

Think

Plan

Act

Cape Elizabeth Fiscal Impact of Open Space



Purposes of the Project:

1. “quantifying the cost for services and revenues of land if it is developed versus being left undeveloped.” (RFP, p. 1)
2. “provide a methodology for modifying the analysis to determine the costs and benefits of other development options that may be considered in the future.” (RFP, p. 2)

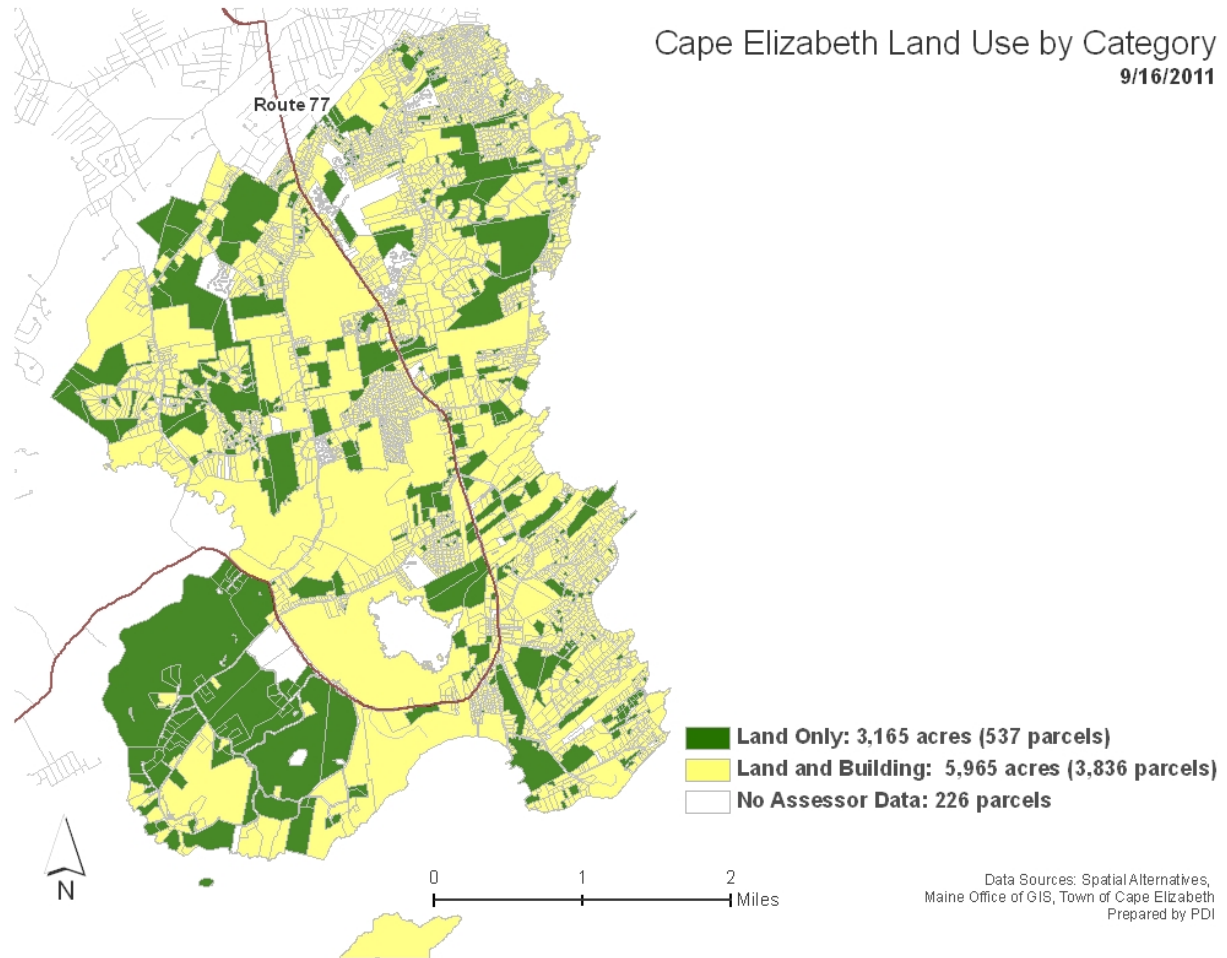


Methodology 1

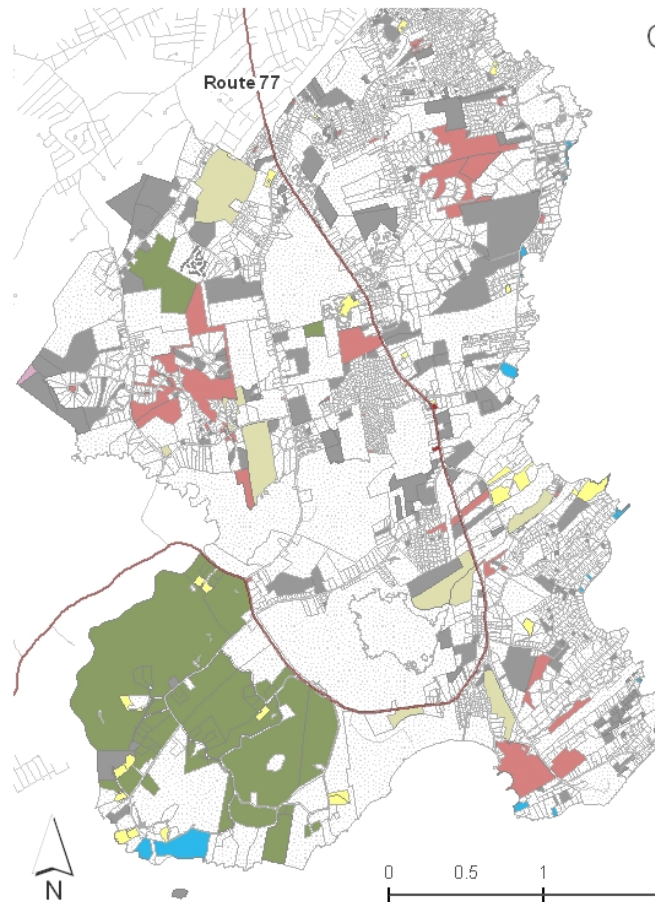
Gather Current Data:

1. What is current distribution of land in Cape Elizabeth by category of use?
2. What has been the pattern of municipal spending in Cape Elizabeth by function?
3. What link can be made between spending and land use category?

Gather Current Data 1: Land Only vs. Land & Building



Gather Current Data 1: Current Land Use by Type



Cape Elizabeth Land Use by Category
"Land Only" Detailed Use
9/20/2011

■	Vacant Lot: 1,206 acres (362 parcels)
■	Residential: 224 acres (38 parcels)
■	Commercial: 1.7 acres (2 parcels)
■	Vacant Shore: 47 acres (19 parcels)
■	Tree Growth: 1,066 acres (44 parcels)
■	Farm/Agriculture: 197 acres (9 parcels)
■	Utilities: 20 acres (4 parcels)
■	Exempt: 404 acres (59 parcels)
■	Land and Buildings or No Data

Data Sources: Spatial Alternatives,
Maine Office of GIS, Town of Cape
Elizabeth
Prepared by PDI



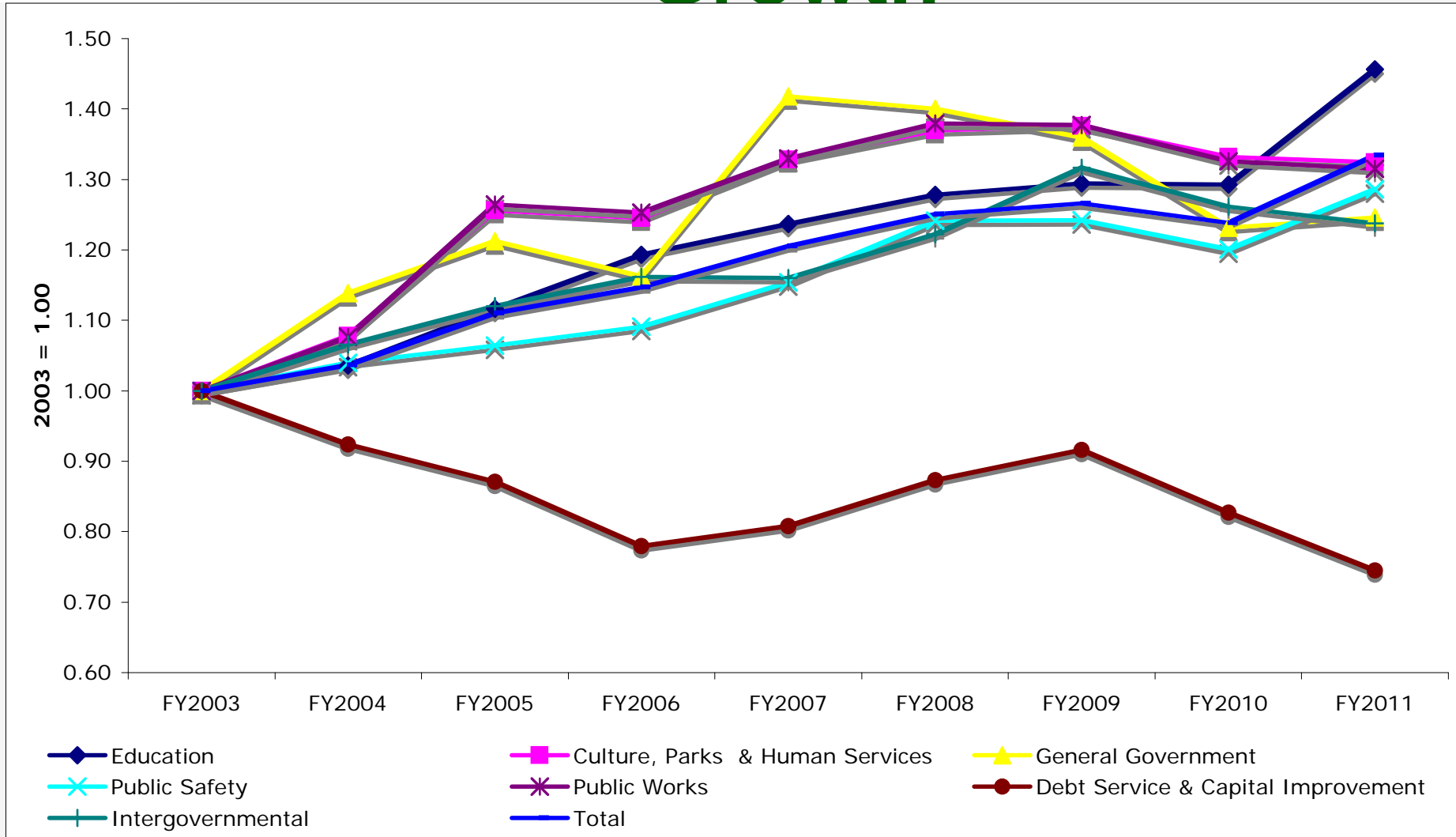
Gather Current Data 2: Spending by Function

Function	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
Education	\$14,568,738	\$15,095,013	\$16,265,351	\$17,384,139	\$18,019,154	\$18,624,631	\$18,858,306	\$18,833,280	\$21,210,866
Culture, Parks & Human Services	\$1,493,723	\$1,610,083	\$1,875,607	\$1,859,906	\$1,983,632	\$2,046,023	\$2,055,290	\$1,989,464	\$1,978,466
General Government (2)	\$1,309,952	\$1,491,215	\$1,588,426	\$1,522,570	\$1,857,508	\$1,834,384	\$1,781,450	\$1,613,346	\$1,632,395
Public Safety	\$1,600,690	\$1,663,738	\$1,702,903	\$1,746,619	\$1,847,109	\$1,986,922	\$1,988,131	\$1,921,662	\$2,057,887
Public Works	\$1,464,232	\$1,576,613	\$1,851,356	\$1,834,073	\$1,946,448	\$2,020,190	\$2,016,575	\$1,941,627	\$1,925,984
Debt Service & Capital Improvement (3)	\$2,475,468	\$2,286,074	\$2,155,246	\$1,930,354	\$2,000,699	\$2,160,693	\$2,268,449	\$2,047,707	\$1,843,862
Intergovernmental	\$782,596	\$833,973	\$876,464	\$908,923	\$907,928	\$956,430	\$1,030,500	\$987,445	\$968,416
Total	\$23,695,399	\$24,556,709	\$26,315,353	\$27,186,584	\$28,562,478	\$29,629,273	\$29,998,701	\$29,334,531	\$31,617,876
Total Enrollment	1,779	1,807	1,828	1,847	1,801	1,780	1,748	1,710	1,695
Total Households	3,559	3,581	3,597	3,601	3,606	3,612	3,622	3,622	3,620
Cml/Agric Val								\$42,564,200	

- (1) Benefit Payments are subtracted from Other Expenditures & Transfers and allocated to each functional department based on base payroll.
- (2) Includes adjusted Other Expenditures & Transfers. One time "other payment" of bond refinancing in FY2010 is excluded.
- (3) 3-year moving average; includes "facilities" category in 2011.



Gather Current Data 2: Patterns of Spending Growth





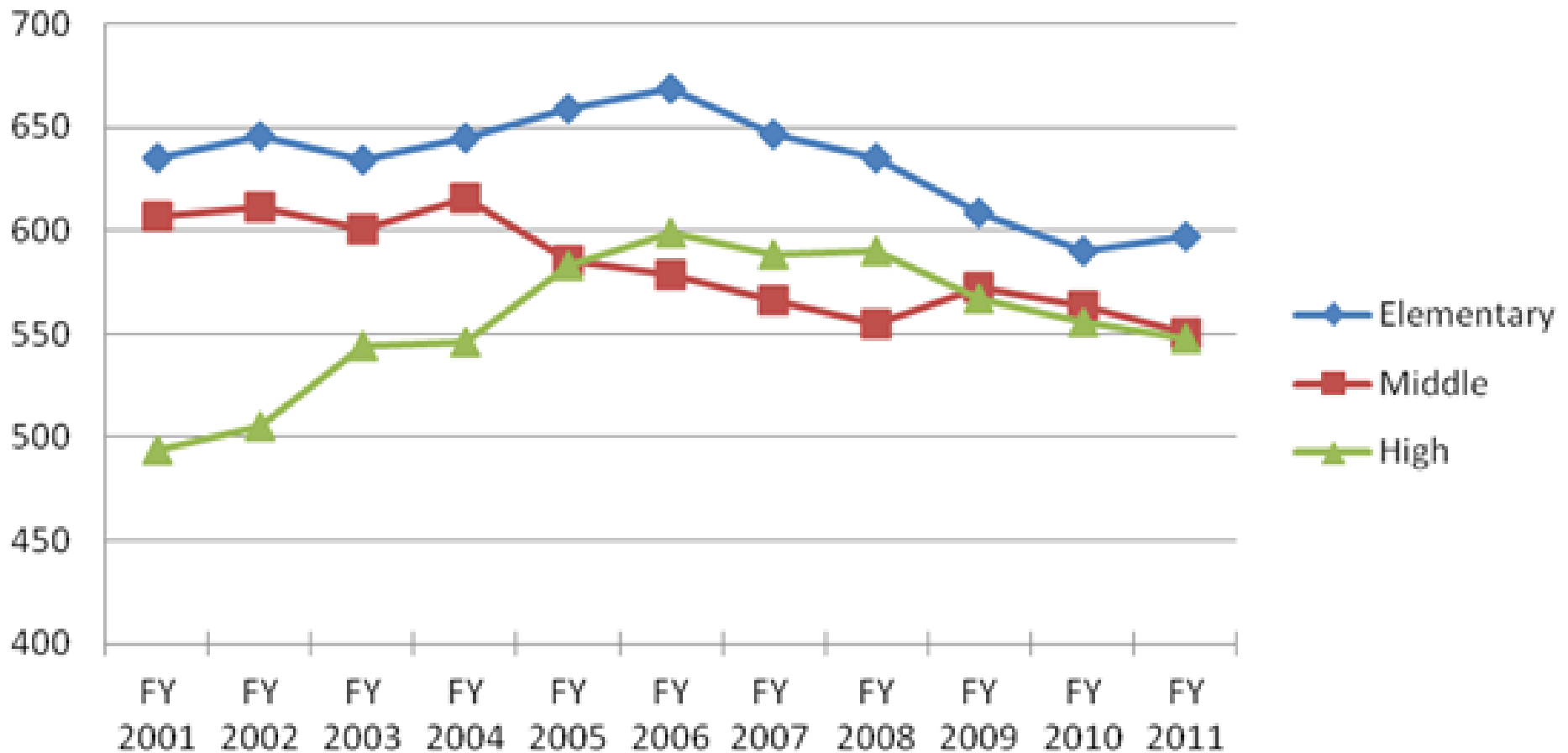
Identify Drivers of Spending

1. Assume education spending is driven by enrollment;
2. Assume culture/parks/human services is driven by number of households (HH);
3. Assume general government, public safety, public works, intergovernmental, capital spending and debt service are driven:
 - a. 97% by number of households (HH);
 - b. 3% by \$ million cml./ind. valuation.



School Enrollment

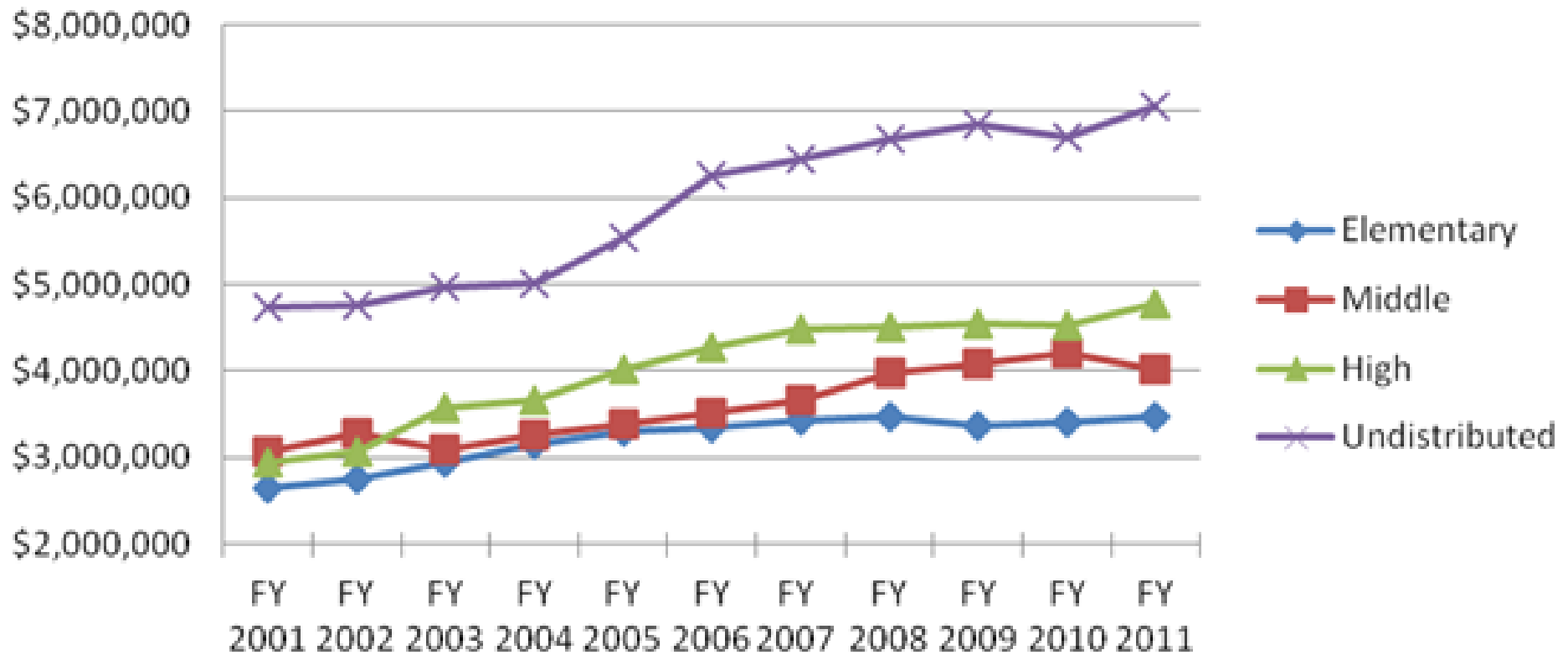
School Enrollment: 2001-2011





School Spending

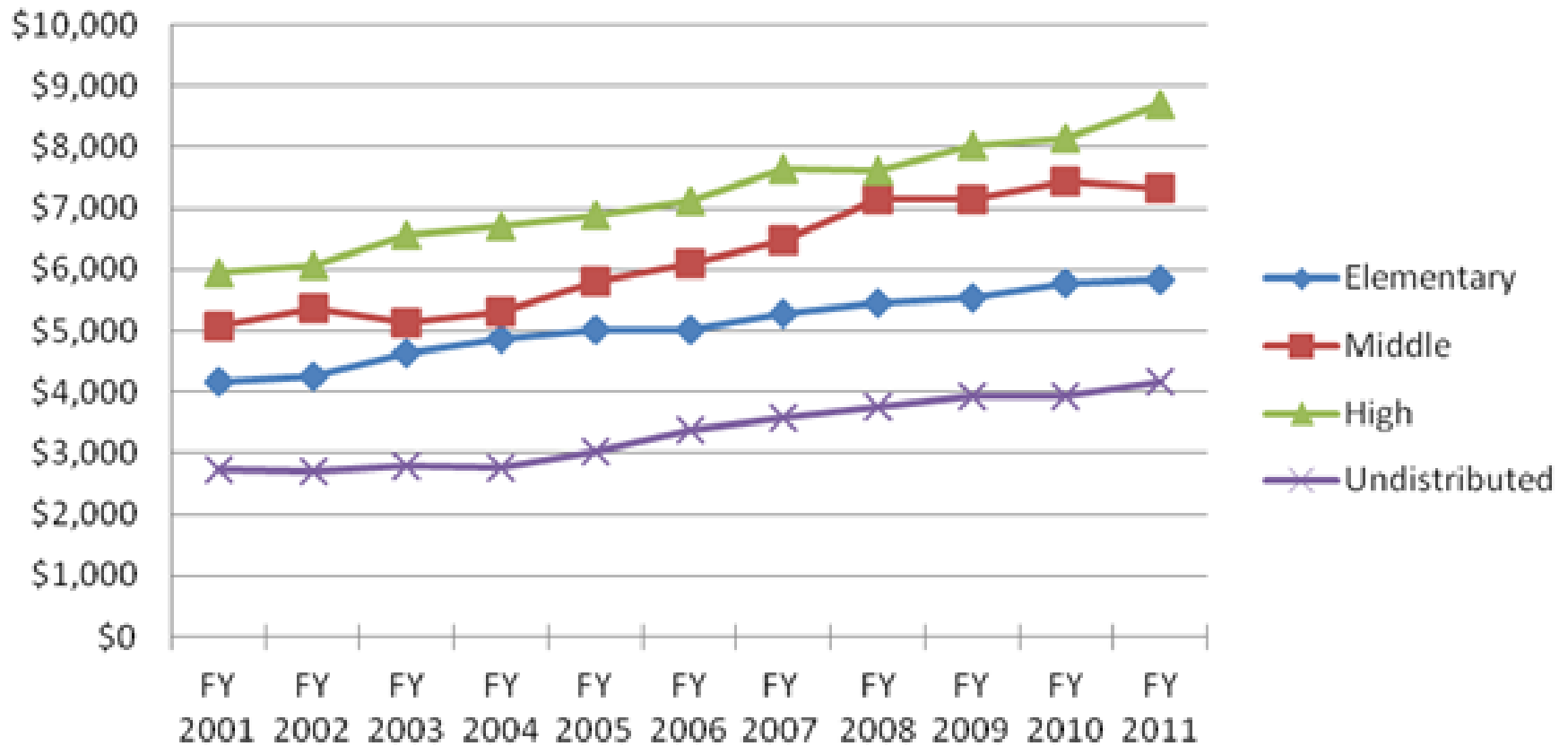
Spending by School Type: 2001-2011





School Spending per Student

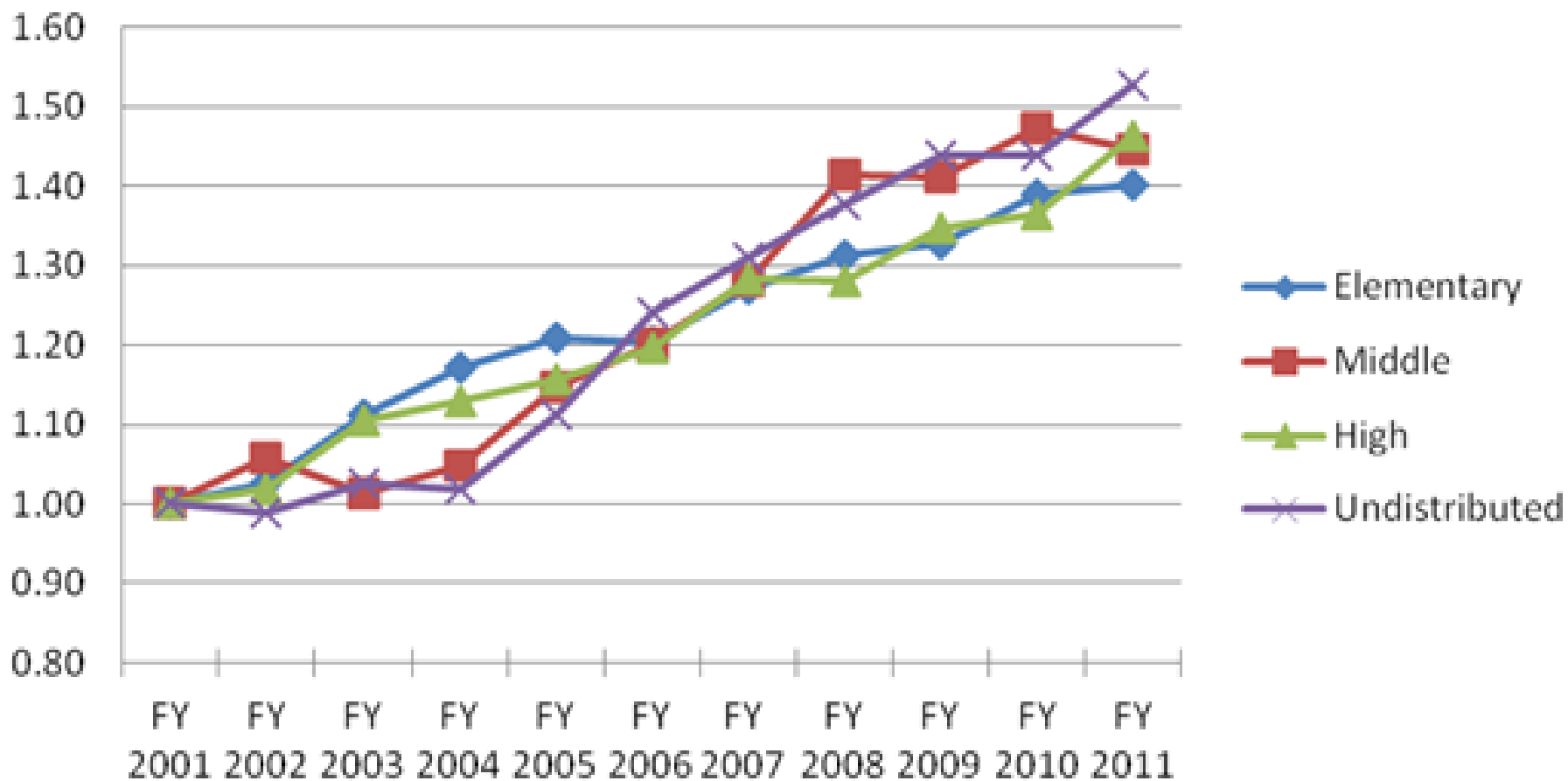
Spending Per Student: 2001-2011





Relative Spending per Student FY01 = 1.00

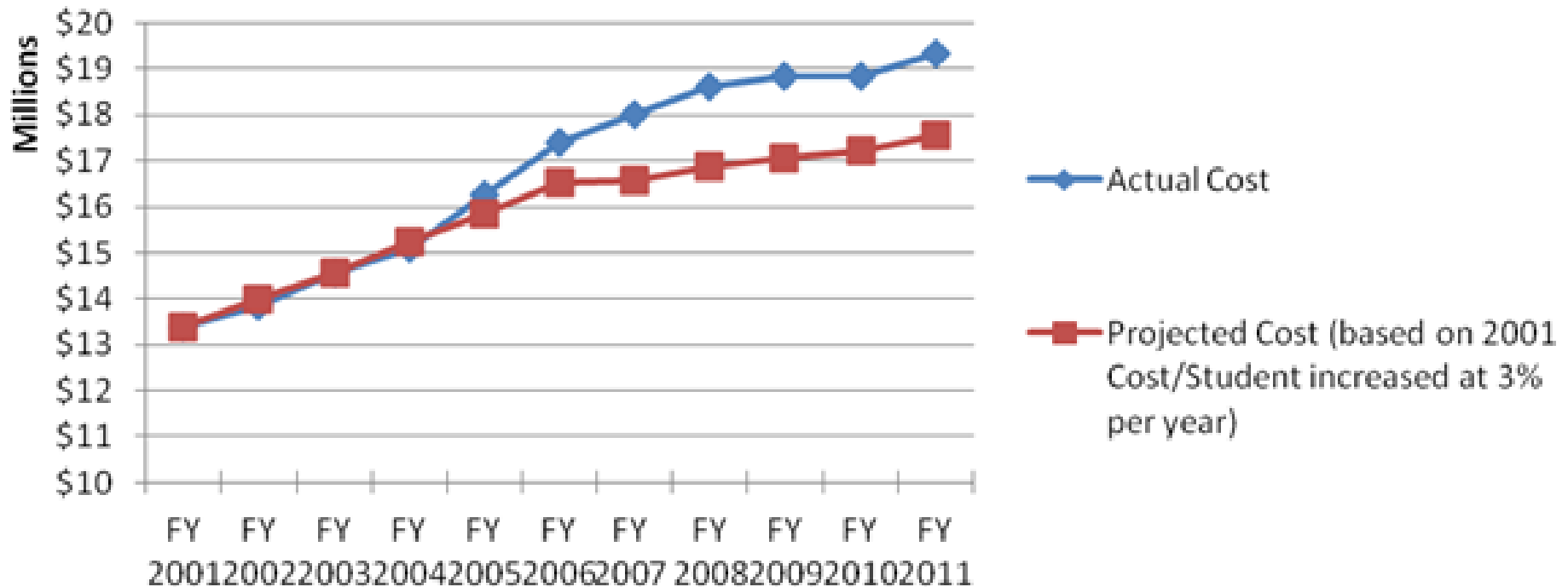
Indexed Cost Per Student: 2001-2011





Cost Estimating

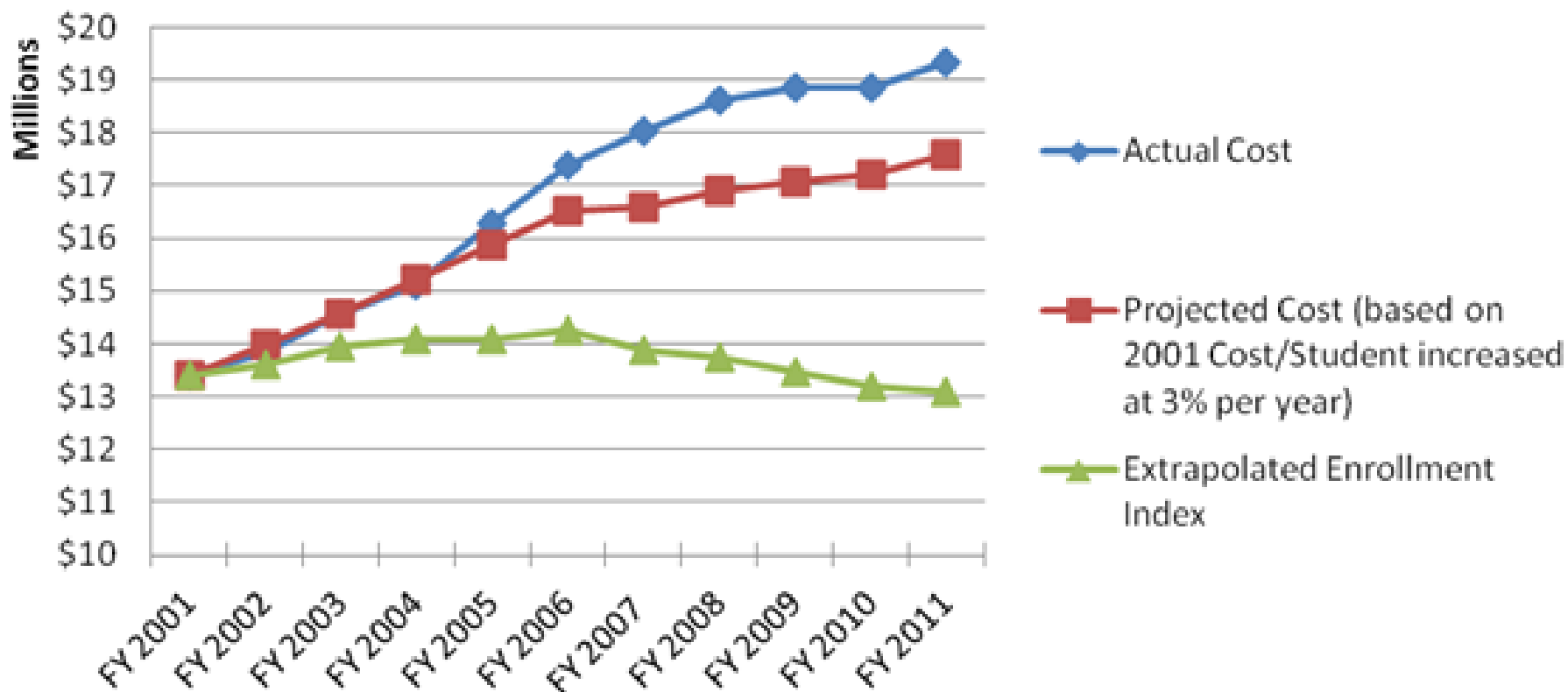
2001-2011 Education Costs: Projected vs. Actual





Avg. vs. Marginal Cost

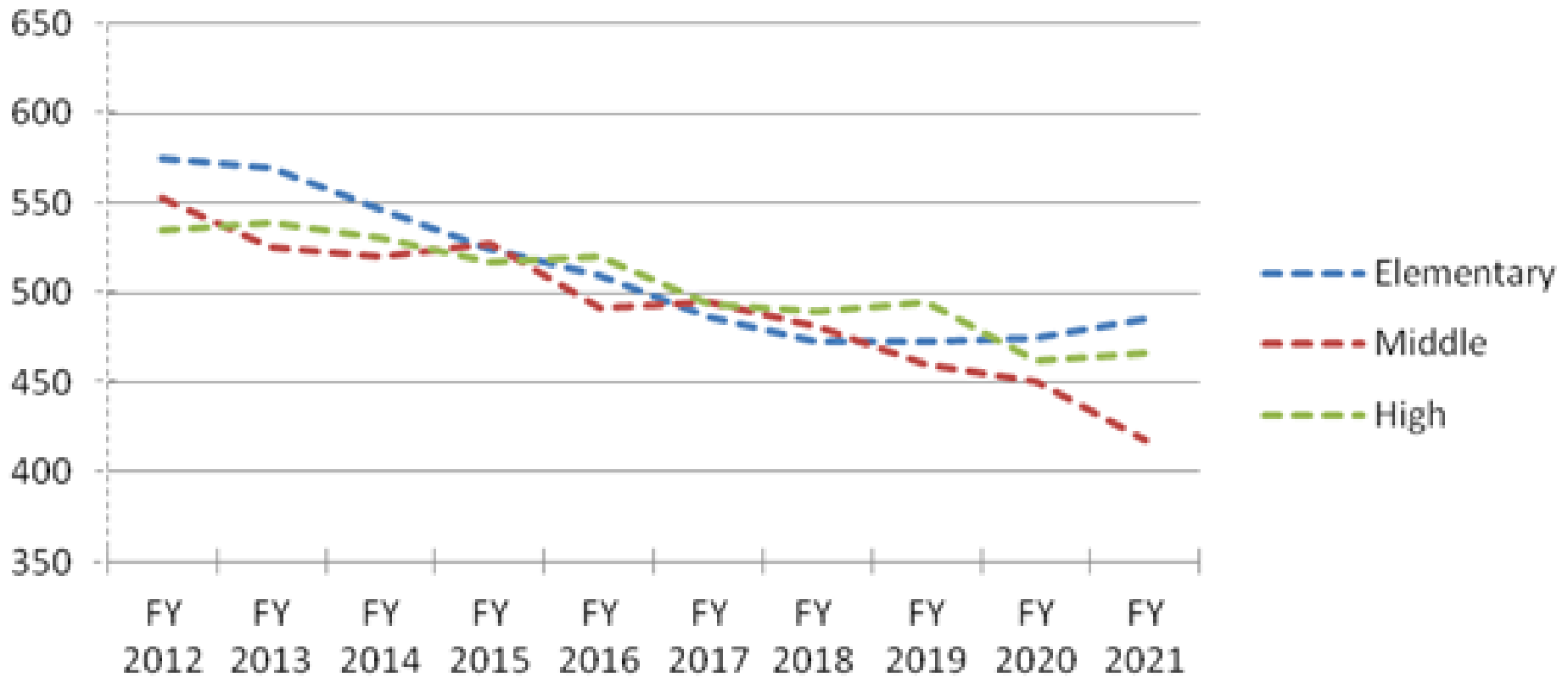
2001-2011 Education Costs: Projected vs. Actual





Projected Enrollment

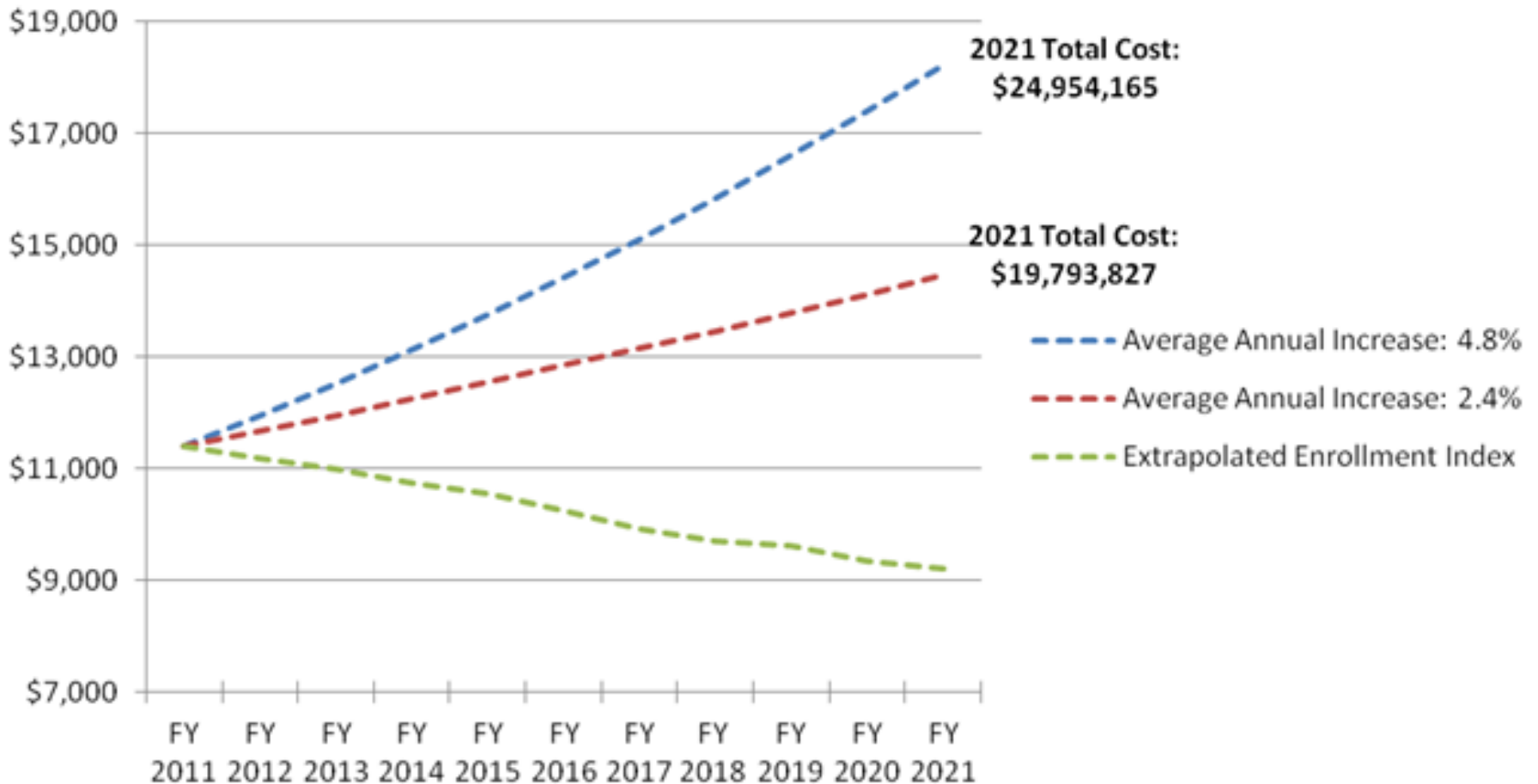
Projected Enrollment: 2012-2021





Projected Education Spending

Projected Cost Per Student: 2011-2021





Gather Current Data 2: Spending by Function

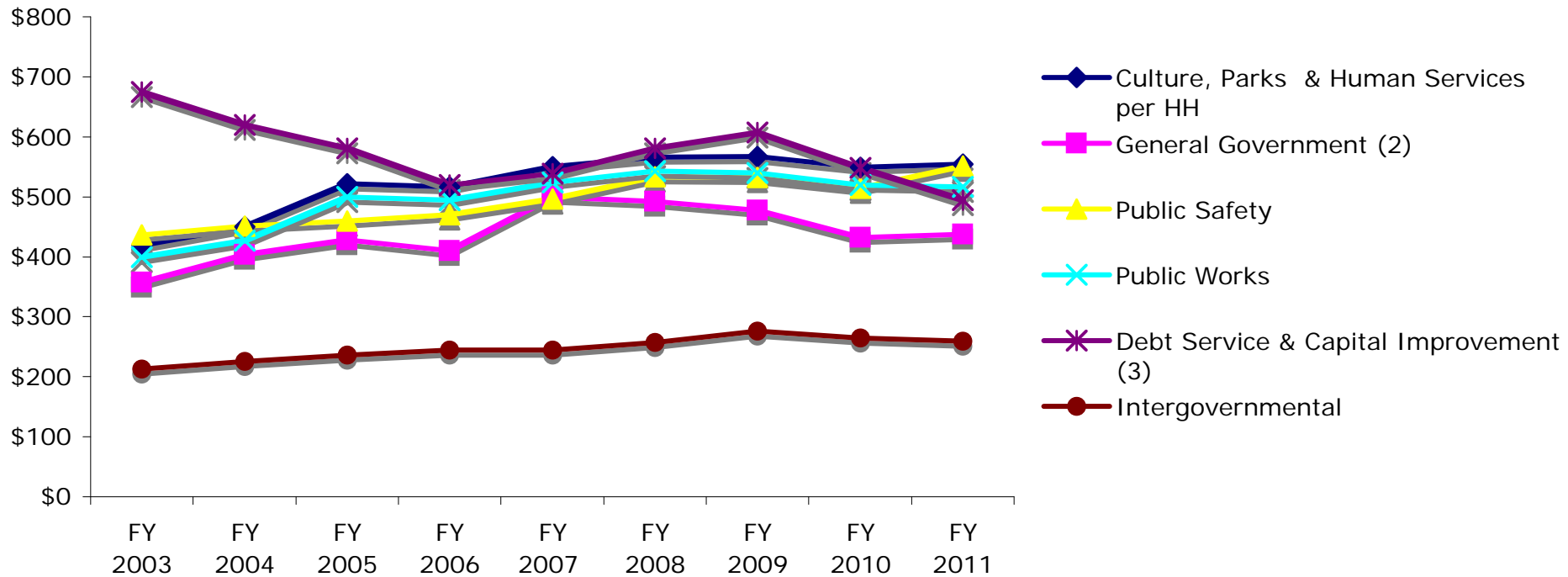
Function	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
Education	\$14,568,738	\$15,095,013	\$16,265,351	\$17,384,139	\$18,019,154	\$18,624,631	\$18,858,306	\$18,833,280	\$21,210,866
Culture, Parks & Human Services	\$1,493,723	\$1,610,083	\$1,875,607	\$1,859,906	\$1,983,632	\$2,046,023	\$2,055,290	\$1,989,464	\$1,978,466
General Government (2)	\$1,309,952	\$1,491,215	\$1,588,426	\$1,522,570	\$1,857,508	\$1,834,384	\$1,781,450	\$1,613,346	\$1,632,395
Public Safety	\$1,600,690	\$1,663,738	\$1,702,903	\$1,746,619	\$1,847,109	\$1,986,922	\$1,988,131	\$1,921,662	\$2,057,887
Public Works	\$1,464,232	\$1,576,613	\$1,851,356	\$1,834,073	\$1,946,448	\$2,020,190	\$2,016,575	\$1,941,627	\$1,925,984
Debt Service & Capital Improvement (3)	\$2,475,468	\$2,286,074	\$2,155,246	\$1,930,354	\$2,000,699	\$2,160,693	\$2,268,449	\$2,047,707	\$1,843,862
Intergovernmental	\$782,596	\$833,973	\$876,464	\$908,923	\$907,928	\$956,430	\$1,030,500	\$987,445	\$968,416
Total	\$23,695,399	\$24,556,709	\$26,315,353	\$27,186,584	\$28,562,478	\$29,629,273	\$29,998,701	\$29,334,531	\$31,617,876
Total Enrollment	1,779	1,807	1,828	1,847	1,801	1,780	1,748	1,710	1,695
Total Households	3,559	3,581	3,597	3,601	3,606	3,612	3,622	3,622	3,620
Cml/Agric Val								\$42,564,200	

- (1) Benefit Payments are subtracted from Other Expenditures & Transfers and allocated to each functional department based on base payroll.
- (2) Includes adjusted Other Expenditures & Transfers. One time "other payment" of bond refinancing in FY2010 is excluded.
- (3) 3-year moving average; includes "facilities" category in 2011.



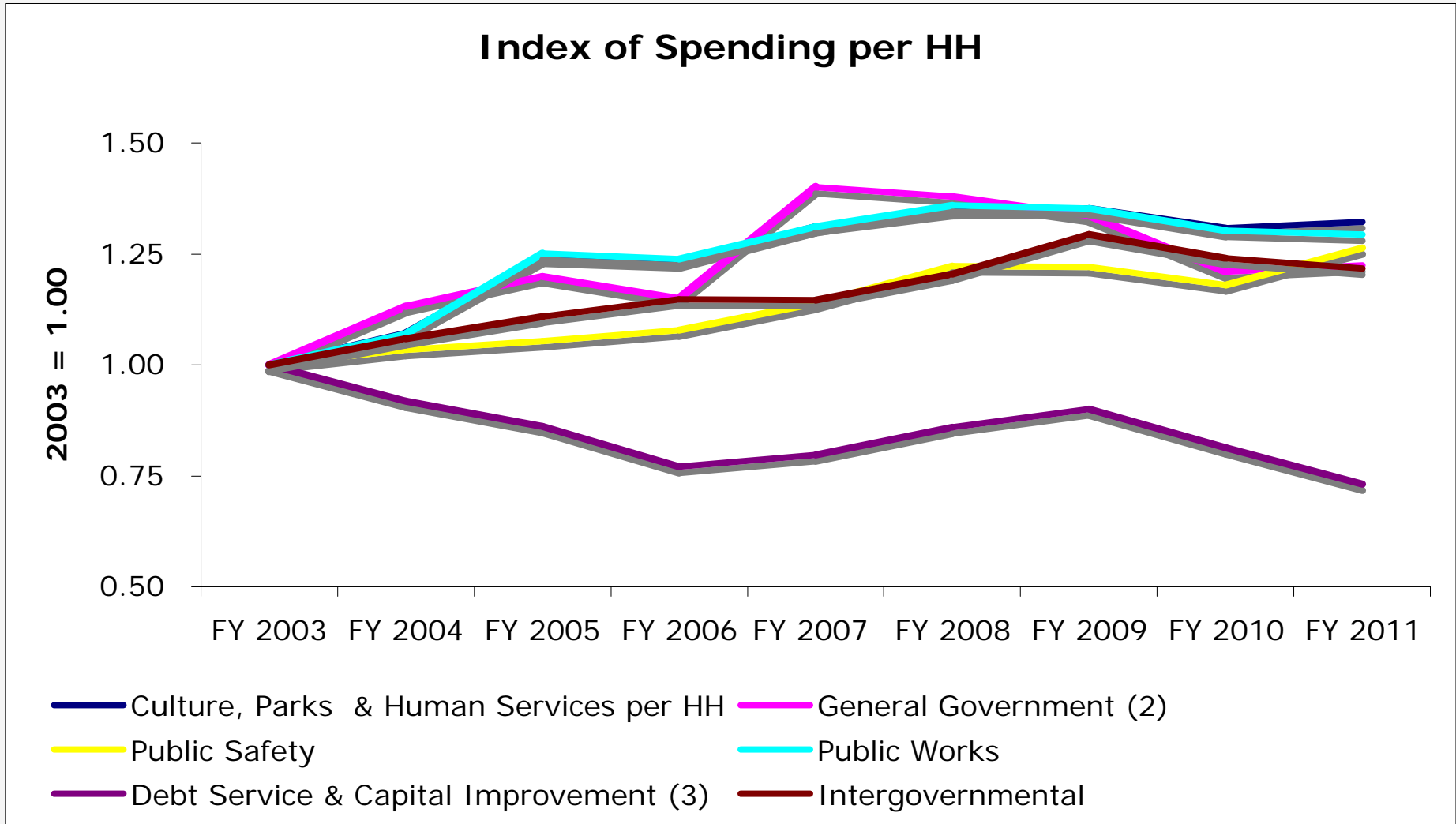
Municipal Spending

Cost per HH by Function





Relative Municipal Spending





Average Cost by Function

Function	FY10 per HH	FY10 per \$1 million NR Valuation
Culture, Parks & Human Services	\$549	n.a.
General Government	\$432	\$1,137
Public Safety	\$515	\$1,354
Public Works	\$520	\$1,368
Debt Service & Capital Improvement	\$548	\$1,443
Intergovernmental	\$264	\$696
Total	\$2,828	\$5,999



October Meeting: Next Steps, Land

1. What land does the committee hope to acquire for open space?
2. What use would town make of this land:
 - a. purely passive?
 - b. trails, parks, recreation?
 - c. other?
3. What costs would be associated with purchase and operation of chosen uses?



November Meeting: Next Steps, Fiscal

1. Refine average cost per HH by housing category and location.
2. Assess adequacy of current municipal capital stock.
3. Project spending “drivers”
 - a. households
 - b. students;
 - c. commercial property.
4. Will future marginal costs be above or below current average costs.



December Meeting: Final Report

1. Projected Baseline Municipal Revenues & Costs (business as usual);
2. Projected Municipal Revenues & Costs with open space purchases;
 - a. acquisition and operational costs of open space;
 - b. changes to revenue and expenses;
 - c. net fiscal impact.
3. Explanations of Methodology and Key Variables:
 - a. changes in spending drivers
 - b. average and marginal costs;
 - c. alternate uses of open space;
 - d. structure of educational program.



Questions & Discussion

