



Treemore Ecology and Land Services
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COST OF COMMUNITY SERVICES STUDY FACT SHEET

- the COCS asks: does development pay for itself? does developed land contribute enough in taxes to cover the cost of providing services?
- looks at both the revenue picture and the cost picture for one fiscal year (1994-95)
- first such study in Michigan (Scio Township, Washtenaw County)
- study provides valuable data for local decision-makers
- as a "home rule" state, townships, cities and villages make the land use decisions in Michigan
- proponents of residential development argue that having more houses leads to higher assessed land values, and therefore more revenues for local governments
- there are many "external" costs associated with development which are borne by the entire community, not just by the newcomers

- the bottom line:

	<u>Revenues</u>	<u>Expenditures</u>
Agriculture	\$1.00	62¢
Commercial/Industrial	1.00	28¢
Residential	1.00	\$1.40

- residential development did not provide enough tax revenues to pay for the services it required
- high education costs were the primary reason residential lands are so expensive to service
- agricultural lands and commercial/industrial facilities in essence subsidize residential development
- it is in the community's best interest to mix efficient development with the preservation of its farmland and open spaces to keep taxes from rising dramatically as the demand for services increases with new residential development

Source: Legacy Land Conservancy