		
		Minimum-Maximum Range	Median	Mean			
I. Commercial							
A. Office	ITE Parking (1987)	2.48			3.0 to 4.0 (The figure should be 3 or less in areas with larger amounts of R & D space. The type and amenity of the space, such as "corporate" versus "back office," will also affect office worker density.)		
	ITE Trip Generation (1991)	3.30					
	CA Dept. Energy (1994)						
	Large Office	2.56					
	Small Office	3.58					
	ITE Trip Generation (1997)	4.00					
	BCMA (1997)	3.55					
	State of Washington (1998)	3.07					
	Portland OR Survey (1999)	3.64					
	San Diego Survey (2001)	3.21					
	CBRECS (NE Data) (2001)	2.99					
Planners Estimating (2004)	3.05						
		2.56 - 4.27	3.25	3.26			
B. Retail	CA Dept. Energy (1994)	1.70			1.0 to 2.0 (Figure will be closer to 1 in full-time equivalent (FTE) employee basis and in areas experiencing "big box" developments, smaller stores and "high end" retailers tend to have a higher worker density.)		
	Conos of Retail (1995)	2.44					
	ITE Trip Generation (1997)	2.00					
	State of Washington (1998)	0.57					
	Portland OR Survey (1999)	1.67					
	CBRECS (NE Data) (2001)	1.72					
	San Diego Survey (2001)	1.70					
	Planners Estimating (2004)	2.48					
			.57 - 2.48	1.71		1.90	
	C. Eating and Drinking	CA Dept of Energy (1994)	4.90				3.0 to 4.0 (This figure clearly ranges significantly depending on type of eating establishment, such as "fast food" or "sit-down"; the indicator 3 to 4 range is a starting parameter that must be refined on a case by case basis.)
ITE Trip Generation (1991)							
Restaurant		8.70					
Fast Food		14.29					
		.38 - 14.29	6.26	1.33			



Planning for the Impacts of Development

Implications for Local Government

COSTS AND EXPENDITURES

Impacting these areas:

- Police
- Public Works
- Code Enforcement
- Parks and Recreation
- Administration
- Finance

Police Impacts

- 50% of a typical municipal budget is for the police department.
- Impacts on workload.

Police Impacts

- Depends on the type of development:
 - Commercial development affects traffic, shop lifting, credit card theft, and "white collar" type crimes.
 - Active adult communities increase the EMS needs and police response.
 - Townhouse and other denser developments increase noise and nuisance complaints.
 - Single family homes generate more burglaries (bigger targets).

Police Impacts

- More officers:
 - Generally will be the need for more officers and more specialty units
 - Traffic units to deal with increased complaints.
 - Motorcycle units
 - Detectives to deal with shop lifting, credit card fraud, etc.
 - Juvenile officer to deal with more kids in trouble.
 - SWAT team representatives.
 - More officers on the street just to patrol the new roads and developments.
 - People expect to see a patrol car on their street.

Police Impacts

- More facilities:
 - Jail cells.
 - Storage space for evidence, records, files, etc.
 - Locker areas for more officers.
 - Desk and file space for officers to work.
 - Mobile data terminals will help keep officers on the street.

Police Impacts

- More equipment:
 - Cars (adding to the fleet, not replacements).
 - Uniforms, weapons, etc.
 - Computers, etc.

Public Works Impacts

- Impacts on workload.
- Also depends on the type of development.
 - Commercial development affects need for traffic control.
 - More traffic signals
 - More street lights
 - Residential development will bring new roads and parks to maintain.
 - Plowing, paving and maintenance

Public Works Impacts

- More PW employees or contractors:
 - Generally will be the need for more personnel overall, and specialties will begin to emerge.
 - Road foreman
 - Park foreman
 - Traffic and street light foreman
 - Non-emergency operations could be privatized.

Public Works Impacts

- More equipment:
 - Trucks, plows and spreaders (1 truck per 10 miles of roads).
 - Mowers and tractors.
 - Backhoes and loaders.
 - Signs, barricades, tools, etc.

Public Works Impacts

- More demands:
 - Street sweeping.
 - Street lights.
 - Sidewalks.
 - Storm water management.
 - Traffic signals.
 - Paving and pothole repair (15 year life span).

Code Enforcement & Zoning Impacts

- Demands will increase regardless of the type of development.
- Commercial development will increase demand on staff to be well-versed in commercial code inspections.
 - Annual fire and safety inspections may need to be considered
 - Sign permits will increase
 - Consideration of annual sign inspections
 - Residential development will increase in sheer volume.

Code Enforcement & Zoning Impacts

- More inspectors (could be third party).
- More complaints for zoning officer.
 - DRAINAGE Problems.
 - More engineering time
 - Need for revised grading ordinance to regulate storm water
- More complicated zoning issues and ordinances.
- More requests for variances due to smaller lots.

Parks and Recreation Impacts

- More demand for parks.
- SOCCER fields.
- Baseball fields.
- Basketball courts.
- Tennis courts.
- LIGHTED FIELDS.
- Trails.
- Plan ahead and build before majority of development (lights, trails, etc.).

Administration Impacts

- Larger municipal building to accommodate staff.
- Larger meeting room to accommodate the public.
- More community rooms to accommodate the needs of outside groups (homeowners associations, soccer leagues, baseball associations, historical societies, etc.)
- More staff to handle public complaints, questions, and issues.
- Need for more regulatory ordinances (zoning, nuisances, rules & regulations, etc.).

Finance Impacts

- Larger budget and more money to handle.
- Larger payroll to accommodate.
- More HR issues to deal with.

REVENUES

The good news is that revenues will also increase:

- Real estate tax.
- Earned income tax.
- Local services tax.
- Mercantile and business privilege tax (if you have them).
- Real estate transfer taxes.
- Subdivision and land development fees.
- Building permit and related fees.
- Impact fees (if you have them).
- Fines.

It is extremely important during this growth period to:

Separate the GROWTH-RELATED REVENUES from other revenues.

Growth Related Revenues

- Building permits.
- Real estate transfer taxes on initial sales.
- Impact fees.
 - Roads (Act 209)
 - Basins
 - Parkland (or fees in lieu of)

Growth Related Revenues

- Use for infrastructure and capital expenditures, NOT operations.
 - Roads
 - Parks
 - Open space
 - New (added) equipment
 - Buildings and facilities

Political & Cultural Impacts

- Different voting blocks.
 - Seniors on fixed incomes
 - Younger families
- Embrace the new residents, don't shun them.
- DEALING WITH A DIFFERENT MINDSET:
 - Different mindset.
 - Different expectations.

Planning for the Impacts of Development

Infrastructure Impacts



Planning vs. Promoting Development


*Pa. MPC Requirements
for
Utility Planning*

FAILURE TO PLAN . . .
IS A PLAN FOR FAILURE



Water Impacts

- Pressure
- Volume
- Chlorine/chemical contact times
- Fire Safety and storage
- Overall system capacities



Sewer Impacts

- Infrastructure locations – Act 537 planning
- Treatment and discharge limitations
- Pre-treatment requirements
- Daily flow peaks
- Interceptor and main capacity planning
- Pay me now – or pay me later



Who Goes First?

- Do we allow the developers to decide where water and sewer lines should go?
- Or, do we plan for the lines, maybe even build some, and allow the development to gravitate to those areas?
- Can this technique work to support and strengthen the municipal comprehensive plan and zoning?



Who Pays???

- It's all about timing.
- With no plan, developers put in the minimum size utilities possible.
- Citizens/taxpayers/ratepayers then pay later for upgrades and improvements.
- With plan, some infrastructure costs can be rolled into capital plan, and then be recaptured through developers' tapping or connections fees.

Recommendations:

- Educate your residents about the true costs of services.
- Educate your staff and professionals about the true costs of new projects and programs....that "free money" to start up a new program or to build the trails might not be free after all.
- Expect and embrace change...it is coming.

Planning

- Planning for growth is not evil, it is necessary in order to guide and influence the future of your community.
- Planning does not promote development – say it three times!
- Failure to plan is a concession and a failure on the part of the elected and appointed officials. It is your duty.

How to assimilate the new residents into the community

- Anticipate issues
- Listen
- Identify potential leaders
- Educate
- Bring them in
- Be flexible, change is inevitable – guide it.
- In all things, it is usually better to be pro-active.

How Development Impacts Community Character

- When I lived in they did it this way.
- How long before the snow plows get here?
- There is a stick in the street, help!
- Do all soccer fields need lights?
- Why can't the kids play baseball without a uniform and umpire?
- I moved here to "live in the country", so why can't you stop development now?

Fiscal Impact: Does New Development Pay for Itself?

It depends on:

- Uses.
- Dwelling types.
- Value of development.
- Existing revenue and expenditure structure of municipality.

Illustration

- Two side-by-side developments, equal in nearly every way: SFD, half acre lots, 4 BR, 2 1/2 BA, etc.
- Same demographics on average: 3.36 persons per unit, 0.82 school age children (MCPC figures).
- Both result in comparable operating expenditures to municipality and school district.

But . . .

- New development has higher housing values, often by 30-100 percent.
- Higher housing value = higher revenue: real estate tax, earned income tax, real estate transfer tax.
- New development also constructed with higher quality infrastructure, which lowers long term capital costs: e.g., curbs.

Does New Development Cause Tax Increases?

- Sometimes.
- But taxes often increase even with no new development.
- Municipalities and schools are labor intensive endeavors.
- Expenditures rise, even while providing the same level of service.

Recommendations for Fiscal Health

- Plan for growth – comp plan, facilities planning, capital (budget) planning, etc.
- Impact Fees – roads, park and recreation.
- Intergovernmental Communication and Coordination – e.g., with school district, county, authorities.
- Spread out tax burden – do not rely on one source.

Questions & Comments

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