



Haywood County, Brownsville, and Stanton Fiscal Impact Analysis

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TischlerBise, Inc.

- 43-year national practice
- Fiscal Impact Analysis (1,000+)
- Impact Fees (1,000+)
- Economic Impact Analysis
- Real Estate and Market Feasibility
- Revenue Enhancement Options





Process

- Coordination with LRK and The Chesapeake Group (market consultant) regarding likely development potential (scenarios)
- Define land use profiles by area of the County (e.g., city, town, vs county)
- Base year operating and capital data provided by jurisdictions
- Level of service assumptions developed
- Fiscal impact models designed for each jurisdiction
- Preparation of preliminary fiscal results

Development Program Assumptions

Scenarios		Community		Countryside			Total Developed Area
		Within Existing Communities and Municipalities	Near/Adjacent to Existing Communities and Municipalities	Focused at Four-Ways	Conservation Clusters	Rural Residential (FAR)	
"Business-As-Usual"	<i>% of Housing Units Captured</i>	30%	20%	-	-	50%	
	<i>Density</i>	2 units per acre	1 unit per 4 acres	-	-	1 unit per 10 acres	
	<i>Calculated Acreage</i>	1,007 acres	336 acres	-	-	33,565 acres	34,908 acres
	<i>Unit Mix</i>	2,014 units	1,343 units	-	-	3,357 units	6,713 units
Minimally Guided Dispersed Development	<i>% of Housing Units Captured</i>	35%	20%	5%	10%	30%	
	<i>Density</i>	8 units per acre	6 units per acre	4 units per acre	3 units per acre	1 unit per 2 acres	
	<i>Calculated Acreage</i>	294 acres	224 acres	84 acres	224 acres	4,028 acres	4,853 acres
	<i>Unit Mix</i>	2,350 units	1,343 units	336 units	671 units	2,014 units	6,713 units
Focused Development in Communities & Clustered in the Countryside	<i>% of Housing Units Captured</i>	45%	15%	10%	15%	15%	
	<i>Density</i>	12 units per acre	8 units per acre	4 units per acre	3 units per acre	1 unit per 8 acres	
	<i>Calculated Acreage</i>	252 acres	126 acres	168 acres	336 acres	8,056 acres	8,937 acres
	<i>Unit Mix</i>	3,021 units	1,007 units	671 units	1,007 units	1,007 units	6,713 units
Concentrated Investment in Existing Communities & Conservation of the Countryside	<i>% of Housing Units Captured</i>	60%	15%	15%	5%	5%	
	<i>Density</i>	12 units per acre	8 units per acre	4 units per acre	3 units per acre	1 unit per 12 acres	
	<i>Calculated Acreage</i>	336 acres	126 acres	252 acres	112 acres	4,028 acres	4,853 acres
	<i>Unit Mix</i>	4,028 units	1,007 units	1,007 units	336 units	336 units	6,713 units

Development Program – Haywood County

	BUSINESS AS USUAL	MINIMALLY GUIDED DISPERSED DEVELOPMENT	COMMUNITY FOCUSED AND CLUSTERED COUNTRYSIDE	COMMUNITY CONCENTRATION AND COUNTRYSIDE CONSERVATION
RESIDENTIAL DEVELOPMENT	[20-Year Net New Growth]	[20-Year Net New Growth]	[20-Year Net New Growth]	[20-Year Net New Growth]
HOUSING UNITS-MUNICIPALITY	2,014	2,350	3,021	4,028
HOUSING UNITS-ADJACENT	1,343	1,343	1,007	1,007
HOUSING UNITS-4-WAYS/RURAL	0	336	672	1,007
HOUSING UNITS-CLUSTER	0	671	1,007	336
HOUSING UNITS-RURAL	3,357	2,014	1,007	336
TOTAL HOUSING UNITS	6,714	6,714	6,714	6,714
CITY POPULATION	4,314	5,034	6,471	8,629
UNINCORPORATED AREA POPULATION	10,068	9,348	7,911	5,754
	14,382	14,382	14,382	14,382
PUBLIC SCHOOL STUDENTS	2,069	2,069	2,069	2,069
NONRESIDENTIAL DEVELOPMENT				
COMMERCIAL SF-CITY	387,000	451,500	580,500	774,000
TOTAL CITY SF	387,000	451,500	580,500	774,000
COMMERCIAL-ADJACENT	258,000	258,000	193,500	193,500
COMMERCIAL-COUNTRYSIDE	0	193,500	322,500	258,000
COMMERCIAL-RURAL	645,000	387,000	193,500	64,500
INDUSTRIAL	3,000,000	3,000,000	3,000,000	3,000,000
TOTAL UNINCORPORATED SF	3,903,000	3,838,500	3,709,500	3,516,000
TOTAL NONRESIDENTIAL SF	4,290,000	4,290,000	4,290,000	4,290,000
CITY JOBS	968	1,129	1,451	1,935
UNINCORPORATED AREA JOBS	6,967	6,806	6,483	6,000
TOTAL JOBS	7,935	7,935	7,935	7,935

Development Program – Brownsville

	BUSINESS AS USUAL	MINIMALLY GUIDED DISPERSED DEVELOPMENT	COMMUNITY FOCUSED AND CLUSTERED COUNTRYSIDE	COMMUNITY CONCENTRATION AND COUNTRYSIDE CONSERVATION
	<i>[20-Year Net New Growth]</i>	<i>[20-Year Net New Growth]</i>	<i>[20-Year Net New Growth]</i>	<i>[20-Year Net New Growth]</i>
RESIDENTIAL DEVELOPMENT				
HOUSING UNITS	1,853	2,162	2,779	3,706
POPULATION	4,162	4,856	6,242	8,323
NONRESIDENTIAL DEVELOPMENT				
CITY OFFICE/RETAIL SF	328,950	383,775	493,425	657,900
CITY INDUSTRIAL SF	0	0	0	0
TOTAL SF	328,950	383,775	493,425	657,900
JOBS	822	959	1,234	1,645

Development Program – Stanton

	BUSINESS AS USUAL	MINIMALLY GUIDED DISPERSED DEVELOPMENT	COMMUNITY FOCUSED AND CLUSTERED COUNTRYSIDE	COMMUNITY CONCENTRATION AND COUNTRYSIDE CONSERVATION
	[20-Year Net New Growth]	[20-Year Net New Growth]	[20-Year Net New Growth]	[20-Year Net New Growth]
RESIDENTIAL DEVELOPMENT				
HOUSING UNITS	161	188	242	322
POPULATION	235	274	353	470
NONRESIDENTIAL DEVELOPMENT				
CITY OFFICE/RETAIL SF	58,050	67,725	87,075	116,100
CITY INDUSTRIAL SF	0	0	0	0
TOTAL SF	58,050	67,725	87,075	116,100
JOBS	145	169	218	290



Major Assumptions

- Current Fiscal Year Budgets used
- Current levels of service as defined by current Fiscal Year Budget are modeled
- No inflation
- 20-year analysis projection period
- Marginal costing used whenever possible
 - Jurisdictions will continue to balance its budget each year, considering financial guidelines and policies, applicable operating impacts, and available resources



Funds Included in Analyses

- Haywood County:
 - General Fund
 - Solid Waste
 - Highway Fund
 - General Purpose School Fund
 - Debt Service Fund
- City and Town:
 - General Fund
 - Solid Waste Fund
 - State Street Aid Fund

Cumulative Fiscal Results: Haywood County

Cumulative Fiscal Results by Fund - Scenario Comparisons
Haywood County Fiscal Impact Analysis

Category	SCENARIO			
	BUSINESS AS USUAL	MINIMALLY GUIDED DISPERSED DEVELOPMENT	COMMUNITY FOCUSED AND CLUSTERED COUNTRYSIDE	COMMUNITY CONCENTRATION AND COUNTRYSIDE CONSERVATION
General Fund				
Revenues	\$200,049	\$220,313	\$237,117	\$251,373
Expenditures	\$222,840	\$214,554	\$197,659	\$173,167
GENERAL FUND NET FISCAL IMPACT	(\$22,791)	\$5,759	\$39,458	\$78,207
Solid Waste Fund				
Revenue	\$10,919	\$10,923	\$10,915	\$16,368
Expenditures	\$16,760	\$16,765	\$16,753	\$16,791
SOLID WASTE FUND NET FISCAL IMPACT	(\$5,841)	(\$5,843)	(\$5,838)	(\$424)
Highway Fund				
Revenue	\$12,280	\$13,842	\$15,186	\$16,368
Expenditures	\$31,350	\$30,706	\$30,356	\$28,565
HIGHWAY FUND NET FISCAL IMPACT	(\$19,070)	(\$16,864)	(\$15,170)	(\$12,197)
General Purpose School Fund				
Revenue	\$266,542	\$279,224	\$290,137	\$299,697
Expenditures	\$241,251	\$241,251	\$241,220	\$241,251
GENERAL PURPOSE SCHOOL FUND NET FISCAL IMPACT	\$25,291	\$37,973	\$48,917	\$58,447
General Debt Service Fund				
Revenue	\$16,319	\$19,332	\$21,932	\$24,196
Expenditures	\$174,703	\$173,324	\$170,094	\$166,335
GENERAL DEBT SERVICE FUND NET FISCAL IMPACT	(\$158,384)	(\$153,992)	(\$148,162)	(\$142,140)
GRAND TOTAL				
TOTAL REVENUE	\$506,109	\$543,635	\$575,286	\$608,002
GRAND TOTAL EXPENDITURES	\$686,904	\$676,601	\$656,081	\$626,109
GRAND TOTAL NET FISCAL IMPACT	(\$180,796)	(\$132,966)	(\$80,795)	(\$18,107)
AVERAGE ANNUAL NET IMPACT	(\$9,040)	(\$6,648)	(\$4,040)	(\$905)



Summary of Preliminary Findings

- The Community Concentration/Countryside Focus and Community Focus/Clustered Countryside scenarios generate the best fiscal results.
 - The County benefits from development concentrated in the municipalities (lower costs).
- All four scenarios generate positive fiscal results to the General Fund and General Purpose School Fund.
 - The average annual surpluses range from 6% to 9% of current General Fund revenue.
- Net deficits are generated in the Highway/Public Fund.
 - Although property tax is generated, gas tax from the State is a revenue source that is relatively flat and non-growth related.
- Net deficits are generated in the Solid Waste Fund.
 - This is not surprising given expenditures exceed revenue in the current Fiscal Year Budget.



Summary of Preliminary Findings

- The positive overall General Fund fiscal results in three of the four scenarios are not surprising given the amount of nonresidential development assumed as part of all four scenarios.
 - Current jobs to housing ratio is 0.31.
 - The four scenarios assume a jobs to housing ratio of 1.82.
- By directing growth to the municipalities and areas adjacent, the County received the following fiscal benefits.
 - General Fund costs are less due to lower law enforcement costs, as patrol functions are typically limited to the unincorporated County.
 - Highway Fund/Public Works Fund costs are less due to lower road maintenance costs.



Summary of Preliminary Findings

- It is very likely that new residents to the County will expect/demand higher levels of service than the County currently provides, which will increase County costs.
- Another consideration when reviewing the preliminary fiscal results is that no transportation capital costs have been factored.
 - The County has historically not been in the road building business, so there is no level of service to model.
 - There will likely be a need for significant road improvements in and around Brownsville to accommodate the amount of nonresidential development potential and residential densities in Community Focused and Community Concentrated scenarios.



Summary of Preliminary Findings

- School costs in the fiscal analysis are likely understated.
 - The demographic characteristics of families moving to the County will likely be different, resulting in more school age children per household.
- Property tax revenue in all scenarios is likely understated, as is local option sales tax.
 - The housing products and development patterns advocated in the scenarios represent a substantial variation over what exists in the County today.

Cumulative Fiscal Results: Brownsville

Cumulative Fiscal Results—Scenario Comparisons City of Brownsville Fiscal Impact Analysis

Category	SCENARIO			
	BUSINESS AS USUAL	MINIMALLY GUIDED DISPERSED DEVELOPMENT	COMMUNITY FOCUSED AND CLUSTERED COUNTRYSIDE	COMMUNITY CONCENTRATION AND COUNTRYSIDE CONSERVATION
<i>General Fund</i>				
Revenues	\$39,487	\$46,074	\$59,124	\$78,976
Expenditures	\$28,874	\$33,644	\$43,148	\$57,540
GENERAL FUND NET FISCAL IMPACT	\$10,613	\$12,430	\$15,976	\$21,436
<i>Solid Waste Fund</i>				
Revenue	\$9,009	\$10,513	\$13,514	\$18,019
Expenditures	\$7,379	\$8,618	\$11,070	\$14,774
SOLID WASTE FUND NET FISCAL IMPACT	\$1,631	\$1,895	\$2,444	\$3,245
<i>State Street Aid Fund</i>				
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$2,036	\$2,376	\$3,042	\$4,073
STATE STREET AID FUND NET FISCAL IMPACT	(\$2,036)	(\$2,376)	(\$3,042)	(\$4,073)
<i>Capital Fund</i>				
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$3,906	\$4,489	\$5,753	\$7,502
STATE STREET AID FUND NET FISCAL IMPACT	(\$3,906)	(\$4,489)	(\$5,753)	(\$7,502)
GRAND TOTAL				
TOTAL REVENUE	\$48,496	\$56,586	\$72,638	\$96,995
TOTAL EXPENDITURES	\$42,195	\$49,126	\$63,014	\$83,889
GRAND TOTAL NET FISCAL IMPACT	\$6,301	\$7,461	\$9,624	\$13,106



Summary of Preliminary Findings: Brownsville

- All four scenarios generate overall positive fiscal results when all Funds are considered.
- Similar to Haywood County, the Community Focused/Clustered Countryside and Community Concentration/Countryside Conservation scenarios generate the best fiscal results.
 - These two scenarios assume the greatest amount of residential (sale tax/property tax) and nonresidential development (e.g., property tax) in the cities.
- All four scenarios generate positive fiscal results to the General Fund and Solid Waste Fund.
- Net deficits are generated in the State Street Aid Fund.
 - Gas tax from the State is a revenue source that is relatively flat and non-growth related.

Cumulative Fiscal Results: Stanton

Cumulative - Scenario Comparisons Town of Stanton Fiscal Impact Analysis

Category	SCENARIO			
	BUSINESS AS USUAL	MINIMALLY GUIDED DISPERSED DEVELOPMENT	COMMUNITY FOCUSED AND CLUSTERED COUNTRYSIDE	COMMUNITY CONCENTRATION AND COUNTRYSIDE CONSERVATION
<i>General Fund</i>				
Revenues	\$2,901	\$3,385	\$4,351	\$5,802
Expenditures	\$993	\$1,159	\$1,490	\$1,986
GENERAL FUND NET FISCAL IMPACT	\$1,908	\$2,226	\$2,862	\$3,816
<i>Solid Waste Fund</i>				
Revenue	\$293	\$342	\$440	\$586
Expenditures	\$294	\$343	\$441	\$588
SOLID WASTE FUND NET FISCAL IMPACT	(\$1)	(\$1)	(\$1)	(\$1)
<i>State Street Aid Fund</i>				
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$1	\$1	\$2	\$2
STATE STREET AID FUND NET FISCAL IMPACT	(\$1)	(\$1)	(\$2)	(\$2)
GRAND TOTAL				
TOTAL REVENUE	\$3,194	\$3,727	\$4,791	\$6,388
TOTAL EXPENDITURES	\$1,288	\$1,503	\$1,932	\$2,576
GRAND TOTAL NET FISCAL IMPACT	\$1,906	\$2,224	\$2,859	\$3,812



Summary of Preliminary Findings: Stanton

- All four scenarios generate overall positive fiscal results when all Funds are considered.
- Similar to Haywood County, the Community Focused/Clustered Countryside and Community Concentration/Countryside Conservation scenarios generate the best fiscal results.
 - These two scenarios assume the greatest amount of residential (sales tax/property tax) and nonresidential development (e.g., property tax) in the cities.
- The fiscal results to the Solid Waste Fund are fiscally neutral for all four scenarios.
- Net deficits are generated in the State Street Aid Fund.
 - Gas tax from the State is a revenue source that is relatively flat and non-growth related.



Summary of Preliminary Findings: All Jurisdictions

- It is possible that new residents to cities will expect/demand higher levels of service than are currently provided, which will increase city costs.
- A fiscal impact analysis is not the same as local governmental budgeting.
 - Regardless of the findings of the fiscal impact analysis, the County and cities will continue to develop a service plan, budget for those services, and identify necessary capital improvements based on the revenues available
- Fiscal issues are just one area for a locality to consider when making land use decisions or setting policy.
 - Environmental, economic, transportation, affordable housing and equity benefits must also be considerations.



Summary of Findings

- Discussion
- Thank you