

MAG LAND USE FISCAL IMPACTS

Presented by:



February 12, 2014

Model Development

- Prepared regional fiscal model for member agencies in Maricopa and Pinal Counties to analyze impacts of different land use scenarios
- First model created in 2001 as part of Growing Smarter, updated in 2013
- Collected budget data and tax rates from each community plus Maricopa and Pinal Counties
- Developed generalized set of O&M revenues and expenditures
- Collected socioeconomic data and land use data
- Developed fiscal rates for revenue and expenditure line items using socioeconomic data and created averages by city size group

Applications of Fiscal Impacts in Land Use Planning

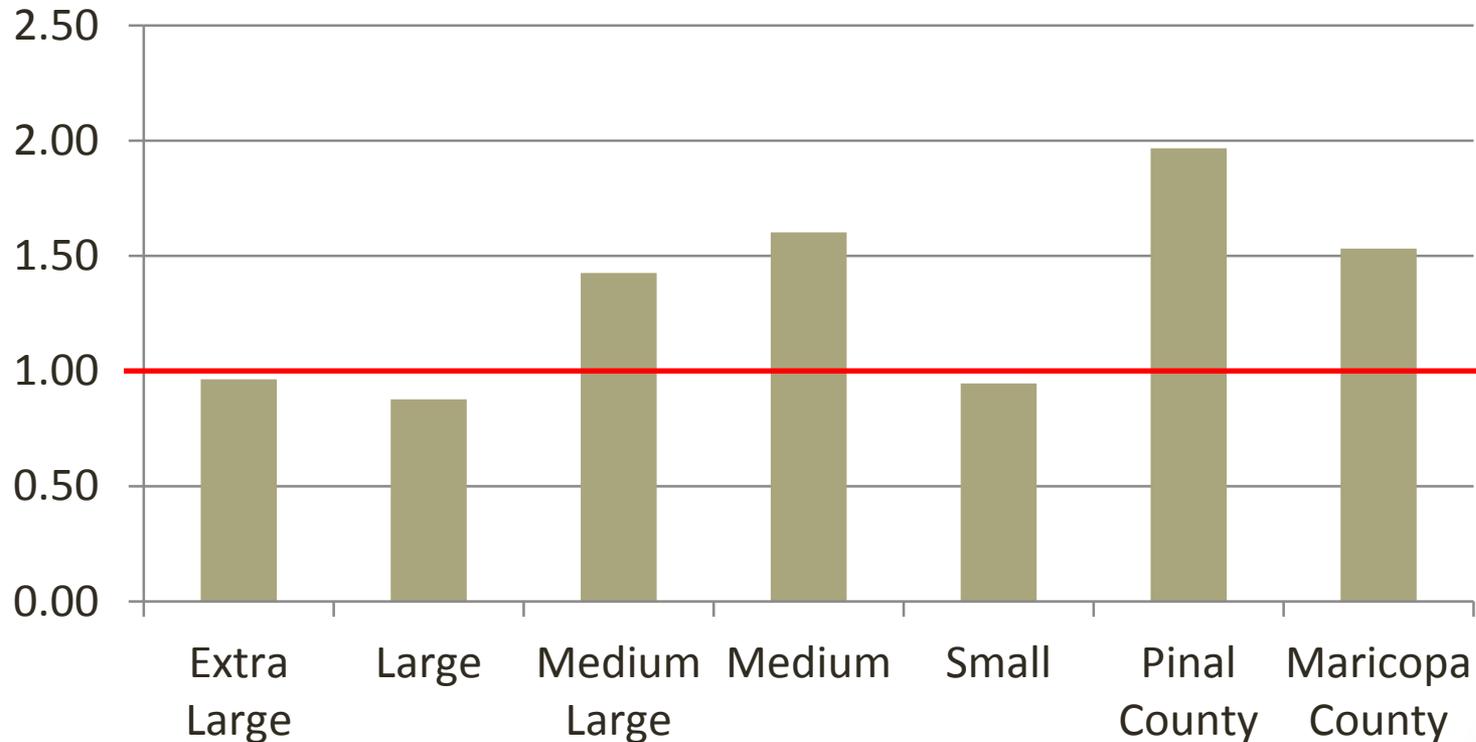
- Measure costs and benefits of specific projects or small area plans or entire general plan land use
- Relate development issues to the underlying fiscal structure
- Identify potential future shortfalls that need be addressed
- More clearly direct economic development objectives

Analysis of Land Uses

- Used fiscal model to analyze the impacts of one acre of various land uses in each member agency
 - Office, industrial, retail
 - Five residential densities
- Results shown here are grouped by size of community
- Detailed results by community are included in the report

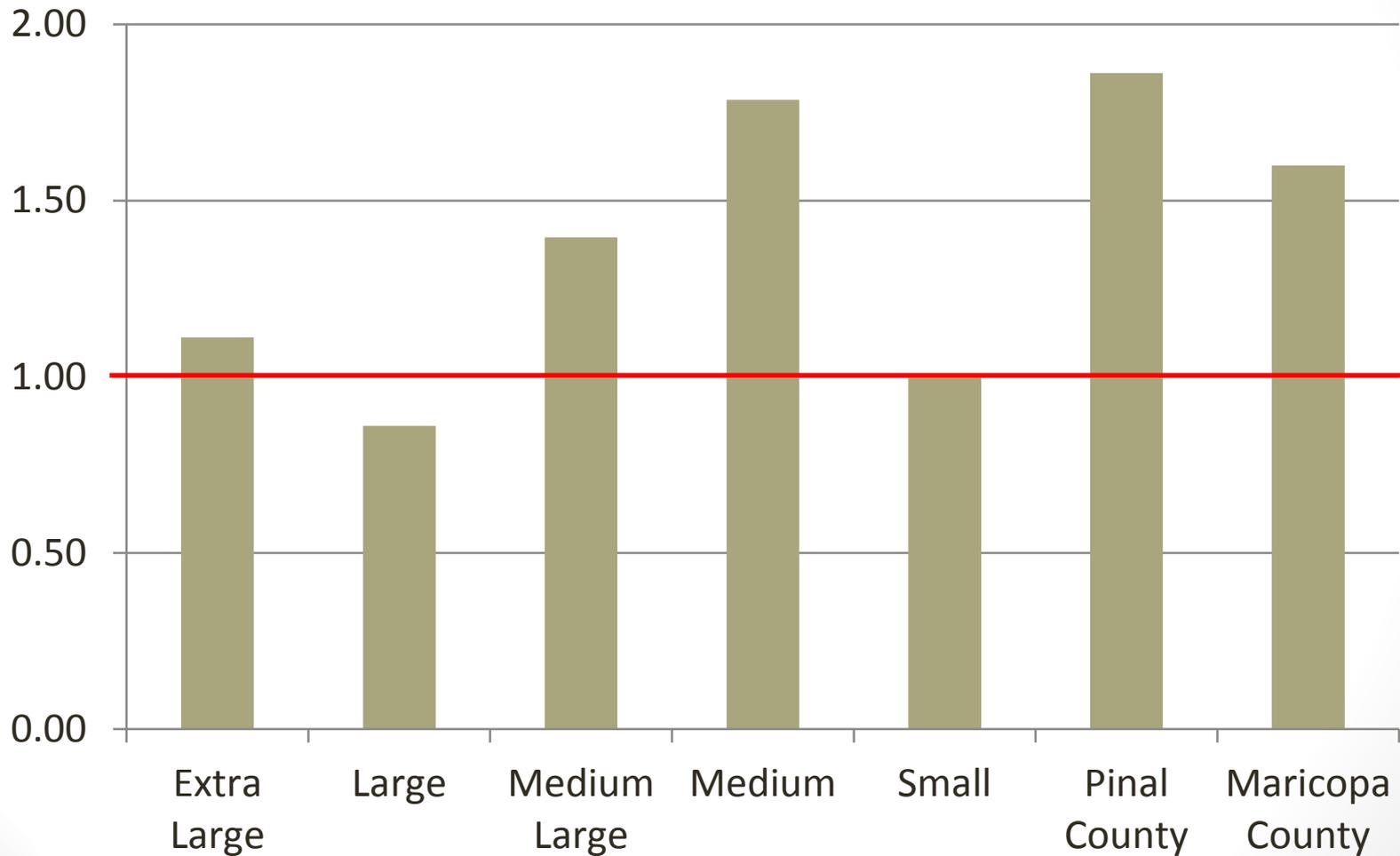
Industrial Impacts

Ratio of Revenues to Expenditures



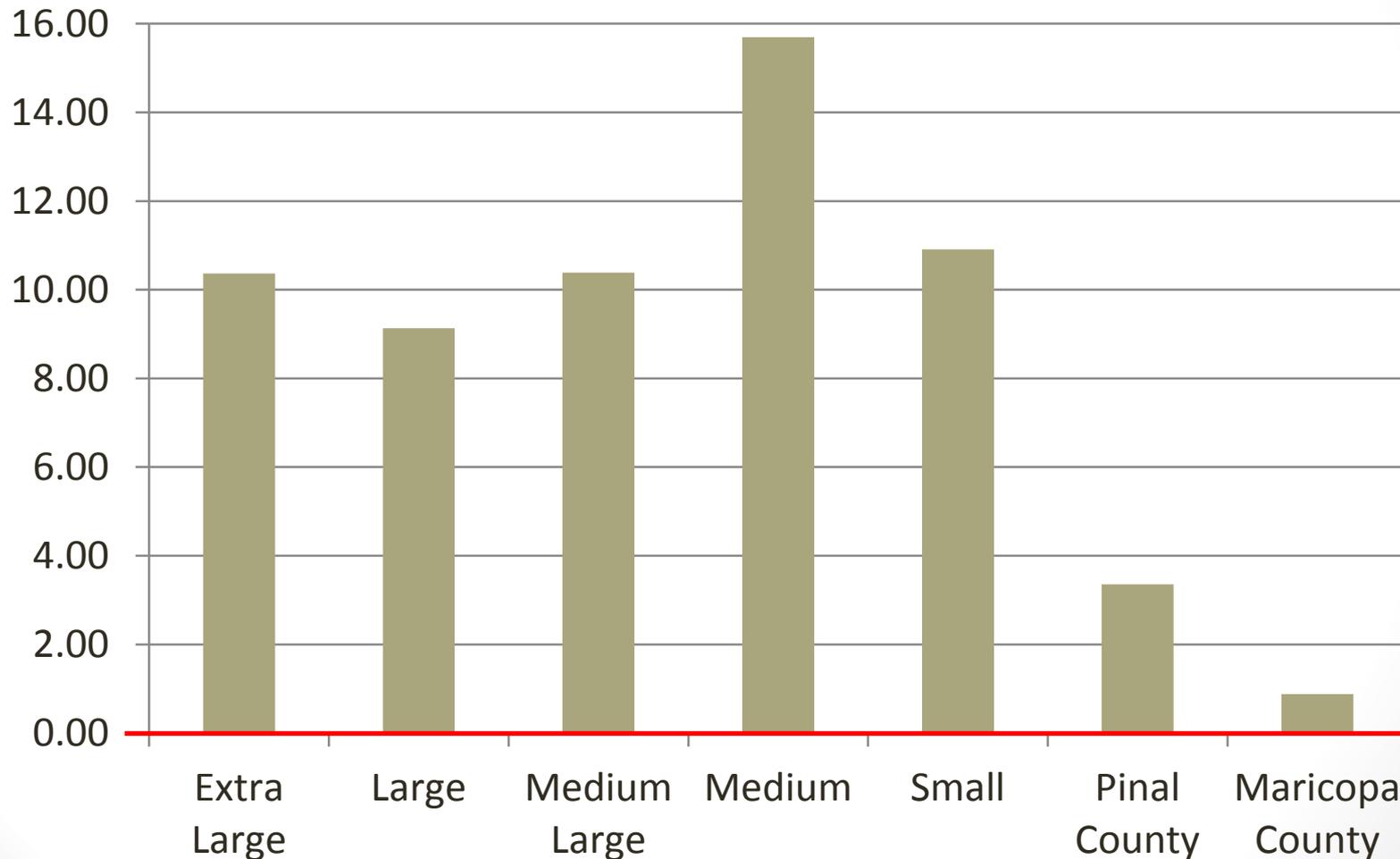
Office Impacts

Ratio of Revenues to Expenditures



Retail Impacts

Ratio of Revenues to Expenditures

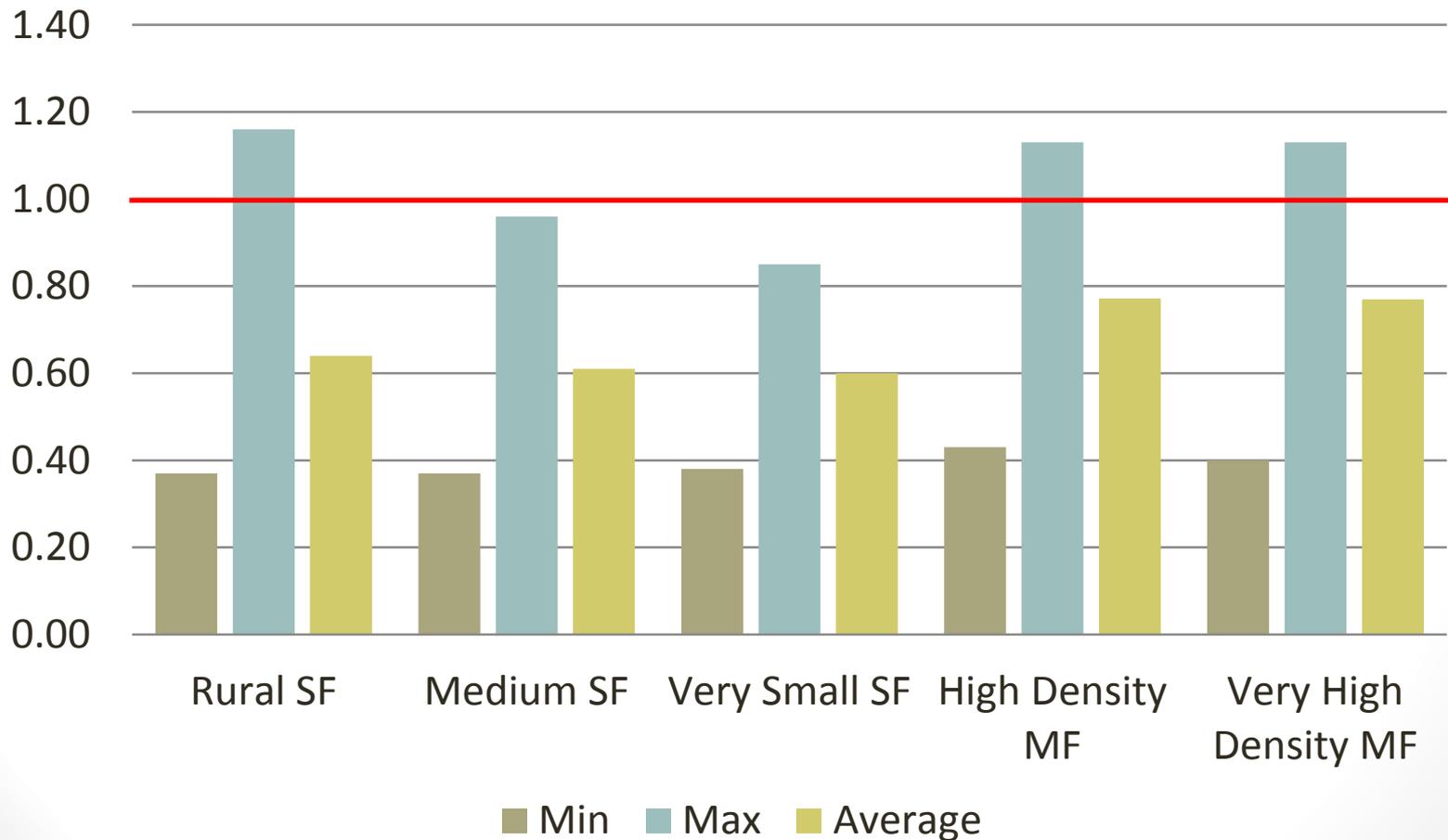


Key Factors in Fiscal Results

- Type and mix of land uses
- Local revenue structure
- Characteristics of development
 - Density (both for square footage and population/employment)
 - Value of land and improvements
 - Taxable sales or leases
 - Level of service and range of services provided
 - Level of government (city vs. county)
 - Development timing

Residential Impacts

Ratio of Revenues to Expenditures



Issues for Further Study

- While the model measures the impacts of different land uses, it does not account for the market feasibility of future land use plans
- Fiscal model is based on average expenditure levels for city size groups but in reality there are differences between cities of similar sizes and development stages that are not captured in a regional model
- Cities in a metro area do not function in isolation from a development perspective. While retail development alone does not create a healthy economy, it is fiscally sustainable as long as there are residents and job opportunities nearby to support it.

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Additional Information

Nonresidential Pro-Formas

Characteristics	Office	Retail	Industrial
Square Feet	15,769	8,708	11,602
Employment	60	16	12
Construction Cost	\$1,800,315	\$685,949	\$729,044
Taxable Sales	\$0	\$1,702,628	\$0

Residential Pro-Formas

Characteristics	Single Family			Multi-Family	
	Rural Residential	Medium Lot Residential	Small Lot Residential	High Density	Very High Density
Housing Units	0.2	4	8	12	34
Population	1.4 to 4.0	2.2 to 5.0	2.1 to 4.7	1.8 to 2.5	1.7 to 2.4
Square Feet	2,800 per unit	2,200 per unit	1,200 per unit	1,000 per unit	800 per unit
Construction Cost	\$46,166	\$749,593	\$745,536	\$1,210,680	\$2,960,992

Jurisdiction	Population	Employment	FTE City Staff
Extra Large			
Phoenix	1,449,242	789,760	15,000
Large			
Mesa	439,929	171,720	3,491
Glendale	227,217	86,160	1,966
Scottsdale	217,365	175,200	2,455
Chandler	236,687	120,840	1,588
Gilbert	209,048	81,300	1,188
Medium Large			
Tempe	161,974	179,560	1,797
Surprise	117,688	22,640	769
Peoria	154,164	45,240	1,101
Medium			
Avondale	76,468	16,720	484
Buckeye	51,019	16,080	339
Goodyear	65,404	28,660	505
Fountain Hills	22,444	5,900	58
El Mirage	31,911	4,620	160
Apache Junction	35,828	6,435	241
Florence	25,537	8,862	252
Maricopa	43,598	3,649	216
Queen Creek	26,448	7,260	159
Small			
Paradise Valley	12,810	4,700	76
Guadalupe	5,540	1,020	45
Wickenburg	6,353	3,860	86
Tolleson	6,573	11,280	168
Litchfield Park	5,467	2,240	31
Cave Creek	5,005	2,000	38
Youngtown	6,154	1,380	18
Carefree	3,358	1,500	14
Gila Bend	1,932	940	23
Pinal County	389,192	44,197	2,217
Maricopa County	3,884,705	1,706,300	15,118