

RECEIVED

SEP 21 2005

**Board of Selectmen
Town of Wayland**

MEMORANDUM

TO: Larry Stabile, Chair, Wayland Planning Board
FROM: Judi Barrett, Community Opportunities Group, Inc.
RE: Wayland Business Center Redevelopment Project
DATE: September 16, 2005
CC: Joe Laydon, Town Planner

At Joe Laydon's request, I am submitting an amended memorandum on the fiscal impact of the proposed Town Center development. When I supplied comments to you on August 30, 2005, I was under the impression that the project would include 12 affordable housing units. However, I have since learned that KGI's plan includes 20 affordable units. In addition, I understand that KGI is proposing somewhat larger condominiums (in floor area) and in Wayland's market, this change makes sense. While it may have no impact on the number of school-age children in the market-rate units, in my experience it will most likely result in more school-age children in the affordable units even if all of the condominiums in the project are limited to two bedrooms. Accordingly, I have had to adjust the base multipliers used to estimate new school students generated by the proposed development.

Table 1 summarizes the original and revised concept plans by gross square feet of space devoted to each proposed use.

Table 1: Comparison of Original and Revised Town Center Proposals

Use Class	Original Proposal Square Feet (Est.) ¹	Revised Proposal Square Feet (Est.) ²
Commercial/Retail	308,000	200,000
Offices	40,000	0
Residential	150,000	210,000
Municipal	<u>40,000</u>	<u>40,000</u>
Total	538,000	450,000

Under the proposed scenario, my estimate of the Wayland Town Center project's fiscal impact is as follows:

- Gross property tax and other revenue of about \$1.4 million. Actual revenue may vary depending on the size and configuration of the dwelling units; larger, luxury units can be

¹ Frank Doherty, KGI Properties, to Judi Barrett, 23 May 2005. Residential square feet based on estimate supplied by another member of the project review team, i.e., 1,500 square feet per unit. The original proposal contemplated 100 dwelling units.

² Frank Doherty, KGI Properties, to Wayland Planning Board, 24 August 2005; and Joe Laydon, Town of Wayland, to Judi Barrett, 30 August 2005. The condominium unit floor area has been increased from an average of 1,500 to 1,750 square feet.

expected to generate higher assessed values while smaller flats will generate somewhat lower assessed values.³

- New demands for local government services at a cost of about \$878,497. The estimated cost-revenue ratio for the development is .61, for a net revenue surplus per year (in current dollars) of \$559,393. Again, public safety (mainly police) and the Wayland Public Schools will absorb most of the growth in community service costs. Table 2 provides a breakdown of the estimated distribution of additional service costs that can be expected to occur as a result of this project.

Table 2: Estimated Additional Cost of Services by Service Category

Type of Local Government Service	New Cost
General Government	\$30,079
Public Safety	\$122,730
Public Works	\$40,755
Health & Human Services	\$7,102
Culture & Recreation	\$32,636
Debt Service	\$81,360
Fixed Costs/Other	\$111,882
General Fund Sub-total	\$426,543
Schools	\$451,955
TOTAL	\$878,497

Note: this is an estimated distribution of new costs associated with the proposed project. Actual costs may vary somewhat depending on budget policy preferences of the selectmen and town administrator, and decisions made by town meeting. Viewed in its entirety, however, the estimate reasonably captures the total cost impact of the developer's proposal.

³ This analysis assumes 20 affordable units with an average assessed value of \$180,000. However, condominium fees and interest rates in effect when the units are available for purchase could have a significant impact on the actual affordable purchase price.

MEMORANDUM

TO: Joe Laydon, Town Planner
FROM: Judi Barrett, Community Opportunities Group, Inc.
RE: Wayland Business Center Redevelopment Project
DATE: September 20, 2005

This is in response to your inquiry about affordable condominiums in the proposed Town Center project. If the Town requires the applicant to provide 30 affordable units, the fiscal impact of the development will be approximately as follows:

- Gross property tax and other revenue of \$1,357,415. This assumes a maximum purchase price of \$180,000 for an affordable unit.
- New municipal and school service costs of \$911,641.

General Government	\$30,079
Public Safety	\$122,730
Public Works	\$40,755
Health & Human Services	\$7,102
Culture & Recreation	\$32,636
Debt Service	\$81,360
Fixed Costs/Other	\$111,882
Schools	<u>\$485,098</u>
TOTAL	\$911,641

- The estimated cost-revenue ratio for the development is .67, for a net revenue surplus per year (in current dollars) of \$445,774.