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**Fiscal Analysis
 Kelley’s Corner Improvement Initiative**

January 28, 2016

1. Summary

The Planning Department conducted a Fiscal Analysis to better understand the financial effects of the proposed Kelley’s Corner Master Plan Overlay District (MPD) zoning on the municipal and school operating budgets. The proposed Master Plan Overlay District requires 50,000 square feet of land area and 300 feet of frontage as a minimum opt-in threshold and allows for higher Floor Area Ratio (FAR) up to .8 and within that FAR multi-family housing up to 75% of building square feet.

The group of properties studied herein is the most likely to see redevelopment in the next five to ten years if the proposed zoning amendment is adopted. A Susceptibility to Change Analysis was conducted by Cambridge Economic Research and the Cecil Group as part of the Kelley’s Corner Improvement Initiative existing conditions data collection. The analysis found that properties located at 252 and 256 Main Street had a high susceptibility to change based on the low value of the current buildings and the size of the site. In addition, a test development pro forma was performed by Byrne McKinney & Associates, Inc. for the combined properties located at 252 and 256 Main Street and 438 and 430 Massachusetts Avenue (the Southwest KC Quadrant) which found the proposed Master Plan Overlay District zoning viable for private redevelopment to occur. As such, this Financial Analysis assumes a complete mixed-used redevelopment of the Southwest Kelley’s Corner (KC) Quadrant under the proposed MPD Overlay District.

Table 1. Dimensions of Potential Project Area - Southwest KC Quadrant

Approximate Land Area (square feet)	Assumed FAR*	Total Allowed Net Floor Area (square feet)
370,260	0.7	259,182

**An assumed FAR of 0.7 has been chosen based on test development pro formas which take into account surface parking needs and very limited resource constraints on the site.*

Table 2. Potential Mixed-Use Project Development Program - Southwest KC Quadrant

Land Use	Net Floor Area (square feet)	Development Details
Multi-Family Residential	194,386.5*	194 dwelling units**
Commercial	64,795.5	Primarily retail and restaurant; also office and service businesses

* Proposed zoning allows up to 75% of the net floor area to be residential. This development program assumes a maximum residential component.

**Number of units is based on an average 1,000 sf net floor area/unit. This is a conservative approach; typically the average size would be larger and therefore yield less number of units.

2. Methodology and Assumptions

The analysis evaluates the net impact of the potential project on the FY16 municipal operating budget based on general service costs, the school operating budget (FY16 for ABRSD; Average of FY16 and FY17 for Minuteman Tech) based on educational service costs and the associated revenues from the potential project. Assumptions and methodologies were applied respectively:

2.1 Education Cost and School-Aged Children Estimate

This report uses the Per Capita Multiplier Method to derive a low and high estimate cost of serving additional school aged children (K-12) at the potential project. This method is the most commonly used per capita cost estimation technique, including for estimating per pupil education costs. It applies an average operating cost per person (Mullin and Kotval, 2006). There are two school districts which Acton tax payers fund: Acton Boxborough Regional School District (ABRSD) and Minuteman Technical High School (Minuteman Tech). The majority of Acton pupils, 99.38%, attend ABRSD where only 0.62% of Acton pupils attend Minuteman Tech. This analysis takes into account the proportional split for both schools by applying a cost per number of additional estimated students to the number of units in the potential project.

The ABRSD and Minuteman Tech administration provided cost per pupil: Acton’s ABRSD assessment (\$11,246/pupil based on FY2016 budget) and Minuteman Tech budget (\$29,003/pupil based on the mean of the FY16 and projected FY17 budgets). These costs only include the direct costs to Acton tax payers. It does not include State or Federal subsidies.

To determine a high and low estimate of additional school aged children in the proposed project, three multi-family rental projects were used as comparatives: Woodlands at Laurel Hill in Acton (Avalon), Arborpoint at Burlington and Heritage at Stone Ridge in Burlington, MA. Different available data sets in these projects were used to develop the estimates below. Woodlands at Laurel Hill, Acton, was chosen as the high estimate for “school aged children per unit rate”. It should be noted that this project is an affordable housing development (40B, Comprehensive Permit).

Table 3. High Estimate based on Woodlands at Laurel Hill, Acton

	Total # of Units	Total # of Students (ABRSD and Minuteman Tech)	School Aged Children per Unit Rate (High)
Woodlands at Laurel Hill	296	107.7	.3637
Southwest KC Quadrant Project	194	70.6	.3637

The low estimate was established by using the average school age children per unit rate of the two Burlington comparable developments broken out by unit type. One of which is a luxury rental development, the other is an affordable housing development. In this comparison the analysis uses the school aged children rate per unit and applies it to an estimated number of unit types in the potential development to derive a total estimated number of students. The estimated number of unit types for the potential development was informed by market data researched by Cambridge Economic Research Associates as part of the Kelley’s Corner Improvement Initiative.

Table 4. Low Estimate based on Arborpoint at Burlington and Heritage at Stone Ridge, Burlington Children per Unit Rate

Unit Type	School Aged Children per Unit Rate (Low)*	Southwest KC Quadrant Potential Number of Units**	Estimated # of Students in Southwest KC Quadrant Project
One bedroom units	-	49	-
Two bedroom units	0.13	126	16.38
three bedroom units	0.6	19	11.4
TOTAL		194	27.78

* (Connery Associates, 10-11)

** Estimated number of unit types in Southwest KC Quadrant.

2.2 General Service Cost Estimates

Municipal service costs are broken down into two categories: Commercial and Residential. This analysis uses the Proportional Valuation Method (PVM) based on the FY16 Assessment and Classification Report and the FY16 Municipal Operating Budget. The PVM assumes the proportion of a property’s assessed value of the total Acton assessed property values requires the same proportion of the municipal operating budget to service that use.

Commercial Service Costs:

Commercial service costs were derived by employing the PVM. This technique is commonly used to estimate the impacts of commercial development on a municipal operating budget. It assigns a cost to the share of the assessed property value that the commercial use adds to the Town’s property tax base (Mullin and Kotval, 2006). The estimated value of new commercial development calculated by the Assessor’s

Department (See Table 12) was divided by the value of existing commercial development to obtain the proportional increase in commercial value. The Assessor’s Department developed both a high and low estimate. Once this was established we were able to multiply the proportional increase in commercial value to the total expenditures attributed to commercial uses to estimate the costs allocated to the new commercial development component.

Residential Service Cost:

Based on the PVM, we estimated the proportion of the budget attributed to residential costs in the same fashion. Then, using the Per Capita Multiplier Technique we derived an average cost per resident by dividing the residential proportion of the FY16 Budget by the total population based on the American Community Survey’s 2014 five-year estimate. Using the Woodlands at Laurel Hill as a comparative, we then established an average person per unit rate by dividing the total population (provided by Avalon’s Community Manager at Woodlands at Laurel Hill) by the total unit count. This unit rate was then applied to the potential Southwest KC Quadrant project total unit count.

Table 5. Woodlands at Laurel Hill Population per Unit Rate

Total # of Units	Total Population at Woodlands at Laurel Hill	Population per Unit Rate
296	659	2.23

2.3 Revenue Projections

To estimate revenues from the potential Southwest KC Quadrant project, this report calculates one time fees the redevelopment project would be required to pay to the Town and uses the estimated annual taxes from the project as provided by the Assessor’s Department.

Fees

This report takes into account two, one-time revenues that would be triggered by this potential redevelopment program in the initial year of construction:

- (1) Building Permit Fees - Building permit fees are based on the current \$14.75 fee per \$1,000 of building construction value. A rough cost estimate for redevelopment of this property was provided by Winstanley Enterprises LLC of \$40,000,000. This report adjusts for costs not associated with building construction, such as demolition, acquisition, landscaping and paving by reducing the building construction costs to \$22,176,000 based on recent project development pro formas.

Table 6. Estimated Building Permit Fees

Total Estimated Redevelopment cost	\$ 40,000,000.00
Estimated Acquisition cost	\$ (5,850,000.00)
Estimated Contingencies (8%)	\$ (3,200,000.00)
Estimated Hard Costs	\$ 28,800,000.00
Estimated Soft Costs (20% of hard)	\$ 5,760,000.00
Estimated Building Construction Costs	\$ 22,176,000.00
Estimated building permit fee (\$14.75/1,000)	\$ 327,096.00

(2) Sewer Privilege Fees – This report estimates the additional Privilege Fees based on the Betterment Fee assessment formulas of the Town’s Sewer Bylaw (Chapter D General Bylaws) and applies the current cost per betterment unit of \$12,311.52. The Southwest KC Quadrant is within the Middle Fort Pond Brook Sewer District and has been assessed and paid for original betterment units for commercial usage up to a Floor Area Ratio (FAR) of 0.4. The potential project would decrease the total commercial FAR component to an FAR of 0.175, but would add a new element: 194 multifamily units. The Town assesses betterment units for residential units by bedroom number rather than FAR. Based on the estimated unit type breakdown (49 one-bedroom units; 126 two-bedroom units and 19 three-bedroom units), and taking into account the “betterment unit credit” from the lower commercial FAR that has already been accounted for, the potential development would trigger an additional 115 betterment sewer units.

Estimated Taxes

The potential Southwest KC Quadrant mixed-use development program was provided to the Acton Assessor’s Department who prepared the total estimated assessed value of new development for this analysis as well as estimated tax collections based on the FY16 tax rate of \$19.23. Residential assessments were based off current housing market trend assessments of \$150,000-\$175,000 per unit. Commercial assessments were based on price per square foot using a conservative approach for both the high and low estimate. A conservative approach was used because there are many unknown factors and the site layout, building design and leases could greatly influence the assessments.

3. Other Considerations:

School Aged Children Population:

Household trends and demographic factors may influence a high or low rate of school aged children in the potential project. It would be a mixed-use redevelopment program including 194 apartment units. Based on test pro formas and discussions with real estate developers, the apartment units in the Southwest KC Quadrant will most likely be luxury apartments due to the cost of redevelopment and the need for adequate return on investment. The income of future apartment dwellers is estimated to have an impact on the number of school children. Obrinsky and Stein found that, “[w]ealthier apartment dwellers have even fewer children (12 children per 100 households [or 0.12 per unit]) for residents earning more than 120 percent of the area median income (AMI), while less wealthy residents earning less than 80 percent of AMI still have fewer children (0.37 per household) than single-family homes” (2007, page 5). On average, single family owner-occupied houses have more school aged children than apartments. (“100 single-family, owner-occupied houses include 51 school-age children. By contrast, apartments are attractive to single people, couples without children and empty nesters, which is why 100 apartment units average is just 31 children” (2007, page 5). In addition, current trends show that population growth on both ends of the age spectrum have driven up the number of both younger (millennials, born 1985-2004) and older people (55+) looking for rental housing most of whom are without children (2015, page 8). This would suggest that the actual number of school aged children in a potential Southwest KC Quadrant development project may be lower than assumed in this report.

Characteristics of development often impact the number of school aged children. Connery Associates compares mixed use developments to traditional residential areas in which the student

generation rates differ. They found that, “apartment locations that are operationally and visually integrated into commercial settings have student generation rates considerable below average” (2015, 11). Connery Associates observed that, “Multi-family residential development located above commercial uses” [and] “Multi-family locations located in the midst of commercial strips, mixed use developments, commercial nodes centers or locations that are visually and operationally a part of abutting commercial/industrial areas”(2015, 17) are factors that identify these characteristics. The potential Southwest KC Quadrant development would not be a traditional neighborhood setting, rather it fits characteristics that would suggest a lower school aged children population rate.

Although current trends project a smaller number of school aged children than this report estimates, the potential Southwest KC Quadrant project would be located adjacent to the ABRSD. The 2015 U.S News and World Report ranks ABRSD #20 out of the 286 school districts in the State and recently earned a “goal medal award” for excellency (2015). Therefore, the Kelley’s Corner location and the highly rated school district may attract somewhat more families with children than the aforementioned trends and observations might suggest.

Education Costs and Enrollment:

The ABRSD school enrollment has declined in the last three years, but the school budget has increased annually at about 3.3% between FY12 and FY14 (Massachusetts Department of Elementary and Secondary Education). The increasing education costs do not result from increasing school enrollment. In addition, Revised Enrollment Projections provided by Peter Ashton show a significant downward trend in enrollment over the next 11 years. The annual reductions in school enrollment projections (average of 76 students less per year from 2016 to 2027) exceed the high estimated number school aged children from the potential Southwest KC Quadrant project (70 students). Therefore, a purely formulaic cost projection for additional students from a KC redevelopment project would grossly overstate real costs because any additional students could be absorbed by ABRSD existing capacity without additional cost.

Total Population:

If the number of school children projected for this potential project is in the low range, the overall total population and consequently residential service costs would also be lower. This report takes a conservative approach by using the persons per unit rate at the Woodlands at Laurel Hill. This 40B development requires 25% of the units to be subsidized for affordable housing which has implications for a higher rate of people per unit.

High and Low Commercial Service Cost Estimates:

This report evaluates both the high and low estimated assessed value of the potential project program to determine the proportion of the municipal operating budget to service that use. The high and low property assessment estimate assumes the same project program, 194 rental units and 64,795.5 square feet of commercial space. Municipal services costs for this project should be the same regardless of assessed value because the same amount of services will be required. The report provides both the high and low range but an average of the two is more accurate assessment.

4. Summary of Findings

Based solely on the Proportional Valuation Method and Per Capita Multiplier Method in year 1, the initial year of construction, the Town would receive an estimated net benefit between \$1,328,025.54 and \$1,646,618.84. In the subsequent years the estimated annual revenue stream

from taxes will be between \$871,100.00 and \$1,088,968 with a total cost of services between \$972,608.20 and \$1,509,069.49, yielding a net cost of \$101,508.20 to \$420,101.49 annually.

Given the significant decline in school enrollment projections out to 2027 and the reality that commercial related service costs in any particular project are about the same for low and high assessed commercial properties, the Planning Department offers an adjusted estimate which more closely reflects realities of increased annual service cost. This estimate removes the additional assumed costs per student because the overall school enrollment population with the additional children from the proposed project would still be in decline. This estimate also uses an average of the high and low commercial costs. This would yield in an annual net benefit of \$188,682.26 (low estimate) or \$406,550.26 (high estimate) after the first year (year of construction related one time fees). In comparison, the existing combined properties yield approximately \$46,946.86 annually today. One could argue that a declining enrollment provides opportunities for education budget reductions if a significant decline continues, but it should be noted again that the added school aged children in the potential project would still yield an overall enrollment decline *and* the potential project would net an additional \$188,682.26 to \$406,550.26 annually as well as an additional \$1,936,809.29 to \$2,154,677.29 in the first year in total revenues to the Town. With the potential KC redevelopment project, school enrollment would continue to decline. Therefore, the Town could still consider and pursue education cost reductions and gain the additional financial benefit from the project.

Table 7. Summary of Findings - Year 1

Estimate	Estimated Service Cost	Estimated Revenue	Cost to Revenue Ratio	Year 1: Net Benefit
Low	\$972,608.20	\$2,619,227.03	0.371334056	\$1,646,618.84
Adjusted Low*	\$682,417.74	\$2,619,227.03	0.260541652	\$1,936,809.29
High	\$1,509,069.49	\$2,837,095.03	0.531906571	\$1,328,025.54
Adjusted High*	\$682,417.74	\$2,837,095.03	0.240533973	\$2,154,677.29

* Based on “Other Considerations” discussed in Section 3. Uses an average commercial service cost estimate and does not include additional education costs.

Table 8. Summary of Findings – Annually Thereafter

Estimate	Estimated Service Cost	Estimated Revenue	Cost to Revenue Ratio	After Year 1 Annually: Net Benefit
Low	\$972,608.20	\$871,100.00	1.116528754	\$ -101,508.20
Adjusted Low*	\$682,417.74	\$871,100.00	0.783397703	\$ 188,682.26
High	\$1,509,069.49	\$1,088,968.00	1.385779463	\$ -420,101.49
Adjusted High*	\$682,417.74	\$1,088,968.00	0.62666464	\$ 406,550.26

* Based on “Other Considerations” discussed in Section 3. Uses an average commercial service cost estimate and does not include additional education costs.

Education Costs

Without considering declining school enrollment, the estimated school costs for the potential KC southwest quadrant project range between \$315,472.19 to \$801,370.02 annually.

Table 9. Education Costs – Low of Estimate

School	Estimated Number of Students	Annual Cost Per Student	Costs
ABRSD	27.6	\$11,246	\$310,476.91
Minuteman Tech	.173	\$29,003	\$4,995.27
Total			\$315,472.19

Table 10. Education Costs – High of Estimate

School	Estimated Number of Students	Annual Cost Per Student	Costs
ABRSD	70.13	\$11,246	\$788,680.90
Minuteman Tech	.44	\$29,003	\$12,689.12
Total			\$801,370.02

Commercial Service Costs

Total Commercial Service Costs are estimated in the range of \$130,021.72 to \$182,030.41 annually.

Table 11. Commercial Service Costs Based on PVM

	Low Range	High Range
Total Municipal Expenditures	\$ 31,468,112	\$ 31,468,112
Proportion of Commercial Value (%)	7.82%	7.82%
Total Expenditures attributed to Commercial Use	\$ 2,460,806.36	\$ 2,460,806.36
Estimated Value of Potential New Commercial Development	\$ 16,199,000.00	\$ 22,678,600.00
Value of All Existing Commercial Development	\$ 315,347,102.00	\$ 315,347,102.00
Proportional Increase in Commercial Value	5.14%	7.19%
Costs Allocated to New Commercial Facility	\$ 126,408.65	\$ 176,972.11
Average Costs Allocated to New Commercial Facility*		\$ 151,690.38

* See Section 3, “Other Considerations”. Average of the High and Low commercial service cost estimate.

Residential General Service Costs

This report estimates the residential service costs at \$545,896.83 annually.

Table 12. Residential Service Costs

Total Municipal Expenditures	\$ 31,468,112
Proportion of Residential Value	88.16%
Proportion of Budget Attributed to All Residential Costs	\$ 27,742,288
Total Population (ACS 2014 five-year estimate)	22,614
Average Cost Per person	\$ 1,226.77
Total Estimated New Residents*	432.62
Estimated number of Additional Units	194
Costs Allocated to New Residents	\$ 530,727.36

*Based on Woodlands at Laurel Hill Population per Unit Rate.

Revenues

The Annual revenue stream from taxes is estimated between \$871,100 and \$1,088,968. In addition there will be one-time fees totaling \$1,748,127.03 in the first year.

Table 13. Estimated Assessed Values and Tax Range

	Square feet	Assessed per SF		Assessment Range		Annual Tax Range	
		Low	High	Low	High	Low	High
Commercial Space	64,796	\$250.00	\$350.00	\$16,199,000	\$22,678,600	\$311,507	\$436,109
	Units	Per Unit Assessed		Assessment Range		Annual Tax Range	
		Low	High	Low	High	Low	High
Housing (Rental)	194	\$150,000	\$175,000	\$29,100,000	33,950,000	\$559,593	\$652,859
Project Totals				\$45,299,000	\$56,628,600	\$871,100	\$1,088,968

Estimates provided by Acton Assessor's Department for use only of estimating potential tax impact in this report.

Table 14. One-Time Fees

Fee Type	Amount
Sewer Privilege Fees	\$1,421,031.03
Building Permit Fees	\$327,096.00
Total	\$1,748,127.03

5. Comparison of Existing Property

The property as existing today is in commercial use. There are no residences.

Existing Commercial Service Costs

Table 15. Commercial Service Costs of Existing Commercial Properties Based on PVM

Total Municipal Expenditures *	\$	31,468,112 .00
Proportion of Nonresidential Value (%)		7.82%
Total Expenditures attributed to Existing Commercial Properties	\$	2,460,806.36
Value of Existing Commercial Properties in Kelley’s Corner SW Quadrant	\$	6,433,000.00
Value of All Existing Commercial Properties	\$	315,347,102.00
Proportion of Commercial Value in Kelley’s Corner SW Quadrant		2.04%
Costs Allocated to Commercial Properties in Kelley’s Corner SW Quadrant	\$	50,199.82

Existing Annual Revenues

Commercial Uses (Kmart, Verizon, Baker Whitney Oil)

Table 16. Taxes Expected FY16

Kmart	\$69,767.00
Verizon	\$17,393.54
Baker Oil	\$9,986.14
TOTAL	\$97,146.67

Table 17. Summary of Existing Commercial Uses (Revenues to Costs)

Cost to Revenue Ratio	Annual Net Benefit
0.516742535	\$46,946.86

Works Cited

Connery Associates. (2015). *Fiscal Impact Analysis Multi-Family Development 20 Corporate Drive, Burlington Massachusetts*. Retrieved from http://www.burlington.org/Fiscal_Impact_Analysis_7_10_2015.pdf

John D. and Catherine T. MacArthur Foundation and the Joint Center for Housing Studies of Harvard University. (2015). *America's rental housing: Expanding options for diverse and growing demand*. Retrieved from: https://nmhc.org/uploadedFiles/Articles/External_Resources/JCHS%20Americas%20Rental%20Housing%202015.pdf.

Kotval, Z. & Mullin, J. (2006). *Fiscal impact analysis: Methods, cases, and intellectual debate*. Lincoln Institute of Land Policy. Retrieved from <https://www.lincolninst.edu/subcenters/teaching-fiscal-dimensions-of-planning/materials/kotval-mullin-fiscal-impact.pdf>.

Obrinsky, M. & Stein, D. (2007). *Overcoming opposition to multifamily rental housing*. Joint Center for Housing Studies of Harvard University. Retrieved from http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/rr07-14_obrinsky_stein.pdf.

U.S. News & World Report. (2015). *Best high schools in Massachusetts*. Retrieved from <http://www.usnews.com/education/best-high-schools/massachusetts>.

Appendix

1. Susceptibility to Change Analysis
2. Test Development Pro Forma
3. Email Correspondence from ABRSD and Minuteman Tech
4. Email from Senior Community Manager at Woodlands at Laurel Hill
5. FY16 Municipal Operating Budget
6. Massachusetts Department of Elementary and Secondary Education School District Expenditures Report FY12 to FY14
7. Revised Enrollment Projections – 11/15 , Peter Ashton
8. Revised Enrollment Projections – 11/15, Peter Ashton additional calculations by Acton Planning Department



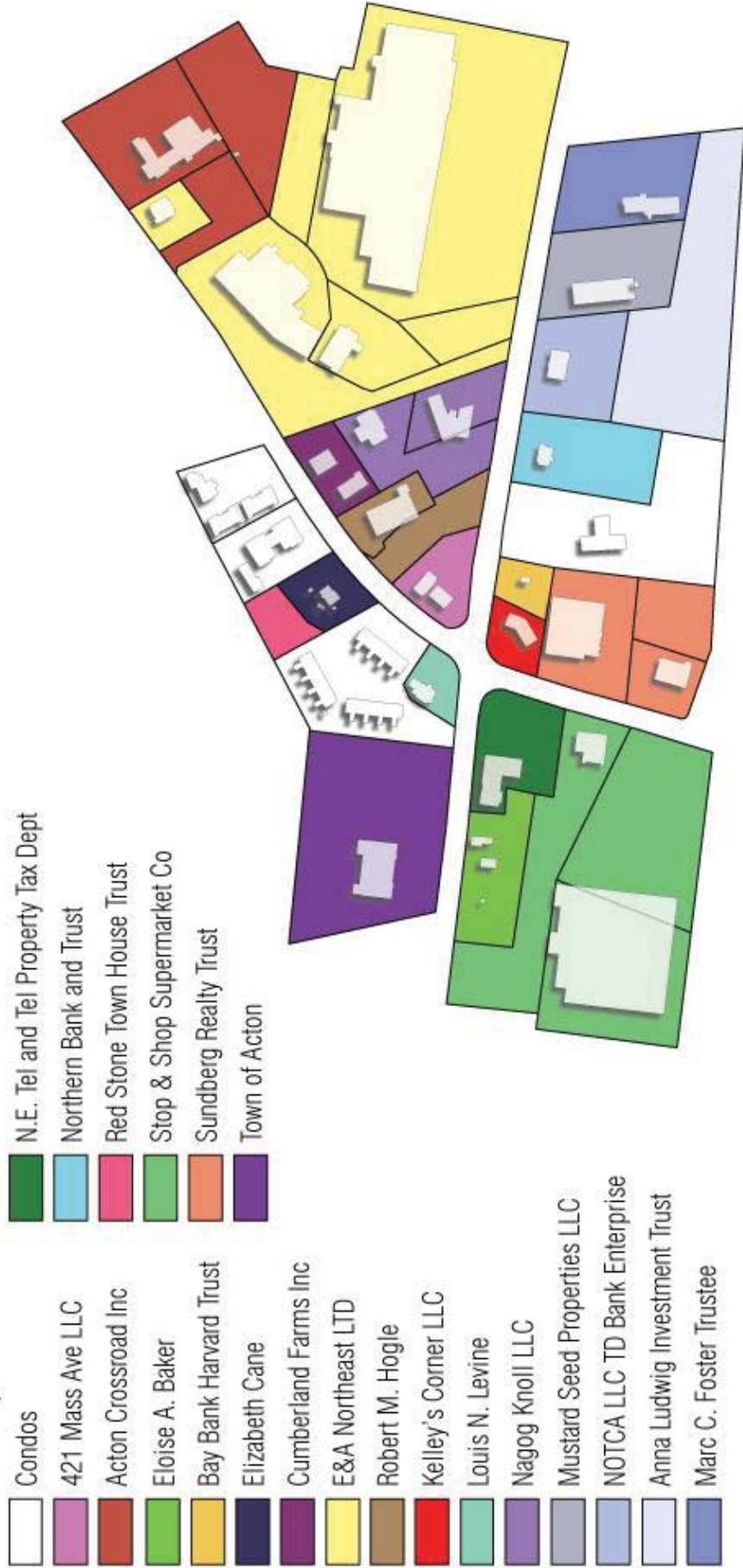
Susceptibility to Change Analysis

Criteria for Determining *Susceptibility to Change*

- Ownership and Aggregation: Based on Public Record
- Property Value: Based on Public Record
- Current Investment: Based on Ratio of Building to Land Value from Public Record
- Interest and Capability for Development: Based on Public Record and Interviews

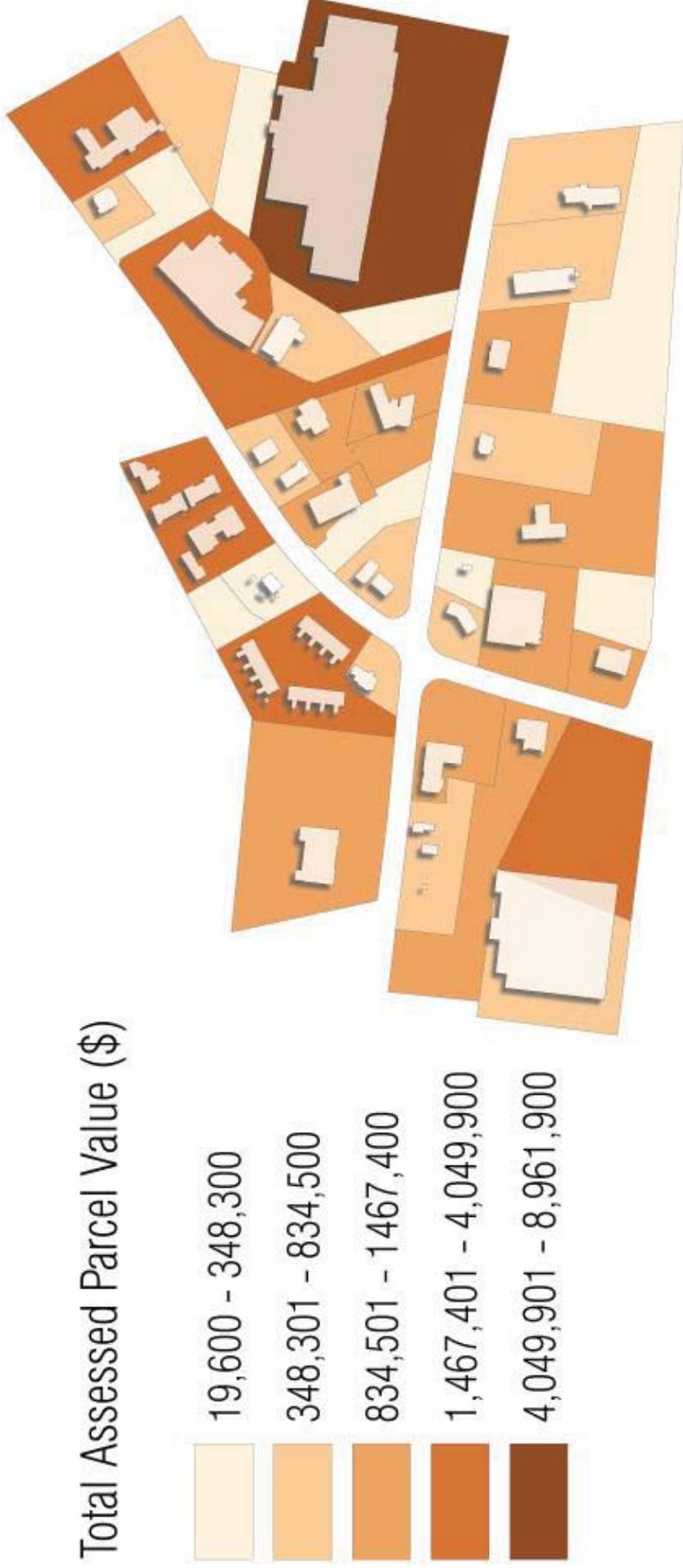
SUSCEPTIBILITY TO CHANGE ANALYSIS >

Ownership



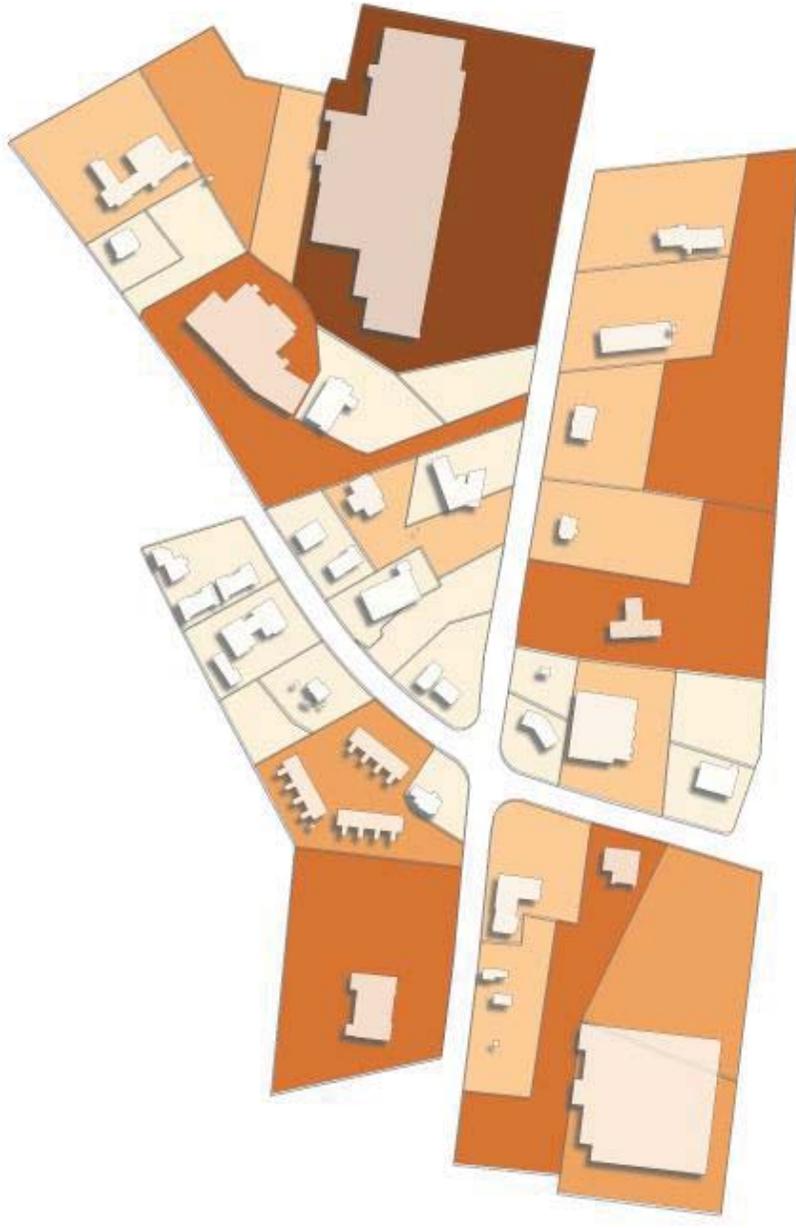
■ Aggregation of Parcels

SUSCEPTIBILITY TO CHANGE ANALYSIS >



■ Total of Land and Building Values as Assessed

SUSCEPTIBILITY TO CHANGE ANALYSIS >



Land Area Per Parcel (SF)



■ Parcels Categorized by Size

SUSCEPTIBILITY TO CHANGE ANALYSIS >



Land Value (\$) per SF

1 - 3
4 - 7
8 - 11
12 - 20
21 - 28

■ Note: Land Values Higher for Smaller Lots

SUSCEPTIBILITY TO CHANGE ANALYSIS >

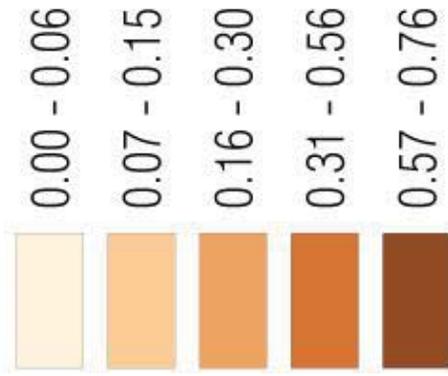


- Note: Newer Buildings Have Highest Values

SUSCEPTIBILITY TO CHANGE ANALYSIS >



Floor Area Ratio Per Parcel



- Current Zoning Limits KC District to Max. FAR of 0.4

SUSCEPTIBILITY TO CHANGE ANALYSIS >

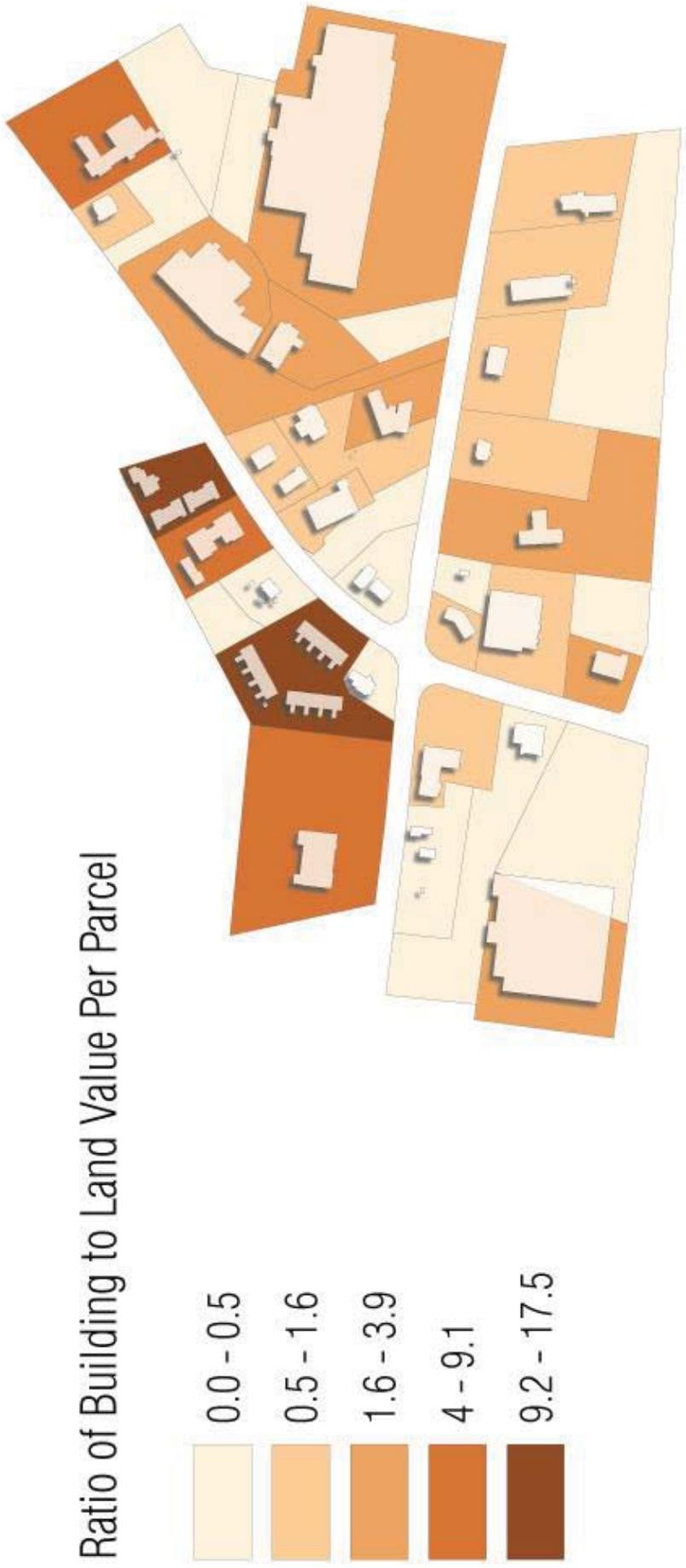


Floor Area Ratio Per Use Group

0.00 - 0.06
0.07 - 0.15
0.16 - 0.30
0.31 - 0.56
0.57 - 0.76

- Current Zoning Limits KC District to FAR = 0.4

SUSCEPTIBILITY TO CHANGE ANALYSIS >



■ Ratio Indicates Level of Current Investment

SUSCEPTIBILITY TO CHANGE ANALYSIS >

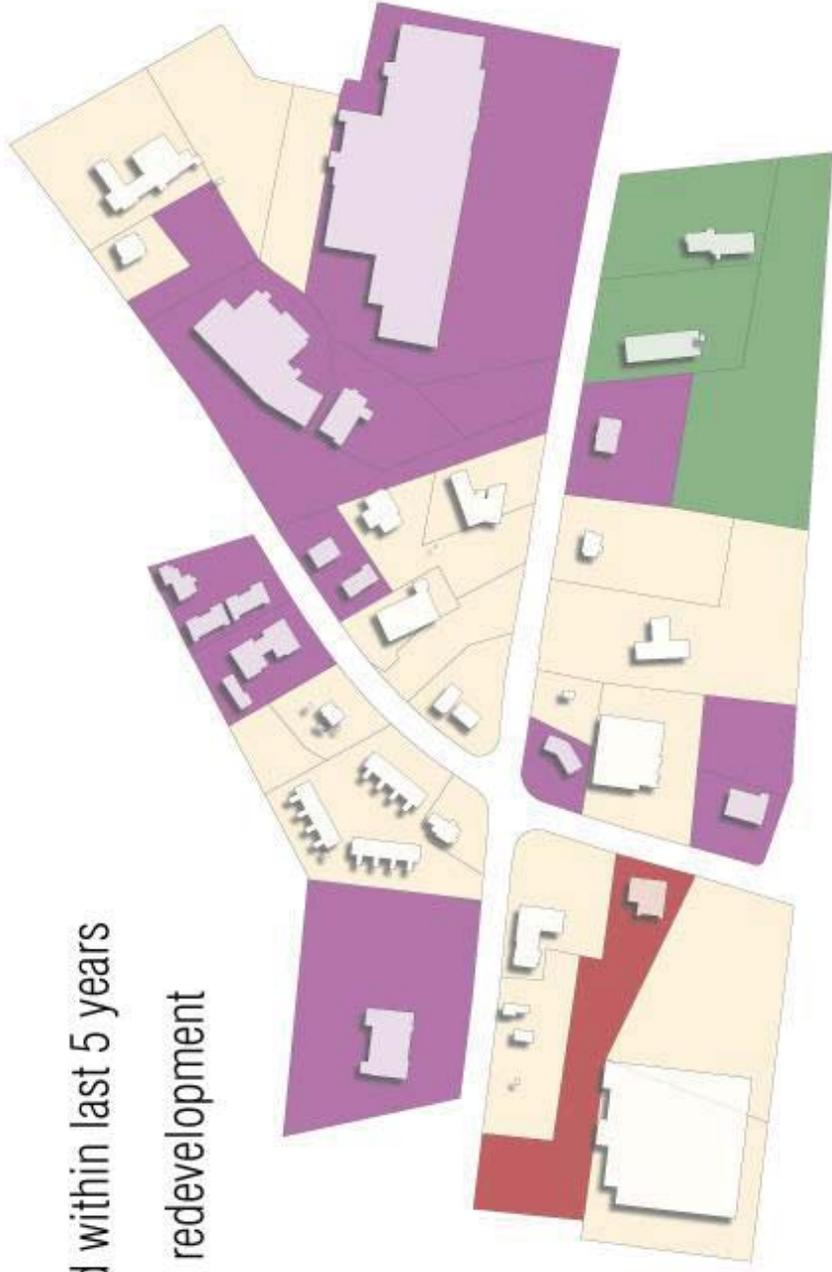


■ Investment Ratios for Combined Parcels

SUSCEPTIBILITY TO CHANGE ANALYSIS >

Current Conditions

-  Redeveloped or improved within last 5 years
-  Preliminary proposals for redevelopment
-  Vacant building
-  Other parcels



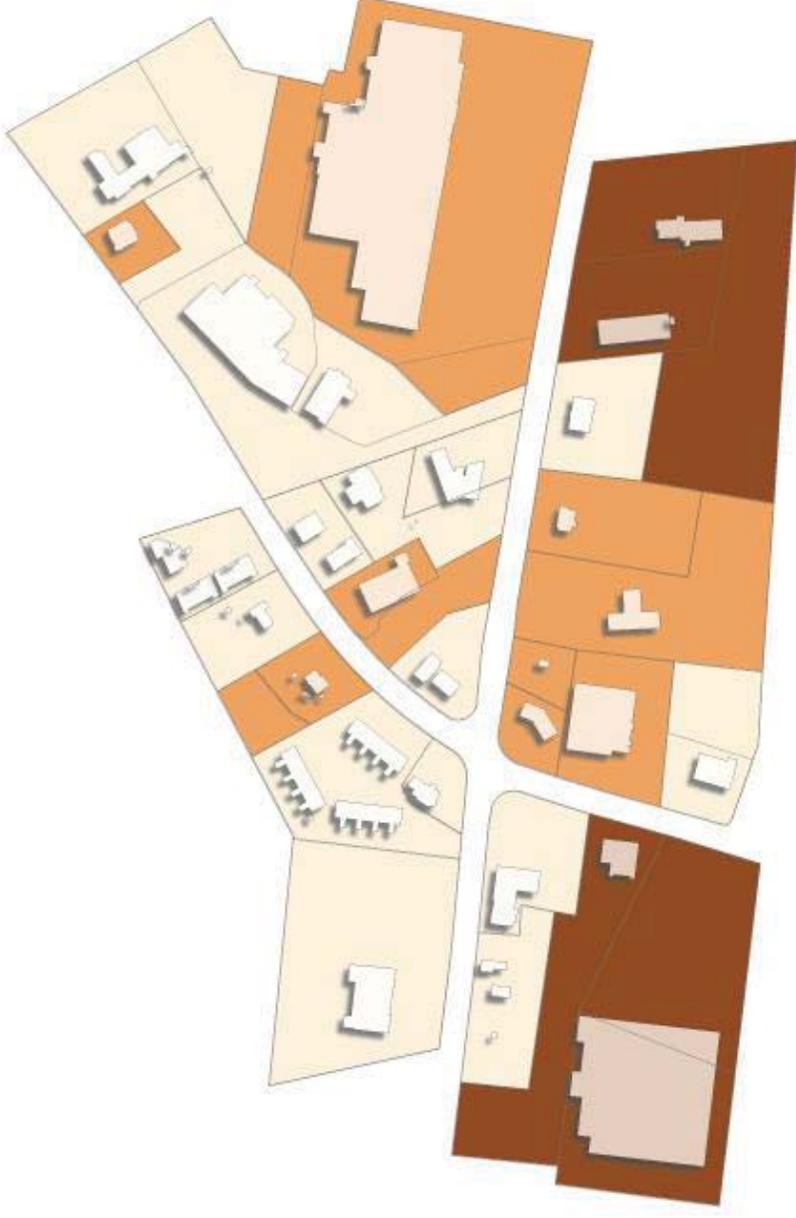
SUSCEPTIBILITY TO CHANGE ANALYSIS >

Model of Proposed Development



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Susceptibility to Change



■ Notes on Findings Listed on Table in Next Slide

Susceptibility to Change: Table of Findings

Location	Analysis Group	Susceptibility to Change	Rationale	Unlocking Change
252 MAIN ST	Kmart	High	Low value building, large site	Reinvestment into parcel
256 MAIN ST	Former McDonald's and Parking	High	Vacant building part of large site	New use
394-400 MASS AV	TRB/CVS Master Plan	High	Development plans submitted	Plan approval
422 MASS AV	Bank of America	Medium	Very low building to site value, but small site	Redevelopment
257 MAIN ST	Bowladrome	Medium	Low building value ratio, medium size site	Redevelopment
263 MAIN ST	Bueno Y Sano	Medium	Potential change at intersection	Changes to site or building
315 MAIN ST	Cleaners	Medium	Low building value ratio	Redevelopment
418 MASS AV	Dentist Condos	Medium	Low density use, but complex ownership	Additional development
401 MASS AV	Lower Plaza	Medium	CVS moving out to TRB dev	New tenant(s) expected
414 MASS AV	Northern Bank	Medium	Low density parcel use	Change in ownership, use more site
285 MAIN ST	Quill and Press	Medium	Medium value building, but high FAR	Change in ownership
282 MAIN ST	Single-Family House	Medium	Building value versus land value	Change in ownership
282 MAIN ST REAR	Vacant Parcel	Medium	Low value use	Aggregation with frontage lot and redevelopment
288 MAIN ST	Residential Condos	Low		
SARAH JANE CT	Residential Condos	Low		
289 MAIN ST	Gulf Station	Low		
268 MAIN ST	Law Offices (on corner)	Low		
313 MAIN ST	Medical Offices	Low		
432 MASS AV	Oil Distribution	Low		
3 CHARTER RD	Old High School Condos	Low		
276 MAIN ST	Red Stone Condos	Low		
403-9 MASS AV	Santander Bank	Low		
253 MAIN ST	Sorrento's Strip Mall	Low	Recent renovation	
411 MASS AV	Starbucks	Low		
421 MASS AV	Sunoco	Low		
408 MASS AV	TD Bank North	Low	Recent construction	
291-313 MAIN ST	Upper Plaza	Low	Recent renovation	
428 MASS AV	Verizon Interconnection	Low		

Kelly's Corner Feasibility Conclusions

December 2014 Analyses

Site	Feasibility	Advantages	Disadvantages	Comments/Questions
Key Site 1 - Roche Bros Parcels	Negative	Addresses retail demand Consolidated ownership	Too little new SF being added to offset the loss of existing SF being demolished	How much additional SF can be supported without demolition of any existing retail?
Key Site 2A - K-Mart Parcels - Retail/Residential (100% Demo)	Negative	Addresses retail demand Addresses residential demand	Too little new SF being added to offset the loss of existing SF being demolished Ownership not consolidated	How much additional SF can be supported without demolition of any existing retail?
Key Site 3 - Bowladrome & Adj. Parcels	Positive	Addresses retail demand Addresses residential demand	Ownership not consolidated	New SF being added is sufficient to offset the loss of existing SF being demolished
Key Site 4A - CVS Adjacent Parcels - Office/Retail	Negative	Addresses retail demand	Office rents insufficient to support cost of new construction Ownership not consolidated	Build-to-suit office occupancy might permit feasible development
Key Site 4B - CVS Adjacent Parcels - Retail/Residential	Negative	Addresses retail demand Addresses residential demand	Cost of structured parking Ownership not consolidated	How much additional SF can be supported without structured parking

Kelly's Corner Feasibility Conclusions

March 2015 Analyses

Site	Feasibility	Advantages	Disadvantages	Comments/Questions
Key Site 4C - CVS Adjacent Parcels - Higher Density Retail/Residential	Negative	Addresses retail demand Addresses residential demand	Cost of structured parking Ownership not consolidated	Cost of additional structured parking offsets gains produced by slightly higher density
Key Site 2B - K-Mart Parcels - Higher Density Retail/Residential (100% Demo)	Positive	Addresses retail demand Addresses residential demand Scale is attractive to the market Sufficient new SF being added to offset the loss of existing SF being demolished	Ownership not consolidated	New SF being added is sufficient to offset the loss of existing SF being demolished
Key Site 2C - K-Mart Parcels - Higher Density Retail/Residential (Minor Demo)	Positive	Addresses retail demand Addresses residential demand Less demolition cost burden	Ownership not consolidated	New SF being added is sufficient to offset the loss of existing SF being demolished

KMart & Adj. Parcels Feasibility Tests	100% Demo - Higher Density Retail/Residential Test Results: 6.8% Positive
---	--

Gross Potential Income

Revenues - Private	Units	RSF	Monthly Rent	Rent/SF	Annual Rent
Apartment	198	198,000	\$1,750	\$1.75	\$4,158,000
Retail	95,600	95,600	\$2.00	\$24.00	\$2,294,400
Parking Spaces	460		\$0	\$0	\$0
Subtotal	198	293,600		\$21.98	\$6,452,400
GSF/Efficiency Ratio	82%	358,500			

Vacancy & Collection Losses 5.0% (\$322,620)

Effective Gross Income \$6,129,780

Non-Reimbursable Expenses

Residential Operating & RE Taxes	\$7,500 Per Unit	(\$1,485,000)
Management	3.0% of EGI	(\$183,893)
Reserves	1.0% of EGI	(\$61,298)
Other	\$0.00 per RSF	\$0
Subtotal		(\$1,730,191)

Net Operating Income \$4,399,589

Capitalized Value On Completion-At Stabilization

Capitalization Rate	(conservative) 6.00% Overall Rate	\$73,326,480
	Rounded	\$73,300,000
	Per RSF	\$250
	Per GSF	\$204

Development Cost

Acquisition	Value Based on Assessment	\$16.32 Per GSF	\$5,850,300
Demolition	83,370 SF	\$10.00 per GSF	\$800,000
Hard Cost		\$140.00 per GSF	\$50,200,000
Parking		\$2,500 per space	\$1,150,000
Soft Costs (includes financing, fee etc.)		20% of Hard Cost	\$10,300,000
		Rounded	\$68,300,000
		Per RSF	\$233
		Per GSF	\$191

Feasibility Surplus/(Gap) Rounded \$5,000,000
% Surplus/(Gap) 6.8%

KMart & Adj. Parcels **Demo - New Retail/Residential**
Feasibility Tests **Test Results: 34.0% Positive**

Gross Potential Income

Revenues - Private	Units	RSF	Monthly Rent	Rent/SF	Annual Rent
Apartment	84	84,000	\$1,750	\$1.75	\$1,764,000
Retail	110,885	110,885	\$1.67	\$20.00	\$2,217,700
Parking Spaces	460		\$0	\$0	\$0
Subtotal	84	194,885	Total Rentable	\$20.43	\$3,981,700
GSF		152,568	New SF Only		

Vacancy & Collection Losses 5.0% (\$199,085)

Effective Gross Income \$3,782,615

Non-Reimbursable Expenses

Residential Operating & RE Taxes	\$7,500 Per Unit	(\$630,000)
Management	3.0% of EGI	(\$113,478)
Reserves	1.0% of EGI	(\$37,826)
Other	\$0.00 per RSF	\$0
Subtotal		(\$781,305)

Net Operating Income \$3,001,310

Capitalized Value On Completion-At Stabilization

Capitalization Rate	6.00% Overall Rate	\$50,021,840
	Rounded	\$50,000,000
	Per RSF	\$257
	Per GSF	\$328

Development Cost

Acquisition	Value Based on Assessment	\$38.35 Per GSF	\$5,850,300
Demolition	13,170 SF	\$10.00 per GSF	\$100,000
Hard Cost	Only accounts for New Construction	\$140.00 per GSF	\$21,400,000
Parking		\$2,500 per space	\$1,150,000
Soft Costs (includes financing, fee etc.)		20% of Hard Cost	\$4,500,000
		Rounded	\$33,000,000
		Per RSF	\$169
		Per GSF	\$216

Feasibility Surplus/(Gap) Rounded \$17,000,000
% Surplus/(Gap) 34.0%

CVS Adj. Sites-Option C **Higher Density Retail/Residential**
Feasibility Tests **Test Results: -4.7% Negative**

Gross Potential Income

Revenues - Private	Units	RSF	Monthly Rent	Rent/SF	Annual Rent
Apartment	61	61,000	\$1,750	\$1.75	\$1,281,000
Retail	8,000	8,000	\$2.00	\$24.00	\$192,000
Parking Spaces	113	Surface	\$0.00	\$0.00	\$0
Parking Spaces	48	Structured	\$0	\$0	\$0
Subtotal	61	69,000		\$21.35	\$1,473,000
GSF/Efficiency Ratio	87%	79,200 (Excluding Parking)			

Vacancy & Collection Losses 5.0% (\$73,650)

Effective Gross Income \$1,399,350

Non-Reimbursable Expenses

Residential Operating & RE Taxes	\$7,500 Per Unit	(\$457,500)
Management	3.0% of EGI	(\$41,981)
Reserves	1.0% of EGI	(\$13,994)
Other	\$0.00 per RSF	\$0
Subtotal		(\$513,474)

Net Operating Income \$885,876

Capitalized Value On Completion-At Stabilization

Capitalization Rate	6.00% Overall Rate	\$14,764,600
	Rounded	\$14,800,000
	Per RSF	\$214
	Per GSF	\$187

Development Cost

Acquisition	Value Based on Assessment	\$11.15 Per GSF	\$883,400
Demolition	7,800 SF	\$10.00 per GSF	\$100,000
Hard Cost	Marshall Valuation Service	\$140 per GSF	\$11,100,000
Parking	113 Surface	\$2,500 per space	\$282,500
Parking	48 Structured	\$15,000 per space	\$720,000
Soft Costs (includes financing, fee etc.)	20% of Hard Cost		\$2,400,000
		Rounded	\$15,500,000
		Per RSF	\$225
		Per GSF	\$196

Feasibility Surplus/(Gap) Rounded (\$700,000)
% Surplus/(Gap) -4.7%

Key Site 2 - Kmart Parcels - ALT B

Updated 02/17/15

Parcel	Parcel ID	Street Num	Location	Owner	Existing										Proposed													
					Parcel Area (SF)	Existing Footprint to Remain (SF)	Existing Stories to Remain (SF)	Existing Area to Remain (SF)	Existing Footprint to Remove (SF Demolition)	Existing Stories to Remove (SF)	Existing Area to Remove (SF)	Existing FAR	Building	Building Level	Area by floor (SF)	Total Building Area (SF)	Resale MSF (1 story + 2.5K etc.)	Office MSF (1 story + 2.5K etc.)	Light Industrial MSF (1 story + 2.5K etc.)	Res. Units (83K-100K)	Resident Parking (127,000 SF)	Retail/Office Parking (127,000 SF)	Structured Parking Provided (350/pace)	Surface Parking Provided	Parking Balance	Proposed FAR		
1	?	250	Main Street	Stop & Shop Supermarket Co	100,158	0	0.0	0	0	0	0.0	0	0.00	1	3	29,200	86,500	21,600	0	0	0	49	73	47	0	460	339	
2	?	250	Main Street	Stop & Shop Supermarket Co	97,601	0	0.0	0	70,200	1.0	70,200	0.72	2	3	31,400	94,200	25,100	0	0	0	52	78	50	0	339	211		
3	?	256	Main Street	Stop & Shop Supermarket Co	86,016	0	0.0	0	4,100	1.0	4,100	0.05	3	3	40,000	121,000	31,400	0	0	0	67	101	65	0	211	45		
4	?	438	Maxx Ave	Elbier A. Baker	44,190	0	0.0	0	1,740	1.5	2,610	0.06	4	3	18,000	54,000	14,400	0	0	30	45	29	0	45	-29			
5	?	430	Maxx Ave	N.E. To and 1/2 Property Tax Dept	44,747	0	0.0	0	6,460	1.0	6,460	0.14	4	4	18,000	54,000	14,400	0	0	30	45	29	0	45	-29			
					372,712	0	0	0	83,300	5	83,300	0.22	4	NA	115,500	348,200	95,600	0	0	158	238	191	0	460	-29	656		

**Roche Brothers
Feasibility Tests**

Partial Demo/Add Retail

Gross Potential Income

Revenues - Private	Units	RSF	Monthly Rent	Rent/SF	Annual Rent
Apartment	0	0	\$0	\$0.00	\$0
Retail	28,390	28,390	\$2.00	\$24.00	\$681,360
Parking Spaces	0		\$0	\$0	\$0
Subtotal	0	28,390		\$24.00	\$681,360
GSF		33,400			

Vacancy & Collection Losses 5.0% (\$34,068)

Effective Gross Income \$647,292

Non-Reimbursable Expenses

Residential Operating & RE Taxes	\$0 Per Unit	\$0
Management	3.0% of EGI	(\$19,419)
Reserves	1.0% of EGI	(\$6,473)
Other	\$0.00 per RSF	\$0
Subtotal		(\$25,892)

Net Operating Income \$621,400

Capitalized Value of Residential On Completion-At Stabilization

Capitalization Rate	7.00% Overall Rate	\$8,877,147
	Rounded	\$8,900,000
	Per RSF	\$313
	Per GSF	\$266

Development Cost

Acquisition	Value Based on NOI	\$249.50 Per GSF Demo'd	\$4,790,400
Demolition	19,200 SF	\$10.00 per GSF	\$200,000
Hard Cost		\$140.00 per GSF	\$4,700,000
Parking		\$2,500 per space	\$0
Soft Costs (includes financing, fee etc.)		20% of Hard Cost	\$900,000
		Rounded	\$10,600,000
		Per RSF	\$373
		Per GSF	\$317

Feasibility Surplus/(Gap) Rounded (\$1,700,000)
% Surplus/(Gap) -19.1%

Key Site 3 - Bowladrome & Adj. Parcels

Existing												
Parcel	Parcel ID	Street Num	Location	Owner	Parcel Area (SF)	Existing Footprint to Remain (SF)	Existing Stories to Remain (SF)	Existing Area to Remain (SF)	Existing Footprint Removed (SF Demolition)	Existing Stories to Remove (SF)	Existing Area Removed (SF)	Existing FAR
1	?	261	Main Street	Sundberg Realty Trust	54,015	0	0.0	0	15,000	1.0	15,000	0.28
2	?	422	Mass Ave	Kelley's Corner LLC	16,733	0	0.0	0	2,465	2.0	4,970	0.30
3	?	418	Mass Ave	Bay Bank Harvard Trust	13,212	0	0.0	0	300	1.0	300	0.02
					83,960	0	NA	0	17,785	NA	20,270	0.24

Key Site 3 - Bowladrome & Adj. Parcels													Updated 11/16/14	
Building	Building Level	Area by Floor (GSF)	Total Building Area (GSF)	Proposed										
				Retail NSF (1 story * 85% eff.)	Office NSF (* 80% eff.)	Light Industrial NSF (* 90% eff.)	Res. Units (83% eff., 1000 sf/unit)	Resident Parking Required (2/unit)	Retail/Office Parking Required (3/1000 sf)	Structured Parking Provided (350/space)	Surface Parking Provided	Parking Balance	Proposed FAR	
1	3	26,320	78,960	22,372	0	0	44	87	0	0	70	-17		
1	NA	26,320	78,960	22,372	0	0	44	87	0	0	70	-17	0.94	

Bowladrome and Adj. Sites **100% Demo - New Retail/Residential**
Feasibility Tests

Gross Potential Income

Revenues - Private	Units	RSF	Monthly Rent	Rent/SF	Annual Rent
Apartment	44	43,691	\$1,750	\$1.75	\$917,515
Retail	22,372	22,372	\$2.00	\$24.00	\$536,928
Parking Spaces	70		\$0	\$0	\$0
Subtotal	44	66,063		\$22.02	\$1,454,443
GSF		78,960			

Vacancy & Collection Losses 5.0% (\$72,722)

Effective Gross Income \$1,381,721

Non-Reimbursable Expenses

Residential Operating & RE Taxes Management	\$7,500 Per Unit	(\$327,684)
Reserves	3.0% of EGI	(\$41,452)
Other	1.0% of EGI	(\$13,817)
Subtotal	\$0.00 per RSF	\$0
		(\$382,953)

Net Operating Income \$998,768

Capitalized Value of Residential On Completion-At Stabilization

Capitalization Rate	6.00% Overall Rate	\$16,646,137
	Rounded	\$16,600,000
	Per RSF	\$251
	Per GSF	\$210

Development Cost

Acquisition	Value Based on Assessment	\$24.87 Per GSF	\$1,963,900
Demolition	20,270 SF	\$10.00 per GSF	\$200,000
Hard Cost		\$140.00 per GSF	\$11,100,000
Parking		\$2,500 per space	\$180,000
Soft Costs (includes financing, fee etc.)		20% of Hard Cost	\$2,300,000
		Rounded	\$15,700,000
		Per RSF	\$238
		Per GSF	\$199

Feasibility Surplus/(Gap) Rounded \$900,000
% Surplus/(Gap) 5.4%

Key Site 4A - CVS Adjacent Parcels - Office/Retail

Existing												
Parcel	Parcel ID	Street Num	Location	Owner	Parcel Area (SF)	Existing Footprint to Remain (SF)	Existing Stories to Remain (SF)	Existing Area to Remain (SF)	Existing Footprint Removed (SF Demolition)	Existing Stories to Remove (SF)	Existing Area Removed (SF)	Existing FAR
1	?	394	Mass Ave	Anna Ludwig Investment Trust	118,798	0	0.0	0	0	0.0	0	0.00
2	?	408R	Mass Ave	Marc C. Foster Trustee	57,942	0	0.0	0	5,200	1.5	7,800	0.13
3	?	408R	Mass Ave	Marc C. Foster Trustee	57,942	0	0.0	0	5,200	1.5	7,800	0.13
					176,740	0	NA	0	5,200	NA	7,800	0.04

Key Site 4B - CVS Adjacent Parcels - Retail/Residential

Existing												
Parcel	Parcel ID	Street Num	Location	Owner	Parcel Area (SF)	Existing Footprint to Remain (SF)	Existing Stories to Remain (SF)	Existing Area to Remain (SF)	Existing Footprint Removed (SF Demolition)	Existing Stories to Remove (SF)	Existing Area Removed (SF)	Existing FAR
1	?	394	Mass Ave	Anna Ludwig Investment Trust	118,798	0	0.0	0	0	0.0	0	0.00
2	?	408R	Mass Ave	Marc C. Foster Trustee	57,942	0	0.0	0	5,200	1.5	7,800	0.13
					176,740	0	NA	0	5,200	NA	7,800	0.04

Key Site 4A - CVS Adjacent Parcels - Office/Retail

Updated 11/16/14

Proposed													
Building	Building Level	Area by Floor (GSF)	Total Building Area (GSF)	Retail NSF (1 story * 85% eff.)	Office NSF (* 80% eff.)	Light Industrial NSF (* 90% eff.)	Res. Units (83% eff., 1,000 sf/unit)	Resident Parking Required (2/unit)	Retail/Office Parking Required (3/1000 sf)	Structured Parking Provided (350/space)	Surface Parking Provided (rough layout)	Parking Balance	Proposed FAR
1	1	12,200	12,200	10,370	0	0	0	0	31	0	65	34	
2	1	12,200	12,200	0	10,370	0	0	0	31	0	65	34	
3	1	12,200	12,200	0	10,370	0	0	0	31	0	0	-31	
3	NA	36,600	36,600	10,370	20,740	0	0	0	93	0	130	37	0.21

Key Site 4B - CVS Adjacent Parcels - Retail/Residential

Updated 11/16/14

Building	Building Level	Area by Floor (GSF)	Total Building Area (GSF)	Proposed									
				Retail NSF (1 story * 85% eff.)	Office NSF (* 80% eff.)	Light Industrial NSF (* 90% eff.)	Res. Units (83% eff., 1,000 sf/unit)	Resident Parking Required (2/unit)	Retail/Office Parking Required (3/1000 sf)	Structured Parking Provided (350/space)	Surface Parking Provided (rough layout)	Parking Balance	Proposed FAR
1	1	12,200	12,200	10,370	0	0	0	0	31	0	65	34	
2	2	6,000	12,000	0	0	0	8	16	0	8	8	-8	
3	2	6,000	12,000	0	0	0	8	16	0	8	8	-8	
4	2	6,000	12,000	0	0	0	8	16	0	8	8	-8	
5	2	6,000	12,000	0	0	0	8	16	0	8	8	-8	
5	NA	36,200	60,200	10,370	0	0	32	64	31	32	97	2	0.34

**CVS Adj. Sites-Option A
Feasibility Tests**

100% Demo - New Retail & Office

Gross Potential Income

Revenues - Private	Units	RSF	Monthly Rent	Rent/SF	Annual Rent
Office	20,740	20,740	\$1.67	\$20.00	\$414,800
Retail	10,370	10,370	\$2.00	\$24.00	\$248,880
Parking Spaces	130		\$0	\$0	\$0
Subtotal	20,740	31,110		\$21.33	\$663,680
GSF		36,600			

Vacancy & Collection Losses 5.0% (\$33,184)

Effective Gross Income \$630,496

Non-Reimbursable Expenses

Office Operating & RE Taxes	\$6.00 Per RSF	(\$124,440)
Management	3.0% of EGI	(\$18,915)
Reserves	1.0% of EGI	(\$6,305)
Other	\$0.00 per RSF	\$0
Subtotal		(\$149,660)

Net Operating Income \$480,836

Capitalized Value of Residential On Completion-At Stabilization

Capitalization Rate	8.00% Overall Rate	\$6,010,452
	Rounded	\$6,000,000
	Per RSF	\$193
	Per GSF	\$164

Development Cost

Acquisition	Value Based on Assessment	\$24.14 Per GSF	\$883,400
Demolition	7,800 SF	\$10.00 per GSF	\$100,000
Hard Cost		\$190.00 per GSF	\$7,000,000
Parking		\$2,500 per space	\$330,000
Soft Costs (includes financing, fee etc.)		20% of Hard Cost	\$1,500,000
		Rounded	\$9,800,000
		Per RSF	\$315
		Per GSF	\$268

Feasibility Surplus/(Gap) Rounded (\$3,800,000)
% Surplus/(Gap) -63.3%

**CVS Adj. Sites-Option B
Feasibility Tests**

100% Demo - New Retail/Residential

Gross Potential Income

Revenues - Private	Units	RSF	Monthly Rent	Rent/SF	Annual Rent
Apartment	32	32,000	\$1,750	\$1.75	\$672,000
Retail	10,370	10,370	\$2.00	\$24.00	\$248,880
Parking Spaces	97	Surface	\$0.00	\$0.00	\$0
Parking Spaces	32	Structured	\$0	\$0	\$0
Subtotal	32	42,370		\$21.73	\$920,880
GSF		60,200			

Vacancy & Collection Losses 5.0% (\$46,044)

Effective Gross Income \$874,836

Non-Reimbursable Expenses

Residential Operating & RE Taxes Management	\$7,500 Per Unit	(\$240,000)
Reserves	3.0% of EGI	(\$26,245)
Other	1.0% of EGI	(\$8,748)
Other	\$0.00 per RSF	\$0
Subtotal		(\$274,993)

Net Operating Income \$599,843

Capitalized Value of Residential On Completion-At Stabilization

Capitalization Rate	6.00% Overall Rate	\$9,997,376
	Rounded	\$10,000,000
	Per RSF	\$236
	Per GSF	\$166

Development Cost

Acquisition	Value Based on Assessment	\$14.67 Per GSF	\$883,400
Demolition	7,800 SF	\$10.00 per GSF	\$100,000
Hard Cost	Marshall Valuation Service	\$140 per GSF	\$8,400,000
Parking	97 Surface	\$2,500 per space	\$242,500
Parking	32 Structured	\$15,000 per space	\$480,000
Soft Costs (includes financing, fee etc.)	20% of Hard Cost		\$1,800,000
		Rounded	\$11,900,000
		Per RSF	\$281
		Per GSF	\$198

Feasibility Surplus/(Gap) Rounded (\$1,900,000)
% Surplus/(Gap) -19.0%

From: Rozan, Elizabeth <e.rozan@minuteman.org>
Sent: Thursday, January 14, 2016 3:00 PM
To: Kristen Guichard
Cc: Roland Bartl; Robert Hummel
Subject: enrollment and average cost
Attachments: Enrollments 3 yr. _nov2015.pdf

Kevin Mahoney asked me to send the following information to you, in response to your email to Ed Bouquillon:

Acton ave. cost/pupil:
FY17 - \$28,871
FY16 - \$29,134

The three year enrollment information is attached, and the FY 17 Budget Book has just been posted on our website: <http://minuteman.schoolwires.net/Page/198>.

Elizabeth Rozan, M.A.
District Assistant

Minuteman High School
758 Marrett Road, Lexington, MA 02421
T 781.861.6500 x7449
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www.minuteman.org

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Prepare for College and Life | Learn from the Experts | Make a Fresh Start | Be More Than Just Another Student | Experience The Modern American High School | Believe In Yourself

From: Kristen Guichard [mailto:kguichard@acton-ma.gov]
Sent: Thursday, January 14, 2016 1:59 PM
To: Bouquillon, Ed <e.bouquillon@minuteman.org>
Cc: Robert Hummel <rhummel@acton-ma.gov>; Roland Bartl <rbartl@acton-ma.gov>
Subject: Information on Acton Population at Minuteman

Hi Edward,

We are working on a fiscal impact analysis on proposed zoning articles we will be bringing to town meeting in the spring. Do you have the total Acton pupil population at Minuteman for the past two years available?

Also, do you know the average cost per pupil for the past two years?

Thank you so much, we truly appreciate your assistance.
Kristen

Kristen Guichard, AICP
Assistant Town Planner
Town of Acton
472 Main Street
Acton, MA 01720
P: 978-929-6631

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Elizabeth Rozan, M.A.
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Kristen

Kristen Guichard, AICP
Assistant Town Planner
Town of Acton
472 Main Street
Acton, MA 01720
P: 978-929-6631

Minuteman Career & Technical High School - Enrollment Over Three Years

Enrollment Oct 1, 2013								Enrollment Oct 1, 2014 (revised 3/4/2015)								Enrollment Nov 4, 2015 (DRAFT**)							
TOWN	2017	2016	2015	2014	PG	AM	Total	TOWN	2018	2017	2016	2015	PG	AM	Total	TOWN	2019	2018	2017	2016	PG	AM	Total
Acton	6	2	10	7	1		26	Acton	6	9	1	10	4		30	Acton	9	9	10	3	2		33
Arlington	51	30	43	29	12		165	Arlington	30	48	28	40	6		152	Arlington	24	28	44	21	3		120
Belmont	10	7	8	5	1		31	Belmont	4	9	8	8	2		31	Belmont	4	5	9	8			26
Bolton	3	2	2	4			11	Bolton	2	4	2	2			10	Bolton	1	3	3	2			9
Boxborough		3		1	1		5	Boxborough	2		2		1		5	Boxborough		2	1	2	2		7
Carlisle	3	5	2	2			12	Carlisle	1	3	3	1			8	Carlisle			3	2			5
Concord	3		2	2	0		7	Concord	7	3		2	4		16	Concord	6	7	2		2		17
Dover			1				1	Dover	1		1	1			3	Dover		1		1			2
Lancaster	9	11	5	1	1		27	Lancaster	8	10	9	5			32	Lancaster	13	8	9	9			39
Lexington	10	13	13	8	5	6	55	Lexington	8	11	10	11	2	10	52	Lexington	10	10	15	9	2	11	57
Lincoln	2	1	1	1	1		6	Lincoln	1	2	1		2		6	Lincoln	4	4	1	1	1		11
Needham	10	6	7	11	1		35	Needham	3	10	4	5	2		24	Needham	9	3	11	1	1		25
Stow	5	5	5	7			22	Stow	5	4	5	4	1		19	Stow	1	3	4	5			13
Sudbury	5	7	4	3	3		22	Sudbury	8	5	8	3	1		25	Sudbury	3	9	5	8			25
Wayland	1	1	2	2	2	3	11	Wayland	1			2	1		4	Wayland	2						2
Weston	1			3			4	Weston	2	1					3	Weston	1		3		1		5
In District								In District								In District							
Total:	119	93	105	86	28	9	440	Total:	89	119	82	94	26	10	420	Total:	87	92	120	72	14	11	396
Boston	16	9	11	16	3		55	Boston	4	15	7	9	2		37	Boston	1	6	12	5	1		25
Medford	9	17	14	9			49	Medford	8	8	15	13	2		46	Medford	3	7	8	16			34
Waltham	13	7	19	8	2		49	Waltham	8	13	12	17	5		55	Waltham	7	10	13	10	4		44
Watertown	8	31	16	12			67	Watertown	15	5	27	16			63	Watertown	19	15	7	24	1		66
Other	24	28	27	19	38		136	Other	24	23	25	25	27		124	Other	16	25	23	26	18		108
Non Member								Non Member								Non Member							
Total:	70	92	87	64	43		356	Total:	59	64	86	80	36		325	Total:	46	63	63	81	24		277
TOTAL								TOTAL								TOTAL							
Enrolled:	189	185	192	150	71	9	796	Enrolled:	148	183	168	174	62	10	745	Enrolled:	133	155	183	153	38	11	673
Post Grad counts includes Spring Students																							
Boston includes: Boston, Brighton, Dorchester, Hyde Park, Roxbury, South Boston, West Roxbury																							
**Draft numbers; waiting for Duplicate Students Report																							

From: Katrina_Riley@AVALONBAY.COM
Sent: Tuesday, January 12, 2016 3:19 PM
To: Kristen Guichard
Subject: Re: Population at Avalon Acton

Hi Kristen -

No problem, I can certainly assist you with the questions below:

In Acton, we have a total of 659 residents.

The total number of apartments is 380 for the entire community - 296 in Acton and 84 in Westford.

We do not have any 3 bedroom apartments, however the average number of people living in a 1 bedroom is 1.6 and the average in a 2 bedroom is 2.9.

Hope this helps - thank you and have a great day!

Katrina Riley
Senior Community Manager

Avalon Acton | 1000 Avalon Drive | Acton, MA 01720
Phone: 978-263-3400
Fax: 978-263-3433
Katrina_Riley@avalonbay.com
Please consider the environment before printing this e-mail.

This email may contain material that is confidential, privileged and/or attorney work product for the sole use of the intended recipient. If you are not the intended recipient, please contact the sender and delete all copies.

Kristen Guichard <kguichard@acton-ma.gov> wrote on 01/12/2016 09:50:37 AM:

> From: Kristen Guichard <kguichard@acton-ma.gov>
> To: "Katrina_Riley@avalonbay.com" <Katrina_Riley@avalonbay.com>
> Date: 01/12/2016 09:50 AM
> Subject: Population at Avalon Acton
>
> Hi Karina,
>
> We are putting together a Financial Impact Statement for a future
> development project in Town and are looking at comparable
> residential projects and the total population.
>
> Do you have the total population living in the Avalon Acton (Acton

> portion only)? Also, if you happen to have the total unit counts
> that would great as well, as in average number of people living in 1
> bedroom , 2 bedroom and 3 bedroom units.

>
> Thank you,
> Kristen

>
> Kristen Guichard, AICP
> Assistant Town Planner
> Town of Acton
> 472 Main Street
> Acton, MA 01720
> P: 978-929-6631

>
>

Article 3 Budget Transfer

(Majority vote)

To see if the Town will vote to appropriate from available funds a sum of money to defray necessary expenses above the amount appropriated at the 2014 Annual Town Meeting, or take any other action relative thereto.

MOTION: Mr. Gowing moves that the Town take no action.

MOTION CARRIES

The Moderator explained the Pro and Con microphones, time frame, and process for all speakers, presenters, and questions.

Article 4 Adopt Local Option Meals Excise

(Majority vote)

To see if the Town will vote to accept Massachusetts General Laws, Chapter 64L, Section 2(a), to impose a local meals excise upon the sale of restaurant meals originating within the Town, or take any other action relative thereto.

MOTION: Ms. Adachi moves that the Town of Acton accept Massachusetts General Laws, Chapter 64L, Section 2(a) to impose a local meals excise.

MOTION CARRIES

Article 5 Town Operating Budget

(Majority vote)

To see if the Town will raise and appropriate, and/or appropriate from available funds, a sum of money to defray the necessary expenses of the departments, offices and boards of the Town, exclusive of the Regional School budgets, or take any other action relative thereto.

MOTION: Mr. Gowing moves that the Town appropriate \$31,468,112 to be expended by the Town Manager for the purpose of funding the fiscal year 2016 municipal budget, and to raise such amount,
\$ 30,147,612 be raised from general revenues,
\$ 1,000,000 be transferred from the fund balance of the former North East Solid Waste Committee fund, pursuant to Chapter 376 of the Acts of 2006 and
\$ 320,500 be transferred from Free Cash,

And that the Town authorize the Town Manager to lease on such terms and conditions as he may determine vehicles and equipment for a period not to exceed five years, and to sell, trade or otherwise dispose of vehicles and equipment being replaced and to expend any proceeds so received.

MOTION CARRIES

**Massachusetts Department of Elementary and Secondary Education
Total School District Expenditures, All Funds, By Function, FY12 to FY14**

ACTON	pct chg			pct chg	
	FY12	FY13	12-13	FY14	13-14
Administration	1,238,603	1,333,903	7.7	1,477,368	10.8
Instructional Leadership	1,772,150	1,846,987	4.2	1,909,057	3.4
Classroom and Specialist Teachers	10,936,419	11,479,800	5.0	11,176,089	-2.6
Other Teaching Services	3,539,044	3,684,874	4.1	3,732,515	1.3
Professional Development	209,705	182,296	-13.1	169,949	-6.8
Instructional Materials, Equipment and Technology	711,618	697,930	-1.9	722,685	3.5
Guidance, Counseling and Testing	533,391	537,607	0.8	613,518	14.1
Pupil Services	2,978,498	3,051,999	2.5	3,257,799	6.7
Operations and Maintenance	1,867,565	1,921,799	2.9	1,839,209	-4.3
Insurance, Retirement Programs and Other	4,459,043	4,243,860	-4.8	4,700,760	10.8
Expenditures Outside the District	1,604,015	1,995,751	24.4	1,844,185	-7.6
TOTAL EXPENDITURES	29,850,051	30,976,806	3.8	31,443,134	1.5
Membership					
in-district fte average membership	2,525.80	2,511.30		2,453.30	
out-of-district fte average membership	32.20	34.30		47.40	
Total average membership, in and out of district	2,558.00	2,545.60	-0.5	2,500.70	-1.8
TOTAL EXPENDITURE PER PUPIL	11,669	12,169	4.3	12,574	3.3

Revised Enrollment Projections - 11/15

PUBLIC SCHOOL ENROLLMENT PROJECTIONS									
Elementary School									
Acton, MA: 2005-2027									
Year	K-12	K	1	2	3	4	5	6	Total
2005*	4,654	308	352	359	372	380	375	370	2,516
2006*	4,712	305	315	371	375	375	387	390	2,518
2007*	4,762	292	320	340	389	394	382	397	2,514
2008*	4,773	301	326	336	349	381	404	384	2,481
2009*	4,830	334	333	349	358	359	391	407	2,531
2010*	4,815	320	347	342	344	369	360	394	2,476
2011*	4,760	294	333	354	351	351	369	361	2,413
2012*	4,768	267	312	348	382	354	354	382	2,399
2013*	4,713	281	302	316	365	375	355	358	2,352
2014*	4,650	275	303	314	325	377	377	356	2,327
2015*	4,599	245	304	323	331	331	381	387	2,302
2016	4,508	244	265	315	338	335	333	387	2,218
2017	4,422	241	265	275	330	342	337	338	2,129
2018	4,325	206	261	274	288	334	344	342	2,050
2019	4,184	204	223	271	287	292	336	350	1,963
2020	4,111	231	221	231	284	291	293	341	1,893
2021	4,032	234	250	229	242	287	292	298	1,833
2022	3,929	237	253	259	240	245	289	297	1,821
2023	3,828	241	257	263	272	243	246	293	1,815
2024	3,741	246	261	266	275	275	245	250	1,818
2025	3,697	252	266	271	279	279	276	248	1,871
2026	3,689	259	273	276	284	282	280	281	1,934
2027	3,671	266	281	283	289	287	284	284	1,974

**PUBLIC SCHOOL ENROLLMENT
PROJECTIONS
Junior School
Acton, MA: 2005-2027**

Year	7	8	Total
2005*	391	351	742
2006*	382	400	782
2007*	395	381	776
2008*	402	407	809
2009*	393	402	795
2010*	395	401	796
2011*	391	408	799
2012*	375	396	771
2013*	389	376	765
2014*	354	400	754
2015*	364	364	728
2016	392	372	763
2017	392	400	792
2018	342	400	742
2019	346	349	696
2020	354	354	708
2021	345	361	707
2022	302	353	654
2023	297	308	605
2024	253	303	557
2025	251	259	510
2026	284	257	541
2027	288	290	578

**PUBLIC SCHOOL ENROLLMENT PROJECTIONS
High School
Acton, MA: 2005-2027**

Year	9	10	11	12	Total
2005*	368	361	341	326	1,396
2006*	345	364	369	334	1,412
2007*	391	345	366	370	1,472
2008*	385	394	342	362	1,483
2009*	402	382	383	337	1,504
2010*	402	390	370	381	1,543
2011*	385	415	387	361	1,548
2012*	408	392	419	379	1,598
2013*	394	404	393	405	1,596
2014*	372	400	404	393	1,569
2015*	404	369	397	399	1,569
2016	361	408	369	390	1,527
2017	368	364	408	362	1,502
2018	396	372	364	400	1,532
2019	396	400	372	357	1,525
2020	346	400	400	365	1,511
2021	350	349	400	393	1,492
2022	358	354	349	393	1,454
2023	349	362	354	343	1,408
2024	305	353	361	347	1,366
2025	300	308	353	355	1,316
2026	256	303	308	346	1,214
2027	254	259	303	302	1,119

Excludes choice
* Actual data

Sources: Acton-Boxborough School System
Acton Town Clerk & Building Commissioner
Mass. Department of Public Health

NOTE: This scenario is a result of utilizing 5 year average for
grade to grade ratios and for kindergarten to birth ratio

Revised Enrollment Projections - 11/15

PUBLIC SCHOOL ENROLLMENT PROJECTIONS											
Elementary School											
Acton, MA: 2005-2027											
Year	K-12	K	1	2	3	4	5	6	Total		
2005*	4,654	308	352		359	372	380	375	370	2,516	
2006*	4,712	305	315		371	375	375	387	390	2,518	
2007*	4,762	292	320		340	389	394	382	397	2,514	
2008*	4,773	301	326		336	349	381	404	384	2,481	
2009*	4,830	334	333		349	358	359	391	407	2,531	
2010*	4,815	320	347		342	344	369	360	394	2,476	
2011*	4,760	294	333		354	351	351	369	361	2,413	
2012*	4,768	267	312		348	382	354	354	382	2,399	
2013*	4,713	281	302		316	365	375	355	358	2,352	
2014*	4,650	275	303		314	325	377	377	356	2,327	
2015*	4,599	245	304		323	331	331	381	387	2,302	
2016	4,508	244	265		315	338	335	333	387	2,218	Decline from previous year
2017	4,422	241	265		275	330	342	337	338	2,129	89
2018	4,325	206	261		274	288	334	344	342	2,050	78
2019	4,184	204	223		271	287	292	336	350	1,963	87
2020	4,111	231	221		231	284	291	293	341	1,893	70
2021	4,032	234	250		229	242	287	292	298	1,833	59
2022	3,929	237	253		259	240	245	289	297	1,821	12
2023	3,828	241	257		263	272	243	246	293	1,815	6
2024	3,741	246	261		266	275	275	245	250	1,818	(3)
2025	3,697	252	266		271	279	279	276	248	1,871	(53)
2026	3,689	259	273		276	284	282	280	281	1,934	(64)
2027	3,671	266	281		283	289	287	284	284	1,974	(40)

Year	Net Decline for all Schools
2017	86
2018	98
2019	141
2020	73
2021	79
2022	104
2023	101
2024	87
2025	44
2026	8
2027	18
TOTAL	838
Average Student Enrollment Decline Per Year	76.16

PUBLIC SCHOOL ENROLLMENT PROJECTIONS Junior School Acton, MA: 2005-2027			
Year	7	8	Total
2005*	391	351	742
2006*	382	400	782
2007*	395	381	776
2008*	402	407	809
2009*	393	402	795
2010*	395	401	796
2011*	391	408	799
2012*	375	396	771
2013*	389	376	765
2014*	354	400	754
2015*	364	364	728
2016	392	372	763
2017	392	400	792
2018	342	400	742
2019	346	349	696
2020	354	354	708
2021	345	361	707
2022	302	353	654
2023	297	308	605
2024	253	303	557
2025	251	259	510
2026	284	257	541
2027	288	290	578

Decline from previous year
(28)
50
46
(12)
1
53
49
48
46
(31)
(37)

PUBLIC SCHOOL ENROLLMENT PROJECTIONS High School Acton, MA: 2005-2027					
Year	9	10	11	12	Total
2005*	368	361	341	326	1,396
2006*	345	364	369	334	1,412
2007*	391	345	366	370	1,472
2008*	385	394	342	362	1,483
2009*	402	382	383	337	1,504
2010*	402	390	370	381	1,543
2011*	385	415	387	361	1,548
2012*	408	392	419	379	1,598
2013*	394	404	393	405	1,596
2014*	372	400	404	393	1,569
2015*	404	369	397	399	1,569
2016	361	408	369	390	1,527
2017	368	364	408	362	1,502
2018	396	372	364	400	1,532
2019	396	400	372	357	1,525
2020	346	400	400	365	1,511
2021	350	349	400	393	1,492
2022	358	354	349	393	1,454
2023	349	362	354	343	1,408
2024	305	353	361	347	1,366
2025	300	308	353	355	1,316
2026	256	303	308	346	1,214
2027	254	259	303	302	1,119

Decline from previous year
25
(30)
7
14
19
39
46
41
51
102
95

Excludes choice
* Actual data

Sources: Acton-Boxborough School System
Acton Town Clerk & Building Commissioner
Mass. Department of Public Health

NOTE: This scenario is a result of utilizing 5 year average for grade to grade ratios and for kindergarten to birth ratio



Planning Department

TOWN OF ACTON
472 Main Street
Acton, Massachusetts 01720
Telephone (978) 929-6631
Fax (978) 929-6340
planning@acton-ma.gov

Cost Benefit Analysis Kelley's Corner Improvement Initiative

January 28, 2016

1. Summary

The Planning Department prepared a Cost Benefit Analysis to quantitatively measure the net benefit or cost of implementing the Kelley's Corner Plan. The Kelley's Corner Plan recommends the adoption of a proposed Kelley's Corner Master Plan Overlay Zoning District (MPD) and appropriation of \$756,000 for completed roadway and streetscape engineering design plans for Main Street and Massachusetts Avenue. Prior to this analysis, the Planning Department conducted a Fiscal Analysis of a potential redevelopment in the Southwest Quadrant ⁽¹⁾ in Kelley's Corner under the proposed zoning (see Fiscal Analysis). The data from the Fiscal Analysis was used in this Cost Benefit Analysis to analyze the zoning implementation portion of the Kelley's Corner Plan. This Cost Benefit Analysis applies the costs and benefits derived from the Fiscal Analysis, the appropriation of \$756,000 for completed engineering design plans, an estimate for future right of way acquisitions, and an award of federal and state construction funding through the Transportation Improvement Program (TIP) in the amount of \$9,000,000.

The Kelley's Corner Plan document describes in detail the qualitative rationale for implementing all aspects of the plan, whereas this analysis takes a purely fiscal approach as to whether there is a benefit to adopting zoning and appropriating funds for the infrastructure improvements.

2. Methodology and Assumptions

The Cost Benefit Analysis relies on data calculations derived from the Fiscal Analysis and estimates prepared by Greenman Pederson Inc., engineering consultants for the Kelley's Corner Improvement Initiative:

Costs:

- \$277,000 - Appropriated in 2013 for 10% engineering design plan and land use, market and economic analysis
- \$756,000 - Proposed appropriation for completed engineering design plan
- \$1,147,600 - Estimated Right of Way Land Acquisitions, Estimate based on recent appraisals for Rail Trails and Assessors Property Record Cards
- Costs to Service Additional Residents
- Costs to Service Additional Pupils
- Costs to Service Commercial Development

Benefits:

- Building Permit Fees
- Sewer Privilege Fees
- Estimated Tax Collections
- \$9,000,000 – TIP Construction Funding

The Cost Benefit Analysis evaluates Net Present Value and provides a Benefit to Cost Ratio over a 15 year projection out to 2030 using a discount rate of 7%. The financial data we have available is based on today's dollars. This analysis evaluates the Town's future returns on the investment made today. The value of today's money decreases over time; therefore by applying a discount rate to the present value of the money we gain a more accurate estimate of what the Town's return will be in the future. Using a discount rate takes into account other investments that could have been made as an alternative. A discount rate of 7% is most commonly used by governmental agencies and thus was applied in this analysis ⁽²⁾.

Net Present Value is used to measure a projects net benefit or cost in dollars. If the outcome is positive, the benefits outweigh the costs and should be pursued based purely on financial considerations. If the outcome is negative, the costs outweigh the benefits and should be reconsidered or revaluated based on the qualitative measures. The Benefit-Cost Ratio compares the benefits and costs. If the outcome is greater than one, the benefits outweigh the costs and the project should be reconsidered or revaluated based on the qualitative measures. If the outcome is less than one, the costs outweigh the benefits and should be reconsidered. In both situations if the outcome yields a zero, then benefits are equal to costs.

The formula for net present value is as follows:

$$\text{Net Present Value} = \text{SUM} \frac{\text{Year n Total Cash Flow}}{(1 + \text{Discount Rate})^n}$$

n = discount year

3. Summary of Findings

This Cost Benefit Analysis yields four different estimates based on the low and high projections described in the Fiscal Analysis (estimate of school children, estimate of commercial value and tax assessments). The analysis also provides an adjusted estimate provided by the Planning Department which assumes no additional education costs due to the significant decline in enrollment projections and an average of the high and low estimate of providing municipal services to the new commercial development ⁽³⁾.

All four estimates demonstrate an overall net benefit; therefore the project should be pursued.

Estimate	Cost to Benefit Ratio	Net Present Value
Low Estimate	1.78	\$5,347,214.99
High Estimate	1.37	\$4,162,486.13
Adjusted Low Estimate	2.32	\$6,426,324.37
Adjusted High Estimate	2.55	\$7,236,493.67

Low Estimate

Cost Benefit Analysis : Implementation of Kelley's Corner Plan							
	Actual Year	Year	Costs	Benefits	Total Benefits	Discount Factor	Present Value
Previous TM Appropriation	2013-2015	0	\$ 277,000.00		\$ (277,000.00)	1	-\$277,000.00
100% design engineering funds	2016	1	\$ 756,000.00		\$ (756,000.00)	0.934579439	-\$706,542.06
	2017	2			\$ -	0.873438728	\$0.00
	2018	3			\$ -	0.816297877	\$0.00
Land Acquisitions	2019	4	\$1,147,600.00		\$ (1,147,600.00)	0.762895212	-\$875,498.55
TIP Construction Funding	2020	5	\$ -	\$ 9,000,000.00	\$ 9,000,000.00	0.712986179	\$6,416,875.62
Private Development Begins (Building and Sewer Fees)	2021	6	\$ -	\$ 1,748,127.03	\$ 1,748,127.03	0.666342224	\$1,164,850.86
	2022	7	\$ -		\$ -	0.622749742	\$0.00
Taxes Collected and Service Costs for Res, Edu, Commercial	2023	8	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.582009105	-\$59,078.69
Taxes Collected and Service Costs for Res, Edu, Commercial	2024	9	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.543933743	-\$55,213.73
Taxes Collected and Service Costs for Res, Edu, Commercial	2025	10	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.508349292	-\$51,601.62
Taxes Collected and Service Costs for Res, Edu, Commercial	2026	11	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.475092796	-\$48,225.81
Taxes Collected and Service Costs for Res, Edu, Commercial	2027	12	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.444011959	-\$45,070.85
Taxes Collected and Service Costs for Res, Edu, Commercial	2028	13	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.414964448	-\$42,122.29
Taxes Collected and Service Costs for Res, Edu, Commercial	2029	14	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.387817241	-\$39,366.63
Taxes Collected and Service Costs for Res, Edu, Commercial	2030	15	\$ 972,608.20	\$ 871,100.00	\$ (101,508.20)	0.36244602	-\$36,791.24
		TOTAL	\$ 9,961,465.58	\$ 17,716,927.03			
		Benefit-Cost Ratio	\$ 1.78	(We would expect \$1.78 in benefits for every \$1 in costs)			
		Net Present Value	\$ 5,345,214.99				
		Discount Rate =	7.00%				

High Estimate

		Cost Benefit Analysis : Implementation of Kelley's Corner Plan					
	Actual Year	Year	Costs	Benefits	Total Benefits	Discount Factor	Present Value
Previous TM Appropriation	2013-2015	0	\$ 277,000.00		\$ (277,000.00)	1	-\$277,000.00
100% design engineering funds	2016	1	\$ 756,000.00		\$ (756,000.00)	0.934579439	-\$706,542.06
	2017	2			\$ -	0.873438728	\$0.00
	2018	3			\$ -	0.816297877	\$0.00
Land Acquisitions	2019	4	\$1,147,600.00		\$ (1,147,600.00)	0.762895212	-\$875,498.55
TIP Construction Funding	2020	5	\$ -	\$ 9,000,000.00	\$ 9,000,000.00	0.712986179	\$6,416,875.62
Private Development Begins (Building and Sewer Fees)	2021	6	\$ -	\$ 1,748,127.03	\$ 1,748,127.03	0.666342224	\$1,164,850.86
	2022	7	\$ -		\$ -	0.622749742	\$0.00
Taxes Collected and Service Costs for Res, Edu, Commercial	2023	8	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.582009105	-\$244,502.89
Taxes Collected and Service Costs for Res, Edu, Commercial	2024	9	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.543933743	-\$228,507.38
Taxes Collected and Service Costs for Res, Edu, Commercial	2025	10	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.508349292	-\$213,558.30
Taxes Collected and Service Costs for Res, Edu, Commercial	2026	11	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.475092796	-\$199,587.19
Taxes Collected and Service Costs for Res, Edu, Commercial	2027	12	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.444011959	-\$186,530.09
Taxes Collected and Service Costs for Res, Edu, Commercial	2028	13	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.414964448	-\$174,327.18
Taxes Collected and Service Costs for Res, Edu, Commercial	2029	14	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.387817241	-\$162,922.60
Taxes Collected and Service Costs for Res, Edu, Commercial	2030	15	\$ 1,509,069.49	\$ 1,088,968.00	\$ (420,101.49)	0.36244602	-\$152,264.11
		TOTAL	\$ 14,253,155.92	\$ 19,459,871.03			
		Benefit-Cost Ratio	\$ 1.37	(Meaning, we would expect \$1.37 in benefits for every \$1 in costs)			
		Net Present Value	\$ 4,160,486.13				
		Discount Rate =	7.00%				

Adjusted Low Estimate

Cost Benefit Analysis : Implementation of Kelley's Corner Plan							
	Actual Year	Year	Costs	Benefits	Total Benefits	Discount Factor	Present Value
Previous TM Appropriation	2013-2015	0	\$ 277,000.00		\$ (277,000.00)	1	-\$277,000.00
100% design engineering funds	2016	1	\$ 756,000.00		\$ (756,000.00)	0.934579439	-\$706,542.06
	2017	2			\$ -	0.873438728	\$0.00
	2018	3			\$ -	0.816297877	\$0.00
Land Acquisitions	2019	4	\$1,147,600.00		\$ (1,147,600.00)	0.762895212	-\$875,498.55
TIP Construction Funding	2020	5	\$ -	\$ 9,000,000.00	\$ 9,000,000.00	0.712986179	\$6,416,875.62
Private Development Begins (Building and Sewer Fees)	2021	6	\$ -	\$ 1,748,127.03	\$ 1,748,127.03	0.666342224	\$1,164,850.86
	2022	7	\$ -		\$ -	0.622749742	\$0.00
Taxes Collected and Service Costs for Residences and Commercial Average	2023	8	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.582009105	\$109,814.79
Taxes Collected and Service Costs for Residences and Commercial Average	2024	9	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.543933743	\$102,630.65
Taxes Collected and Service Costs for Residences and Commercial Average	2025	10	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.508349292	\$95,916.49
Taxes Collected and Service Costs for Residences and Commercial Average	2026	11	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.475092796	\$89,641.58
Taxes Collected and Service Costs for Residences and Commercial Average	2027	12	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.444011959	\$83,777.18
Taxes Collected and Service Costs for Residences and Commercial Average	2028	13	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.414964448	\$78,296.43
Taxes Collected and Service Costs for Residences and Commercial Average	2029	14	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.387817241	\$73,174.23
Taxes Collected and Service Costs for Residences and Commercial Average	2030	15	\$ 682,417.74	\$ 871,100.00	\$ 188,682.26	0.36244602	\$68,387.13
		TOTAL	\$ 7,639,941.91	\$ 17,716,927.03			
		Benefit-Cost Ratio	\$ 2.32	(We would expect \$2.32 in benefits for every \$1 in costs)			
		Net Present Value	\$ 6,424,324.37				
		Discount Rate =	7.00%				

Adjusted High Estimate

Cost Benefit Analysis : Implementation of Kelley's Corner Plan							
	Actual Year	Year	Costs	Benefits	Total Benefits	Discount Factor	Present Value
Previous TM Appropriation	2013-2015	0	\$ 277,000.00		\$ (277,000.00)	1	-\$277,000.00
100% design engineering funds	2016	1	\$ 756,000.00		\$ (756,000.00)	0.934579439	-\$706,542.06
	2017	2			\$ -	0.873438728	\$0.00
	2018	3			\$ -	0.816297877	\$0.00
Land Acquisitions	2019	4	\$1,147,600.00		\$ (1,147,600.00)	0.762895212	-\$875,498.55
TIP Construction Funding	2020	5	\$ -	\$ 9,000,000.00	\$ 9,000,000.00	0.712986179	\$6,416,875.62
Private Development Begins (Building and Sewer Fees)	2021	6	\$ -	\$ 1,748,127.03	\$ 1,748,127.03	0.666342224	\$1,164,850.86
	2022	7	\$ -		\$ -	0.622749742	\$0.00
Taxes Collected and Service Costs for Residences and Commercial Average	2023	8	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.582009105	\$236,615.95
Taxes Collected and Service Costs for Residences and Commercial Average	2024	9	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.543933743	\$221,136.40
Taxes Collected and Service Costs for Residences and Commercial Average	2025	10	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.508349292	\$206,669.54
Taxes Collected and Service Costs for Residences and Commercial Average	2026	11	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.475092796	\$193,149.10
Taxes Collected and Service Costs for Residences and Commercial Average	2027	12	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.444011959	\$180,513.18
Taxes Collected and Service Costs for Residences and Commercial Average	2028	13	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.414964448	\$168,703.90
Taxes Collected and Service Costs for Residences and Commercial Average	2029	14	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.387817241	\$157,667.20
Taxes Collected and Service Costs for Residences and Commercial Average	2030	15	\$ 682,417.74	\$ 1,088,968.00	\$ 406,550.26	0.36244602	\$147,352.52
		TOTAL	\$ 7,639,941.91	\$ 19,459,871.03			
		Benefit-Cost Ratio	\$ 2.55	(We would expect \$2.55 in benefits for every \$1 in costs)			
		Net Present Value	\$ 7,234,493.67				
		Discount Rate =	7.00%				

- (1) The proposed Master Plan Overlay District requires 50,000 square feet of land area and 300 feet of frontage as a minimum opt-in threshold and allows for higher Floor Area Ratio (FAR) up to .8 and within that FAR multi-family housing up to 75% of building square feet. The Fiscal Analysis found that properties located at 252 and 256 Main Street had a high susceptibility to change based on the low value of the current buildings and the size of the site. In addition, a test development pro forma was performed by Byrne McKinney & Associates, Inc. for the combined properties located at 252 and 256 Main Street and 438 and 430 Massachusetts Avenue (the Southwest KC Quadrant) which found the proposed Master Plan Overlay District zoning viable for private redevelopment to occur. As such, the Financial Analysis assumes a complete mixed-used redevelopment of the Southwest Kelley’s Corner (KC) Quadrant under the proposed MPD Overlay District.

Table 1. Dimensions of Potential Project Area - Southwest KC Quadrant

Approximate Land Area (square feet)	Assumed FAR*	Total Allowed Net Floor Area (square feet)
370,260	0.7	259,182

*An assumed FAR of 0.7 has been chosen based on test development pro formas which take into account surface parking needs and very limited resource constraints on the site.

- (2) Governmental agencies typically use a discount rates of 7%. For more information please see:
 Zerbe Jr., Richard et. Al. (2002). *A History of Discount Rates and Their Use by Government Agencies*. University of Washington. Retrieved from <http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0ahUKEWjI6beaz8rKAhVFjz4KHW8pAhoQFggcMAA&url=http%3A%2F%2Ffaculty.washington.edu%2Fzerbe%2Fdocs%2FDISCONTRATEHISTORY.doc&usg=AFOjCNHwuyTZFU9WzMtDcv14CoAZF2UOTA&bvm=bv.112766941.d.cWw>
- De Neufville, Richard. *Choice of Discount Rate*. Dynamic Strategic Planning. Massachusetts Institute of Technology. Slide 7 of 25. Retrieved from http://ardent.mit.edu/real_options/RO_current_lectures/ESD%2003%20Slides/DRChoice03.pdf
- (3) Given the significant decline in school enrollment projections out to 2027 and the reality that commercial related service costs in any particular project are about the same for low and high assessed commercial properties, the Planning Department offers an adjusted estimate which more closely reflects realities of increased annual service cost. The Fiscal Analysis removes the additional assumed costs per student because the overall school enrollment population with the additional children from the proposed project would still be in decline. This estimate also uses an average of the high and low commercial costs. This would yield in an annual net benefit of \$188,682.26 (low estimate) or \$406,550.26 (high estimate) after the first year (year of construction related one time fees). In comparison, the existing combined properties yield approximately \$46,946.86 annually today. One could argue that a declining enrollment provides opportunities for education budget reductions if a significant decline continues, but it should be noted again that the added school aged children in the potential project would still yield an overall enrollment decline and the potential project would net an additional \$188,682.26 to \$406,550.26 annually as well as an additional \$1,748,127.03 in the first year in total revenues to the Town. With the potential KC redevelopment project, school enrollment would continue to decline. Therefore, the Town could still consider and pursue education cost reductions and gain the additional financial benefit from the project.