

FISCAL NEUTRALITY METHODOLOGY DEVELOPMENT

Project Overview

12/15/2014

OBJECTIVE

Develop a clearly understandable technical manual that establishes a methodology for determining Fiscal Neutrality on 2050 developments that can be used on a consistent basis and is transparent in its calculations.

County policy and regulations specify that the following elements of public cost for new or expanded facilities and services required due to new 2050 development be accounted for:

1. Transportation facilities;
2. Public transit;
3. Schools;
4. Water supply and delivery;
5. Sewage transmission and treatment;
6. Solid waste;
7. Storm and surface water management;
8. Law enforcement;
9. Fire and emergency management;
10. Justice;
11. General government;
12. Libraries;
13. Parks and recreation; and
14. Public hospitals.

County policy and regulations also specify that the Capital Costs and Operational Costs associated with each element listed above be accounted for:

- Capital Costs – Initial cost of providing new or expanded facilities (infrastructure) for new development.
- Operational Costs – On going cost of maintaining new or expanded facilities (infrastructure), and for providing services for new development.

Achieving the above stated objective requires not only the identification of the public costs listed above, but also:

- A. How those public costs are to be calculated;
- B. What public revenues are to be accounted for as a result of development; and
- C. How those public revenues are to be calculated.

TASK 1: Review documents and data.

1. Review the county Fiscal Neutrality policies and regulations and provide an evaluation as to their ability to achieve the above stated objective.
2. Review the Fiscal Neutrality Plans prepared for each of the approved 2050 developments to date, and evaluate whether they have accounted for the full public costs and revenues.
3. Review the report prepared for the county on Fiscal Neutrality dated January 31, 2014, and address issues identified.
4. Clarify the relationship between County impact fees and fiscal neutrality determination.

TASK 2: Development of assumptions, metrics, analytical approaches.

1. Identify other governmental units nationally that utilize fiscal impact analysis similar to the county, and provide an evaluation on their effectiveness.
2. Review and evaluate common practices utilized in determining the full Capital Cost and Operational Cost for each of the listed elements above.

Public Costs -

1. Identify and quantify all public costs that are attributable to new development (review elements listed above).
2. Identify each public cost as Capital or Operational.
3. Relate public cost to a unit of measure derivable from a new development's program.

Public Revenues -

1. Identify and quantify all public revenues that are attributable to new development.
2. Identify each public revenue source as being eligible for Capital or Operational.

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3. Relate public revenue to a unit of measure derivable from a new development's program.

TASK 3: Prepare Technical Report. (Work Product)

1. Identify a generally accepted methodology that has been utilized successfully in determining full fiscal impact for each element listed above that has potential applicability here.
2. An analytical report providing all background/supportive documentation and references for recommended methodology.
3. A technical manual that provides clear directions to be utilized by applicants in preparing Fiscal Neutrality Plans for 2050 developments that includes:
 - A formulated methodology capable of quantifying full public cost anticipated to be generated from 2050 developments for each element listed.
 - A formulated methodology capable of quantifying full public revenue anticipated to be generated from 2050 developments for each element listed.
 - A standardized system of comparing full public costs to full public revenues for each element listed.

PUBLIC INVOLVEMENT

Information Collection

1. Consultant will conduct interviews during the Task 1 phase of the project with fiscal impact practitioners and governmental practitioners of fiscal impact analysis.
2. The consultant shall prepare a summary of each interview documenting the time and place along with the names (and who they represent) of all those present to be included within the analytical report.
3. A questionnaire will be developed seeking input from the general public which may include various representative groups within the community during the Task 1 phase of the project. This questionnaire will be provided at the county's web page at www.scgov.net under 'Sarasota 2050 Evaluation'.
4. Consultant will review responses to the questionnaire and address identifiable issues within the analytical report as appropriate.

Informal Public Input

1. All draft documents will be made available for public inspection and review on an ongoing basis at the county's web page at www.scgov.net under 'Sarasota 2050 Evaluation'.
 - This web page will announce newly posted draft documents.
 - Comments on draft documents will be gathered by county staff.
2. County will send out notices to all contacts on Planning Services' distribution list announcing all newly posted draft documents on the web page.
3. All draft documents will be available during normal business hours in the Planning and Development Services Department at 1660 Ringling Blvd., 1st Floor, and written comments may be submitted to the above address, or by email to: planner@scgov.net

Formal Public Input

1. A draft of the Analytical Report and Technical Manual on Fiscal Neutrality will be made available for approximately one month (tentatively scheduled to occur during March). These draft documents will be available online at the county's web page www.scgov.net (Sarasota 2050 Evaluation) and a hard-copy will be available during normal business hours in the Planning and Development Services Department at 1660 Ringling Blvd., 1st Floor. Written comments may be submitted to the above address, or by email to: planner@scgov.net .
2. Planning Commission Public Hearing (tentatively scheduled to occur in May).
3. Board Public Hearing (tentatively scheduled to occur in July).