

Fiscal Impact Analysis - Update

**Waterfront West
Newburyport, MA**

July 24, 2019

**Prepared By
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**Prepared For
Newburyport Manager, LLC**

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Waterfront West Newburyport, MA

FISCAL IMPACT ANALYSIS - UPDATE

July 24, 2019

Summary of Findings

- Waterfront West will increase the City's tax base by 1.6% and increase property tax revenues by 1.7%
- Local room tax revenue will increase by 70%, adding an estimated \$161,995 in annual revenues.
- Positive economic benefits will be created from both the construction activity and the enlargement of the downtown fabric, adding year round residents who will strengthen the local economy.
- The proposed development project will result in a net annual positive fiscal impact of \$713,955.
- Gross revenues will be \$1,266,213 and using a conservatively high anticipated value, costs total \$552,258 at full buildout.
- A manageable increase in emergency call volume will occur to emergency service departments, with police calls increasing 3.8 calls per week and fire department calls increasing 1.1 calls per week.
- The proposed mixed-use neighborhood will create a non-traditional environment that typically generates fewer school age children, thus the impact on schooling is very limited. An estimate of 23 school age children are anticipated to reside at Waterfront West. There is sufficient capacity to accommodate the anticipated school age children from the development..
- Limited measurable impacts are foreseen to other city departments.

I. Introduction

Newburyport Manager, LLC, an affiliate of New England Development, is proposing to redevelop a 5.7-acre waterfront site into a vibrant year round mixed use neighborhood combining many land use elements presently existing in the adjoining downtown neighborhood. The proposal, as currently contemplated is to construct, in phases, up to 215 residential homes, 10,000 square feet of retail space and between 85-100 hotel rooms. To be conservative in this analysis, the value of 85 hotel rooms was used. The residential portion of the development will set aside 12% of the total units as affordable, 28 residential units in total. There will be 392 onsite parking spaces, including 70 surface spaces. In addition, significant public amenities will be constructed including public walkways, overlooks, sitting areas and landscaping. The residents of the project will add their buying power to support other downtown merchants along with area businesses, strengthening the local economy as a whole.

In order to understand the impacts of the proposed development on the community, this fiscal impact report will analyze potential revenue streams from the proposed residential, commercial and hotel development, along with impacts that may occur to individual city departments. This analysis updates the fiscal report dated March 22, 2017 addressing key program changes to the proposed development. Planning and development efforts led to a net decrease in developable square footage, thus decreasing the overall fiscal impact as compared to the fiscal report dated March 22, 2017. In addition, comments received from Applied Economic Research dated November 27, 2017, have been addressed. Specific report changes include:

- Updated project values and revenues based upon new development program.
- Updated School Age Children estimates, including affordable units as well as school costs.
- Emergency response data has been updated.
- Parking and density questions have been addressed.

Table One outlines the specific residential unit types and unit sizes, along with affordable unit details.

Table One
Waterfront West Redevelopment Breakdown

Residential Units	Mkt. Rate	Affordable
Studio	10	1
1 Bedroom	94	13
2 Bedroom	75	10
3 Bedroom	10	1
Totals	189	26

It should be noted that this development will be operated privately and as such all proposed access ways, lighting, and sidewalks will be maintained by the project including trash disposal. Public water and sewer will be provided. Browns Wharf Way is an existing public road and will remain so as part of this development project.

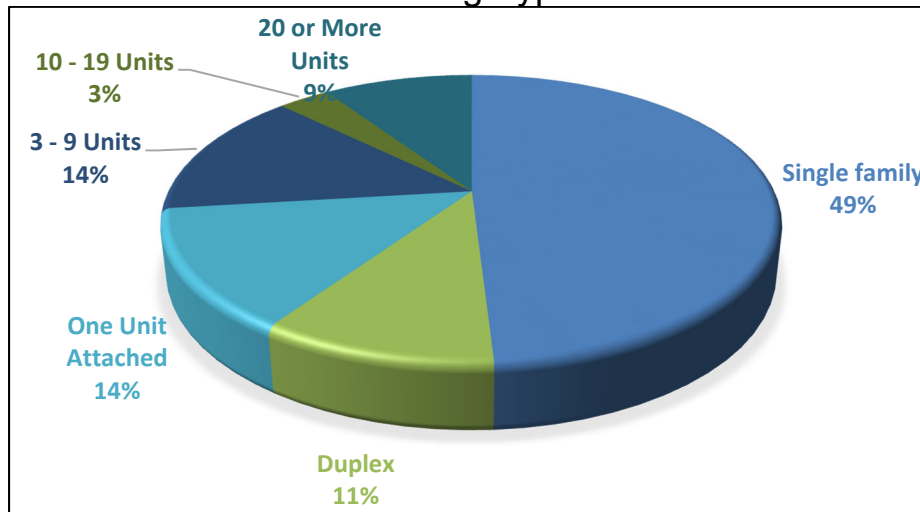
II. Local Trends

Census figures report that from 2000 to 2010 Newburyport's population increased from 17,189 to 17,416, showing a slight increase (1.3%) in population over the 10 year time period. The most recent population estimates from the US Census Bureau¹ report a population of 17,890.

A majority of Newburyport's housing stock consists of single family homes, with US Census data reporting 4,172 single family homes out of a total housing stock of 8,547 units; Figure One.

¹ 2013-2017 American Factfinder

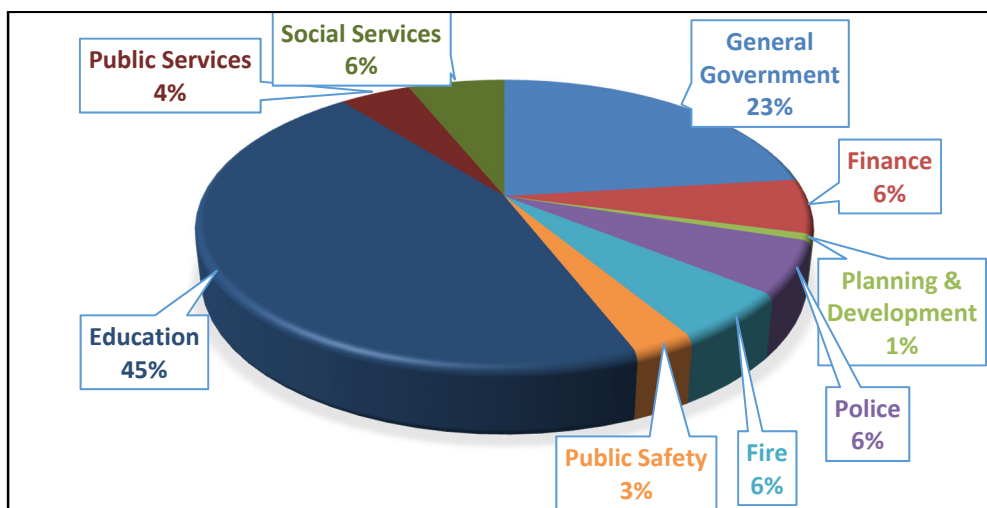
Figure One
Housing Types



Budget History

Newburyport's total operating budget for 2019 is \$67,485,702, which is an increase of 15.4% over the last four years. Public Safety and Education account for 57% of the total budget; (See Figure Two). These departments have the largest personnel and the most direct impact on municipal expenditures. Given the large budgetary impact these departments have on the community, and the fact that they will potentially experience the most direct measurable impact from the proposed development, these departments are the primary focus of this Report.

Figure Two
Department Budget Allocation



III. Fiscal Methodology

There are a number of methodologies that are used to estimate fiscal impacts of proposed development projects. The Per Capita Multiplier Method is the most often used analysis to determine municipal cost allocation. This method is the classic “average” costing method for projecting the impact of population growth on local spending patterns and is used to establish the costs of existing services for a new development. The basic premise of this method is that current revenue/cost ratios per person and per unit are a potential indicator of future revenue/cost impacts occasioned by growth. New capital expenditures required for provision of services to a development are not added to current costs; instead, the present debt service for previous improvements is included to represent ongoing capital projects. The advantage of this approach is its simplicity of implementation and its wide acceptance by both consultants and local officials. The downside of this approach is that the methodology calculates the “average” cost as being the expected cost, which is often not the case and costs are exaggerated - significantly in some instances. (For example, if one student is added to a school system, limited cost impacts will occur; however based on an “average” cost to educate one student the cost could be noted as \$15,000/year, which includes such costs as existing debt, building maintenance, administrative and other factors, all of which will be minimally impacted by the addition of one student. The “true cost” could be significantly less, especially in those communities with declining enrollment.)

The Marginal Cost Approach is a more realistic methodology that can be used to estimate and measure developmental impacts based on actual costs that occur in the community. At this time, a “level of service” exists in Newburyport to serve the community. This existing service level, for the most part, addresses the needs of the community through existing tax collections. As new development occurs, pressures are placed on some departments to address increased demands, while other departments experience negligible, if any impacts. In reviewing the potentially impacted city departments specifically, a truer picture of anticipated cost impacts can be determined.

Given the nature of the contemplated Waterfront development, as will be shown by the analysis below, measurable impacts will be limited to a few city departments. Any required off-site traffic and roadway improvements are expected to be addressed during the approval processes. Solid waste generated by new buildings within the development site will be removed by a private hauler. Sewer and water expenses associated with new uses will be offset through user fees. All on-site property improvements will be maintained privately. Measurable impacts of the redevelopment are expected to result to a few city departments, most notably the School Department along with the Police and Fire Departments. Other city agencies are projected to experience little or no measurable impacts from the proposed development.

Fougere Planning met with a number of key city department heads and officials during the development of this Report. The purpose of these meetings was to outline the fiscal impact approach, as well as to hear from local officials relative to their concerns about present service capacity and how the proposed development may impact their department. Specifically, meetings and/or discussions took place with the Planning Director, School Superintendent, Assessing Officials, Fire Chief and Marshal Murray.

IV. Local Revenues From Development

A) Property Taxes

Local property taxes provide the bulk of municipal revenues for City of Newburyport, totaling 85.1% of all revenues to the General Fund². Newburyport's present tax rate is \$13.08 per \$1,000 valuation. In order to estimate future property tax revenue from the proposed development, comparable properties were researched for the residential, retail and hotel uses. For the purposes of this report, a unit breakout was assumed based on market data. The residential type (condo vs. apartment) represents what a development program could look like at full build-out. Estimated selling price of the proposed condominiums were developed for each unit type. Based on this analysis, the Waterfront West project is anticipated to

² Fiscal Year 2017.

generate \$951,989 in yearly property taxes; Table Two. These estimated values are based on today values and assumes full buildout of the project.

Table Two
Estimated Yearly Property Taxes

Condominiums	Quantity	Avg. Price	Est. Assessment
One Bed Mkt.	13	\$440,000	\$5,720,000
One Bed Afford.	2	\$210,000	\$420,000
Two Bed Mkt.	13	\$649,000	\$8,437,000
Two Bed Afford.	2	\$240,000	\$480,000
	30		\$15,057,000
Apartments³	185	\$270,000	\$49,950,000
Total Residential⁴	215		\$65,007,000
Retail/Service	10,000	\$140 sq. ft.	\$1,400,000
Hotel	85 Rooms	\$75,000	\$6,375,000
Total Estimated Project Value			\$72,782,000
Tax Rate	\$13.08		
Estimated Yearly Property Taxes			\$951,989

B) Miscellaneous Yearly Revenues

i. Motor Vehicle Excise Tax - Another major revenue source for the community is motor vehicle excise taxes. In fiscal year 2018 the city is estimating \$2,525,000 from this revenue source⁴. To estimate excise tax income, an average car value of \$20,000 has been used. Table Three outlines the projected vehicle excise tax for the proposed project.

Table Three
Motor Vehicle Excise Tax

# Vehicles ⁵	Value	Total Value
268	\$20,000	\$5,360,000
\$5,360,000/1,000		
\$5,360 x \$25		\$134,000

³ Values derived based on market conditions and discussions with Assessing Officials.

⁴ Unit type (condo vs. apartment) is shown as a representative breakout for the purposes of this analysis. This breakout shows what a development program could represent at full build-out.

⁴ 2018 Budget Overview

⁵ Estimated 1.25 vehicles per unit.

ii. Community Preservation Surcharge - The city of Newburyport has adopted the Community Preservation Act allowing the community to impose a 2% surcharge on property taxes. Based upon the projected taxes, an estimated CPA surcharge of \$18,229 was calculated; Table Four.

Table Four Community Preservation Surcharge		
Property Taxes	% CPA Surcharge	Surcharge ⁶
\$911,441	2%	\$18,229

iii. Local Room Tax - The City of Newburyport charges 4% local room tax. With the assumption of 58% occupancy⁷ and a nightly rate of \$225, this tax is expected to generate \$161,955 a year in revenue.

C) Estimated Yearly Project Revenues

The proposed Waterfront West development is estimated to generate \$1,266,213 in local revenues from property tax, excise taxes, CPA Surcharges and hotel room taxes; Table Five.

Table Five Estimated Yearly Revenue	
Property Taxes	\$951,989
Motor Vehicle	\$134,000
CPA Surcharge	\$18,229
Local Room Tax	\$161,995
Total	\$1,266,213

Additional one-time payment revenues will also be realized as part of the development, these will be detailed further below.

D) AER Comment: Parking & Density.

In their November 27, 2017 Peer Review Report, AER raised a question relative to the adequacy of onsite parking as it relates to the ability to command high condominium price points with only one parking place provided for the two- and three-bedroom units. Consistent with current market practices, the updated

⁶ For residential homes, the first \$100,000 of value is credited.

⁷ Assuming stabilization occupancy three years after opening, \$4,024,125 in gross revenues.

development program will use unit type and size to directly address the required number of parking spaces (i.e. studio units will have one space/unit, one-bedroom units will have a net average of 1.25 spaces/unit, two-bedroom units will have 1.5 spaces/unit, and three-bedroom units will have two spaces/unit).

V. Municipal Service Costs

Given the nature of the proposed development project, as will be seen in the analysis below, measurable impacts will be limited to a few key city departments including schools, police and fire departments. All onsite maintenance will be addressed by the development, including all private road repairs and trash removal.

Department Impacts

Police & Fire

The Police and Fire Departments will experience some increased demand for services from the proposed project. For fiscal year 2019, the Police Department budget⁸ was \$5,129,748 and the Fire Department \$4,751,744. To assess the degree of impact this project would have on these departments, comparable development projects were analyzed. Emergency call data from Newburyport condominiums, mixed use buildings and retail establishments; along with data from two hotels was obtained and averaged to determine the annual numbers of calls per unit and square foot. This information was supplemented with emergency call data obtained from over 1,700 apartments that contain affordable housing units. These ratios were then totaled to derive an average call volume per unit, which was then used to generate projected emergency calls for each Department.

Extrapolating from the comparable call data, modest increases are projected in the city's Police and Fire Department call volume. Annual Police calls are projected to increase by 202 total calls or 3.8 calls per week. Annual fire/ambulance calls are projected to increase by 57 total calls or 1.1 calls per week as detailed in Table Six.

⁸ An allocation of \$30,000 was added to both the police and fire department budgets to account of benefit costs for each employee.

Table Six
Projected Emergency Service Calls

Project	Use Type	Units	Avg. Police Call Per Year	Avg. Call Per Unit	Est. Yearly Calls
124 Merrimac Street	Residential Condo	9	2.50	0.278	
126 Merrimac Street	Residential Condo	63	28.50	0.452	
28 - 32 Liberty Street	Residential Condo	5	4.50	0.900	
Total Condo		77	35.50	0.461	
Proposed Condo		30			14
Apartment 40B Database	Apartments	2,524	1,015	0.402	
Proposed Apts.		185			74
1 Merrimac Street	Retail	2,504	15.50	0.006	
36 Merrimac Street	Retail	6,846	40.50	0.006	
58 Merrimac Street	Retail/ 16 Res. Units	8,355	14.50	0.002	
2 Market Square	Retail/11 Res. Units	4,540	41.00	0.009	
11 Market Square	Retail/4 Res. Units	4,927	18.00	0.004	
Total Retail	Retail/31 Res. Units	27,172	129.50	0.005	
Proposed Retail		10,000			48
Hawthorne Hotel	Salem	89	79.50	0.893	
Salem Waterfront	Salem	86	56.00	0.651	
Total Hotel		175	135.50	0.774	
Proposed Hotel		85			66
Totals					202
Project	Town	Units	Avg. Fire Call Per Year	Avg. Call Per Unit	Projected Yearly Calls
124 Merrimac Street	Residential Condo	9	2.00	0.222	
126 Merrimac Street	Residential Condo	63	4.00	0.063	
28 - 32 Liberty Street	Residential Condo	5	0.00	0.000	
Total Condo		77	6.00	0.078	
Proposed Condo		30			2
Apartment 40B Database	Apartments	2,524		0.071	
Proposed Apts.		185			13
1 Merrimac Street	Retail	2,504	1.50	0.001	
36 Merrimac Street	Retail	6,846	0.00	0.000	
58 Merrimac Street	Retail/ 16 Res. Units	8,355	4.00	0.000	
2 - 10 Market Square	Retail/11 Res. Units	4,540	2.50	0.001	
11 Market Square	Retail/4 Res. Units	4,927	0.00	0.000	
Total Retail	Retail/ 31 Res. Units	27,172	8.00	0.0003	
Proposed Retail		10,000			3
Hawthorne Hotel	Salem	89	2.00	0.022	
Salem Waterfront	Salem	86	3.50	0.041	
Total Hotel		175	5.50	0.031	
Proposed Hotel		85			3
Totals					21

			Avg. EMS Call Per Year	Avg. Call Per Unit	Est. Yearly Calls
124 Merrimac Street	Residential Condo	9	0.00	0.000	
126 Merrimac Street	Residential Condo	63	6.50	0.103	
28 - 32 Liberty Street	Residential Condo	5	0.00	0.000	
Total Condo		77	6.50	0.084	
Proposed Condo		30			3
Apartment 40B Database	Apartments	2,524	284	0.113	
Proposed Apts.		185			21
1 Merrimac Street	Retail	2,504	4.00	0.002	
36 Merrimac Street	Retail	6,846	0.00	0.000	
58 Merrimac Street	Retail/ 16 Res. Units	8,355	1.50	0.000	
2 - 10 Market Square	Retail/11 Res. Units	4,540	0.50	0.000	
11 Market Square	Retail/4 Res. Units	4,927	0.00	0.000	
Total Retail	Retail/31 Res. Units	27,172	6.00	0.0002	
Proposed Retail		10,000			2
Hawthorne Hotel	Salem	89	16.00	0.180	
Salem Waterfront	Salem	86	5.50	0.064	
Total Hotel		175	21.50	0.123	
Proposed Hotel		85			10
Totals					36

Meetings were arranged with both the Fire Chief LeClaire and Marshal Murray to discuss the updated program and gain an understanding of any concerns that may be present. The projected emergency call data was reviewed and discussed, along with potential budget impacts to their departments. Potential budgetary impacts and details are set forth below.

Police Department

Based on the revised development program and call data, the Marshal remained comfortable with the updated estimated calls and feels the representative projects used provide a reasonable estimate of potential impacts on the department. The Waterfront West project by itself will not have a great measurable impact, but the cumulative impacts all of the proposed projects will impact the Department. Marshal Murray believes that additional foot/bike patrols will be necessary to service this new neighborhood, especially in the summer.

Given these concerns and to account for the projects impact, the cost of one patrol officer will be included in the analysis. A patrol officer, including expenses associated with overtime and benefits totals approximately \$93,000 a year; for this Report \$100,000 in estimated costs will be accounted for.

Fire Department

The Fire Chief supported the updated projected call estimates and thought they were reasonable. The Chief continues to see increased demands on his Department and has concerns with the cumulative impacts from a number of proposed projects that are on the horizon. Based on these concerns the Report will account for one fire staff position and will also carry a \$100,000 cost impact.

Other Departments/Revenues:

Building

Building Department costs were not included in this analysis because they are not permanent annual impacts and will be offset by building permit fees. The project will be phased limiting significant impacts of inspection demands.

Public Works

All roads within the development will be private and maintained by the development. Solid waste will be handled by a private contractor with no expense incurred by the City. No new city streets are planned.

Other Departments

It is not anticipated that measurable impacts will occur to other city departments and therefore no other costs were analyzed. To be conservative, a \$20,000 cost will be carried to account for potential other impacts.

VI. School Department

The City of Newburyport public schools presently have an enrollment of 2,232 students housed in four schools (two elementary, one middle, and one high school). The 2019 Public School budget⁹ was \$30,545,626, which is an increase of 14.2% over 2016 expenditures.

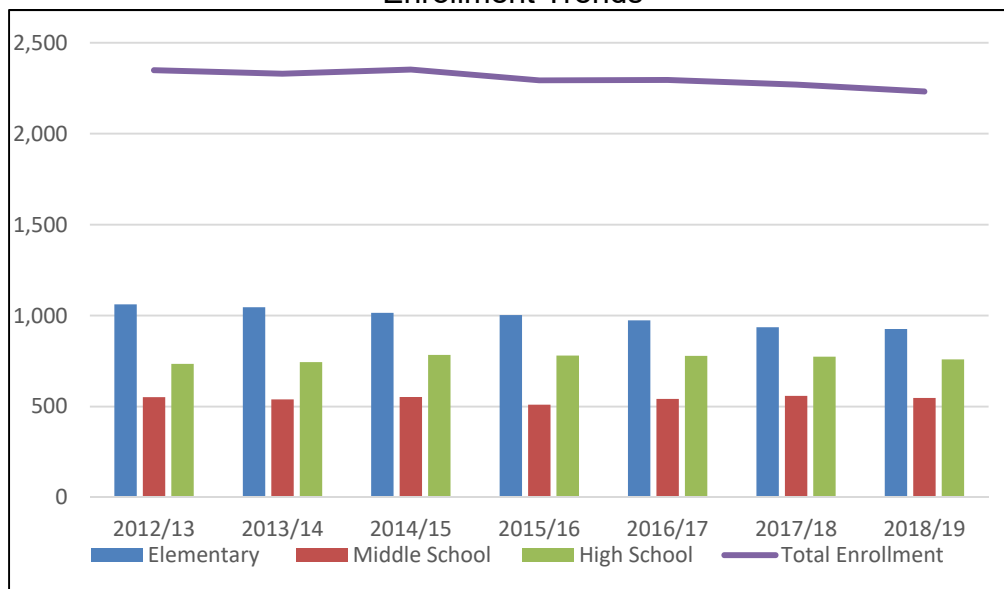
Enrollment History

Overall school enrollment has declined slightly over the last seven years, decreasing 4.9% during this time period or a total of 117 students. The elementary level has seen the largest decline with 136 students, while the high school has increased by 24 as outlined in Table Seven and Figure Three.

Table Seven
Enrollment Trends 2012-2019

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	% Change
Elementary	1,062	1,046	1,015	1,003	974	936	926	-12.81%
Middle School	552	539	553	510	542	559	547	-0.91%
High School	735	744	784	780	779	774	759	3.27%
Total Enrollment	2,349	2,329	2,352	2,293	2,295	2,269	2,232	-4.98%

Figure Three
Enrollment Trends



⁹ Includes School Department, Essex Tech School and Whittier Tech School

Projected School Enrollment Estimates

To gain an understanding of Newburyport's potential school related fiscal impact, the anticipated number of school children that may be generated by the proposed development was analyzed. The proposed apartment/condominium residential development will have a mix of studio, one bedroom, two bedroom and three bedroom units, as well as affordable units as outlined in Table Eight.

Table Eight
Bedroom Mix Breakdown

Apartments	Mkt. Rate	Affordable
Studio	10	1
1 Bedroom	82	11
2 Bedroom	61	9
3 Bedroom	10	1
Condominiums	Mkt. Rate	Affordable
1 Bedroom	13	2
2 Bedroom	13	2

To estimate the number of school age children (SAC) that may live at Waterfront West, Fougere Planning gathered information from both local and regional sources. According to City of Newburyport School Department data, of the 176 downtown condominiums units reviewed it was determined that only 1 school age children resides within these seven complexes. Research of downtown apartments also showed few school age children as detailed in Table Nine.

Table Nine
Local School Enrollments¹⁰

Condominium	# Units	1 Beds	2 Beds	3 Beds	SAC	SAC/ Two-Three Bed
58 Merrimac St	16	5	11	0	0	
124 Merrimac St.	9	0	6	3	0	
126 Merrimac St.	63	0	63	0	0	
28/32 Liberty St.	6	2	3	0	0	
1 Merrimac St.	8	0	8	0	0	
19- 23 Pleasant St.	24	8	18	0	1	
53 Warren St.	50	21	29	3	0	
Totals	176	36	138	6	1	0.0069

¹⁰ In response to comments from AER dated Nov. 17th, 2017, additional downtown condominiums were researched.

Apartments	# Units	1 Beds	2 Beds	SAC
2 - 20 Market Sq.	11	0	11	2
229-231 Merrimac St.	6	4	2	0
392-404 Merrimac St.	5	1	5	0
97-99 Main St.	4	2	2	0
Totals	26	7	20	2
SAC Per Two Bedroom Unit				0.100

It is clear that condominiums in the downtown area do not generate school age children and in fact shows a decrease in enrollments (3 SAC) from data obtained in 2017. Few comparable apartment complexes exist in the downtown area, with only 26 total units found. To supplement this local data, Fougere Planning used a database of over 900 suburban 40B apartment units to arrive at specific unit type SAC ratios for the project, including affordable units.

To arrive at an estimated school enrollment population for this development, a blend of SAC ratios were used. For the condominium units, the SAC ratio of .034 per two bedroom market rate units was used as was the case in the 2017 Fiscal Report. For the two bedroom affordable condominium units, the apartment SAC ratio was used. For the apartment units, the 40B database was used to arrive at an estimated school population of 29 students as outlined in Table Ten.

Table Ten
Estimated School Age Children

Apartments	Mkt. Rate	SAC/Unit	SAC	Affordable	SAC/Unit	SAC
Studio	10	0	0	1	0	0
1 Bedroom	82	0.02	1.64	11	0.02	0.22
2 Bedroom	61	0.18	10.98	9	0.57	5.13
3 Bedroom	10	0.812	8.12	1	1.19	1.19
Condominiums	Mkt. Rate	SAC/Unit		Affordable	SAC/Unit	
1 Bedroom	13	0	0	2	0	0
2 Bedroom	13	0.034	0.442	2	0.57	1.14
Total SAC			21			8
						29

To fully understand current school operations a meeting was arranged with School Superintendent Sean Gallagher to discuss the current state of the City's school system and the proposed development project. The SAC data on both downtown condominiums and apartments was shared, along with the estimate of 29 SAC from the proposed development. Although the Superintendent agreed the estimated school children was conservative. It is estimated that 50-60% of the students will be elementary grade level and given the decreasing enrollment seen, capacity should not be an issue. He concurred with the previous Superintendent in using an average per student school cost to estimate expenses.

Locational Factors

While local suburban apartment complexes were used in this analysis, it should be noted that these projects are not mixed-use centers like the proposed Waterfront West development, with housing located above retail spaces along with a commercial neighborhood. Mixed-use developments with commercial uses are generally less attractive to families. Given the unique qualities and the mixed-use nature of the proposed development, we believe that a younger and older demographic are more likely to be attracted to the site. Younger professionals and empty nesters, both with active lifestyles, are attracted to day and evening activities of a mixed-use development.

The proposed mixed-use neighborhood will create a non-traditional environment that typically generates fewer school age children¹¹. Key factors associated in non-traditional housing environments include:

- *Multi-family residential development located above commercial uses.*
- *Multi-family residences accessed primarily by elevators.*
- *Multi-family properties located within mixed-use developments or are visually and operationally a part of general locations developed primarily for commercial / industrial use and major employment centers.*
- *Multi-family developments that are within or in close proximity to high intensity commercial or mixed-use developments.*
- *Multi-family developments located on local high traffic ways or where primary access is via a highway interchange or a major collector roadway leading to close by highway access.*

¹¹ As reported by John Connery & Associates, along with findings researched by Fougere Planning.

As a result, the development is likely to experience high demand by seniors and young professionals, which in turn will generate a lower SAC ratio and school children estimate than the suburban apartment SAC ratios noted above. It is clear for the local data that few school age children reside within downtown multifamily units. It is our professional opinion that the proposed development's unique characteristics will influence the demographic groups who will reside within the Development. Based on these findings the estimated 29 SAC can be reduced by 20% (6) and still provide a reasonable school impact estimate.

To account for the projected student cost at full buildout, Massachusetts Department of Education reporting data has been used. The Actual Net School Spending for students in 2016 was \$33,155,611, which equates to \$14,446 per student. If Chapter 70 aid is accounted for the per pupil cost decreases to \$12,823. For this Report, the conservative higher cost figure has been used to estimate a total student cost of \$332,258 (See Table 11).

Table 11
School Department Impact

Department	Budget ¹²	2016 Enrollment	Cost Per Student	Est. SAC	Annual Cost
Schools	\$33,155,611	2,292	\$14,446	23	\$332,258

It is not expected that all of the potential students will appear in the school system simultaneously. Based on the expected five to seven year construction buildout of the project, the rate of students coming into the school system will be added slowly and can be monitored to determine if any trends develop.

¹² MDE 2016 Actual Net School Spending, does not include \$1,623 per student Chapter 70 Aid.

VII. FISCAL SUMMARY

Table 12 summarizes the fiscal impact from the proposed development showing gross revenues of \$1,266,213, municipal costs of \$552,258 and a yearly gross positive fiscal impact of \$713,955.

Fougere Planning is not suggesting that budgets should be increased to offset the noted costs, but these findings should be viewed as potential costs and future budget increases will be addressed by Town officials.

Table 12
Estimated Annual Fiscal Impact

Gross Rev. Taxes, Excise Taxes, CPA & Hotel	\$1,266,213
Estimated Municipal Costs	
Police	-\$100,000
Fire	-\$100,000
Other Departments	-\$20,000
Schools	-\$332,258
Total Costs	-\$552,258
Net Annual Positive Fiscal Impact	+\$713,955

Summary of Findings

- In comparison to the previous report, the planning and development efforts led to a net decrease in developable square footage than previously shown, thus decreasing the overall fiscal impact as compared to the fiscal report dated March 22, 2017. The 2019 fiscal report still shows a net annual positive impact as a result of this development.
- Waterfront West will increase the City's tax base by 1.6% and increase property tax revenues by 1.7%
- Local room tax revenue will increase by 70%, adding an estimated \$161,995 in annual revenues.
- The proposed development project will result in a net annual positive fiscal impact of \$713,955. Gross revenues will be \$1,266,213 and anticipated costs total \$552,258 at full buildout.
- Manageable increased emergency call volume will occur to emergency service departments, with police calls increasing 3.8 calls per week and fire department calls increasing 1.1 calls per week.
- An estimate of 23 school age children are anticipated to reside at the Waterfront West. Capacity exists to accommodate the anticipated students. Enrollments of lower grade levels has been declining while the high school has seen a small increase over the last seven years.
- Limited measurable impacts are foreseen to other city departments.
- Positive economic benefits will be created from both the construction activity and the enlargement of the downtown fabric, adding year round residents who will strengthen the local economy.