

Hendricks County Plan Commission



Guide To Fiscal Impact Studies

October 2007

I. PURPOSE OF THE APPLICANT'S GUIDE

WHY DO FISCAL IMPACTS MATTER?

Fiscal impact studies involve assessing the public service costs and revenues associated with development. Such an analysis projects the net cost of a proposed development on the fiscal balance sheet of the community. Since fiscal feasibility plays an important role in determining whether or not to proceed with a proposed development, fiscal impact studies are critical.

The purpose of this guide is to:

1. Provide consistency in the request, preparation, and review of fiscal impact studies
2. Ensure that critical fiscal impact issues are addressed
3. Provide for more informed decision-making in the development process
4. Promote increased understanding of fiscal impact issues among those involved in the development process

Topics addressed in this Applicant's Guide include:

1. When to provide a fiscal impact study
2. Who prepares the study
3. Fiscal impact study process
4. Required background data
5. Study costs
6. Public Record

II. WHEN TO PROVIDE A FISCAL IMPACT STUDY

The need for a fiscal impact study or analysis may be identified during many different steps of development process, including rezoning, subdivision and development plan review.

STUDY WARRANTS FOR A FISCAL IMPACT STUDY

A fiscal impact study (as described in subsequent sections of this document) may be requested for any proposed development that meets the following criterion:

Significantly Sized Project

A development meets this criterion if it contains 150 or more single-family residential units.

When Otherwise Required by the Plan Commission

Any other development where the Plan Commission deems a fiscal impact study necessary to make an informed decision.

III. WHO PREPARES THE STUDY?

Hendricks County requires that all Fiscal Impact Studies be prepared by their financial consultant, who is a professional with training and experience in this line of work.

IV. FISCAL IMPACT STUDY PROCESS

It is intended that the formalized fiscal impact process allows the study reports to be prepared in the most efficient and responsive manner possible. It is specifically not intended that the process be either cumbersome or induce unnecessary delay to the development review process.

After the plan commission has authorized a fiscal impact study, the applicant is responsible for supplying all necessary background data and information to county planning staff. The County's financial consultant prepares the fiscal impact study and submits the study results to the county.

There are five required review steps involved in the study process:

1. Determination of whether or not a fiscal impact study will be required.
2. Initial meeting may be between the preparer and county representatives to discuss study issues, scope, assumptions, data and data sources, technical procedures, and desired report contents.
3. Preparation of the formal fiscal impact study.
4. Additional review in conjunction with other components of supplemental review process if required.
5. Approval or denial of the development petition or application.

V. REQUIRED BACKGROUND DATA

The applicant is responsible for submitting the following background data to the county, to be used in the preparation of the fiscal impact study:

1. Site map
2. Total acreage in the planned development with breakdowns of common area, constructible area, set aside area and/or drainage areas.

3. Total mileage of streets to be installed in the development (indicate whether these streets will be dedicated to the County or not).
4. Total acres of land to be dedicated for tax-exempt purposes, such as roads and/or drainage.
5. Total number of houses, including a breakdown by sales value, by year (i.e., 5 homes with a sales value of \$150,000, 10 homes with a sales value of \$175,000, etc.). For the by year analysis, please use your best efforts on when these houses would be started for construction.
6. Provide the square footage of commercial space, if applicable, and the year you are anticipating that development, by year, to occur. Please also provide the anticipated cost to construct, by year, for the commercial property.
7. Indicate which school corporation's jurisdiction your proposed development will lie within. If the proposed development covers two school corporations, split the development by School Corporation and/or by township. Also determine whether your proposed development currently exists on the school's transportation system network.
8. Provide an estimated income level for each class of homes that is anticipated in order to purchase the homes in the subdivision.
9. Provide an estimated number of increased car traffic, by year, for the next ten- (10) years and/or provide the preliminary traffic impact study for your development.
10. Provide two comparable examples in Hendricks County for a similar quality which you are anticipating for your development, for each class of property which you are proposing (such as residential, commercial, retail/office).
11. Provide the estimated cost for you to develop each acre of residential and/or commercial property that you propose to have within your development.
12. Provide a list of the companies (if applicable) that will be building houses in your development.
13. For each company you list above, please provide information describing where the materials, (such as building components and labor used to construct the

- homes) will come from. Are these materials coming from the metropolitan statistical area or directly from Hendricks County businesses?
14. Provide any zip code information (or other support) to back up your data or determinations in number 13 above.
 15. What is the anticipated labor cost for construction salaries in the area of the new development? How many full-time construction jobs do you anticipate there will be over the entire construction period? Separate the development phase from the housing stage.
 16. What percentage of the developer's construction cost is for labor? What is the percentage for the housing stage?
 17. What will be the average hourly wage of construction workers in this proposed development?
 18. How much will the following fees be?
 - a. Zoning fees;
 - b. Development fees;
 - c. Platting fee;
 - d. Building permits (for each residence);
 - e. Sanitary availability;
 - f. Sanitary plan review; and
 - g. Sanitary Connection fee (for each residence)?
 19. Will there be any dedicated infrastructure, including streets and storm and sanitary sewer systems, to Hendricks County and Hendricks County Regional Sewer District, provided by the developer and what is the total dollar amount of this dedicated infrastructure?

Beyond the above basic data requirements, the county and their financial consultant may request any other data from the applicant that they deem is necessary to complete the financial impact study.

VI. STUDY COSTS

The applicant is required to pay for the cost of the preparation of the fiscal impact study by the County's financial consultant. The applicant will be billed for those costs by the county.

VII. PUBLIC RECORD

Fiscal impact studies, including both reports and data, become public record upon submittal. Information contained in these submittals may be used by agency staffs or in other subsequent studies. The original sources of reused information should be cited when taken from prior submittals.