

# **Fiscal Impact Analysis**

Ashbourne Country Club  
Residential Development  
Cheltenham Township  
Montgomery County, Pennsylvania

Date: March 25, 2010

Prepared for: Matrix Development Group  
Forsgate Drive CN4000  
Cranbury, NJ 08512

Prepared by: Glackin Thomas Panzak  
Paoli Executive Green 1  
Suite 300  
41 Leopard Road  
Paoli, PA 19301  
610-408-9011

## CONTENTS

<b>INTRODUCTION.....</b>	<b>1</b>
<b>METHODOLOGY.....</b>	<b>1</b>
<b>DEMOGRAPHIC AND EMPLOYMENT PROJECTIONS.....</b>	<b>2</b>
RESIDENTIAL POPULATION OF THE DEVELOPMENT .....	3
CONSTRUCTION-RELATED EMPLOYMENT OPPORTUNITIES .....	4
<b>ASSESSMENT RATIOS AND TAX MILLAGE .....</b>	<b>4</b>
<b>PROJECT VALUATION.....</b>	<b>5</b>
<b>CHELTENHAM TOWNSHIP FISCAL IMPACT .....</b>	<b>5</b>
TOWNSHIP REVENUES .....	6
TOWNSHIP COSTS.....	10
TOWNSHIP IMPACT SUMMARY .....	11
<b>CHELTENHAM TOWNSHIP SCHOOL DISTRICT FISCAL IMPACT</b>	
<b>.....</b>	<b>12</b>
SCHOOL DISTRICT REVENUES .....	12
REAL ESTATE PROPERTY TAX.....	12
EARNED INCOME TAX (EIT) REVENUES TO CHELTENHAM TOWNSHIP SCHOOL	
DISTRICT .....	12
REAL ESTATE TRANSFER TAX REVENUES TO CHELTENHAM TOWNSHIP	
SCHOOL DISTRICT .....	13
SCHOOL DISTRICT COSTS.....	14
SCHOOL DISTRICT IMPACT SUMMARY .....	14
<b>CONCLUSION.....</b>	<b>15</b>

**Appendix A** – Alternative Scenario: Market-Rate Residential Development

**Appendix B** – Glackin Thomas Panzak, Inc. Resumes

## **Introduction**

The Matrix Development Group is proposing to redevelop the Ashbourne Country Club located in Cheltenham Township, Montgomery County, Pennsylvania. The development will consist of 240 age-restricted dwellings, configured as 195 single-family attached carriage homes and 45 single-family detached homes. A small retail/commercial element is also planned for possible future development on the site.

Glackin Thomas Panzak, Inc. has been asked to prepare a fiscal analysis of the proposed development to predict the likely financial costs and revenues to Cheltenham Township and the Cheltenham Township School District. This report also provides information on such topics as the projected number of new residents, construction jobs, tax impacts, and miscellaneous fiscal benefits that can be expected to result from the proposed development. For this report, we only modeled the impacts from the residential portion of the development. If the commercial element is eventually built, we expect it would likely impart an additional net positive fiscal impact; however, the measurement of such impact is outside the scope of this report.

## **Methodology**

The methodology used to perform this analysis is the *Preview* computer program, which was developed by Robert Burchell, David Listokin and William Dolphin of Rutgers University. The *Preview* program was published by the Urban Land Institute in [Development Impact Assessment Handbook](#)<sup>1</sup>, and uses a spreadsheet model to quantify economic, social, and fiscal impacts associated with land development. The *Preview* model provides an order-of-

magnitude assessment of the impact of development across multiple dimensions. The model assumes that the population increases and fiscal impacts represent new residents, new school aged children, new revenues, and new costs. This methodology is an industry-accepted standard, and is used by real estate professionals, municipal officials, and various stakeholder groups to ascertain the fiscal and economic effects of land development on local government and other agencies that provide public services.

Revenues and expenditures are expressed in 2010 dollars, with no adjustment being made for the impact of inflation, appreciation, depreciation or changes in local property values. It is assumed that, as costs rise due to inflation and operating increases, corresponding enhancements in revenues will occur through the usual means of local government administration.

In calculating various revenue and expense projections, this report has utilized the Cheltenham Township Summary Operating and Capital Budgets, the School District of Cheltenham Township 2009-10 Budget, and assessed valuations as provided by the Montgomery County Board of Assessment.

## **Demographic and Employment Projections**

A key factor in determining the fiscal impact of a development is the demographic and employment profile of the project. The number of new residents, their ages, and the number of school-aged children likely to reside in a development, all influence potential new revenues and costs to a municipality or school district.

---

<sup>1</sup> Burchell, Robert W., David Listokin, et al. *Development Impact Assessment Handbook*. Washington, D.C.: ULI-the Urban Land Institute, 1994.

## Residential Population of the Development

For this analysis, we utilized demographic multipliers published in 2006 by the Rutgers University Center for Urban Policy Research, derived from the American Housing Survey of the U.S. Census. This source is based on surveys built housing in the Northeast region of the United States<sup>2</sup>. While this source is based on data from a larger geographic unit (i.e., the “Northeast”) rather than Pennsylvania specifically, its relatively narrow focus on age-restricted housing provides us with a very rational insight on the population dynamics of this unique housing type in this part of the country. There are no school-aged children projected to live in the proposed development, due to its age-restricted nature.

Table 1 summarizes the residential population characteristics of the proposed development.

**Table 1**

### **Projected Number of Residents**

Residential Units			Total Household Size		School-Age Children by Grade						Total School-Age Children
					K-6		Junior High School		High School		
Unit type	No. of Bedrooms	Total Units	Per Unit	Total Persons	Per Unit	Total K-6	Per Unit	Total JHS	Per Unit	Total HS	
<i>Age-Restricted Units</i>											
Carriage Home	3 BR	195	1.39	271	0.00	0	0.00	0	0.00	0	0
Single-Family	3 BR	45	1.57	71	0.00	0	0.00	0	0.00	0	0
<b>TOTAL, Age-Restricted</b>		<b>240</b>	-	<b>342</b>	-	<b>0</b>	-	<b>0</b>	-	<b>0</b>	<b>0</b>

<sup>2</sup> Listokin, David, et al. *New Jersey Demographic Multipliers: The Profile of Occupants of Residential and Nonresidential Development*. New Brunswick, New Jersey: Center for Urban Policy Research, Edward J. Bloustein School of Planning and Public Policy - Rutgers, the State University of New Jersey (2006).

## **Construction-Related Employment Opportunities**

While the purpose of this report is to predict annual direct fiscal impacts to the Township and School District of Cheltenham upon completion of the proposed development, it is important to note the interim indirect positive fiscal impacts regionally through the construction process. The *Preview* model addresses these impacts by approximating the development's impact on construction, manufacturing, trade, transportation and service job creation regionally, as well as the flows of disposable income into the surrounding community throughout the construction phase of the project as workers use local businesses for food, supplies and other services. Over the course of the construction of the proposed development, it is projected that approximately \$26,887,818 in wages and salaries will be inserted into the regional economy, with some of the disposable income generated through those wages positively impacting Cheltenham Township and surrounding communities. These construction-phase figures, while beneficial to the township, are not included in the annualized direct fiscal impacts presented throughout this report.

## **Assessment Ratios and Tax Millage**

In budget documents we used for this analysis, property assessments and associated tax rates were based on the current available Montgomery County common-level ratio, which is a mathematical coefficient that establishes assessed value as a ratio of market value (the common-level ratio is set annually by the Commonwealth's State Tax Equalization Board.) The 2009-2010 common-level ratio of 1.85 equalizes assessed values at 54.05% of the market value ( $1 \div 1.85 = .5405$ , also expressed as 54.05%.) Millage rates

were set according to the revenue needs of each taxing authority, and consequently, budgets were developed on this basis.

## Project Valuation

To determine future revenues and costs associated with this development, the assessed value of the project must be established. We have estimated the future value of the proposed development based on average projected sale price per residential unit. The proposed development overall will have a market value of approximately \$81,450,000. Applying the common-level ratio to the project's estimated market value results in a total assessed value of \$44,027,027 ( $81,450,000 \text{ market value} \times 54.05\% \text{ common-level ratio} = \$44,027,027 \text{ assessed value}$ ). Table 2 summarizes the project valuation figures.

**Table 2**

### Project Valuation

Use	Number of Units	Market Value per Unit	Total Value (Estimated)
<b><i>Age-Restricted Residential Units</i></b>			
Carriage home, 3-bedroom	195	\$330,000	\$ 64,350,000
Single-family detached, 3-bedroom	45	\$380,000	\$ 17,100,000
<b>TOTAL, Age-Restricted Residential</b>	<b>240</b>	<b>-</b>	<b>\$ 81,450,000</b>
<b>Total market value</b>			<b>\$ 81,450,000</b>
<b>Common-level ratio (assessment to market value ratio)</b>			<b>54.05%</b>
<b>Estimated assessed value (\$81,450,000 x 54.05%)</b>			<b>\$ 44,027,027</b>

## Cheltenham Township Fiscal Impact

Based on the estimates of the project's assessed value, population demographics, and taxes and expenditures reported in the Cheltenham Township budget, we project that the proposed development will have a net positive annual fiscal impact to the Township of approximately \$210,887 at project completion.

Revenues from the proposed development will accrue primarily from the payment of real estate property tax, the Earned Income Tax (EIT), and real estate transfer tax. Other sources of revenue include licenses and permits, fines, interest earnings, and miscellaneous revenues. Costs associated with the development will include the cost of providing municipal services to the development at the same level that those services are provided throughout the Township today. In other words, if a certain amount of dollars are spent today on a per-resident basis to provide municipal services, it is assumed that that same amount of additional funds will be spent for every new resident in the proposed development. This is a conservative approach, in that there is not always a directly proportional cost increase for every new person added to the community from a new development.

### **Township Revenues**

The proposed development will contribute across the board to most of the revenue sources that currently fund the Township budget; for instance, the property owners will pay real estate taxes on an annual basis and transfer taxes, as properties change ownership over the years. They will also pay their proportionate share of building and other permits, fines, fees, licenses, etc. Furthermore, new residents will pay taxes on earned income under the EIT. Following is a more detailed breakdown of how the various funding sources are likely to provide new revenues to Cheltenham Township.

### **Preview Model Summary**

***Real Estate Tax revenues*** - Based on the current tax rate of 7.1413 mills and anticipated assessed values described earlier, The *Preview* model estimates that the proposed development will generate new real estate revenues to the Township totaling approximately \$314,410 per year at full build-out.

***Revenues from Non-Property Tax Sources and Intergovernmental Transfers*** - Using information about existing revenue sources from the Township's budget, the *Preview* model projects that the new development would generate an additional \$62,509 per year from non-property tax sources, such as licenses and permits, fines, interest, donations and contributions, and miscellaneous revenues. The *Preview* model further projects that Cheltenham Township could obtain an additional \$9,636 from intergovernmental sources, primarily in the form of county, state, and federal funds and grants.

### **Independent Revenue Calculations**

As mentioned previously, Cheltenham Township also collects revenues in the form of the Earned Income Tax (EIT) and real estate transfer taxes. In order to more accurately characterize the way that these sources contribute to Township revenues, we have supplemented the *Preview* model results with separate calculations.

***The Earned Income Tax (EIT)*** - This tax is levied on wages and salaries of Cheltenham Township residents at the rate of 1% on earned income. The proceeds from this tax are split evenly between the Township and School

District, resulting in an effective EIT rate for each taxing authority of 0.5% on earned income.

Estimating EIT revenues can be somewhat complicated in that it requires that the annual income characteristics of the future residents be understood. A general rule of thumb used by real estate and planning professionals is that housing price should not exceed 2.5 times annual household income. Using this guideline, we can estimate wage levels based on the estimated market values for residential units, as presented in Table 2 of this report (Project Valuation). Furthermore, some of those households might not be taxable under the EIT, since they will be occupied by householders who are retired from the workforce and not currently earning income. We account for these non-taxable households by assuming that only 50% of the units in the age-restricted portion of the development are eligible to pay the EIT. This assumption was made without regard for unit type, bedroom mix or any other physical or economic factor; e.g., we assumed that only 50% of all units of each type in the age-restricted residential development would be considered in the EIT calculation.

Guided by the foregoing residency, wage and salary assumptions, we can estimate EIT annual revenues for the Township from the new residents totaling approximately \$80,740 at the time of project completion.

***Real Estate Transfer Tax*** – This tax is levied at the rate of 0.5% by the Township on the sale price of real property at the time property is sold. We assume that the properties would experience a turnover rate of approximately 7.40% per year<sup>3</sup>. Furthermore, we assumed that each unit type would exhibit

---

<sup>3</sup> Turnover rate based on a study performed by the Chicago Title & Trust Co., published at <http://prnwire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/6-27-97/265895&EDATE=>

the same turnover frequency (e.g., that both carriage homes and single-family detached homes would change ownership at the rate of 7.40% per year.)

Guided by the foregoing value and rate of turnover (sales frequency) assumptions described herein, we can estimate annual transfer tax revenues for the Township from the proposed development totaling approximately \$30,137 at the time of project completion.

Table 3 on the next page summarizes anticipated Cheltenham Township revenues from the proposed development, by source.

**Table 3**

**Cheltenham Township  
Total Projected Annual Revenues from  
Proposed Development**

<b>Revenue Source</b>	<b>Estimated Revenues</b>
Real Estate Property Taxes (7.1413 mills)	\$ 314,410
Non-Property Tax Sources (includes licenses, permits, fines, fees, and miscellaneous sources)	\$ 62,509
Earned Income Tax (0.5% on wages)	\$ 80,740
Real Estate Transfer Tax (0.5% on selling price)	\$ 30,137
Intergovernmental Sources	\$ 9,636
<b>Total Development-Generated Annual Revenues</b>	<b>\$ 497,432</b>

**Township Costs**

Municipal costs associated with any new development include the additional time and equipment needed to provide the same level of services to new residents as are currently provided to existing property owners. Most residents Cheltenham Township utilize a certain amount of public services; in new developments, the additional population typically requires the same types of services. To project the level of cost to the Township associated with the proposed development, we have assumed that a portion of all costs incurred by the Township today would be attributable to the new development at levels similar to those being provided to the rest of the existing community. The exception to this assumption however, is that certain services within portions of the proposed development (such as snow plowing, road maintenance, and public works on the private streets and roads within the development) might be provided by private contractors instead of relying on the Township for these services. Hence, the proposed development/redevelopment would not incur

additional cost to the Township for these functions. However, in the interest of projecting a conservative cost estimate, this analysis does not adjust for potential cost savings related to services that might be provided by private contractors. Hence, it is likely that actual costs attributable to the proposed development could be lower than the costs projected in this study.

The Township's operating expenses are enumerated in the General Fund. The following functional areas comprise the majority of budgeted expenditures: Protection to Persons and Property (32% of total expenditures); Miscellaneous Expenses (27%); Highways and Sanitation (19%); Debt Service (7%); Recreation (5.8%) General Government (5.7%) and Libraries (3.8%).

Based on the general fund expenditures in the Cheltenham Township Budget, the *Preview* program has projected future costs to the Township totaling \$286,554 per year at project completion. These costs were determined by the *Preview* model based on current per capita expenditures, assuming that the development will utilize municipal services at a similar rate as the existing residential population of the Township. In calculating the per capita expenditure value, the *Preview* model accounts for the fact that costs are divided differently among serving both residential and non-residential portions of the Township. The model differentiates costs between residential and non-residential land uses based on the actual existing mix of residential and non-residential parcels in the Township, and adjusts relative expenditure values accordingly. For the purposes of this analysis, the *Preview* model estimates residential costs at a per capita rate of approximately \$838.

### **Township Impact Summary**

With estimated annual costs of \$286,554 and estimated annual revenues of \$497,432, the net fiscal impact to the Township associated with

the proposed development is projected to be positive, at \$210,878 per year at the time of project completion.

## **Cheltenham Township School District Fiscal Impact**

Based on the estimates of the project's assessed value, taxes, new school-aged children, and expenditures reported in the Cheltenham Township School District 2009-2010 Budget, we project that the proposed development will have a net positive annual fiscal impact to the School District totaling approximately \$1,838,498 at project completion.

The tax burden in Pennsylvania communities is a product of federal, state, county and local tax policies. At the local level, both the municipal government and the local school board impose real estate taxes on the residents and businesses in the community. In Cheltenham Township, as in most communities, the real estate tax burden is significantly higher for the school district than the local government.

### **School District Revenues**

#### **Real Estate Property Tax**

The Cheltenham Township School District millage rate for 2009-2010 was set at 39.24 mills. With assessed values described earlier in this report, we can estimate that annual real estate taxes from the proposed development to the Cheltenham Township School District will be approximately \$1,727,621.

#### **Earned Income Tax (EIT) Revenues to Cheltenham Township School District**

Like the Township, the School District also levies the Earned Income Tax at the rate of 0.5% on earned income of residents who are eligible to pay the tax. Using the same assumptions about residency and household income that we employed in the calculations for Township revenues from this tax source, we estimate that the School District could expect to realize approximately \$80,740 in Earned Income Tax revenues from the proposed development on an annual basis.

**Real Estate Transfer Tax Revenues to Cheltenham Township  
School District**

Like the Township, the School District also levies the Real Estate Transfer Tax at the rate of 0.5% on the selling price of properties when they are sold. Using the same assumptions about values and sales frequency that we employed in the calculations for Township revenues from this tax source, we estimate that the School District could expect to realize approximately \$30,137 in Transfer Tax revenues from the proposed development on an annual basis.

Table 4 on the next page summarizes the projected sources of revenue for the School District associated with the proposed development.

**Table 4**

---

**Cheltenham Township School District  
Total Projected Annual Revenues from  
Proposed Development**

<b>Revenue Source</b>	<b>Estimated Revenues</b>
Real Estate Property Taxes (39.24 mills)	\$ 1,727,621
Earned Income Tax (0.5% on wages)	\$ 80,740
Real Estate Transfer Tax (0.5% on selling price)	\$ 30,137
<b>Total Development-Generated Annual Revenues</b>	<b>\$ 1,838,498</b>

**School District Costs**

The proposed development will be age-restricted to residents over 55 years of age. There will not be any school-aged children residing in the proposed development, so it will not add any new students to the School District. Hence, there will not be any additional costs from the proposed development to offset the aforementioned projected revenues, resulting in substantial positive fiscal benefits to the School District.

**School District Impact Summary**

With estimated revenues of \$1,838,498 and no additional costs, the net fiscal impact to the School District associated with the proposed development is projected to be positive, at \$1,838,498 per year.

## Conclusion

The proposed development will have a fiscally positive impact on Cheltenham Township and the Cheltenham Township School District at project completion, with new revenues generated from taxes, non-tax sources, and intergovernmental sources exceeding costs incurred on an annual basis for each jurisdiction. Table 5 summarizes the overall net annual fiscal impacts to the Township and School District; Table 6 on the next page is a comprehensive summary of the unit types, values, revenues, and costs presented throughout this report.

**Table 5**

### Net Fiscal Impacts

	<b>Annual Revenues</b>	<b>Annual Costs</b>	<b>Net Fiscal Impact</b>
Cheltenham Township	\$ 497,432	\$ (286,554)	\$ <b>210,878</b>
Cheltenham Township School District	\$ 1,838,498	\$ -	\$ <b>1,838,498</b>
<b>Total</b>	<b>\$ 2,335,930</b>	<b>\$ (286,554)</b>	<b>\$ 2,049,376</b>

**Fiscal Impact Summary**  
**Matrix Development Group**  
**Cheltenham Township, Montgomery County, PA**

	<b>Age-Restricted Proposal (Mix of Carriage Homes and Singles)</b>				
	<b>3-Bedroom Carriage</b>		<b>3-Bedroom Detached</b>		<b>Total</b>
	<b>Total</b>	<b>Per Unit</b>	<b>Total</b>	<b>Per Unit</b>	
Residential Units	195	-	45	-	240
Unit Value	\$330,000	-	\$380,000	-	-
Market Value	\$64,350,000	\$330,000	\$17,100,000	\$380,000	\$81,450,000
Assessed Value (approx. 54.05% of market value.)	\$34,783,784	\$178,378	\$9,243,243	\$205,405	\$44,027,027
New Residential Population	271	1.39	71	1.57	342
New School-Aged Children	0	0.00	0	0.00	0
<b>Cheltenham Township</b>					
Real Estate Tax Revenue (7.1413 mills)	\$248,401	\$ 1,274	\$ 66,009	\$ 1,467	\$ 314,410
Non-Property Tax Revenue	\$49,427	\$ 253	\$ 13,082	\$ 291	\$ 62,509
Intergovernmental Revenue	\$7,643	\$ 39	\$ 1,992	\$ 44	\$ 9,636
Earned Income Tax (0.5% on wages)	\$ 64,020	\$ 328	\$ 16,720	\$ 372	\$ 80,740
Transfer Tax	\$ 23,810	\$ 122	\$ 6,327	\$ 141	\$ 30,137
Total Township Revenues	\$ 393,301	\$ 2,017	\$ 104,130	\$ 2,314	\$ 497,431
Total Township Expenditures	\$ (227,306)	\$ (1,166)	\$ (59,248)	\$ (1,317)	\$ (286,554)
<b>Net Township Fiscal Impact</b>	<b>\$ 165,995</b>	<b>\$ 851</b>	<b>\$ 44,882</b>	<b>\$ 997</b>	<b>\$ 210,877</b>
<b>Cheltenham Twp. School District</b>					
Real Estate Tax Revenue (39.24 mills)	\$1,364,916	\$ 7,000	\$ 362,705	\$ 8,060	\$ 1,727,621
Non-Property Tax Revenue	\$0	-	-	-	-
Intergovernmental Revenue	\$0	-	-	-	-
Earned Income Tax (0.5% on wages)	\$ 64,020	\$ 328	\$ 16,720	\$ 372	\$ 80,740
Transfer Tax	\$ 23,810	\$ 122	\$ 6,327	\$ 141	\$ 30,137
Total School District Revenues	\$ 1,452,745	\$ 7,450	\$ 385,752	\$ 8,572	\$ 1,838,497
Total School District Expenditures	\$0	-	-	-	-
<b>Net School District Fiscal Impact</b>	<b>\$ 1,452,745</b>	<b>\$ 7,450</b>	<b>\$ 385,752</b>	<b>\$ 8,572</b>	<b>\$ 1,838,497</b>
Total Development-Generated Revenues	\$ 1,846,047	\$ 9,467	\$ 489,882	\$ 10,886	\$ 2,335,928
Total Development-Generated Expenditures	\$ (227,306)	\$ (1,166)	\$ (59,248)	\$ (1,317)	\$ (286,554)
<b>Net Fiscal Impact</b>	<b>\$ 1,618,740</b>	<b>\$ 8,301</b>	<b>\$ 430,634</b>	<b>\$ 9,570</b>	<b>\$ 2,049,374</b>

**NOTES:**

- Revenues from non-property tax sources considered for Cheltenham Township include licenses & permits, fines, fees, and interest. Intergovernmental revenues for Cheltenham Township include grants, aid, and refunds from state and county sources.
- Earned Income Tax (EIT) calculation assumes that 50% of age-restricted households represent retirees and hence, are not eligible to pay the tax.
- For purposes of calculating the EIT, household income was estimated at 40% of the market value of each type of residential unit.

## **APPENDIX A**

Alternative Scenario:  
Market-Rate Residential  
Development

## **Alternative Scenario: Market-Rate Residential Development**

We also modeled potential impacts to the Township and School District if the subject property was to be developed with market-rate housing units, as opposed to age-restricted housing units (see Table A-1, which follows). In market-rate housing, the presence of school-aged children results in additional costs to the school district not typically associated with age-restricted communities, where there are no school-aged children. Our population estimates utilize demographic multipliers published by the Rutgers University Center for Urban Policy Research<sup>1</sup>. This source uses U.S. Census information to derive population multipliers for different regions of the United States, categorized by household type (i.e., single-family attached, single-family detached, etc.) and by the number of bedrooms per household. We refined the school-aged children demographic multipliers to account for students that will not attend public schools, based on the Cheltenham Township School District's estimate that approximately 16% of children living in the District attend private schools.

The presentation of this market-rate analysis represents a worst-case cost scenario for the school district, based on the type and size of development proposed. Given the particular design of the proposed development, the community would still likely attract a demographic closer to the age restricted model than your typical market rate community. The size of the homes, lack of sizable private yards, walking trails and the inclusion of a clubhouse recreational facility (what might be termed "age-targeted") are typically more attractive to an older audience. Thus, while the elimination of the age

---

<sup>1</sup> Burchell, Robert W., David Listokin, et al. *Residential Demographic Multipliers (Pennsylvania)*. New Brunswick, New Jersey: Center for Urban Policy Research, Edward J. Bloustein School of Planning and Public Policy – Rutgers, the State University of New Jersey, 2006.

restriction would open the proposed community up to include school aged children, it is unlikely to generate the number of school presented in this analysis.

Table A-1

**Fiscal Impact Summary**  
**Matrix Development Group**  
**Cheltenham Township, Montgomery County, PA**

	Market-Rate Scenario (Mix of Carriage Homes and Singles)				
	3-Bedroom Carriage Home		3-Bedroom Single		Total
	Total	Per Unit	Total	Per Unit	
Residential Units	195	-	45	-	240
Unit Value	\$360,000	-	\$395,000	-	-
Market Value	\$70,200,000	\$360,000	\$17,775,000	\$395,000	\$87,975,000
Assessed Value (approx. 54.05% of market value.)	\$37,945,946	\$194,595	\$9,608,108	\$213,514	\$47,554,054
New Residential Population	433	2.22	127	2.82	560
New School-Aged Children	34	0.18	19	0.43	54
<b>Cheltenham Township</b>					
Real Estate Tax Revenue (7.1413 mills)	\$270,983	\$ 1,390	\$ 68,614	\$ 1,525	\$ 339,598
Non-Property Tax Revenue	\$59,164	\$ 303	\$ 15,641	\$ 348	\$ 74,806
Intergovernmental Revenue	\$12,207	\$ 63	\$ 3,578	\$ 80	\$ 15,786
Earned Income Tax (0.5% on wages)	\$ 140,400	\$ 720	\$ 35,550	\$ 790	\$ 175,950
Transfer Tax	\$ 25,974	\$ 133	\$ 6,577	\$ 146	\$ 32,551
Total Township Revenues	\$ 508,729	\$ 2,609	\$ 129,961	\$ 2,888	\$ 638,690
Total Township Expenditures	\$ (363,036)	\$ (1,862)	\$ (106,420)	\$ (2,365)	\$ (469,456)
<b>Net Township Fiscal Impact</b>	<b>\$ 145,693</b>	<b>\$ 747</b>	<b>\$ 23,541</b>	<b>\$ 523</b>	<b>\$ 169,234</b>
<b>Cheltenham Twp. School District</b>					
Real Estate Tax Revenue (39.24 mills)	\$1,488,999	\$ 7,636	\$ 377,022	\$ 8,378	\$ 1,866,021
Non-Property Tax Revenue	\$0	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	\$0	\$ -	\$ -	\$ -	\$ -
Earned Income Tax (0.5% on wages)	\$ 140,400	\$ 720	\$ 35,550	\$ 790	\$ 175,950
Transfer Tax	\$ 25,974	\$ 133	\$ 6,577	\$ 146	\$ 32,551
Total School District Revenues	\$ 1,655,373	\$ 8,489	\$ 419,149	\$ 9,314	\$ 2,074,522
Total School District Expenditures	(\$739,114)	\$ (3,790)	\$ (414,229)	\$ (9,205)	\$ (1,153,343)
<b>Net School District Fiscal Impact</b>	<b>\$ 916,259</b>	<b>\$ 4,699</b>	<b>\$ 4,920</b>	<b>\$ 109</b>	<b>\$ 921,179</b>
		\$ -		\$ -	
Total Development-Generated Revenues	\$ 2,164,102	\$ 11,098	\$ 549,110	\$ 12,202	\$ 2,713,212
Total Development-Generated Expenditures	\$ (1,102,150)	\$ (5,652)	\$ (520,649)	\$ (11,570)	\$ (1,622,799)
<b>Net Fiscal Impact</b>	<b>\$ 1,061,952</b>	<b>\$ 5,446</b>	<b>\$ 28,461</b>	<b>\$ 632</b>	<b>\$ 1,090,412</b>

**NOTES:**

- Revenues from non-property tax sources considered for Cheltenham Township include licenses & permits, fines, fees, and interest. Intergovernmental revenues for Cheltenham Township include grants, aid, and refunds from state and county sources.
- Earned Income Tax (EIT) calculation assumes that all of the households in the Market-Rate Product category are eligible to pay the tax.
- For purposes of calculating the EIT, household income was estimated at 40% of the market value of each type of residential unit.
- Demographic multipliers for total household size and school-aged children per household from Buchell, Listokin, et al., *Residential Demographic Multipliers: Estimates of the Occupants of New Housing, Pennsylvania (2006)*, Rutgers University Center for Urban Policy Research.
- Demographic multipliers for school-aged children were refined to account for students attending private schools. Based on information from the Cheltenham School District as published in the Philadelphia Inquirer annual feature article "Report Card on the Schools", approximately 16% of school-aged children in the school district attend private schools - this reduction factor was applied to the Rutgers multipliers referenced in note 4, herein.

## **APPENDIX B**

Glackin Thomas Panzak, Inc.  
Resumes

## Dennis F. Glackin, AICP, PP

---

- Title:** President, Glackin Thomas Panzak, Inc.
- Education:** 1970, B.A. Political Science, Villanova University  
1973, Masters Regional Planning, The Maxwell School, Syracuse University
- Professional Affiliations:** American Planning Association  
Pennsylvania Planning Association  
American Institute of Certified Planners  
Professional Planner, State of New Jersey  
Urban Land Institute

Mr. Glackin has a comprehensive background in land use planning and development, including all phases of municipal zoning and subdivision regulations. Previous to forming his own firm, he was a Principal with Sullivan Associates, and prior to that, was Planning Director for Lower Merion Township, Pennsylvania.

Mr. Glackin has been the project manager for many residential, senior living, commercial and institutional projects. He has actively participated in the design of PRD developments in Pennsylvania and New Jersey. He has provided expert testimony before courts, zoning hearing boards, municipal governing bodies, and planning commissions, and has represented clients before various state environmental and transportation departments. He has prepared numerous ordinances for municipal and private clients covering a wide variety of topics. He has directed the preparation of reports ranging from site selection and feasibility studies; to community and fiscal impact analyses; to rezoning studies. He has also served as a development coordinator for various clients, coordinating the approvals and development process.

A sampling of the major projects for which Mr. Glackin has had prime responsibility include the following:

### ☆ Residential Planning

**Silvergate PUD, Elk Township, N.J.** - Coordinated submission and provided mapping for a Master Development Plan application of 662 acres proposed for development of 1,300 housing units and 800,000 square feet of mixed use non-residential uses. Glackin Thomas Panzak, Inc. also prepared Community Impact and Fiscal Impact Studies associated with the application.

**Baypointe, Berkeley Township, N.J.** - Prepared Master Plan, zoning and site plan ordinance amendments, and site planning for a 1,200 unit development of age restricted and market housing as part of court ordered Mt. Laurel Settlement Plan. The project also involved gaining CAFRA approval from NJDEP and the township for a 90 unit waterfront development, and obtaining approval for landscaping and site plans for a 385 unit adult community to NJDEP.

**Pulte Homes, Southampton Township, N.J.** – Prepared site plans for 117 acre site with a mix of single family detached and townhomes.

**Pulte Homes, East Greenwich Township, N.J.** – Prepared sketch plans for alternative cluster developments for a 285 acre property.

**Traditions at Centennial Mills, Voorhees Township, N.J.** – Prepared sketch plans, and fiscal and community impact studies for a traditional neighborhood of 400 homes and a village commercial area. Plan included neo-traditional elements such as central greens, alleys and an extensive pedestrian circulation system.

**Centex Homes of N.J., East Windsor Township, N.J.** - Provided site planning for a 100 acre mixed use office and industrial project.

**Bridlewood PRD, Thornbury Township, Chester County, PA.** - Prepared a Tentative Planned Residential Development application for the 203 acre property to include 512 dwelling units comprised of single family, two family, townhouses, and multifamily units. Tasks included preparing the Development Plan, Landscape Plan, Open Space and Land Use Plan, Environmental Impact Statement, Fiscal Impact Analysis, and testimony at public hearings.

**Byers Station PRD, Upper Uwchlan Township, PA.** - Prepared Master Development Plan for 286 acre property depicting options for the development as a 550 unit Planned Residential Development. Worked with legal counsel to develop a PRD ordinance for the township, and represented the owners in meetings with the township to implement the ordinance and plan.

**Beuhl Field, Middletown Township (Bucks County), PA.** – Completed various fiscal and community impact comparisons in connection with rezoning request of industrial land to residential. Comparisons were made between industrial, single family detached and active adult housing designs. Work has also included developing zoning development standards for settlement agreement with township for 725 unit adult housing community.

**Aisling, Lower Merion Township, PA.** - Prepared sketch plans for the development of this 30 acre estate in Bryn Mawr. The plans included the preservation of the main estate house, and 50 percent of the property as open space. Also served as development coordinator for the installation of the public improvements.

**Springton Pointe Woods, Newtown Township, PA.** – Prepared land plan for 130 acre site for luxury single family home development. Plan involved the second phase of project which included 118 homes currently under construction.

**Brooke Farm, Radnor Township, PA.** - Prepared the Economic Impact Study for the development of this 67 acre estate into 30 single family estate properties. The study included examining the impact of the development on local taxes, and the effect of a proposed \$10 million bond issue on the township budget. Extensive testimony was required as part of this assignment.

### ✧ *Municipal Planning*

**Open Space, Recreation, and Environmental Resource Plan, East Marlborough Township, PA.** - Prepared open space plan that included mapping of all natural resources, a citizen survey and analysis, and completion of recommendations on open space and recreation facilities for the township.

**East Marlborough Township, PA.** - Serve as Township Planner, duties of which included reviewing development applications and preparing review letters, updating zoning maps for township by placing them on an AutoCAD base. Office has completed design of Unionville Village Bike Trail; and preparation of C-1 and C-2 district regulations, and Wireless Communications Ordinance and other ordinance amendments.

We also prepared a study of the Route 1 corridor which culminated with the adoption of a comprehensive set of zoning change text and map amendments for the corridor.

**North Hanover Township, Burlington County, N.J.** - Acted as township planner for this community to include review of site plan and subdivision applications, and rezoning studies for portions of the township.

**Warwick Township, Bucks County, PA.** – Have served as a land planning expert witness for the township on two occasions regarding a curative amendment and a zoning variance. Work has included the preparation of testimony before the zoning hearing board.

**Horsham Township, Montgomery County, PA.** – Serves as special land planner to assist township in defense of curative amendment challenge. Have also prepared environmental performance standards, airport overlay, institutional use regulations and general zoning ordinance amendments.

✧ **Retail, Corporate, Entertainment, and Industrial Planning**

**AMC Theatres, Voorhees, N.J.** – Glackin Thomas Panzak, Inc. has completed sketch plan and feasibility studies for the development of movie theaters, entertainment centers, and retail plazas throughout the country including Pennsylvania, New Jersey, Virginia, Maryland, New York, Connecticut, Illinois, Michigan, Massachusetts, Ohio and Canada. The AMC Multiplex Theatre in Hamilton Township, N.J. was planned by Glackin Thomas Panzak, Inc.

**David Sarnoff Research Center, Princeton, N.J.** - Prepared a Master Plan for campus along with planning analysis for county road location on the 344 acre research center. Provided direction for the preparation of major ordinance amendments which would help to preserve the owner's future development options.

**American Stores Properties, Inc., Upper Dublin Township, PA.** - Prepared feasibility study of zoning and subdivision issues associated with several potential Acme Market store locations.

**Devon Square Shopping Center, Tredyffrin Township, PA.** – Prepared site planning and provided expert testimony before the Planning Commission and Zoning Hearing Board regarding a new Eckerd Drug store and the preparation of a Master Plan for the existing shopping center.

**East Windsor Center, East Windsor Township, N.J.** – Prepared site studies for 60 acre site to include retail and office schemes.

✧ **Fiscal and Community Impact Studies**

**Garden State Park, Cherry Hill Township, N.J.** – Prepared fiscal impact study for redevelopment of the former Garden State Race Track for a traditional neighborhood of residential and commercial uses.

**Crystal Lake, Mansfield Township, N.J.** - Prepared fiscal and community impact statement for this neo-traditional community of 700 homes; 40,000 SF of non-residential development; and an 18 hole golf course.

**Latham Park PUD, Elk Township, N.J.** – Completed fiscal impact study for 600 unit residential development.

**Bensalem Gateway Centre, Bensalem Township, PA.** - Prepared fiscal impact study for this regional center which included 800,000 SF of retail space; entertainment center; church; vocational school; and home for boys. Fiscal impact study was element of rezoning application submitted to municipality.

## **Erik W. Hetzel, AICP, LEED AP**

---

**Title:** Associate, Glackin Thomas Panzak, Inc.

**Education:** 1993, B.A. Geography and Planning, West Chester University  
2000, Master of Regional Planning, University of Pennsylvania

**Professional Affiliations:** American Planning Association  
Pennsylvania Planning Association  
American Institute of Certified Planners  
LEED Accredited Professional

Mr. Hetzel has a diverse background in geography, planning, technical management, and in the application of geospatial technologies to planning and engineering projects. His previous experience included a position at Environmental Systems Research Institute (ESRI), where he used his extensive Geographic Information Systems (GIS) and planning experience to help counties and local governments to define and implement GIS solutions. Prior to his tenure at ESRI, Erik spent twelve years working for Weston Solutions, Inc. in West Chester, PA as a Technical Manager. There, he worked on projects that ranged from planning and engineering consulting for local townships, to complex environmental analysis and assessment on projects of regional scope. While pursuing his Master of Regional Planning degree from the University of Pennsylvania, Mr. Hetzel focused his studies on such topics as transit-oriented development, site planning and design, real estate law and economics, and environmental science.

Mr. Hetzel currently resides in Paoli, PA and has served on numerous township boards and commissions in the local area. He is a past member of the East Whiteland Township Planning Commission, and served as chairman for three years. As a member of the East Whiteland Township Environmental Advisory Council, he served as a liaison between the EAC and the Planning Commission. With a move to West Whiteland Township, he served on the Township Planning Commission, and spent two years as West Whiteland's delegate to the West Chester Regional Planning Commission.

Some projects on which Mr. Hetzel had key responsibilities include:

✧ **Community and Fiscal Impact Studies**

**Lehman Township, Pike County, PA** – Prepared a Fiscal Impact Study to assess the impact of a 3,400-unit mixed-use master-planned community on the Township and the East Stroudsburg Area School District.

**West Brandywine Township, Chester County, PA** – Prepared a Fiscal Impact Study to assess the impact of a 388-unit, active-adult residential development on the Township and the Coatesville Area School District. Studied alternative development scenarios to determine relative impacts under different zoning schemes.

**Woolwich Township, Gloucester County, NJ** – Prepared a Fiscal Impact Study to assess the impact of a 33-unit residential development on the Township and the Kingsway Regional School District.

**East Vincent Township, Chester County, PA** – Prepared a Fiscal Impact Study to assess the impact of a 160-unit residential development on the Township and the Owen J. Roberts School District.

**Hopewell Township, Mercer County, NJ** – Prepared a Fiscal Impact Study to assess the impact of a mixed-use residential and commercial development on the Township and the Hopewell Regional School District.

**Residential Development, Haverford Township, Delaware County, PA** – Prepared a fiscal impact study and report for the redevelopment of a former institutional site with a mixture of age-targeted and market-rate residential units.

**Multifamily and Townhouse Development, Upper Merion Township, PA** – Prepared a fiscal impact study and report for a 585-unit mixed-use community on a redevelopment site.

**Residential Development, New Britain Township, Bucks County, PA** – Prepared fiscal impact study and comprehensive Community Impact Assessment Report for a 49-unit residential development.

#### ✧ ***Residential Planning***

**Active Adult Community, West Brandywine Township, PA** – Provided planning analysis for an active adult community of small lot singles, a clubhouse and significant open space features in West Brandywine Township.

**Residential Community, Birmingham Township, PA** – Provided planning analysis and site planning expertise for the design of a residential subdivision of single-family detached homes, featuring significant open` space and farmland preservation areas in Birmingham Township.

**Multifamily Apartment Community, City of Philadelphia, PA** – Provided planning analysis and sketch plan for a riverfront redevelopment site in Philadelphia, PA.

✧ **Governmental Consulting**

**Municipal Planning and Engineering Support, Various Municipalities in Chester County, PA** - Assisted the Township Engineer in the analysis of changing land development patterns in Birmingham, New London, and Upper Oxford, and Lower Oxford Townships. Provided ad-hoc geographic analysis and mapping of spatial trends and conditions to support subdivision and land development decisions by municipal officials, as well as comprehensive planning. Designed and developed GIS interface tools for use by engineering and planning professionals. This work was performed while Mr. Hetzel was employed by Weston Solutions, Inc.

**Open Space, Recreation, and Environmental Resources Planning, Various Municipalities in Chester County, PA** - Coordinated development of geographic databases using GIS for Birmingham, New London, and West Nottingham Townships in Chester County. Integrated information about land use, water resources, land resources, biotic resources, and cultural resources to help municipalities define their priorities for conservation planning. Designed maps for effective presentations to legislative boards and citizen groups. Townships used these plans and maps to work towards achieving local and regional planning goals, and obtain grant funds from Chester County. This work was performed while Mr. Hetzel was employed by Weston Solutions, Inc.

**Act 537 Sewerage Facilities Plan, Lower Oxford Township, Chester County, PA** - Assisted engineers with spatial analysis and mapping to plan for community infrastructure investments. Integrated land use, socioeconomic, and environmental data to support planning decisions. Presented results of analysis on maps for reports and meetings. This work was performed while Mr. Hetzel was employed by Weston Solutions, Inc.

**Geographic Information Systems (GIS) Technical Coordination and Support, Delaware County Planning Department, Media, PA** - Provided on-going technical assistance for a range of GIS-related projects. Assisted planning staff with strategic planning and implementation of GIS software and computer hardware. This work was performed while Mr. Hetzel was employed by Weston Solutions, Inc. and also while working for Environmental Systems Research Institute (ESRI).

**Lycoming Creek Flood Mitigation Study, Lycoming County Planning Commission, Williamsport, PA** - Applied GIS technology to floodplain modeling and engineering design projects. Integrated spatial data with digital elevation models for floodplain visualization and integration with hydraulic/hydrologic models. Used GIS to map design alternatives. This work was performed while Mr. Hetzel was employed by Weston Solutions, Inc.

**Geographic Information Systems (GIS) analysis and mapping, supporting numerous tasks of the Housatonic River Project, Pittsfield MA** - Supported

scientific, engineering, planning, and community relations activities for the assessment, remediation, restoration, and redevelopment of a thirty-mile stretch of the Housatonic River, contaminated with PCBs. Used GIS as a framework to process data, perform spatial analysis, and communicate project information to numerous stakeholders. Was instrumental in the development of innovative mapping techniques to effectively communicate complex scientific and engineering data. This work was performed while Mr. Hetzel was employed by Weston Solutions, Inc.