

Attachment H  
Fiscal Impact Study

# **FISCAL ANALYSIS**

- Based on the negotiated development and studies performed during the negotiation period, the Town prepared a fiscal analysis.

# FISCAL ANALYSIS

- In the first year of final completion of the development the Town anticipates revenues from the development to be \$2,128,140.46
  - Based on current tax rate
- The Town expects total expenditures to be \$1,551,614.27
  - Based on current budget
- The Town expects to have surplus revenue from this development of \$576,626.19 annually

# **FISCAL ANALYSIS: REVENUES**

- \$2,032,140.46 in Property Tax per year
- The estimated assessed value of the 40R development is \$14,430,195
  - Taxes paid per year \$258,733
- The estimates assessed value of the market rate for sale units is \$87,803,504
  - Taxes paid per year \$1,773,407
- Excise Taxes per year: \$96,000

# **FISCAL ANALYSIS: EXPENDITURES**

- To determine non-education costs to the budget related to this development, the Town used the same metrics used in the Meadow Walk fiscal analysis.
- In order to estimate the cost of residential services, consultants analyze our operating budgets to identify population-sensitive costs and then assign each category of service an increase based on estimated impacts.
- Based on this analysis, we determined that non school costs will increase by \$283,061.06 per year.

# FISCAL ANALYSIS: EXPENDITURES

- Based on the capacity study and student number forecast, the Town estimated the potential increase to school spending.
- We increased the budget for the maximum number of personnel possibly needed and multiplied all of the instructional items by the percentage of new students to create this conservative approach.
  - Based on current budget
  - In this analysis for instance you would not increase the line item for electricity or custodial services, but would increase the line item for textbooks, art supplies, transportation and special education.
- Total spent on education per year: \$1,268,553
  - Estimated cost per student: \$12,813.67



# **FISCAL ANALYSIS: REVENUES VS EXPENDITURES**

- Estimated revenues in first year:  
\$2,032,140.46 + \$96,000
- Total estimated expenditures in first year:  
\$1,551,614.27
  - Education-SPS: \$777,818.95
  - Education- LS: \$496,734.26
  - Non-education: \$283,061.06
- Total excess revenue annually: \$576,526.19



# **FISCAL ANALYSIS: SUDBURY STATION**

- **Estimated revenues in first year:**  
\$966,022.28 + \$90,240
- **Total estimated expenditures in first year:**  
\$1,719,244.66
  - **Education-SPS: \$887,016.59**
  - **Education- LS: \$576,878.72**
  - **Non-education: \$255,399.35**
- **Total estimated deficit annually: -\$662,982.38**



# **DEVELOPMENT AGREEMENT: PER CAPITA PAYMENT**

- Town negotiated a per capita mitigation payment
- If the development exceeds both the population (by ten percent) and expenditure forecasts after the 5<sup>th</sup> year, then the town will receive per capita payments from the developer up to \$500,000
- Per capita for today's budget is approximately \$5,100

Town of Sudbury  
 Melone RFP - Quarry North  
 Net Present Value Estimate

	<b>Year</b>	<b>Real Estate Taxes</b>	<b>Excise Taxes</b>	<b>Associated Costs</b>	<b>Annual Total</b>
1	2022	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
2	2023	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
3	2024	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
4	2025	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
5	2026	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
6	2027	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
7	2028	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
8	2029	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
9	2030	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
10	2031	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
11	2032	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
12	2033	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
13	2034	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
14	2035	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
15	2036	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
16	2037	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
17	2038	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
18	2039	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
19	2040	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
20	2041	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
21	2042	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
22	2043	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
23	2044	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
24	2045	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
25	2046	2,032,140.46	96,000.00	(1,551,614.27)	576,526.19
<b>Total</b>		<b>50,803,511.51</b>	<b>2,400,000.00</b>	<b>(38,790,356.66)</b>	<b>14,413,154.86</b>

Discount Rate 5.00%

Net Present Value \$8,125,528.22

Town-Wide Expenses		Efficiency Factors		
Category of Municipal Service	Residential Share, Town Operating Budget	Assisted Living	Apartments/Townhouses	Age-Restricted Housing
General Government	2,581,900.00	0.1	0.1	0.1
Public Safety	5,838,500.00	1.05	0.75	0.75
Public Works	4,545,100.00	0	0.05	0.05
Health & Human Services	576,400.00	0.5	0.3	0.2
Culture & Recreation	1,233,400.00	0.1	0.3	0.5
Benefits	4,290,500.00	0.025	0.015	0.02
Other	62,400.00	0	0	0
	<u>19,128,200.00</u>			

FY16 Budget Net of Debt	FY19 Budget Net of Debt	Increase
88,711,995	98,516,637	
-3,719,050	-3,100,625	
<u>84,992,945.00</u>	<u>95,416,012.00</u>	12.26%

Cost Per Household	1,289.91	1,021.60	1,060.89
Number of Households	-	194.00	80.00
Incremental Cost	-	198,189.89	84,871.17

Education Expenses		Efficiency Factors		
Category of Municipal Service	Residential Share, Town Operating Budget	Assisted Living	Apartments/Townhouses	Age-Restricted Housing

Incremental Cost Per Student	12,813.67
Number of Students	99.00
Estimated Cost of Services	1,268,553.20

Total Estimated Cost of Services 1,551,614.27

Number of Students that create a negative financial forecast 45

Total Students 144.00









	FUND	ORG	OBJECT	FULL ACCT	ACCT DESCRIPTION
Total Staff	404	7	411		2.02%
Incremental Cost/Student (est.)	11,978.43				FY18 Actual
Incremental Cost/Student (est.)	12,813.67				FY19 Budget

TYPE	FY19 BUDGET	ADJUSTMENT FACTOR	ESTIMATED CHANGE	ESTIMATED BUDGET	CY_MEMO_BAL
	SPS	39,074,673.23	6.01		39,748,610.69
LS	24,762,716.00	0.02		25,249,415.23	4,032,973.00
Voc	663,719.00	-		663,719.00	32,320.00
Emp Ben	6,972,337.00	0.12		7,054,626.18	5,837,891.19
OPEB	334,306.00	-		334,306.00	-
	71,807,751.23	6.15		73,050,677.10	14,464,030.02



501	122,289.03	Administrators	Administrators	122,289.03
502	8,217.61	Art	Teachers	104,155.58
505	1,453.03	Media & Tech Supplies	Supplies/Equipment	155,764.69
513	2,305.06	Computer Teachers	Teachers	104,155.58
514	9,386.91	Kindergarten Supplies	Supplies/Equipment	155,764.69
516	90,672.64	General School Supplies	Supplies/Equipment	155,764.69
520	-			-
521	6,653.33	Language Arts Teacher	Teachers	104,155.58
522	3,840.22	English Second Language Teacher	Teachers	104,155.58
524	7,315.68	World Language Professional Salary	Teachers	104,155.58
530	26,726.09		Teachers	104,155.58
531	932.59	Health Teacher	Teachers	104,155.58
532	236.06	Nurse Supplies	Supplies/Equipment	155,764.69
534	4,724.34	SPED Professional Salary	Teachers	104,155.58
536	2,999.23	Instructional Supplies	Supplies/Equipment	155,764.69
540	2,064.52	Technology Education Supplies	Supplies/Equipment	155,764.69
541	18,618.06	Kindergarten Supplies	Supplies/Equipment	155,764.69
544	-			-
555	13,262.35	Math Support	Support Staff	52,322.00
560	5,507.96	Computer Network/Technology	Supplies/Equipment	155,764.69
561	1,041.44	General School Supplies	Supplies/Equipment	155,764.69
563	7,568.11	Music Supplies	Supplies/Equipment	155,764.69
564	2,899.55	SPED Support	SPED Support Staff	5,290.25
570	5,769.77	Physical Education Supplies	Supplies/Equipment	155,764.69
571	4,160.62	SPED Professional Salary	Support Staff	52,322.00
572	8,483.30	Tea	Teachers	104,155.58
573	1,675.69	Professional Development	Teachers	104,155.58
574	18,297.94		Teachers	104,155.58
575	10,835.46	Reading Tutors and Specialists	Support Staff	52,322.00
582	7,243.53	Science Teachers	Teachers	104,155.58
583	7,740.20	Social Studies Teachers	Teachers	104,155.58
584	155,568.35	SPED Support Staff/Contracted Services	SPED Teachers	155,568.35
585	2,471.55	Equipment	Supplies/Equipment	155,764.69
591	20,180.99	Speech Therapist	Support Staff	52,322.00
592	-			-
590	2,390.70	SPED Support	SPED Support Staff	5,290.25
594	3,882.57	Substitutes	Support Staff	52,322.00
595	-			-
596	39,264.64	Tuition Out of District	SPED Out of District	39,264.64
602	20,188.68	Regular Day Transportation	Regular Day Transportation	20,188.68
603	18,332.59	SPED Transportation	SPED Transportation	18,332.59
610	7,975.42	Equipment	Supplies/Equipment	155,764.69
020	82,289.18	Employee Benefits	Employee Benefits	82,289.18
310	486,699.23	LS	LS	486,699.23
315	-	Voc Ed	Voc Ed	-

1,242,164.21  
1,242,925.87  
(761.66)

Administrators	122,289.03	1
Teachers	104,155.58	2
Support Staff	52,322.00	1
Supplies/Equipment	155,764.69	
Regular Day Transportation	20,188.68	
SPED Teachers	155,568.35	3
SPED Support Staff	5,290.25	
SPED Out of District	39,264.64	
SPED Transportation	18,332.59	
Employee Benefits	82,289.18	
LS	486,699.23	
Voc Ed	-	

1,242,164.21  
761.66

Per Meadow Walk Calculation:

Students Per Unit	0.5
Number of Units	194.00
Estimated Number of Students	99
Rounded	99

**Apartments**

Assessed Value Estimate  
Revenue

Quantity	BR	Market Affordable	Estimated Monthly Rent	Annual Rent
0	1 BR	Market	2,100	-
50	1 BR	Affordable	1,307	784,200
0	2 BR	Market	2,660	-
40	2 BR	Affordable	1,568	752,640
0	3 BR	Market	3,250	-
11	3 BR	Affordable	1,812	239,184
101			Total	1,776,024

Less Vacancy 5% **88,801**

Less Operating Expense 30% **532,807**

Income 1,154,416

Cap Rate 8%

Estimated Stabilized Assessed Value **14,430,195** Tax Rate 0.01793 258,733

**3 BR Townhouses For Sale**

Quantity	BR	Market Affordable	Estimated Sales Price	Tax Rate
4	3 BR	Market	652,555	2,610,220
0	3 BR	Affordable	175,000	-
			Estimated Townhouse Assessed Value	<b>2,610,220</b> 0.01793 <b>46,801</b>

Total

**2 BR Townhouses For Sale**

Quantity	BR	Market Affordable	Estimated Sales Price	Tax Rate
119	2 BR	Market	652,555	77,654,045
0	3 BR	Affordable	175,000	-
			Estimated Townhouse Assessed Value	<b>77,654,045</b> 0.01793 <b>1,392,337</b>

Total

**2 BR Condos For Sale**

Quantity	BR	Market Affordable	Estimated Sales Price	Tax Rate
27	1 BR	Market	411,250	11,103,750
0	3 BR	Affordable	175,000	-
			Estimated Townhouse Assessed Value	<b>11,103,750</b> 0.01793 <b>199,090</b>

Total

**245,891**

**1 BR Condos For Sale**

Quantity	BR	Market Affordable	Estimated Sales Price	Tax Rate
23	1 BR	Market	327,793	7,539,239
0	3 BR	Affordable	175,000	-
			Estimated Townhouse Assessed Value	<b>7,539,239</b> 0.01793 <b>135,179</b>

Total

**2,032,140**

274 Total Estimated Assessed Value: 102,233,699 373,115.69 Average Value for All Properties

**Excise Tax**

Assumptions

Cars per apartment/townhouse 1.6

Average Vehicle Value 10,000

Excise Tax rate 25/1000 0.025 96000

Estimated Apartment Excise Tax 175,200 438.4

Estimated Townhouse Excise Tax 13,200

Total Excise Tax Estimate **188,400**

Community Preservation Act Surcharge **39,520**

<b>Complex Name</b>	<b>Av Fin Area</b>	<b>Average Assessment</b>	<b>Restrictions</b>	
Mahoney Farms	3,088	<b>791,748</b>	Age No Financial	Average is greater than 2,400 square feet -
Grouse Hill	2,745	<b>576,210</b>	Age Financial	Average is greater than 2,400 square feet -
Spring House Pond	2,504	<b>692,482</b>	Age No Financial	Include In Average
Villages on Old County	2,421	<b>675,733</b>	Some affordable No Age	Include In Average
Landham Crossing	2,388	<b>685,026</b>	Some affordable No Age	Include In Average
Maple Meadows	2,590	<b>750,132</b>	Age No Financial	Average is greater than 2,400 square feet -
Carriage Lane	1,930	<b>452,466</b>	Some aff No Age	Include In Average
Dudley Brook	2,134	<b>757,069</b>	Age No Financial	Include In Average
Frost Farm	1,520	<b>328,747</b>	Financial and Age	All financial and age restricted - exclude fro

652,555 Overall Average

Hi Dennis-

The current average assessed value of our newer (no income restriction) condos is between \$750,000 and \$792,000, Currently there is very little value difference associated with the number of bedrooms in townhouses. Please let me know if you have any questions on this.

Cynthia

exclude from average calculation  
exclude from average calculation

exclude from average calculation

m average calculation

**Garden Style  
2 bdrm**

<b>Complex Name</b>	<b>Av Fin Area</b>	<b>Average AV</b>	<b>Restrictions</b>	
Highcrest 22 Farmstead	1,428	525,400	Age	no assessment
Stearns Mill	612	339,050	no restrictions	converted 7 unit apt house
Northwood Dr	1,959	369,300	Age No Financial	
<b>Average</b>	<b>1,333</b>	<b>411,250</b>		

**Garden Style  
1 bdrm**

<b>Complex Name</b>	<b>Av Fin Area</b>	<b>Average AV</b>	<b>Restrictions</b>	
Highcrest 22 Farmstead	934	427,423	Age	no assessment
Stearns Mill	565	202,275	no restrictions	converted 7 unit apt house
Northwood Dr	1,704	353,680	Age No Financial	
<b>Average</b>	<b>1,068</b>	<b>327,793</b>		

Quarry North updated numbers!

	Weston Quarry	Sudbury Station	Quarry North	
Acres	73 acres	39.87 acres	36.7 acres	36.7
Population estimate	704	510	673	556
units	345 units	250 units	330 units	274
% affordable	25%	25%	25%	25% of 101
excise	\$134,675	\$97,656	\$128,906	\$106,931
Number of public safety calls	183	132	175	145
cost of each call	\$360	\$360	\$360	\$360
Total cost police	\$65,880	\$47,520	\$63,000	\$52,200
Number of fire calls	87	62	83	69
cost per fire call	\$2,145	\$2,145	\$2,145	\$2,145
Total cost fire and ambulance	\$186,615	\$132,990	\$178,035	\$148,005
recreation	\$28,864 (\$41 per capita)	\$20,910	\$27,593	\$22,796
Health	\$48,273 (\$68.57 per capita)	\$34,971	\$46,148	\$38,125
number of students*	110	77	105	54
cost students	\$435,000	\$304,500	\$415,227	\$213,545.27
COST	\$764,632	\$540,891	\$730,003	
*60% of units x .518				

	Meadow Walk	Sudbury Station	Quarry North	Quarry updated unit count
Acres	50	39.87 acres	36.7 acres	36.7
Population estimate	537	461	608	505
units	310	250 units	330 units	274
% affordable	25%	25%	25%	25% of 100
excise	\$103,300	\$88,512	\$116,736	\$96,926
Cost municipal services (nonschool)	\$284,300	\$229,274	\$302,641	\$251,283
number of students*	65	65	78	45
cost students	\$624,000	\$624,000	\$748,800	\$432,000
COST	\$805,000	\$764,762	\$934,705	