



# Cheltenham Township Fiscal Impact Analysis of MU3 Scenarios

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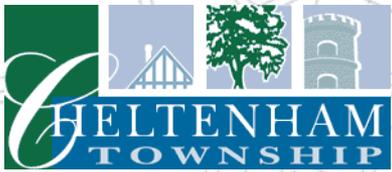
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**Montgomery County Planning Commission**





- ▶ Purpose
- ▶ Process and Methods
- ▶ Limitations
- ▶ Conclusions
- ▶ Walkthrough of Calculations in Example:
  - ▶ **Elkins under Proposed MU3**
  - ▶ Sketches of Old York Road and Elkins



# Elkins under Proposed MU3



Land Use Type	Number of Units	Public SD Students	Resident s	Commercial Sq. Ft.	Employee s
SFD	-	-	-	-	-
SFA	-	-	-	-	-
MF	<b>80</b>	<b>4</b>	<b>134</b>	-	-
Commercial	-	-	-	<b>297,620</b>	<b>609</b>

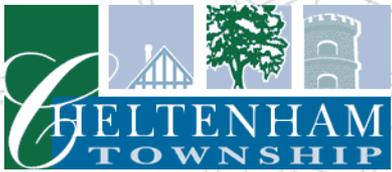
# Residential Revenue



Revenue from Municipal Property Tax	
Existing Assessed Value Per Sq Ft	\$37.58
Total Proposed Sq Ft	80,000
Assessed Value of Development	\$3,006,688.69
Municipal Tax Rate/\$1 (8.0972 mills)	0.0080972
<i>Estimated Municipal Property Tax Revenue</i>	<i>\$24,345.76</i>

**Mean assessment value per sq. ft. for all multifamily in Twp**

**80 units max permitted + 1000 average sq. ft. per unit**



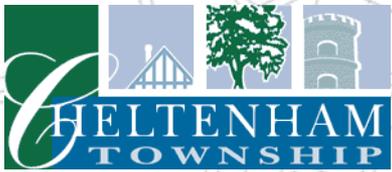
# Residential Revenue



## Revenue from Earned Income Tax (Split between Twp and School District)

	Total EIT Collected (by both Twp and SD Combined)	\$7,800,000.00
	Number of People in Labor Force in Twp	19,433
	Proportion of Total Residents in Twp in Labor Force	52.8%
	Avg EIT Collected per Resident in Labor Force	\$401.38
	Number of Total New Residents in Development	134
	Number New Residents Predicted to be in Labor Force	71
	Estimated EIT Tax Revenue from New Residents	\$28,322.78
	<i>Estimated EIT Tax Revenue for Township</i>	<i>\$14,161.39</i>
	<i>Estimated EIT Tax Revenue for School District</i>	<i>\$14,161.39</i>

**Number of units (80) × avg. household size per new unit, by housing type (1.67)**



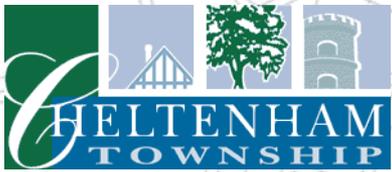
# Residential Revenue



## Revenue from School Property Tax

	Existing Assessed Value Per Sq Ft	\$37.58
	Total Proposed Sq Ft	80,000
	Assessed Value of Development	\$3,006,688.69
	School District Tax Rate/\$1 (44.5156 mills)	0.0445156
	<i>Estimated School Property Tax Revenue</i>	<i>\$133,844.55</i>

**80 units max permitted + 1000 average sq. ft. per unit**



# Residential Revenue

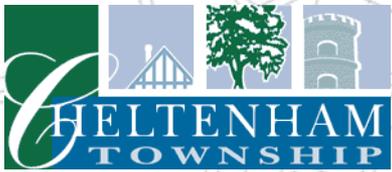


## Additional State School Aid

	State School Aid	\$20,306,994.00
	Total Number of School Children Enrolled	4499
	School Aid per Student	\$4,513.67
	% School-Aged Children in Twp Enrolled in District	79.91%
	Number of School Children in New Development	5
	Total Students Estimated to Enroll in District	4
	<i>Estimated Additional School Aid</i>	<i>\$17,313.25</i>

**Number of units (80) × avg. number of children per new unit, by housing type (0.06)**

**TOTAL ESTIMATED RESIDENTIAL REVENUE \$203,826.33**



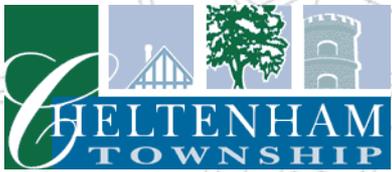
# Commercial Revenue



Revenue from Municipal Property Tax	
Existing Assessed Value Per Sq Ft	\$56.87
Total Proposed Sq Ft	297,620
Assessed Value of Development	\$16,925,238.41
Municipal Tax Rate/\$1 (8.0972 mills)	0.0080972
<i>Estimated Municipal Property Tax Revenue</i>	<i>\$137,047.04</i>

**Mean assessment value per sq. ft. for all Retail and Office in Twp**

**Assumed remaining GFA to be developed**

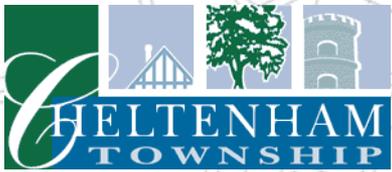


# Commercial Revenue



## Revenue from School Property Tax

	Existing Assessed Value Per Sq Ft	\$56.87
	Total Proposed Sq Ft	297,620
	Assessed Value of Development	\$16,925,238.41
	School District Tax Rate/\$1 (44.5156 mills)	0.0445156
	<i>Estimated School Property Tax Revenue</i>	<i>\$753,437.14</i>

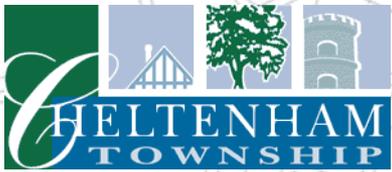


# Commercial Revenue



Revenue from Mercantile/Business Privilege Tax	
Total Merc/Business Privilege Tax Collected	\$2,051,000.00
Square Footage of All Commercial/MU Property	3,453,311
Avg Merc/Business Privilege Tax per Sq Ft	\$0.59
Total Square Footage of Commercial/MU in New Development	297,620
<i>Estimated Mercantile/Business Privilege Tax Revenue</i>	<i>\$176,763.32</i>

**TOTAL ESTIMATED COMMERCIAL REVENUE      \$1,067,247.51**



# Residential Costs



School Costs Due to Development	
Current School Cost per Student	\$23,091.32
Number of New Public School Children in Development	4
<i>Estimated Total School Cost per Year</i>	<i>\$88,572.25</i>

**Total School Expenditures (\$103,887,864.00)**  
**÷ Total Number of Students in SD (4499)**

# Residential Costs



Residential Costs Due to Development		
	Total Municipal Expenditures	\$42,295,443.00
	Residential Portion of All Property in Township	85.06%
	Service Costs Attributed to Residential Development	\$35,977,370.00
	Number of Residents	36,793
	Service Costs Per Resident	\$977.83
	Number of Residents Predicted in New Development	134
	<i>Estimated Service Costs for New Residents</i>	<i>\$130,638.35</i>

**The average of % of total Twp parcel area (93.73%) and % of total Twp assessment value (76.40%)**

**TOTAL ESTIMATED RESIDENTIAL COSTS      \$219,210.59**

# Commercial Costs



<b>Commercial Costs Due to Development</b>		
	Total Municipal Expenditures	\$42,295,443.00
	Commercial Portion of All Property in Township	6.24%
	Total Expenditures Attributed to Commercial Development	\$2,639,530.34
	Number of People Employed in the Twp	12,169
	Service Costs per Employee	\$216.91
	Number of Employees Predicted in New Development	609
	<i>Estimated Service Costs for New Employees</i>	<i>\$132,140.72</i>
<b>TOTAL ESTIMATED COMMERCIAL COSTS</b>		<b>\$132,140.72</b>

The average of % of total Twp parcel area (3.82%) and % of total Twp assessment value (8.66%)

Received from Berkheimer

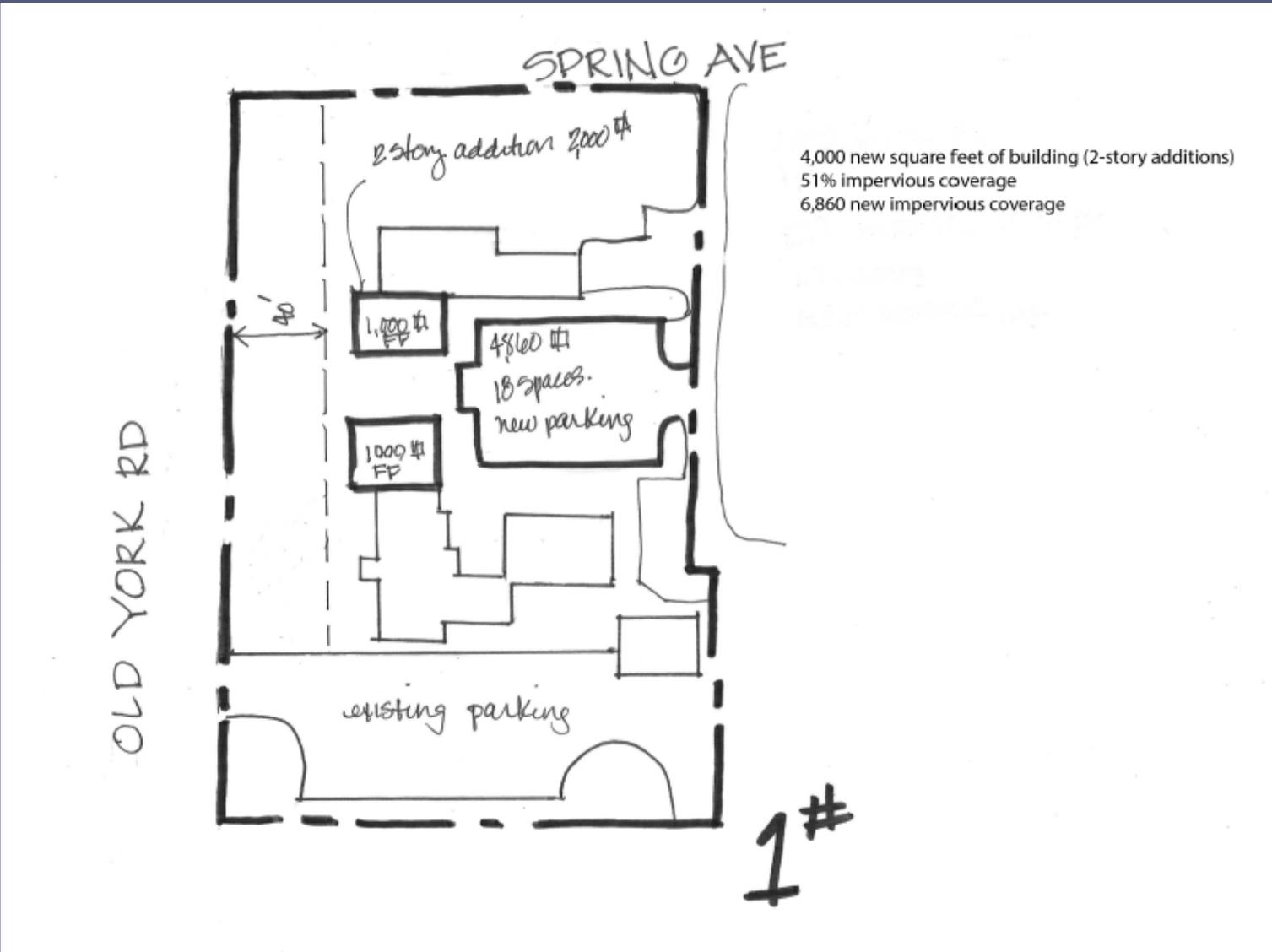
Factored from four "Employment Density" assumptions:  
 Retail – 0.0015  
 Restaurant – 0.0040  
 Hotel/Lodging – 0.0009  
 Office – 0.0044

# Comparison of Costs and Revenue



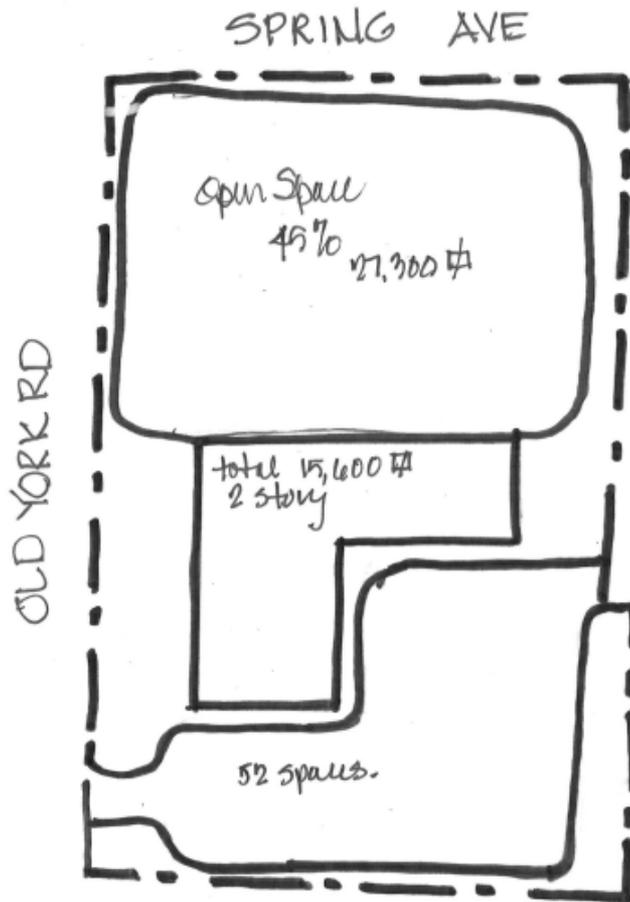
Land Use Type	Budget Component	Revenue	Costs	Surplus or Deficit
<b>Residential</b>	Municipal Services	\$38,507.15	\$130,638.35	<b>(\$92,131.20)</b>
	Schools	\$165,319.19	\$88,572.25	<b>\$76,746.94</b>
	<b>TOTAL</b>	<b>\$203,826.33</b>	<b>\$219,210.59</b>	<b>(\$15,384.26)</b>
<b>Commercial</b>	Municipal Services	\$313,810.36	\$132,140.72	<b>\$181,669.64</b>
	Schools	\$753,437.14	\$0.00	<b>\$753,437.14</b>
	<b>TOTAL</b>	<b>\$1,067,247.51</b>	<b>\$132,140.72</b>	<b>\$935,106.78</b>
<b>TOTAL SURPLUS OR DEFICIT</b>	<b>Municipal Services</b>			<b>\$89,538.44</b>
	<b>Schools</b>			<b>\$830,184.08</b>
	<b>TOTAL</b>			<b>\$919,722.53</b>

# Sketches – Old York Road



4,000 new square feet of building (2-story additions)  
51% impervious coverage  
6,860 new impervious coverage

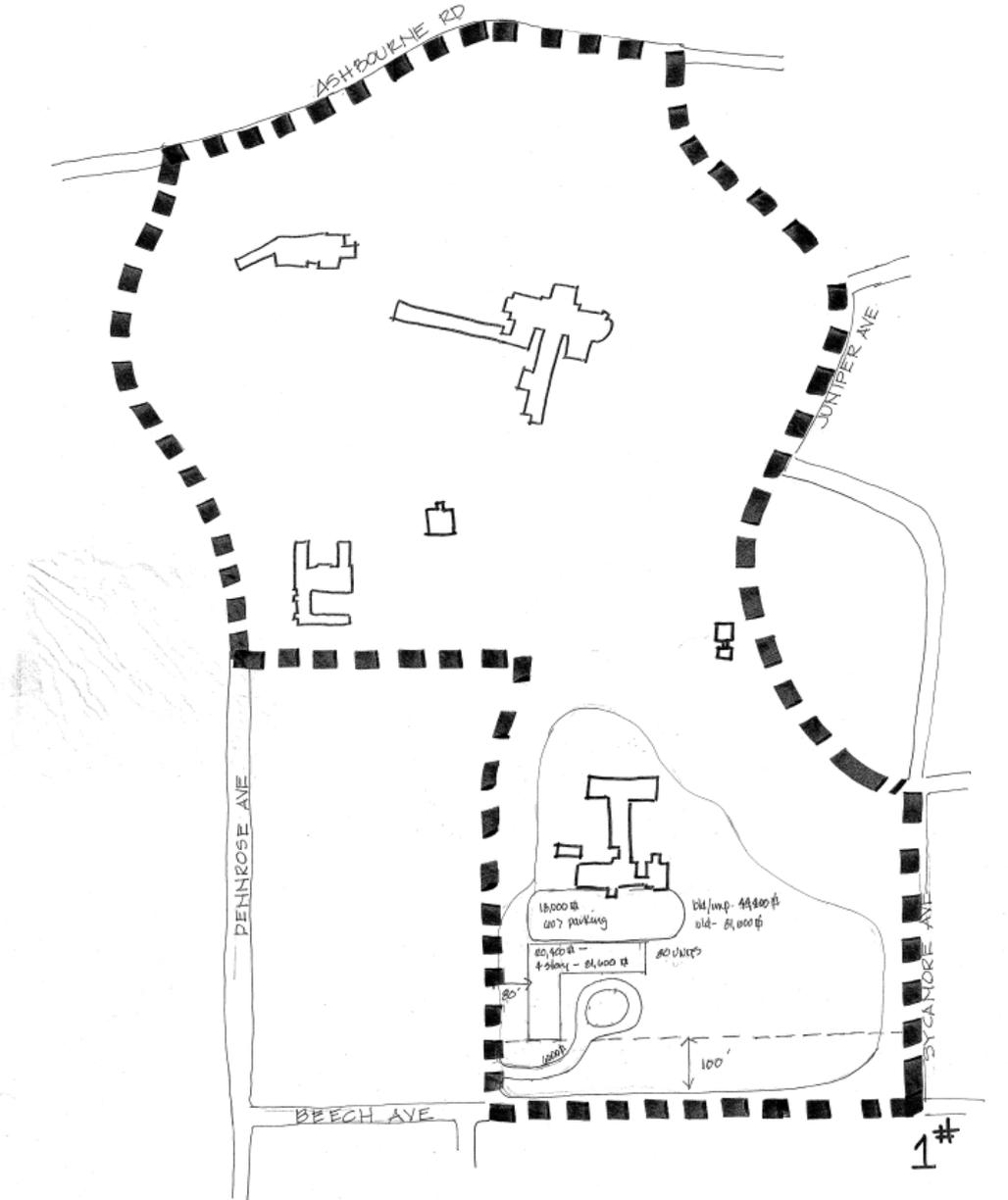
# Sketches – Old York Road



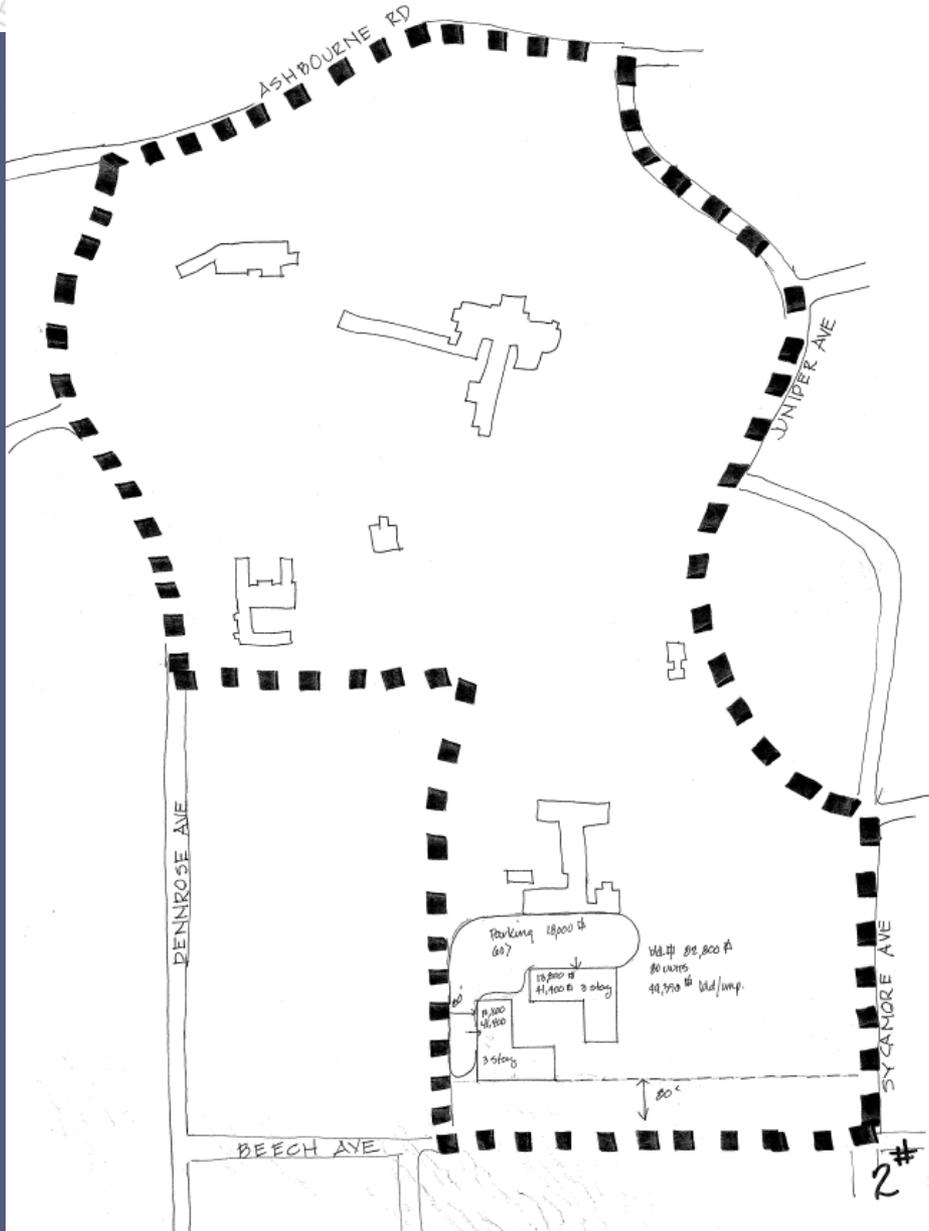
15,600 building square feet (2 story)  
7,800 building  
14,100 paving  
21,900 impervious coverage - 36%  
52 parking spaces

2#

# Sketches - Elkins



# Sketches - Elkins





# Questions?