



Proposed update to the 2014 Cost of Land Use Fiscal Impact Analysis

To: Davidson Board of Commissioners
From: Kim Fleming, Economic Development Manager
Date: July 23, 2019
Re: Proposed update to the 2014 Cost of Land Use Fiscal Impact Analysis

1. OVERVIEW

The Town of Davidson contracted with the TischlerBise in 2014 to develop the Cost of Land Use Fiscal Impact Analysis. A fiscal impact evaluation analyzes revenue generation and operating and capital costs to a jurisdiction associated with the provision of public services and facilities to serve development. A fiscal impact analysis is different from an economic impact analysis in that a fiscal impact analysis projects cash flow to the public sector while an economic impact analysis projects the cash flow to the private sector, measured in income, jobs, output, etc.

We would like to update the fiscal impact analysis for the Town of Davidson as there have been significant changes in our cost to serve development, such as the addition of Fire Station No. 2. Revenue estimates have also changed due to the recent countywide revaluation. It is also best practice to update this study every 5 years. Please see the attached scoping document for details of proposal.

2. RELATED TOWN GOALS

List core value(s):

Citizens entrust town government with the stewardship of public funds, so government will provide high quality services at a reasonable cost.

3. OPTIONS/PROS & CONS

- Approving now will help sync this study with the Comprehensive Plan.
- The fiscal impact analysis helps all departments to analyze cost structure and future demands for service.

4. FYI or RECOMMENDED ACTION

Recommended action – vote to approve budget amendment for additional \$25,000 from fund balance in addition to the allocated \$20,000.

5. NEXT STEPS

Project will take 3 months to complete.