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April 17, 2020

BY ELECTRONIC MAIL

Ms. Nadia Khan
Committee Clerk
Land Use Committee
Newton City Council
1000 Commonwealth Avenue
Newton, MA 02459-1449

Re: Riverside Station/355 Grove Street and 399 Grove Street / #26-20 and #27-20

Dear Nadia,

I am forwarding herewith an updated fiscal impact report dated April 16, 2020 prepared by MuniCap, Inc. relative to the above matter. This updated report reflects changes to the proposed project since the initial special permit submission back in December of 2019.

Please let me know if you have any questions.

Sincerely,

Stephen J. Buchbinder/mer
Stephen J. Buchbinder

SJB/mer
Attachments

cc: (By Email w/attachments)
Mr. Neil Cronin
Mr. Robert Korff
Mr. Damien Chaviano
Mr. David Roache
Ms. Emily Metzler
Ms. Joana Feimi

**Riverside
Newton, Massachusetts**

**Executive Summary
Fiscal Impact Projections**

**PREPARED BY:
MUNICAP, INC**

APRIL 16, 2020

EXECUTIVE SUMMARY

Purpose of Study

The purpose of this analysis is to estimate the fiscal impacts to the City of Newton, Massachusetts resulting from the proposed Riverside Project (the “Project”). This analysis provides an estimate of the additional tax revenues and expenses that the City of Newton will receive or incur as a result of this development and contrasts the expected revenues with the expected expenses. These projections also include estimates of population, student and employment impacts resulting from the Project.

Project Description

The proposed Project is adjacent to Interstate 95 and the MBTA Riverside Station. This location encourages smart growth and transit-oriented development. Existing development includes tax-exempt surface parking and a hotel. The existing hotel will be demolished to make way for new high-density, walkable development primarily supported by structured parking garages. The Project contemplates 582 units of residential rentals, with 102 of those units meeting inclusionary housing standards. Furthermore, approximately 370,023 square feet of retail, office and hotel space are envisioned to achieve the City’s stated goals of increasing the commercial tax base. Table A on the following page outlines the proposed development for the Project.

Project Site

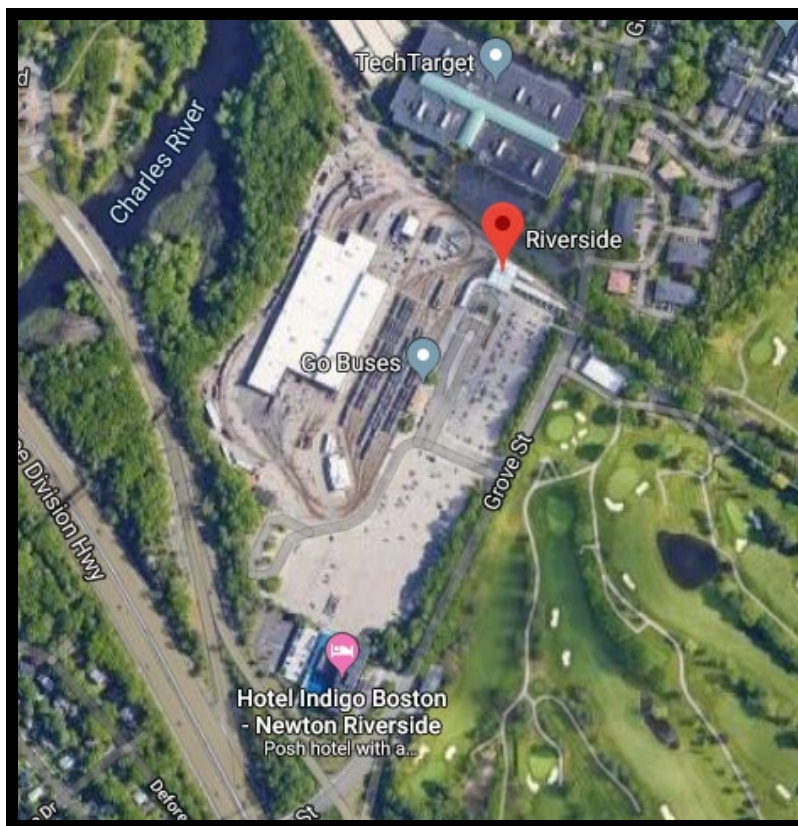


Table A
Project Description

Property Type	Gross Area (Square Feet) ¹	Units/ Rooms ¹
<i><u>Residential</u></i>		
<i>For Rent</i>		
Market rate apartments	540,187	480
Inclusionary income apartments		
50% AMI	49,517	44
80% AMI	48,392	43
100% AMI	16,881	15
Sub-total residential	654,977	582
<i><u>Commercial</u></i>		
Retail	38,895	-
Office	253,828	-
Hotel	77,300	150
Sub-total commercial	370,023	150
Total²	1,025,000	732

¹Provided by Mark Development, LLC. See Schedule I of the fiscal impact analysis.

²Total development square footage excludes 7,500 square feet of office space to be occupied by MBTA.

Projection of Impacts

MuniCap, Inc. estimated future impacts on the City of Newton using a combination of accepted approaches for projecting fiscal impacts. Two exhibits are prepared and attached hereto as Exhibit A and Exhibit B (collectively the “Exhibits”). Exhibit A is based on student generation factors used in the Northland Newton Development fiscal impact analysis, which used the *Enrollment Analysis Report* dated November 2018, produced by Newton Public Schools. Exhibit B uses the average of the three student generation methods presented in the December 2019 Newton Public Schools Enrollment Analysis Report.

To calculate employment impacts, MuniCap, Inc. used IMPLAN Professional 2.0 software developed by MIG, Inc. IMPLAN is an industry-accepted economic impact assessment software system with which trained users can create local area *Social Accounting Matrices* and develop *Multiplier Models* that can be used to estimate detailed economic impacts of new firms moving into an area, special events such as conventions or professional sports games, recreation and tourism, military base closures, and many more activities. For the inputs used in developing the models, such as square footage and sales revenue, MuniCap, Inc. relied on a variety of sources, which are noted in the accompanying exhibits to this report. Finally, MuniCap, Inc. analyzed current commuting trends among employees in the City of Newton to estimate the

percentage of projected new employees likely to be non-residents and thus represent an additional cost to the City for services above those provided to the current service population.

In estimating the population increase, MuniCap, Inc. applied the persons per household for renter occupied units to the proposed housing units, using information from the U.S. Census Bureau.

For the calculation of economic benefits, primarily in the form of increased tax revenue, MuniCap, Inc. applied the actual taxing methodology by multiplying the applicable tax rate by the estimated taxable item in question. For instance, real property taxes were estimated by multiplying estimated assessed value by the current applicable real property tax rate. In some instances, revenues were estimated on a per capita basis, typically when the revenue source was not in the form of a tax. In still other cases, revenues that will likely increase as a result from the Project were dismissed altogether, as they represent charges for services that will likely be offset by the cost of providing said services.

To calculate fiscal impacts in the form of additional costs to the City of Newton, MuniCap, Inc. conducted interviews with the heads of the police and fire departments to determine additional service calls and resulting costs from the proposed development. Tax rates were expressed at their level as of the date of this report. MuniCap also reviewed publications by Newton Public Schools and RKG Associates to estimate additional impacts from new students. Additional general fund expenditures were not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

Impacts were estimated on an annual basis, assuming no phase in period and no inflationary impacts. The actual results may vary with development contemplated to occur over five to seven years, with a phase-in period for property values and revenues and expenses that will increase with inflation over time. This study does not include an analysis of impacts to existing City facility capacity that may result from the proposed development. No forecast of capital improvement expenditures is included herein.

Results of the Study

A. Employment Impacts

Table B on the following page outlines the projected employment impacts resulting from the Project. Direct impacts are jobs at the new development; indirect impacts are jobs created within Middlesex County, but not at the new development.

Table B
Employment Impacts¹

	Permanent Jobs	Annual Compensation	Income per Employee	Annual Wages	Wage per Employee
Retail:					
Direct impacts	93	\$3,050,038	\$32,749	\$2,580,181	\$27,704
Indirect and induced impacts	26	\$1,603,699	\$62,890	-	-
Office:					
Direct impacts	677	\$53,021,093	\$78,332	\$45,172,680	\$66,737
Indirect and induced impacts	425	\$22,850,412	\$53,826	-	-
Hotel:					
Direct impacts	60	\$3,799,735	\$63,078	\$3,273,218	\$54,338
Indirect and induced impacts	32	\$1,996,057	\$62,572	-	-
Apartment Management:					
Direct impacts	48	\$1,338,998	\$27,633	\$1,173,247	\$24,213
Indirect and induced impacts	28	\$1,636,907	\$59,094	-	-
Total direct impacts (full-time equivalents)	879	\$61,209,864	-	\$52,199,326	\$172,992
Total indirect and induced impacts	510	\$28,087,075	-	-	-
Total annual compensation		\$89,296,939			

¹Projected permanent employment impacts were calculated using IMPLAN software by IMPLAN Group, LLC. The software calculates labor income and the number of jobs based on industry multipliers derived from National Income and Product Accounts data published by the U.S. Bureau of Economic Analysis. This data is then indexed to local industry data compiled by the U.S. Census Bureau. See Appendix D of the fiscal impact analysis.

The methods of estimating employment impacts are explained in the subsequent appendices included in the Exhibits attached hereto. The calculation of employment impacts can be found in Appendix D of each of the Exhibits.

B. Population Impacts

Tables C below projects resident population resulting from the Project. Persons per household for renter occupied and owner-occupied housing are provided in the *American Community Survey*, published by the U.S. Census Bureau.

Table C
Population Impacts – Residents¹

Resident Impacts	
Residents	
New rental units (including vacancy)	553
Persons per household (renter occupied)	2.21
Total residents	1,222

¹Source: 2013-2017 American Community Survey 5-Year Housing Estimates for Newton City, Massachusetts. See Appendix A of the fiscal impact analysis.

C. Student Impacts

Table D below projects student population impacts resulting from the Project. Student impacts are calculated on a pro rata basis using existing and projected students, allocated among current revenues and expenditures. The methodology for calculating additional students in Exhibit A is based on student generation factors used in the Northland Newton Development fiscal impact analysis, which used the *Enrollment Analysis Report* dated November 2018, produced by Newton Public Schools. Exhibit B uses the average of the three student generation methods presented in the December 2019 Newton Public Schools Enrollment Analysis Report.

Table D
Population Impacts – Students

	Student Impacts	
	<u>Exhibit A</u>	<u>Exhibit B</u>
	(Northland Scenario - Enrollment Report Dated 11/2018)	(Updated NPS Scenario - Enrollment Report Dated 12/2019)
Students generated ¹	119	129
Impact per student ²	(\$12,477)	(\$12,477)
Subtotal student impacts	(\$1,484,731)	(\$1,609,498)

¹See Schedule IX-A.

²See Schedule IX-B.

D. Fiscal Impacts

Tables E-1, E-2 and E-3 below and on the following page compare the projected revenues and

expenses resulting from new and existing development, along with the net fiscal impacts to the City of Newton, annually at full build-out between Exhibit A and Exhibit B. The projected revenues and expenses are shown in today's dollars.

Table E-1
Projected Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
	Exhibit A	Exhibit B
Real property tax revenues (Schedule I)	\$4,059,368	\$4,059,368
Motor vehicle excise tax revenues (Schedule V)	\$30,315	\$30,315
Hotel room occupancy tax revenues (Schedule VI)	\$599,868	\$599,868
Hotel meals tax revenues (Schedule VI)	\$14,165	\$14,165
Additional revenues (Schedule VII)	\$101,091	\$101,815
City of Newton tax revenues	\$4,804,807	\$4,805,531
City of Newton police and fire expenditures (See Schedule VIII)	(\$442,232)	(\$442,232)
City of Newton student expenditures (See Schedule IX-B)	(\$1,488,961)	(\$1,611,279)
City of Newton general fund expenditures (See Schedule X) ²	\$0	\$0
City of Newton net fiscal impact	\$2,873,615	\$2,752,020

¹Additional revenues include recreation, parking violations and fines and unrestricted government aid.

²Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

Table E-2
Existing Development Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
	Exhibit A	Exhibit B
Real property tax revenues (Schedule XI)	\$595,608	\$595,608
Hotel room occupancy tax revenues (Schedule XII)	\$553,413	\$553,413
Hotel meals tax revenues (Schedule XII)	\$14,165	\$14,165
Additional revenues (Schedule XIII)	\$204	\$204
City of Newton tax revenues	\$1,163,390	\$1,163,390
City of Newton police and fire expenditures (See Schedule XIV)	(\$36,622)	(\$36,622)
City of Newton student expenditures ³	\$0	\$0
City of Newton general fund expenditures (See Schedule XV) ²	\$0	\$0
City of Newton net fiscal impact	\$1,126,768	\$1,126,768

¹Revenues include parking violations and fines and unrestricted government aid.

²Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

³The existing development consists of a hotel and no student residents.

To estimate the true, net new impacts, the existing development fiscal impacts shown in table E-2 shall be netted out of the new development impacts shown in table E-1.

Table E-3
Net New Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
	Exhibit A	Exhibit B
Projected Riverside development net fiscal impact	\$2,873,615	\$2,752,020
Existing development net fiscal impact	(\$1,126,768)	(\$1,126,768)
City of Newton net new fiscal impact	\$1,746,847	\$1,625,252

Sources

Employment impacts for the Project were calculated using IMPLAN software developed by MIG, Inc. Development data was provided by Mark Development, LLC. Assessed values for tax increment projections were estimated by MuniCap, Inc. based on data from the Assessment Administration Department. Fiscal year 2020 revenue and expense data was provided by the Office of the Comptroller. Inclusionary housing unit assessed values were estimated by MuniCap, Inc. based on data from the Department of Planning and Development.

Limitations

Projecting fiscal and employment impacts is not a precise science. There are different methods of projecting fiscal and employment impacts and different analysts will arrive at different conclusions. The conclusions in this study are not intended to be precise results, but rather, reasonable estimates that provide a general indication of the fiscal and employment impacts to the City of Newton from the proposed Project.

**Riverside
Newton, Massachusetts**

Fiscal Impact Analysis

Exhibit A

**Uses the Average of the Three Student Generation Rate Methods Used in the
Northland Newton Development Fiscal Impact Analysis**

Prepared By:

MuniCap, Inc.

April 16, 2020

Riverside Newton, Massachusetts

Fiscal Impact Analysis

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Riverside Newton, Massachusetts

Fiscal Impact Analysis

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***Riverside
Newton, Massachusetts***

S-1: Summary of Net Fiscal Impacts to the City of Newton

Table 1: Projected New Development Fiscal Impact (Full Build-Out)

	Annual (Full Build-Out)	
Real property tax revenues	\$4,059,368	(Schedule I)
Motor vehicle excise tax revenues	\$30,315	(Schedule V)
Hotel room occupancy tax revenues	\$599,868	(Schedule VI)
Hotel meals tax revenues	\$14,165	(Schedule VI)
Additional revenues	\$101,091	(Schedule VII)
City of Newton tax revenues	\$4,804,807	
City of Newton police and fire expenditures	(\$442,232)	(Schedule VIII)
City of Newton student expenditures	(\$1,488,961)	(Schedule IX)
City of Newton general fund expenditures	\$0	(Schedule X)
City of Newton net fiscal impact	\$2,873,615	

Table 2: Existing Development Fiscal Impact (Full Build-Out)

	Annual (Full Build-Out)	
Real property tax revenues	\$595,608	(Schedule XI)
Hotel room occupancy tax revenues	\$553,413	(Schedule XII)
Hotel meals tax revenues	\$14,165	(Schedule XII)
Additional revenues	\$204	(Schedule XIII)
City of Newton tax revenues	\$1,163,390	
City of Newton police and fire expenditures	(\$36,622)	(Schedule XIV)
City of Newton student expenditures ¹	\$0	
City of Newton general fund expenditures	\$0	(Schedule XV)
City of Newton net fiscal impact	\$1,126,768	

Table 3: Net New Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
Projected development net fiscal impact	\$2,873,615	
Existing development net fiscal impact	(\$1,126,768)	
City of Newton net new fiscal impact	\$1,746,847	

MuniCap, Inc.

*Project\FIA\Analysis\Riverside- FIA Scenario A No. 6.xlsx\S-1
16-Apr-20*

¹The existing development consists of a hotel and excludes students.

Riverside
Newton, Massachusetts

S-2: Summary of Employment Impacts from New Development (Full Build-Out)

	Jobs from Riverside Project ¹				
	Permanent Jobs	Annual Compensation	Income per Employee	Annual Wages	Wage per Employee
Retail:					
Direct impacts	93	\$3,050,038	\$32,749	\$2,580,181	\$27,704
Indirect and induced impacts	26	\$1,603,699	\$62,890	-	-
Office:					
Direct impacts	677	\$53,021,093	\$78,332	\$45,172,680	\$66,737
Indirect and induced impacts	425	\$22,850,412	\$53,826	-	-
Hotel:					
Direct impacts	60	\$3,799,735	\$63,078	\$3,273,218	\$54,338
Indirect and induced impacts	32	\$1,996,057	\$62,572	-	-
Apartment Management:					
Direct impacts	48	\$1,338,998	\$27,633	\$1,173,247	\$24,213
Indirect and induced impacts	28	\$1,636,907	\$59,094	-	-
Total direct impacts (full-time equivalents)	879	\$61,209,864	-	\$52,199,326	\$172,992
Total indirect and induced impacts	510	\$28,087,075	-	-	-
Total annual compensation		\$89,296,939			

MuniCap, Inc.

S:\CONSULTING\Mark Development LLC\Riverside Project\FIA\Analysis\[Riverside- FIA Scenario A No. 6.xlsx]S-2

16-Apr-20

¹Represents the estimated increase in total full-time equivalent jobs and income from development at Riverside. Jobs shown are at full buildout. See Appendices D-1 through D-4.

Riverside
Newton, Massachusetts

S-3: Summary of Student Impacts

Table 1: Projected Student Enrollment

	<u>Annual (Full Build-Out)</u>
Total projected student enrollment from new development ¹	119
Total estimated student enrollment from existing development	0
Projected net student enrollment	119

Table 2: Net Student Impacts

	<u>Annual (Full Build-Out)</u>
New student fiscal impacts ²	(\$1,488,961)
Existing student fiscal impacts	\$0
Net new student fiscal impacts	(\$1,488,961)

MuniCap, Inc.

Riverside- FIA Scenario A No. 6.xlsx]S-3

16-Apr-20

¹See Schedule IX-A.

²See Schedule IX-B.

**Riverside
Newton, Massachusetts**

**Projected Development
& General Fund Impacts**

**Riverside
Newton, Massachusetts**

Schedule I: Summary of Proposed Development Plan and Estimated Values

Property Type	Building Area ¹			Units/ Rooms/Spaces	Estimated Assessed Value ²			FY20 Tax Rate	Tax Revenues
	Rentable SF	Gross Area			Value Per GSF	Value per Unit/Room/Space	Total Assessed Value		
	Total SF	Per Unit/Room/Space							
<i>Residential</i>									
<i>For Rent</i>									
Market rate apartments	413,055	540,187	1,125	480	\$291	\$327,959	\$157,420,141	1.044%	\$1,643,466
Inclusionary income apartments									
50% AMI	37,863	49,517	1,125	44	\$55	\$62,430	\$2,746,910	1.044%	\$28,678
80% AMI	37,003	48,392	1,125	43	\$167	\$187,639	\$8,068,456	1.044%	\$84,235
100% AMI	12,908	16,881	1,125	15	\$159	\$178,509	\$2,677,641	1.044%	\$27,955
Sub-total residential	500,829	654,977		582			\$170,913,147		\$1,784,333
<i>Commercial</i>									
Retail	38,895	38,895	-	-	\$353	-	\$13,732,929	1.992%	\$273,560
Office	253,828	253,828	-	-	\$239	-	\$60,675,171	1.992%	\$1,208,649
Hotel	77,300	77,300	515	150	\$515	\$265,336	\$39,800,467	1.992%	\$792,825
Sub-total commercial	370,023	370,023		150			\$114,208,567		\$2,275,035
<i>Parking garage³</i>									
Taxable	-	-	-	2,030	\$0	\$0	\$0		
Total⁴	870,852	1,025,000					\$285,121,714		\$4,059,368

MuniCap, Inc.

S:\CONSULTING\Mark Development LLC\Riverside Project\FIA\Analysis\Riverside- FIA Scenario A No. 6.xlsx\16-Apr-20

¹Source: Mark Development, LLC.

²See Schedule II.

³Assumes the value of the parking garage is accounted for within the rest of the development.

⁴Total development square footage excludes 7,500 square feet of office space to be occupied by MBTA.

Riverside
Newton, Massachusetts

Schedule II: Projection of Assessed Value - Comparison of Approaches¹

Property Type	Comparables ²	Income Capitalization ³
<u>Residential</u>		
<u>For Rent</u>		
Market rate apartments		
Per unit	<u>\$327,958.63</u>	\$455,481.23
Inclusionary income apartments		
50% AMI		
Per unit	<u>\$62,429.77</u>	\$86,704.81
80% AMI		
Per unit	<u>\$187,638.50</u>	\$260,599.38
100% AMI		
Per unit	<u>\$178,509.39</u>	\$247,920.54
<u>Commercial</u>		
Retail		
Per SF	<u>\$353.08</u>	\$400.91
Office		
Per SF	<u>\$239.04</u>	\$378.67
Hotel		
Per room	\$217,305.03	<u>\$265,336.45</u>
Parking garage		
Per space	-	-

MuniCap, Inc.

LC\Riverside Project\FIA\Analysis\[Riverside- FIA Scenario A No. 6.xlsx]II

16-Apr-20

¹Valuation approach chosen for each type of development is underlined and shown in bold and italics.

²See Schedules III-A and III-B. Inclusionary income apartment values are based on the proportion of inclusionary income apartment values to the market rate apartment values under the income capitalization approach shown on schedule IV-A.

³See Schedules IV-A, IV-B and IV-C.

Riverside
Newton, Massachusetts

Schedule III-A: Projection of Assessed Value - Comparables (Residential)¹

Development Type	Parcel ID	Property Address	Town	Year Built	Total Assessed Value	Area		Assessed Value	
						GSF	Units	Per GSF	Per Unit
<i>Apartments</i>									
Avalon at Newton Highlands	51028 0017	109 Needham St	Newton	2003	\$90,772,800	387,550	273	\$234	\$332,501
Woodland Station Apartments	43045 0030Z	1940 Washington St	Newton	2007	\$55,629,200	144,584	180	\$385	\$309,051
Gables Arsenal St	1037 1 0	204 Arsenal St	Watertown	2015	\$104,795,800	260,246	294	\$403	\$356,448
Charlesbank Apartments	201 16 8	120 Pleasant St	Watertown	2011	\$13,823,400	45,672	44	\$303	\$314,168
Riverbend on the Charles	219 6B 0	270 Pleasant St	Watertown	2012	\$44,229,300	211,410	135	\$209	\$327,624
Average									<u>\$327,959</u>

MuniCap, Inc.

S:\CONSULTING\Mark Development LLC\Riverside Project\FIA\Analysis\Riverside- FIA Scenario A No. 6.xlsx\III-A
 16-Apr-20

¹Comparable properties shown represent the most current values as shown in assessor's database (2020 for Newton and 2019 for Watertown). The apartments shown, with the exception of Charlesbank Apartments, contain affordable units, resulting in a conservative valuation.

Riverside
Newton, Massachusetts

Schedule III-B: Projection of Assessed Value - Comparables (Commercial)¹

Development Type	Parcel ID	Property Address	Town	Year Built	Total Assessed Value	Area		Assessed Value	
						GSF	Rooms	Per GSF	Per Room
Retail									
In-line retail ²	83028 0078	230 Needham St	Newton	1955	\$10,796,800	34,460	-	\$313.31	-
In-line retail ³	83028 0077	244 Needham St	Newton	1955	\$10,196,100	31,925	-	\$319.38	-
In-line retail ⁴	83028 0002	170 Needham St	Newton	2014	\$3,060,000	7,174	-	\$426.54	-
Average								\$353.08	-
Office									
One Gateway Center	12011 0001	296-334 Washington St	Newton	1968	\$34,095,800	143,068	-	\$238.32	-
Office	42032 0034	2223 Washington St	Newton	1978	\$12,384,900	46,938	-	\$263.86	-
Office	420003 0001	2150 Washington St	Newton	1983	\$6,914,600	32,169	-	\$214.95	-
Average								\$239.04	-
Hotel									
Boston Marriott Newton	41023 0018	2345 Commonwealth Ave	Newton	1969	\$92,000,000	293,195	500	\$313.78	\$184,000
Sheraton Needham	199/300.0-0066-0000.0	100 Cabot St	Needham	1986	\$35,465,300	231,061	225	\$153.49	\$157,624
Homewood Suites by Hilton Brookline	22848122	111 Boylston St	Brookline	2015	\$40,337,900	90,318	130	\$446.62	\$310,292
Average								\$304.63	\$217,305.03

MuniCap, Inc.

S:\CONSULTING\Mark Development LLC\Riverside Project\FIA\Analysis\Riverside- FIA Scenario A No. 6.xlsx\III-B 16-Apr-20

¹Comparable properties shown represent 2020 values as shown in Newton assessor's database and 2019 values as shown in Needham and Brookline assessor's database.

²In-line retail includes, but is not limited to, Mattress Firm, Xtreme Fitness Equipment, and Jenny Boston Boutique.

³In-line retail includes, but is not limited to, Starbucks, Verizon Fios Store, and Majestic Nails.

⁴In-line retail includes, but is not limited to, Vitamin Shoppe, Nothing but Cakes, Rockland Trust.

Riverside
Newton, Massachusetts

Schedule IV-A: Projection of Assessed Value - Income Capitalization (Residential)

	Apartments			
	Market Rate	Inclusionary Income		
		(50% AMI)	(80% AMI)	(100% AMI) ⁴
Net square feet per unit ¹	861	861	861	861
Monthly rent per square foot ¹	\$3.65	\$1.19	\$2.35	\$2.27
Annual rent per square foot	\$43.80	\$14.28	\$28.20	\$27.19
Vacancy ¹	5.00%	5.00%	5.00%	5.00%
Effective rent per square foot	\$41.61	\$13.57	\$26.79	\$25.83
Effective rent per unit	\$35,807	\$11,674	\$23,054	\$22,224
Expense ratio ²	17%	51%	26%	27%
Expenses	(\$6,000.00)	(\$6,000.00)	(\$6,000.00)	(\$6,000.00)
Net operating income per square foot	\$34.64	\$6.59	\$19.82	\$18.85
Net operating income per unit	\$29,807	\$5,674	\$17,054	\$16,224
Capitalization rate ¹	5.500%	5.500%	5.500%	5.500%
Tax rate ³	1.044%	1.044%	1.044%	1.044%
Fully loaded capitalization rate	6.544%	6.544%	6.544%	6.544%
Value per net square foot	\$529.30	\$100.76	\$302.84	\$288.10
Value per unit	\$455,481	\$86,705	\$260,599	\$247,921
Value per gross square foot	\$404.73	\$77.04	\$231.56	\$220.30

MuniCap, Inc.

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16-Apr-20

¹Provided by Mark Development, LLC. See Schedule I for total rentable square footage.

²Apartment estimated expenses provided by Mark Development, LLC. Assessor uses a fully loaded capitalization rate, and as a result, real property taxes are assumed to be netted out of the estimated expenses.

³Tax rate shown represents the FY2020 residential tax rate. Source: Newton Assessor's office.

⁴Monthly rent per square foot is based on the weighted average rent for the 100% AMI band, charged by The George, a 140 unit rental apartment community in Newtonville. Source: Newton Massachusetts Official Website.

Riverside
Newton, Massachusetts

Schedule IV-B: Projection of Assessed Value - Income Capitalization (Commercial)

	Retail	Office
Annual rent per square foot ¹	\$37.00	\$35.00
Vacancy ¹	5.00%	5.00%
Effective rent per square foot	\$36.05	\$34.05
Expense ratio	0.00%	0.00%
Expenses ²	\$0.00	\$0.00
Net operating income per square foot	\$36.05	\$34.05
Capitalization rate ¹	7.000%	7.000%
Tax rate ³	1.992%	1.992%
Fully loaded capitalization rate	8.992%	8.992%
Value per net square foot	\$400.91	\$378.67

MuniCap, Inc.

ject\FIA\Analysis\Riverside- FIA Scenario A No. 6.xlsx\IV-B

16-Apr-20

¹Provided by Mark Development, LLC.

²Rents are triple net, therefore no expenses are shown.

³Tax rate shown represents the FY2020 commercial tax rate. Source: Newton Assessor's office.

Riverside

Newton, Massachusetts

Schedule IV-C: Projection of Assessed Value - Income Capitalization (Hotel)

	Hotel
<hr/>	
<i>Income Capitalization</i>	
Average daily rate per room	\$268.94
Gross annual income	\$98,162.00
Assumed occupancy rate ²	67.90%
<hr/>	
Effective gross income per room	\$66,652.00
Assumed expense ratio ³	62.49%
Less: assumed expenses	(\$41,652.00)
<hr/>	
Net operating income per room ¹	\$25,000.00
Capitalization rate ²	7.43%
Tax rate ⁴	1.992%
<hr/>	
Fully loaded capitalization rate	9.422%
<hr/>	
Total estimated value per room	\$265,336.45
Total estimated value per SF	\$514.88
<hr/>	

MuniCap, Inc.

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16-Apr-20

¹Provided by Mark Development, LLC.

²Occupancy and capitalization rates represent the national full service upper midscale lodging segment average as reported in the *Third Quarter 2019 PriceWaterhouseCoopers Real Estate Investor Survey*.

³Represents chain-affiliated hotel expenses as reported in the *HOST Almanac Highlights 2017, U.S. Chain Affiliated Hotel Operating Statistics*.

⁴Tax rate shown represents the FY2020 commercial tax rate. Source: Newton Assessor's office.

Riverside
Newton, Massachusetts

Schedule V: Projection of Motor Vehicle Excise Tax Revenues

Development Type	Number of Vehicles			Projected Motor Vehicle Excise Tax Revenues to City of Newton				
	Estimated No. of Units ¹	Estimated Vehicles Per Household ²	Estimated No. of Vehicles	Average Vehicle Value ³	Assessed Value ⁴ Per Vehicle (10%)	Total Assessed Value	FY 20 Newton Excise Tax Rate Per \$1,000 A.V. ⁵	Total Projected Motor Vehicle Excise Tax Revenues
Apartment	582	1	582	\$20,835	\$2,084	\$1,212,597	\$25.00	\$30,315
Total	582		582	\$20,835				\$30,315

MuniCap, Inc.

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16-Apr-20

¹See Schedule I.

²**Additional information needed to confirm this assumption.**

³Average retail selling price (\$20,835) of used vehicles as provided in NADA Data 2019 Annual Financial Profile of America's Franchised New-Car Dealerships.

⁴According to the City of Newton Assessor's Office, motor vehicles are initially assessed at 100% of their MSRP. Subsequently, the value is depreciated to 90%, 60%, 40%, 25% and 10% of MSRP. Assumes that all new residents moving in to the 617 apartment units already own vehicles for at least five years.

⁵Motor vehicle excise tax bills are issued once each calendar year to each owner of a vehicle registered in Massachusetts. The rate is standard throughout the state - \$25 per \$1,000 of assessed value. Bills are payable within 30 days from the bill date. Source: Newton, MA Treasury, Tax Information.

Riverside
Newton, Massachusetts

Schedule VI: Projection of Hotel Tax Revenues

Table 1: Projection of Hotel Room Occupancy Excise Tax Revenues

Development Type	Projected Room Revenues				Projected Room Occupancy Excise Tax Revenues to City of Newton	
	Estimated No. of Rooms ¹	Average Daily Rate ²	Occupancy Rate ²	Annual Room Revenues	Occupancy Excise Tax Rate ³	Total Projected Room Occupancy Excise Tax Revenues
Hotel	150	\$269	67.90%	\$9,997,800	6.00%	\$599,868

Table 2: Projection of Hotel Meals Tax Revenues

Development Type	Projected Restaurant Sales Revenues				Projected Meals Tax Revenues to City of Newton	
	Estimated Gross Square Footage ¹	Estimated Restaurant Square Footage ⁴	Estimated Sales PSF ⁵	Restaurant Sales Revenues	Sales Tax Rate ⁶	Total Projected Meals Tax Revenues
Hotel	77,300	4,500	\$420	\$1,888,680	0.75%	\$14,165

MuniCap, Inc.

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16-Apr-20

¹See Schedule I.

²See Schedule IV-C.

³Every hotel, lodging house and motel located within the city shall be subject to a local excise tax upon the transfer of occupancy of any room or rooms at the rate of six percent of the total amount of rent for each such occupancy. Source: Section 9, Chapter 27 of City of Newton Ordinances.

⁴Provided by Mark Development, LLC.

⁵See Appendix C. Excludes room service sales.

⁶A city or town may impose a local option meals excise on sales by a vendor of restaurant meals occurring within that city or town. The rate is 0.75% of the vendor's gross receipts from restaurant meal sales. Source: Mass.gov.

**Riverside
Newton, Massachusetts**

Schedule VII: Additional Revenues to City of Newton - Annual

Annual Revenues ¹	Current City Revenues ²	Percent Impacted ³	Adjusted Current City Revenues ³	Basis for Projecting Revenues ⁴	Current City Service Factors ⁵	Revenues by Factor		Projected Increase in Service Factor ⁶	Total Additional Revenues ⁷
						Per Resident	Total Serv. Pop.		
Taxes									
Property taxes	\$356,892,067	100%	\$356,892,067	Schedule I	-	-	-	-	-
Motor vehicle excise taxes	\$13,500,000	100%	\$13,500,000	Schedule V	-	-	-	-	-
Interest and penalties on taxes	\$1,290,000	0%	\$0	not impacted	-	-	-	-	-
In lieu of tax payments	\$360,000	0%	\$0	not impacted	-	-	-	-	-
Meals tax	\$1,900,000	100%	\$1,900,000	Schedule VI	-	-	-	-	-
Hotel and motel taxes	\$2,500,000	100%	\$2,500,000	Schedule VI	-	-	-	-	-
Charges for Services									
Recreation	\$107,000	100%	\$107,000	per resident	88,904	\$1.20	-	1,341	\$1,614
Other departments	\$1,506,150	0%	\$0	not impacted	-	-	-	-	-
Fees	\$704,400	0%	\$0	not impacted	-	-	-	-	-
Rental income	\$1,134,233	0%	\$0	not impacted	-	-	-	-	-
Fines and Forfeitures									
Court fines	\$75,000	0%	\$0	not impacted	-	-	-	-	-
Administrative fines and restitution	\$5,000	0%	\$0	not impacted	-	-	-	-	-
Library fines	\$125,000	0%	\$0	not impacted	-	-	-	-	-
Parking violation fines	\$1,390,000	25%	\$347,500	total service population	144,671	-	\$2.40	2,220	\$5,332
Licenses and Permits⁸									
Inspection services	\$5,930,000	0%	\$0	not impacted	-	-	-	-	-
Other licenses and permits	\$1,077,425	0%	\$0	not impacted	-	-	-	-	-
Investment Income	\$1,745,064	0%	\$0	not impacted	-	-	-	-	-
Special Assessments	\$50,000	0%	\$0	not impacted	-	-	-	-	-
Miscellaneous Local Revenues	\$200,000	0%	\$0	not impacted	-	-	-	-	-
Total State and Federal Aid⁹									
Unrestricted general government aid	\$6,240,334	100%	\$6,240,334	per resident	88,904	\$70.19	-	1,341	\$94,145
Other "cherry sheet" aid	\$219,569	0%	\$0	not impacted	-	-	-	-	-
Other State and Federal aid	\$1,660,000	0%	\$0	not impacted	-	-	-	-	-
Total Interfund Transfers	\$4,986,700	0%	\$0	not impacted	-	-	-	-	-
Total Fund Balance to Support Budget	\$1,904,936	0%	\$0	not impacted	-	-	-	-	-
Total General Fund	\$405,502,878					\$71.40	\$2.40		\$101,091

MuniCap, Inc.

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16-Apr-20

¹Not all sources of revenues are expected to be impacted.

²Based on information provided in *City of Newton FY2020 Budget*. Revenues do not match expenses due to the omission of school revenues.

³Represents the percent by which the proposed increase is assumed to be impacted.

⁴Method of apportioning revenues: Per resident revenues are calculated by taking current revenues and apportioning them among current resident population. Total service population revenues are calculated by taking current revenues and apportioning them among the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents proposed increase to City as a result of new development. See Appendix A.

⁷Represents total increase in revenues as a result of proposed development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Assumes one-time licenses and permits revenues will be offset by corresponding one-time expenses. As a result, the line items are not impacted.

⁹Excludes Chapter 70 school aid. New student impacts are calculated on Schedule IX.

***Riverside
Newton, Massachusetts***

Schedule VIII: Projected Fire and Police Annual Expenses

	Fire and Rescue	Police Department	Total
City of Newton FY20 budget allocation ¹	\$24,278,794	\$22,804,753	-
Current Newton total service calls ²	10,285	46,000	-
Expenses per total service call	\$2,360.60	\$495.76	
Projected increase in total service calls ³	113	353	-
Expenses per service call	\$2,360.60	\$495.76	-
Projected annual increase in expenses	\$267,271	\$174,961	\$442,232

MuniCap, Inc.

Development LLC\Riverside Project\FIA\Analysis\[Riverside- FIA Scenario A No. 6.xlsx]VIII

16-Apr-20

¹Based on information provided in *City of Newton FY20 Budget*. See Schedule X.

²Provided by Mark Development, LLC and based on information received from interviews with the fire and police departments.

³See Appendix E-3 for calculation of projected increase in total fire, EMS and police service calls, Tables 1 and 2.

Riverside
Newton, Massachusetts

Schedule IX-A: Student Generation - Projected Total Students

Table 1: Projected Residential Units¹

Unit Type	Number of AMI Inclusionary Units			Number of Market Rate Units	Total Count
	50%	80%	100%		
<i>Apartments:</i>					
Studio	4	4	1	42	51
1 Bedroom	21	21	7	230	279
2 Bedroom	17	17	6	191	231
3 Bedroom	2	1	1	17	21
Total	44	43	15	480	582

Table 2: Projected Student Generation Rates

Unit Type	Student Generation Rates Newton Public Schools (Method 1) ²	Student Generation Rates Newton Public Schools (Method 2) ²	Student Generation Rates Newton Public Schools (Method 3) ²
<i>Market Rate:</i>			
Studio	0.000	0.220	0.062
1 Bedroom	0.000	0.220	0.038
2 Bedroom	0.214	0.220	0.441
3 Bedroom	0.800	0.220	0.380
<i>Inclusionary:</i>			
Studio	0.000	0.220	0.062
1 Bedroom	0.000	0.220	0.038
2 Bedroom	1.018	0.220	0.441
3 Bedroom	2.792	0.220	0.380

Table 3: Projected Total Students - Individual Methods

Unit Type	Project Total Students - Method 1 ³				
<i>Apartments:</i>					
Studio	0	0	0	0	0
1 Bedroom	0	0	0	0	0
2 Bedroom	17	17	6	41	82
3 Bedroom	6	3	3	14	25
Total	23	20	9	54	106

Unit Type	Project Total Students - Method 2 ³				
<i>Apartments:</i>					
Studio	1	1	0	9	11
1 Bedroom	5	5	2	51	61
2 Bedroom	4	4	1	42	51
3 Bedroom	0	0	0	4	5
Total	10	9	3	106	128

Unit Type	Project Total Students - Method 3 ³				
<i>Apartments:</i>					
Studio	0	0	0	3	3
1 Bedroom	1	1	0	9	11
2 Bedroom	7	7	3	84	102
3 Bedroom	1	0	0	6	8
Total	9	9	3	102	124

Table 4: Projected Total Students - Average

Method	Projected Total Students
1	106
2	128
3	124
Average	119

MuniCap, Inc. *IA Scenario A No. 6.xlsx/IX-A*
16-Apr-20

¹Provided by Mark Development, LLC.

²Student generation rates based on the Project Revisions and Response to RKG Peer Review Comments, Fiscal Impact Analysis by Fougere Planning & Development, Inc., February 13, 2019.

³Totals are affected by rounding.

Riverside
Newton, Massachusetts

Schedule IX-B: Student Generation - New Student Impacts to City of Newton (Annual)

Annual Impacts	Current City Budget Amount ³	Percent Impacted ⁴	Adjusted Current City Budget Amount ⁴	Basis for Projecting Impacts ⁵	Current City Service Factors ⁶	Impacts by Factor Per Student	Projected Increase in Service Factor ⁷	Total Additional Impacts ⁸
Revenues¹:								
<i>Charges for Service</i>								
School department	\$100,000	100%	\$100,000	per student	13,000	\$7.69	119	\$918
<i>State and Federal Aid</i>								
Chapter 70 school aid	\$24,681,503	100%	\$24,681,503	per student	13,000	\$1,898.58	119	\$226,574
Expenses:								
<i>Expenditures</i>								
Cost per student ²	-	-	-	-	-	(\$14,383.00)	119	(\$1,716,453)
Total						(\$12,477)		(\$1,488,961)

MuniCap, Inc.

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16-Apr-20

¹Represents the revenues to be impacted by student enrollment.

²Represents the marginal cost of educating a student in Newton, as estimated by the Newton School Department. Source: Newton Development Peer Review, Northland Newton Development, RKG Associates, Inc.

³Based on information provided in *City of Newton FY20 Budget*.

⁴Represents the percent by which the proposed increase is assumed to be impacted.

⁵Method of apportioning impacts: per student impacts are calculated by taking current revenues or expenses and apportioning them among the current student population.

⁶Represents current statistics for City. See Appendix A.

⁷See Schedule IX-A.

⁸Represents total net change in budget items impacted by student enrollment as a result of proposed development on an annual basis. Figures assume full build out and are expressed in current dollars.

Riverside
Newton, Massachusetts

Schedule X: Additional Expenses to City of Newton - Annual

Annual Expenditures ¹	Current City Expenses ²	Percent Impacted ³	Adjusted Current City Expenses ³	Basis for Projecting Expenses ⁴	Current City Service Factors ⁵	Expenditures by Factor		Projected Increase in Service Factor ⁶	Total Additional Expenditures ⁷
						Total Serv. Pop.	\$1000s of Real Property Tax Revenues		
General Government⁸									
City Clerk/Clerk of the Board	\$2,053,027	0%	\$0	not impacted	-	-	-	-	-
Executive	\$1,035,681	0%	\$0	not impacted	-	-	-	-	-
Comptroller/Insurance	\$1,334,582	0%	\$0	not impacted	-	-	-	-	-
Purchasing/General Services	\$541,147	0%	\$0	not impacted	-	-	-	-	-
Assessing	\$1,240,262	0%	\$0	not impacted	-	-	-	-	-
Treasury and Collection	\$1,313,129	0%	\$0	not impacted	-	-	-	-	-
City Solicitor/Judgment & Settlements	\$1,982,505	0%	\$0	not impacted	-	-	-	-	-
Human Resources	\$1,042,387	0%	\$0	not impacted	-	-	-	-	-
Information Technology	\$1,884,222	0%	\$0	not impacted	-	-	-	-	-
Financial Information Systems	\$488,012	0%	\$0	not impacted	-	-	-	-	-
Planning & Development	\$1,991,198	0%	\$0	not impacted	-	-	-	-	-
Public Buildings	\$5,104,264	0%	\$0	not impacted	-	-	-	-	-
Police	\$22,804,753	0%	\$0	Schedule VI	-	-	-	-	-
Fire	\$24,278,794	0%	\$0	Schedule VI	-	-	-	-	-
Inspectional Services	\$1,751,338	0%	\$0	not impacted	-	-	-	-	-
Public Works	\$26,296,758	0%	\$0	not impacted	-	-	-	-	-
Health and Human Services	\$4,445,035	0%	\$0	not impacted	-	-	-	-	-
Senior Services	\$783,873	0%	\$0	not impacted	-	-	-	-	-
Veteran Services	\$244,503	0%	\$0	not impacted	-	-	-	-	-
Newton Public Library	\$5,930,819	0%	\$0	not impacted	-	-	-	-	-
Parks and Recreation	\$6,949,497	0%	\$0	not impacted	-	-	-	-	-
Newton History Museum	\$307,200	0%	\$0	not impacted	-	-	-	-	-
BANS Interest	\$140,000	0%	\$0	not impacted	-	-	-	-	-
Debt and Interest	\$24,488,102	0%	\$0	not impacted	-	-	-	-	-
Retirement	\$41,817,879	0%	\$0	not impacted	-	-	-	-	-
Budget Reserve	\$500,000	0%	\$0	not impacted	-	-	-	-	-
Snow and Ice Reserve	\$3,000,000	0%	\$0	not impacted	-	-	-	-	-
Wage Reserve	\$2,746,626	0%	\$0	not impacted	-	-	-	-	-
State and County Assessments	\$6,466,476	0%	\$0	not impacted	-	-	-	-	-
Transfers to Other Funds									
Workers Compensation Fund - Municipal	\$800,000	0%	\$0	not impacted	-	-	-	-	-
Rainy Day Stabilization Fund	\$150,000	0%	\$0	not impacted	-	-	-	-	-
Total current expenditures	\$193,912,069					\$0.00	\$0.00		\$0

MuniCap, Inc.

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16-Apr-20

¹Not all expenditures are expected to be impacted.

²Based on information provided in *City of Newton FY20Budget*. Expenses shown do not match revenues due to the omission of school expenses.

³Represents the percent by which the proposed increase is assumed to be impacted. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

⁴Method of apportioning expenditures: Total service population expenses are calculated by taking current expenses and apportioning them amount the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents proposed increase to City as a result of new development. See Appendix A.

⁷Represents total increase in expenditures as a result of proposed development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Excludes expenses relating to Newton Public Schools. New student impacts are calculated on Schedule IX-A and IX-B. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

***Riverside
Newton, Massachusetts***

Schedule XI: Summary of Existing Development

Table 1: Existing Development¹

Property Type	Building Area		Projected Existing Real Property Tax Revenues to City of Newton		
	GSF	Rooms	Total Market Value	FY 20 Newton Commercial Tax Rate Per \$1,000 A.V. ²	Projected Existing Development Tax Revenues
<i>Commercial</i>					
Hotel	74,553	191	\$29,900,000	\$19.920	\$595,608
Total existing development	74,553	191	\$29,900,000		\$595,608

Table 2: Existing Demographics

<i>Existing employees³</i>	
Existing hotel employees	85
Existing total service population	85

*MuniCap, Inc. Scenario A No. 6.xlsx/XI
16-Apr-20*

¹Existing development provided Mark Development LLC. Total market value based on information recorded in the City of Newton assessors database.

²Provided by the City of Newton Assessors Department FY 2020.

³Provided by the Human Resources Department of the existing hotel.

Riverside
Newton, Massachusetts

Schedule XII: Existing Hotel Tax Revenues

Table 1: Existing Hotel Room Occupancy Excise Tax Revenues

Development Type	Projected Room Revenues			Annual Room Revenues	Projected Room Occupancy Excise Tax Revenues to City of Newton	
	Estimated No. of Rooms ¹	Average Daily Rate ²	Occupancy Rate ²		Occupancy Excise Tax Rate ³	Total Projected Room Occupancy Excise Tax Revenues
Hotel	191	\$169.62	78.00%	\$9,223,545	6.00%	\$553,413

Table 2: Projection of Hotel Meals Tax Revenues

Development Type	Projected Restaurant Sales Revenues			Restaurant Sales Revenues	Projected Meals Tax Revenues to City of Newton	
	Estimated Gross Square Footage ¹	Estimated Restaurant Square Footage ⁴	Estimated Sales PSF ⁵		Sales Tax Rate ⁶	Total Projected Meals Tax Revenues
Hotel	74,553	4,500	\$420	\$1,888,680	0.75%	\$14,165

MuniCap, Inc.

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16-Apr-20

¹See Schedule XI.

²Provided by Mark Development, LLC.

³Every hotel, lodging house and motel located within the city shall be subject to a local excise tax upon the transfer of occupancy of any room or rooms at the rate of six percent of the total amount of rent for each such occupancy. Source: Section 9, Chapter 27 of City of Newton Ordinances.

⁴Provided by Mark Development, LLC.

⁵See Appendix C. Excludes room service sales.

⁶A city or town may impose a local option meals excise on sales by a vendor of restaurant meals occurring within that city or town. The rate is 0.75% of the vendor's gross receipts from restaurant meal sales. Source: Mass.gov.

**Riverside
Newton, Massachusetts**

Schedule XIII: Additional Existing Revenues to City of Newton - Annual

Annual Revenues ¹	Current City Revenues ²	Percent Impacted ³	Adjusted Current City Revenues ³	Basis for Projecting Revenues ⁴	Current City Service Factors ⁵	Revenues by Factor		Estimated Service Factor ⁶	Total Additional Revenues ⁷
						Per Resident	Total Serv. Pop.		
Taxes									
Property taxes	\$356,892,067	100%	\$356,892,067	Schedule IX	-	-	-	-	-
Motor vehicle excise taxes	\$13,500,000	100%	\$13,500,000	not impacted	-	-	-	-	-
Interest and penalties on taxes	\$1,290,000	0%	\$0	not impacted	-	-	-	-	-
In lieu of tax payments	\$360,000	0%	\$0	not impacted	-	-	-	-	-
Meals tax	\$1,900,000	100%	\$1,900,000	Schedule XII	-	-	-	-	-
Hotel and motel taxes	\$2,500,000	100%	\$2,500,000	Schedule XII	-	-	-	-	-
Charges for Services									
Recreation	\$107,000	100%	\$107,000	not impacted	-	-	-	-	-
Other departments	\$1,506,150	0%	\$0	not impacted	-	-	-	-	-
Fees	\$704,400	0%	\$0	not impacted	-	-	-	-	-
Rental income	\$1,134,233	0%	\$0	not impacted	-	-	-	-	-
Fines and Forfeitures									
Court fines	\$75,000	0%	\$0	not impacted	-	-	-	-	-
Administrative fines and restitution	\$5,000	0%	\$0	not impacted	-	-	-	-	-
Library fines	\$125,000	0%	\$0	not impacted	-	-	-	-	-
Parking violation fines	\$1,390,000	25%	\$347,500	total service population	144,671	-	\$2.40	85	\$204
Licenses and Permits⁸									
Inspection services	\$5,930,000	0%	\$0	not impacted	-	-	-	-	-
Other licenses and permits	\$1,077,425	0%	\$0	not impacted	-	-	-	-	-
Investment Income	\$1,745,064	0%	\$0	not impacted	-	-	-	-	-
Special Assessments	\$50,000	0%	\$0	not impacted	-	-	-	-	-
Miscellaneous Local Revenues	\$200,000	0%	\$0	not impacted	-	-	-	-	-
Total State and Federal Aid⁹									
Unrestricted general government aid	\$6,240,334	0%	\$0	not impacted	-	-	-	-	-
Other "cherry sheet" aid	\$219,569	0%	\$0	not impacted	-	-	-	-	-
Other State and Federal aid	\$1,660,000	0%	\$0	not impacted	-	-	-	-	-
Total Interfund Transfers	\$4,986,700	0%	\$0	not impacted	-	-	-	-	-
Total Fund Balance to Support Budget	\$1,904,936	0%	\$0	not impacted	-	-	-	-	-
Grand Total General Fund	\$405,502,878						\$2.40		\$204.17

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16-Apr-20

¹Not all sources of revenues are expected to be impacted.

²Based on information provided in *City of Newton FY20 Budget*. Revenues do not match expenses due to the omission of school revenues.

³Represents the percent by which the proposed increase is assumed to be impacted.

⁴Method of apportioning revenues: Per resident revenues are calculated by taking current revenues and apportioning them among current resident population. Total service population revenues are calculated by taking current revenues and apportioning them among the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents the current service factor to City as a result of existing development. See Schedule XI.

⁷Represents total increase in revenues as a result of existing development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Assumes one-time licenses and permits revenues will be offset by corresponding one-time expenses. As a result, the line items are not impacted.

⁹Excludes Chapter 70 school aid. There are no existing student impacts related to the current development as all development is commercial.

***Riverside
Newton, Massachusetts***

Schedule XIV: Existing Fire and Police Annual Expenses

	Fire and Rescue	Police Department	Total
City of Newton FY20 budget allocation ¹	\$24,278,794	\$22,804,753	-
Current Newton total service calls ²	10,285	46,000	-
Expenses per total service call	\$2,360.60	\$495.76	
Projected increase in total service calls ³	10	24	-
Expenses per service call	\$2,360.60	\$495.76	-
Projected annual increase in expenses	\$24,730	\$11,892	\$36,622

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Development LLC\Riverside Project\FIA\Analysis\[Riverside- FIA Scenario A No. 6.xlsx]XIV

16-Apr-20

¹Based on information provided in *City of Newton FY20 Budget*.

²See Schedule VIII.

³See Appendix E-3, Tables 3 and 4.

**Riverside
Newton, Massachusetts**

Schedule XV: Additional Existing Expenses to City of Newton - Annual

Annual Expenditures ¹	Current City Expenses ²	Percent Impacted ³	Adjusted Current City Expenses ³	Basis for Projecting Expenses ⁴	Current City Service Factors ⁵	Expenditures by Factor		Total Additional Expenditures ⁷
						Total Serv. Pop.	Estimated Service Factor ⁶	
General Government⁸								
City Clerk/Clerk of the Board	\$2,053,027	0%	\$0	not impacted	-	-	-	-
Executive	\$1,035,681	0%	\$0	not impacted	-	-	-	-
Comptroller/Insurance	\$1,334,582	0%	\$0	not impacted	-	-	-	-
Purchasing/General Services	\$541,147	0%	\$0	not impacted	-	-	-	-
Assessing	\$1,240,262	0%	\$0	not impacted	-	-	-	-
Treasury and Collection	\$1,313,129	0%	\$0	not impacted	-	-	-	-
City Solicitor/Judgment & Settlements	\$1,982,505	0%	\$0	not impacted	-	-	-	-
Human Resources	\$1,042,387	0%	\$0	not impacted	-	-	-	-
Information Technology	\$1,884,222	0%	\$0	not impacted	-	-	-	-
Financial Information Systems	\$488,012	0%	\$0	not impacted	-	-	-	-
Planning & Development	\$1,991,198	0%	\$0	not impacted	-	-	-	-
Public Buildings	\$5,104,264	0%	\$0	not impacted	-	-	-	-
Police	\$22,804,753	0%	\$0	Schedule XI	-	-	-	-
Fire	\$24,278,794	0%	\$0	Schedule XI	-	-	-	-
Inspectional Services	\$1,751,338	0%	\$0	not impacted	-	-	-	-
Public Works	\$26,296,758	0%	\$0	not impacted	-	-	-	-
Health and Human Services	\$4,445,035	0%	\$0	not impacted	-	-	-	-
Senior Services	\$783,873	0%	\$0	not impacted	-	-	-	-
Veteran Services	\$244,503	0%	\$0	not impacted	-	-	-	-
Newton Public Library	\$5,930,819	0%	\$0	not impacted	-	-	-	-
Parks and Recreation	\$6,949,497	0%	\$0	not impacted	-	-	-	-
Newton History Museum	\$307,200	0%	\$0	not impacted	-	-	-	-
BANS Interest	\$140,000	0%	\$0	not impacted	-	-	-	-
Debt and Interest	\$24,488,102	0%	\$0	not impacted	-	-	-	-
Retirement	\$41,817,879	0%	\$0	not impacted	-	-	-	-
Budget Reserve	\$500,000	0%	\$0	not impacted	-	-	-	-
Snow and Ice Reserve	\$3,000,000	0%	\$0	not impacted	-	-	-	-
Wage Reserve	\$2,746,626	0%	\$0	not impacted	-	-	-	-
State and County Assessments	\$6,466,476	0%	\$0	not impacted	-	-	-	-
Transfers to Other Funds								
Workers Compensation Fund - Municipal	\$800,000	0%	\$0	not impacted	-	-	-	-
Rainy Day Stabilization Fund	\$150,000	0%	\$0	not impacted	-	-	-	-
Total current expenditures	\$193,912,069					\$0.00		\$0

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16-Apr-20

¹Not all expenditures are expected to be impacted.

²Based on information provided in *City of Newton FY20 Budget*. Expenses shown do not match revenues due to the omission of school expenses.

³Represents the percent by which the proposed increase is assumed to be impacted. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

⁴Method of apportioning expenditures: Total service population expenses are calculated by taking current expenses and apportioning them amount the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents the current service factor to City as a result of existing development. See Appendix A.

⁷Represents total increase in expenditures as a result of existing development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Excludes expenses relating to Newton Public Schools. Expenses related to schools and students are not impacted for existing development. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

**Riverside
Newton, Massachusetts**

Appendices

Riverside
Newton, Massachusetts

Appendix A: Revenues and Expenses to City of Newton (Allocation Factors)

City of Newton permanent population ¹	88,904
Newton residents employed in the city ²	5,937
Non-resident workers ²	49,830
Employee population equivalent ³	49,830
Total service population ⁴	144,671
Percent of newly created City of Newton employees assumed to live in City of Newton ⁵	10.6%
Percent of newly created City of Newton employees assumed to live outside City of Newton ⁶	89.4%
Service population rates	
Resident	1.00
Employee ³	1.00
Proposed new rentals ⁷	582
Vacancy rate ⁸	5.0%
Occupied new households	553
Persons per household (renter occupied) ⁹	2.21
Expected population increase ¹⁰	1,222
Current students ¹¹	13,000
Projected student increase ¹²	119
Total population increase	1,341
Projected new employees ¹³	879
Projected new employee population equivalent ³	879
Total new service population increase ¹⁴	2,220
Projected new non-resident employees ¹⁵	785
Projected new non-resident employee population equivalent ³	785
Net service population increase ¹⁶	2,126
Current Newton real property tax revenues (per \$1,000) ¹⁷	\$356,892
Projected increase in Newton's real property tax revenues (per \$1,000) ¹⁸	\$4,059

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16-Apr-20

¹Source: U.S Census Bureau QuickFacts. Based on population estimates as of July 1, 2018.

²Source: OnTheMap, U.S. Census Bureau based on 2017 data.

³Service rate for employee is assumed to be same as resident population rate.

⁴Represents the total City permanent population plus the total employee population equivalent.

⁵Represents the total City employees assumed to live outside of City of Newton.

⁶Represents the total City permanent population plus the non-resident employee population equivalent.

⁷See Schedule I.

⁸See Schedule IV-A.

⁹Source: 2013-2017 American Community Survey 5-Year Housing Estimates for Newton City, Massachusetts.

¹⁰Represents total new occupied households multiplied by the persons per household.

¹¹Represents the current student enrollment in citywide elementary, middle, and high schools for Fiscal Year 2019-2020. Source: Superintendent's Proposed Operating Budget Fiscal Year 2020.

¹²See Schedule IX.

¹³See Appendix B.

¹⁴Represents the total new employees of resident employee equivalents plus the expected population increase.

¹⁵Represents the total new employees multiplied by the percentage of employees assumed to live outside of Newton, MA.

¹⁶Represents the total new employees of non-resident employee equivalents plus the expected population increase.

¹⁷Based on information provided in *City of Newton FY20 Budget*. See Schedule X.

¹⁸See Schedule I.

Riverside
Newton, Massachusetts

Appendix B: Total Projected Employees - New Development

Projected Employees - New Development	
<i>Retail</i>	
SF ¹	38,895
Employees per 1,000 SF ²	2.39
Sub-total retail employees	93
<i>Office</i>	
SF ¹	253,828
Employees per 1,000 SF ²	2.67
Sub-total office employees	677
<i>Hotel</i>	
Rooms ¹	150
Employees per room ²	0.40
Sub-total hotel employees	60
<i>Apartment Management</i>	
Units ¹	582
Employees per unit ²	0.08
Sub-total apartment employees	48
Total projected employees	879

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Riverside- FIA Scenario A No. 6.xlsx]B

16-Apr-20

¹See Schedule I.

²Jobs were calculated using IMPLAN software by IMPLAN Group LLC. Jobs shown represent full-time equivalent jobs. See Appendix D.

Riverside

Newton, Massachusetts

Appendix C: Estimated Sales Data

Development Type	Sales PSF ¹	Type of SF ²	Adjusted Sales PSF	Avg. SF Per Store
<i>Retail</i>				
Men's Warehouse	\$411	Selling	\$308	5,642
Express	\$343	Gross	\$343	8,650
Panera Bread	\$302	Gross	\$302	4,500
Potbelly Sandwich Shop	\$436	Gross	\$436	2,300
J. Crew	\$540	Gross	\$540	6,200
New York & Company	\$372	Selling	\$279	5,125
GameStop	\$940	Gross	\$940	1,400
Foot Locker	\$504	Gross	\$504	2,500
Average sale PSF			\$397	
<i>Restaurant</i>				
BJ's Restaurant	\$649	Selling	\$487	8,100
Buffalo Wild Wings	\$491	Selling	\$368	6,100
Chipotle Mexican Grill	\$694	Selling	\$521	2,500
Red Robin	\$449	Selling	\$337	5,800
Average sale PSF			\$420	

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16-Apr-20

¹Sales data based on 2017 Bizminer Sales Report (2016 sales).

²Adjusted sales per square foot assumes 75% of gross square footage as selling space.

Riverside
Newton, Massachusetts

Appendix D-1: Permanent Jobs and Indirect/Induced Impacts - Retail

	<u>Total</u>
Retail square feet (total) ¹	38,895
Retail vacancy ¹	5%
Retail square feet (occupied) ¹	36,950
Sales per square foot ²	\$397
Retail sales	\$14,673,240
Total retail jobs ³	108
Full time equivalent factor ⁴	0.8664
Total full time equivalent employees ("FTE")	93
Total FTE jobs per 1,000 square feet (total)	2.39
Total labor income ⁵	\$3,050,038
Labor income to wage factor ⁵	1.1821
Sub-total employee wages	\$2,580,181
Average retail income per FTE -- annual	\$32,749
Average retail wage per FTE -- annual	\$27,704
Multiplier for retail income ³	1.5258
Total income	\$4,653,737
Indirect and induced income	\$1,603,699
Multiplier for retail jobs ³	1.2372
Total jobs	133
Indirect and induced jobs	26
Multiplier for retail output ³	1.7357
Total economic output	\$10,359,217
Direct output	\$5,968,340
Indirect and induced output	\$4,390,877

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verside- FIA Scenario A No. 6.xlsx\JD1-N.Ret

16-Apr-20

¹Based on projected development at full buildout. See Schedules I and IV-B.

²See Appendix C.

³Retail wages, jobs, and output were calculated using IMPLAN software by IMPLAN Group, LLC. The software calculates labor income and the number of jobs based on industry multipliers derived from National Income and Product Accounts data published by the U.S. Bureau of Economic Analysis. This data is then indexed to local industry data compiled by the U.S. Census Bureau. For ease of interpretation, multipliers are shown to illustrate the effects retail development within the Riverside development will have in the City of Newton. The multiplier for retail jobs is 1.2372, meaning that for each job at the development, 1.2372 jobs will be created in Newton, including the job at the development. Similarly, the multiplier for the retail wages is 1.5258, meaning that for every \$1.00 paid in retail wages at the development, \$1.5258 will be paid in Newton, including the \$1.00 at the development. The multiplier for retail output is 1.7357, meaning that for each dollar of retail economic activity at the development, the economic activity in Newton will be \$1.7357, including the \$1.00 at the development.

⁴Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC converts total jobs into total full-time equivalent employees ("FTE's").

⁵Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC converts total labor income into direct wages and salary.

Riverside
Newton, Massachusetts

Appendix D-2: Permanent Jobs and Indirect/Induced Impacts - Office

	<u>Total</u>
Total office square feet ¹	253,828
Square feet per FTE office worker ²	375
<hr/>	
Total full time equivalent employees ("FTE")	677
Full time equivalent factor ³	0.9259
Total office jobs ³	731
Total FTE jobs per 1,000 square feet	2.67
Total labor income ⁴	\$53,021,093
Labor income to wage factor ⁴	1.1737
Sub-total employee wages	\$45,172,680
Average office income per FTE -- annual	\$72,525
Average office wage per FTE -- annual	\$66,737
Multiplier for office income ⁵	1.4310
Total income	\$75,871,505
Indirect and induced income	\$22,850,412
Multiplier for office jobs ⁵	1.6272
Total jobs	1,101
Indirect and induced jobs	425
Multiplier for office output ⁵	1.6782
Total economic output	\$141,567,584
Direct output	\$84,358,779
Indirect and induced output	\$57,208,805

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iverside- FIA Scenario A No. 6.xlsx]D2-N.Off
16-Apr-20

¹Based on projected development at full buildout. See Schedule I.

²Source: *Building Owners and Managers Association International 2019 Office Experience and Exchange Reports* for office properties in the Massachusetts market.

³Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC converts total jobs into total full-time equivalent employees ("FTE's") and vice-versa.

⁴Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC converts total labor income into direct wages and salary.

⁵Existing office wages, jobs, and output were calculated using IMPLAN Group, LLC. Multipliers function in the same manner as new retail impacts.

Riverside
Newton, Massachusetts

Appendix D-3: Permanent Jobs and Indirect/Induced Impacts - Hotel

	<u>Total</u>
Hotel rooms ¹	150
Average nightly room rate ²	\$269
Average nightly occupancy ²	67.9%
Hotel operating revenue	\$9,997,800
Total hotel service jobs ³	66
Full time equivalent factor ³	0.9086
Total full time equivalent employees ("FTE")	60
Total FTE jobs per room	0.40
Total labor income ⁴	\$3,799,735
Labor income to wage factor ⁴	1.1609
Sub-total employee wages	\$3,273,218
Average hotel income per FTE -- annual	\$63,078
Average hotel wage per FTE -- annual	\$54,338
Multiplier for hotel income ⁵	1.5253
Total income	\$5,795,792
Indirect and induced income	\$1,996,057
Multiplier for hotel jobs ⁵	1.6302
Total jobs	98
Indirect and induced jobs	32
Multiplier for hotel output ⁵	1.5047
Total economic output	\$15,043,555
Indirect and induced output	\$5,045,755

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verside- FIA Scenario A No. 6.xlsx\JD3-Hotel

16-Apr-20

¹Based on projected development at full buildout. See Schedule I.

²See Schedule IV.

³Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC, converts total jobs into total full-time equivalent employees ("FTE's").

⁴Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC, converts total labor income into direct wages and salary.

⁵Hotel wages, jobs and output were calculated using IMPLAN software by IMPLAN Group, LLC. Multipliers function in the same manner as retail impacts.

Riverside
Newton, Massachusetts

Appendix D-4: Jobs and Indirect/Induced Impacts - Apartment Management

	<u>Total</u>
Total apartment units ¹	582
Apartment vacancy ²	5%
Occupied apartment units	553
Annual rent per unit ²	\$24,410
<hr/>	
Total apartment rental revenue	\$13,496,318
Total apartment management jobs ³	53.2
Full-time equivalent factor ⁴	0.9108
Total FTEs	48
Total FTE jobs per unit	0.08
Total labor income ⁵	\$1,338,998
Labor income to wage factor ⁵	1.1413
Sub-total employee wages	\$1,173,247
Average income per FTE -- annual	\$27,633
Average wage per FTE -- annual	\$24,213
Multiplier for apartment management income ³	2.2225
Total income	\$2,975,905
Indirect and induced income	\$1,636,907
Multiplier for apartment management jobs ³	1.5207
Total jobs	81
Indirect and induced jobs	28
Multiplier for apartment management output ³	1.3196
Total economic output	\$17,809,691
Direct output	\$13,496,318
Indirect and induced output	\$4,313,373

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*de- FIA Scenario A No. 6.xlsx]D4-Apartment
16-Apr-20*

¹See Schedule I.

²See Schedule IV-A.

³See Appendix D-1 to reference the impacts of the multipliers.

⁴Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC converts total jobs into total full-time equivalent employees ("FTE's").

⁵Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC converts total labor income into direct wages and salary.

**Riverside
Newton, Massachusetts**

Appendix E-1: Fire and EMS Calls - Average Calls (New Development)

	Historical Fire and EMS Calls ¹					Square Feet/Units ²	Historical Fire and EMS Calls (per 1,000 Square Feet/Unit)					Average Historical
	2014	2015	2016	2017	2018		2014	2015	2016	2017	2018	Calls per 1,000 Square Feet/Unit
Development:												
<i>Retail addresses</i>												
230 Needham St	2	3	5	2	6	34,460	0.0580	0.0871	0.1451	0.0580	0.1741	0.1045
244 Needham St	10	14	20	19	14	31,925	0.3132	0.4385	0.6265	0.5951	0.4385	0.4824
170 Needham St	1	0	3	1	2	7,174	0.1394	0.0000	0.4182	0.1394	0.2788	0.1951
Weighted average call per square feet/unit												0.2773
<i>Office addresses</i>												
300 Washington St	2	10	7	6	4	143,068	0.0140	0.0699	0.0489	0.0419	0.0280	0.0405
2221-2227 Washington St	2	2	2	4	8	46,938	0.0426	0.0426	0.0426	0.0852	0.1704	0.0767
2150 Washington St	3	2	4	2	4	32,169	0.0933	0.0622	0.1243	0.0622	0.1243	0.0933
Weighted average call per square feet/unit												0.0558
<i>Hotel addresses</i>												
2345 Commonwealth Ave	33	44	41	53	35	293,195	0.1126	0.1501	0.1398	0.1808	0.1194	0.1405
Weighted average call per square feet/unit												0.1405

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16-Apr-20

¹Provided by the developer and based on information received from interviews with the fire department based on actual calls received at sample comparable properties from 2014-2018.

²See Schedule III-B.

Riverside
Newton, Massachusetts

Appendix E-2: Police Calls - Average Calls (New Development)

	Historical Police Calls ¹			Square Feet/Units ²	Historical Police Calls (per 1,000 Square Feet)			Average Historical
	2016	2017	2018		2016	2017	2018	Calls per 1,000 Square Feet
Development:								
<i>Retail addresses</i>								
230 Needham St	10	6	13	34,460	0.2902	0.1741	0.3772	0.2805
244 Needham St	41	38	41	31,925	1.2843	1.1903	1.2843	1.2529
170 Needham St	6	4	13	7,174	0.8364	0.5576	1.8121	1.0687
Weighted average call per square feet								0.7794
<i>Office addresses</i>								
300 Washington St	44	46	29	143,068	0.3075	0.3215	0.2027	0.2773
2150 Washington St	17	12	13	32,169	0.5285	0.3730	0.4041	0.4352
Weighted average call per square feet								0.3063
<i>Hotel addresses</i>								
2345 Commonwealth Ave	102	106	75	293,195	0.3479	0.3615	0.2558	0.3217
Weighted average call per square feet								0.3217

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16-Apr-20

¹ Provided by the developer and based on information received from interviews with the police department based on actual calls received at sample properties from 2016-2018.

² See Schedule III-B.

***Riverside
Newton, Massachusetts***

Appendix E-3: Projected Fire, EMS and Police Calls (New and Existing Development)

Table 1: Fire and EMS Projected Calls - New Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Residential ³	582	0.1330	77
Office	253,828	0.0558	14
Retail	38,895	0.2773	11
Hotel	77,300	0.1405	11
Total fire and EMS calls			113

¹See Schedule I.

²See Appendix E-1.

³Residential calls provided by the developer.

Table 2: Police Projected Calls - New Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Residential ³	582	0.3780	220
Office	253,828	0.3063	78
Retail	38,895	0.7794	30
Hotel	77,300	0.3217	25
Total police calls			353

¹See Schedule I.

²See Appendix E-2.

³Residential calls provided by the developer.

Table 3: Fire and EMS Projected Calls - Existing Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Hotel	74,553	0.1405	10
Total fire and EMS calls			10

¹See Schedule I.

²See Appendix E-1.

Table 4: Police Projected Calls - Existing Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Hotel	74,553	0.3217	24
Total police calls			24

*MuniCap, Inc. pment LLC\Riverside Project\FIA\Analysis\Riverside- FIA Scenario A No. 6.xlsx\E-3
16-Apr-20*

¹See Schedule IX.

²See Appendix E-2.

**Riverside
Newton, Massachusetts**

Fiscal Impact Analysis

Exhibit B

**Uses the Average of the Three Student Generation Rate Methods Presented in the
2019 NPS Enrollment Analysis Report**

Prepared By:

MuniCap, Inc.

April 16, 2020

Riverside Newton, Massachusetts

Fiscal Impact Analysis

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Riverside Newton, Massachusetts

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***Riverside
Newton, Massachusetts***

S-1: Summary of Net Fiscal Impacts to the City of Newton

Table 1: Projected New Development Fiscal Impact (Full Build-Out)

	Annual (Full Build-Out)	
Real property tax revenues	\$4,059,368	(Schedule I)
Motor vehicle excise tax revenues	\$30,315	(Schedule V)
Hotel room occupancy tax revenues	\$599,868	(Schedule VI)
Hotel meals tax revenues	\$14,165	(Schedule VI)
Additional revenues	\$101,815	(Schedule VII)
City of Newton tax revenues	\$4,805,531	
City of Newton police and fire expenditures	(\$442,232)	(Schedule VIII)
City of Newton student expenditures	(\$1,611,279)	(Schedule IX)
City of Newton general fund expenditures	\$0	(Schedule X)
City of Newton net fiscal impact	\$2,752,020	

Table 2: Existing Development Fiscal Impact (Full Build-Out)

	Annual (Full Build-Out)	
Real property tax revenues	\$595,608	(Schedule XI)
Hotel room occupancy tax revenues	\$553,413	(Schedule XII)
Hotel meals tax revenues	\$14,165	(Schedule XII)
Additional revenues	\$204	(Schedule XIII)
City of Newton tax revenues	\$1,163,390	
City of Newton police and fire expenditures	(\$36,622)	(Schedule XIV)
City of Newton student expenditures ¹	\$0	
City of Newton general fund expenditures	\$0	(Schedule XV)
City of Newton net fiscal impact	\$1,126,768	

Table 3: Net New Fiscal Impacts (Full Build-Out)

	Annual (Full Build-Out)	
Projected development net fiscal impact	\$2,752,020	
Existing development net fiscal impact	(\$1,126,768)	
City of Newton net new fiscal impact	\$1,625,252	

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¹The existing development consists of a hotel and excludes students.

Riverside
Newton, Massachusetts

S-2: Summary of Employment Impacts from New Development (Full Build-Out)

	Jobs from Riverside Project ¹				
	Permanent Jobs	Annual Compensation	Income per Employee	Annual Wages	Wage per Employee
Retail:					
Direct impacts	93	\$3,050,038	\$32,749	\$2,580,181	\$27,704
Indirect and induced impacts	26	\$1,603,699	\$62,890	-	-
Office:					
Direct impacts	677	\$53,021,093	\$78,332	\$45,172,680	\$66,737
Indirect and induced impacts	425	\$22,850,412	\$53,826	-	-
Hotel:					
Direct impacts	60	\$3,799,735	\$63,078	\$3,273,218	\$54,338
Indirect and induced impacts	32	\$1,996,057	\$62,572	-	-
Apartment Management:					
Direct impacts	48	\$1,338,998	\$27,633	\$1,173,247	\$24,213
Indirect and induced impacts	28	\$1,636,907	\$59,094	-	-
Total direct impacts (full-time equivalents)	879	\$61,209,864	-	\$52,199,326	\$172,992
Total indirect and induced impacts	510	\$28,087,075	-	-	-
Total annual compensation		\$89,296,939			

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¹Represents the estimated increase in total full-time equivalent jobs and income from development at Riverside. Jobs shown are at full buildout. See Appendices D-1 through D-4.

Riverside
Newton, Massachusetts

S-3: Summary of Student Impacts

Table 1: Projected Student Enrollment

	<u>Annual (Full Build-Out)</u>
Total projected student enrollment from new development ¹	129
Total estimated student enrollment from existing development	0
Projected net student enrollment	129

Table 2: Net Student Impacts

	<u>Annual (Full Build-Out)</u>
New student fiscal impacts ²	(\$1,611,279)
Existing student fiscal impacts	\$0
Net new student fiscal impacts	(\$1,611,279)

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¹See Schedule IX-A.

²See Schedule IX-B.

**Riverside
Newton, Massachusetts**

**Projected Development
& General Fund Impacts**

Riverside
Newton, Massachusetts

Schedule I: Summary of Proposed Development Plan and Estimated Values

Property Type	Building Area ¹			Units/ Rooms/Spaces	Estimated Assessed Value ²			FY20 Tax Rate	Tax Revenues
	Rentable SF	Total SF	Gross Area Per Unit/Room/Space		Value Per GSF	Value per Unit/Room/Space	Total Assessed Value		
<i>Residential</i>									
<i>For Rent</i>									
Market rate apartments	413,055	540,187	1,125	480	\$291	\$327,959	\$157,420,141	1.044%	\$1,643,466
Inclusionary income apartments									
50% AMI	37,863	49,517	1,125	44	\$55	\$62,430	\$2,746,910	1.044%	\$28,678
80% AMI	37,003	48,392	1,125	43	\$167	\$187,639	\$8,068,456	1.044%	\$84,235
100% AMI	12,908	16,881	1,125	15	\$159	\$178,509	\$2,677,641	1.044%	\$27,955
Sub-total residential	500,829	654,977		582			\$170,913,147		\$1,784,333
<i>Commercial</i>									
Retail	38,895	38,895	-	-	\$353	-	\$13,732,929	1.992%	\$273,560
Office	253,828	253,828	-	-	\$239	-	\$60,675,171	1.992%	\$1,208,649
Hotel	77,300	77,300	515	150	\$515	\$265,336	\$39,800,467	1.992%	\$792,825
Sub-total commercial	370,023	370,023		150			\$114,208,567		\$2,275,035
<i>Parking garage³</i>									
Taxable	-	-	-	2,030	\$0	\$0	\$0		
Total⁴	870,852	1,025,000					\$285,121,714		\$4,059,368

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¹Source: Mark Development, LLC.

²See Schedule II.

³Assumes the value of the parking garage is accounted for within the rest of the development.

⁴Total development square footage excludes 7,500 square feet of office space to be occupied by MBTA.

Riverside
Newton, Massachusetts

Schedule II: Projection of Assessed Value - Comparison of Approaches¹

Property Type	Comparables ²	Income Capitalization ³
<u>Residential</u>		
<u>For Rent</u>		
Market rate apartments		
Per unit	<u>\$327,958.63</u>	\$455,481.23
Inclusionary income apartments		
50% AMI		
Per unit	<u>\$62,429.77</u>	\$86,704.81
80% AMI		
Per unit	<u>\$187,638.50</u>	\$260,599.38
100% AMI		
Per unit	<u>\$178,509.39</u>	\$247,920.54
<u>Commercial</u>		
Retail		
Per SF	<u>\$353.08</u>	\$400.91
Office		
Per SF	<u>\$239.04</u>	\$378.67
Hotel		
Per room	\$217,305.03	<u>\$265,336.45</u>
Parking garage		
Per space	-	-

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¹Valuation approach chosen for each type of development is underlined and shown in bold and italics.

²See Schedules III-A and III-B. Inclusionary income apartment values are based on the proportion of inclusionary income apartment values to the market rate apartment values under the income capitalization approach shown on schedule IV-A.

³See Schedules IV-A, IV-B and IV-C.

Riverside
Newton, Massachusetts

Schedule III-A: Projection of Assessed Value - Comparables (Residential)¹

Development Type	Parcel ID	Property Address	Town	Year Built	Total Assessed Value	Area		Assessed Value	
						GSF	Units	Per GSF	Per Unit
<i>Apartments</i>									
Avalon at Newton Highlands	51028 0017	109 Needham St	Newton	2003	\$90,772,800	387,550	273	\$234	\$332,501
Woodland Station Apartments	43045 0030Z	1940 Washington St	Newton	2007	\$55,629,200	144,584	180	\$385	\$309,051
Gables Arsenal St	1037 1 0	204 Arsenal St	Watertown	2015	\$104,795,800	260,246	294	\$403	\$356,448
Charlesbank Apartments	201 16 8	120 Pleasant St	Watertown	2011	\$13,823,400	45,672	44	\$303	\$314,168
Riverbend on the Charles	219 6B 0	270 Pleasant St	Watertown	2012	\$44,229,300	211,410	135	\$209	\$327,624
Average									<u>\$327,959</u>

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¹Comparable properties shown represent the most current values as shown in assessor's database (2020 for Newton and 2019 for Watertown). The apartments shown, with the exception of Charlesbank Apartments, contain affordable units, resulting in a conservative valuation.

Riverside
Newton, Massachusetts

Schedule III-B: Projection of Assessed Value - Comparables (Commercial)¹

Development Type	Parcel ID	Property Address	Town	Year Built	Total Assessed Value	Area		Assessed Value	
						GSF	Rooms	Per GSF	Per Room
Retail									
In-line retail ²	83028 0078	230 Needham St	Newton	1955	\$10,796,800	34,460	-	\$313.31	-
In-line retail ³	83028 0077	244 Needham St	Newton	1955	\$10,196,100	31,925	-	\$319.38	-
In-line retail ⁴	83028 0002	170 Needham St	Newton	2014	\$3,060,000	7,174	-	\$426.54	-
Average								\$353.08	-
Office									
One Gateway Center	12011 0001	296-334 Washington St	Newton	1968	\$34,095,800	143,068	-	\$238.32	-
Office	42032 0034	2223 Washington St	Newton	1978	\$12,384,900	46,938	-	\$263.86	-
Office	420003 0001	2150 Washington St	Newton	1983	\$6,914,600	32,169	-	\$214.95	-
Average								\$239.04	-
Hotel									
Boston Marriott Newton	41023 0018	2345 Commonwealth Ave	Newton	1969	\$92,000,000	293,195	500	\$313.78	\$184,000
Sheraton Needham	199/300.0-0066-0000.0	100 Cabot St	Needham	1986	\$35,465,300	231,061	225	\$153.49	\$157,624
Homewood Suites by Hilton Brookline	22848122	111 Boylston St	Brookline	2015	\$40,337,900	90,318	130	\$446.62	\$310,292
Average								\$304.63	\$217,305.03

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¹Comparable properties shown represent 2020 values as shown in Newton assessor's database and 2019 values as shown in Needham and Brookline assessor's database.

²In-line retail includes, but is not limited to, Mattress Firm, Xtreme Fitness Equipment, and Jenny Boston Boutique.

³In-line retail includes, but is not limited to, Starbucks, Verizon Fios Store, and Majestic Nails.

⁴In-line retail includes, but is not limited to, Vitamin Shoppe, Nothing but Cakes, Rockland Trust.

Riverside
Newton, Massachusetts

Schedule IV-A: Projection of Assessed Value - Income Capitalization (Residential)

	Apartments			
	Market Rate	Inclusionary Income		
		(50% AMI)	(80% AMI)	(100% AMI) ⁴
Net square feet per unit ¹	861	861	861	861
Monthly rent per square foot ¹	\$3.65	\$1.19	\$2.35	\$2.27
Annual rent per square foot	\$43.80	\$14.28	\$28.20	\$27.19
Vacancy ¹	5.00%	5.00%	5.00%	5.00%
Effective rent per square foot	\$41.61	\$13.57	\$26.79	\$25.83
Effective rent per unit	\$35,807	\$11,674	\$23,054	\$22,224
Expense ratio ²	17%	51%	26%	27%
Expenses	(\$6,000.00)	(\$6,000.00)	(\$6,000.00)	(\$6,000.00)
Net operating income per square foot	\$34.64	\$6.59	\$19.82	\$18.85
Net operating income per unit	\$29,807	\$5,674	\$17,054	\$16,224
Capitalization rate ¹	5.500%	5.500%	5.500%	5.500%
Tax rate ³	1.044%	1.044%	1.044%	1.044%
Fully loaded capitalization rate	6.544%	6.544%	6.544%	6.544%
Value per net square foot	\$529.30	\$100.76	\$302.84	\$288.10
Value per unit	\$455,481	\$86,705	\$260,599	\$247,921
Value per gross square foot	\$404.73	\$77.04	\$231.56	\$220.30

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¹Provided by Mark Development, LLC. See Schedule I for total rentable square footage.

²Apartment estimated expenses provided by Mark Development, LLC. Assessor uses a fully loaded capitalization rate, and as a result, real property taxes are assumed to be netted out of the estimated expenses.

³Tax rate shown represents the FY2020 residential tax rate. Source: Newton Assessor's office.

⁴Monthly rent per square foot is based on the weighted average rent for the 100% AMI band, charged by The George, a 140 unit rental apartment community in Newtonville. Source: Newton Massachusetts Official Website.

Riverside
Newton, Massachusetts

Schedule IV-B: Projection of Assessed Value - Income Capitalization (Commercial)

	Retail	Office
Annual rent per square foot ¹	\$37.00	\$35.00
Vacancy ¹	5.00%	5.00%
Effective rent per square foot	\$36.05	\$34.05
Expense ratio	0.00%	0.00%
Expenses ²	\$0.00	\$0.00
Net operating income per square foot	\$36.05	\$34.05
Capitalization rate ¹	7.000%	7.000%
Tax rate ³	1.992%	1.992%
Fully loaded capitalization rate	8.992%	8.992%
Value per net square foot	\$400.91	\$378.67

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16-Apr-20

¹Provided by Mark Development, LLC.

²Rents are triple net, therefore no expenses are shown.

³Tax rate shown represents the FY2020 commercial tax rate. Source: Newton Assessor's office.

Riverside
Newton, Massachusetts

Schedule IV-C: Projection of Assessed Value - Income Capitalization (Hotel)

	Hotel
<i>Income Capitalization</i>	
Average daily rate per room	\$268.94
Gross annual income	\$98,162.00
Assumed occupancy rate ²	67.90%
Effective gross income per room	\$66,652.00
Assumed expense ratio ³	62.49%
Less: assumed expenses	(\$41,652.00)
Net operating income per room ¹	\$25,000.00
Capitalization rate ²	7.43%
Tax rate ⁴	1.992%
Fully loaded capitalization rate	9.422%
Total estimated value per room	\$265,336.45
Total estimated value per SF	\$514.88

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¹Provided by Mark Development, LLC.

²Occupancy and capitalization rates represent the national full service upper midscale lodging segment average as reported in the *Third Quarter 2019 PriceWaterhouseCoopers Real Estate Investor Survey*.

³Represents chain-affiliated hotel expenses as reported in the *HOST Almanac Highlights 2017, U.S. Chain Affiliated Hotel Operating Statistics*.

⁴Tax rate shown represents the FY2020 commercial tax rate. Source: Newton Assessor's office.

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Schedule V: Projection of Motor Vehicle Excise Tax Revenues

Development Type	Number of Vehicles			Projected Motor Vehicle Excise Tax Revenues to City of Newton				
	Estimated No. of Units ¹	Estimated Vehicles Per Household ²	Estimated No. of Vehicles	Average Vehicle Value ³	Assessed Value ⁴ Per Vehicle (10%)	Total Assessed Value	FY 20 Newton Excise Tax Rate Per \$1,000 A.V. ⁵	Total Projected Motor Vehicle Excise Tax Revenues
Apartment	582	1	582	\$20,835	\$2,084	\$1,212,597	\$25.00	\$30,315
Total	582		582	\$20,835				\$30,315

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¹See Schedule I.

²**Additional information needed to confirm this assumption.**

³Average retail selling price (\$20,835) of used vehicles as provided in NADA Data 2019 Annual Financial Profile of America's Franchised New-Car Dealerships.

⁴According to the City of Newton Assessor's Office, motor vehicles are initially assessed at 100% of their MSRP. Subsequently, the value is depreciated to 90%, 60%, 40%, 25% and 10% of MSRP. Assumes that all new residents moving in to the 617 apartment units already own vehicles for at least five years.

⁵Motor vehicle excise tax bills are issued once each calendar year to each owner of a vehicle registered in Massachusetts. The rate is standard throughout the state - \$25 per \$1,000 of assessed value. Bills are payable within 30 days from the bill date. Source: Newton, MA Treasury, Tax Information.

Riverside
Newton, Massachusetts

Schedule VI: Projection of Hotel Tax Revenues

Table 1: Projection of Hotel Room Occupancy Excise Tax Revenues

Development Type	Projected Room Revenues			Annual Room Revenues	Projected Room Occupancy Excise Tax Revenues to City of Newton	
	Estimated No. of Rooms ¹	Average Daily Rate ²	Occupancy Rate ²		Occupancy Excise Tax Rate ³	Total Projected Room Occupancy Excise Tax Revenues
Hotel	150	\$269	67.90%	\$9,997,800	6.00%	\$599,868

Table 2: Projection of Hotel Meals Tax Revenues

Development Type	Projected Restaurant Sales Revenues			Restaurant Sales Revenues	Projected Meals Tax Revenues to City of Newton	
	Estimated Gross Square Footage ¹	Estimated Restaurant Square Footage ⁴	Estimated Sales PSF ⁵		Sales Tax Rate ⁶	Total Projected Meals Tax Revenues
Hotel	77,300	4,500	\$420	\$1,888,680	0.75%	\$14,165

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¹See Schedule I.

²See Schedule IV-C.

³Every hotel, lodging house and motel located within the city shall be subject to a local excise tax upon the transfer of occupancy of any room or rooms at the rate of six percent of the total amount of rent for each such occupancy. Source: Section 9, Chapter 27 of City of Newton Ordinances.

⁴Provided by Mark Development, LLC.

⁵See Appendix C. Excludes room service sales.

⁶A city or town may impose a local option meals excise on sales by a vendor of restaurant meals occurring within that city or town. The rate is 0.75% of the vendor's gross receipts from restaurant meal sales. Source: Mass.gov.

**Riverside
Newton, Massachusetts**

Schedule VII: Additional Revenues to City of Newton - Annual

Annual Revenues ¹	Current City Revenues ²	Percent Impacted ³	Adjusted Current City Revenues ³	Basis for Projecting Revenues ⁴	Current City Service Factors ⁵	Revenues by Factor		Projected Increase in Service Factor ⁶	Total Additional Revenues ⁷
						Per Resident	Total Serv. Pop.		
Taxes									
Property taxes	\$356,892,067	100%	\$356,892,067	Schedule I	-	-	-	-	-
Motor vehicle excise taxes	\$13,500,000	100%	\$13,500,000	Schedule V	-	-	-	-	-
Interest and penalties on taxes	\$1,290,000	0%	\$0	not impacted	-	-	-	-	-
In lieu of tax payments	\$360,000	0%	\$0	not impacted	-	-	-	-	-
Meals tax	\$1,900,000	100%	\$1,900,000	Schedule VI	-	-	-	-	-
Hotel and motel taxes	\$2,500,000	100%	\$2,500,000	Schedule VI	-	-	-	-	-
Charges for Services									
Recreation	\$107,000	100%	\$107,000	per resident	88,904	\$1.20	-	1,351	\$1,626
Other departments	\$1,506,150	0%	\$0	not impacted	-	-	-	-	-
Fees	\$704,400	0%	\$0	not impacted	-	-	-	-	-
Rental income	\$1,134,233	0%	\$0	not impacted	-	-	-	-	-
Fines and Forfeitures									
Court fines	\$75,000	0%	\$0	not impacted	-	-	-	-	-
Administrative fines and restitution	\$5,000	0%	\$0	not impacted	-	-	-	-	-
Library fines	\$125,000	0%	\$0	not impacted	-	-	-	-	-
Parking violation fines	\$1,390,000	25%	\$347,500	total service population	144,671	-	\$2.40	2,230	\$5,356
Licenses and Permits⁸									
Inspection services	\$5,930,000	0%	\$0	not impacted	-	-	-	-	-
Other licenses and permits	\$1,077,425	0%	\$0	not impacted	-	-	-	-	-
Investment Income									
	\$1,745,064	0%	\$0	not impacted	-	-	-	-	-
Special Assessments									
	\$50,000	0%	\$0	not impacted	-	-	-	-	-
Miscellaneous Local Revenues									
	\$200,000	0%	\$0	not impacted	-	-	-	-	-
Total State and Federal Aid⁹									
Unrestricted general government aid	\$6,240,334	100%	\$6,240,334	per resident	88,904	\$70.19	-	1,351	\$94,833
Other "cherry sheet" aid	\$219,569	0%	\$0	not impacted	-	-	-	-	-
Other State and Federal aid	\$1,660,000	0%	\$0	not impacted	-	-	-	-	-
Total Interfund Transfers									
	\$4,986,700	0%	\$0	not impacted	-	-	-	-	-
Total Fund Balance to Support Budget									
	\$1,904,936	0%	\$0	not impacted	-	-	-	-	-
Total General Fund						\$71.40	\$2.40		\$101,815

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¹Not all sources of revenues are expected to be impacted.

²Based on information provided in *City of Newton FY2020 Budget*. Revenues do not match expenses due to the omission of school revenues.

³Represents the percent by which the proposed increase is assumed to be impacted.

⁴Method of apportioning revenues: Per resident revenues are calculated by taking current revenues and apportioning them among current resident population. Total service population revenues are calculated by taking current revenues and apportioning them among the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents proposed increase to City as a result of new development. See Appendix A.

⁷Represents total increase in revenues as a result of proposed development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Assumes one-time licenses and permits revenues will be offset by corresponding one-time expenses. As a result, the line items are not impacted.

⁹Excludes Chapter 70 school aid. New student impacts are calculated on Schedule IX.

***Riverside
Newton, Massachusetts***

Schedule VIII: Projected Fire and Police Annual Expenses

	Fire and Rescue	Police Department	Total
City of Newton FY20 budget allocation ¹	\$24,278,794	\$22,804,753	-
Current Newton total service calls ²	10,285	46,000	-
Expenses per total service call	\$2,360.60	\$495.76	
Projected increase in total service calls ³	113	353	-
Expenses per service call	\$2,360.60	\$495.76	-
Projected annual increase in expenses	\$267,271	\$174,961	\$442,232

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¹Based on information provided in *City of Newton FY20 Budget*. See Schedule X.

²Provided by Mark Development, LLC and based on information received from interviews with the fire and police departments.

³See Appendix E-3 for calculation of projected increase in total fire, EMS and police service calls, Tables 1 and 2.

Riverside
Newton, Massachusetts

Schedule IX-A: Student Generation - Projected Total Students

Table 1: Projected Residential Units¹

Unit Type	Number of AMI Inclusionary Units			Number of Market Rate Units	Total Count
	50%	80%	100%		
<i>Apartments:</i>					
Studio	4	4	1.00	42	51
1 Bedroom	21	21	7.00	230	279
2 Bedroom	17	17	6.00	191	231
3 Bedroom	2	1	1.00	17	21
Total	44	43	15	480	582

Table 2: Projected Student Generation Rates

Unit Type	Student Generation Rates Newton Public Schools (Method 1) ²	Student Generation Rates Newton Public Schools (Method 2) ²	Student Generation Rates Newton Public Schools (Method 3) ²
<i>Market Rate:</i>			
Studio	0.000	0.259	0.075
1 Bedroom	0.000	0.259	0.044
2 Bedroom	0.214	0.259	0.525
3 Bedroom	0.800	0.259	0.233
<i>Inclusionary:</i>			
Studio	0.000	0.259	0.075
1 Bedroom	0.000	0.259	0.044
2 Bedroom	1.018	0.259	0.233
3 Bedroom	2.792	0.259	0.233

Table 3: Projected Total Students - Individual Methods

Unit Type	Project Total Students - Method 1 ³				
<i>Apartments:</i>					
Studio	0	0	0	0	0
1 Bedroom	0	0	0	0	0
2 Bedroom	17	17	6	41	82
3 Bedroom	6	3	3	14	25
Total	23	20	9	54	106
Unit Type	Project Total Students - Method 2 ³				
<i>Apartments:</i>					
Studio	1	1	0	11	13
1 Bedroom	5	5	2	59	72
2 Bedroom	4	4	2	49	60
3 Bedroom	1	0	0	4	5
Total	11	11	4	124	151
Unit Type	Project Total Students - Method 3 ³				
<i>Apartments:</i>					
Studio	0	0	0	3	4
1 Bedroom	1	1	0	10	12
2 Bedroom	4	4	1	100	110
3 Bedroom	0	0	0	4	5
Total	6	5	2	117	131

Table 4: Projected Total Students - Average

Method	Projected Total Students
1	106
2	151
3	131
Average	129

MuniCap, Inc. ²IA Scenario B No. 5.xlsx|IX-A
 10-Apr-20

¹Provided by Mark Development, LLC.

²Student generation rates based on actual students in the three largest residential developments, including market rate and affordable development surveyed in the *Enrollment Analysis Report*, dated December 2019, provided by Newton Public Schools. The student generation rate for Method 2 is estimated by multiplying the average number of bedrooms of 1.38 for the Riverside development by the multiplier of 0.1872 provided in the Enrollment Analysis Report. Method 3 utilizes the estimated overall SGR for the proposed development from method 2 and weights it by unit type (based on bedroom count). The weights that are used come from an external consultant's analysis of the American Community Survey PUMS data (Public Use Microdata Sample) in Newton.

³Totals are affected by rounding.

Riverside
Newton, Massachusetts

Schedule IX-B: Student Generation - New Student Impacts to City of Newton (Annual)

Annual Impacts	Current City Budget Amount ³	Percent Impacted ⁴	Adjusted Current City Budget Amount ⁴	Basis for Projecting Impacts ⁵	Current City Service Factors ⁶	Impacts by Factor Per Student	Projected Increase in Service Factor ⁷	Total Additional Impacts ⁸
Revenues¹:								
<i>Charges for Service</i>								
School department	\$100,000	100%	\$100,000	per student	13,000	\$7.69	129	\$993
<i>State and Federal Aid</i>								
Chapter 70 school aid	\$24,681,503	100%	\$24,681,503	per student	13,000	\$1,898.58	129	\$245,187
Expenses:								
<i>Expenditures</i>								
Cost per student ²	-	-	-	-	-	(\$14,383.00)	129	(\$1,857,460)
Total						(\$12,477)		(\$1,611,279)

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16-Apr-20

¹Represents the revenues to be impacted by student enrollment.

²Represents the marginal cost of educating a student in Newton, as estimated by the Newton School Department. Source: Newton Development Peer Review, Northland Newton Development, RKG Associates, Inc.

³Based on information provided in *City of Newton FY20 Budget*.

⁴Represents the percent by which the proposed increase is assumed to be impacted.

⁵Method of apportioning impacts: per student impacts are calculated by taking current revenues or expenses and apportioning them among the current student population.

⁶Represents current statistics for City. See Appendix A.

⁷See Schedule IX-A.

⁸Represents total net change in budget items impacted by student enrollment as a result of proposed development on an annual basis. Figures assume full build out and are expressed in current dollars.

Riverside
Newton, Massachusetts

Schedule X: Additional Expenses to City of Newton - Annual

Annual Expenditures ¹	Current City Expenses ²	Percent Impacted ³	Adjusted Current City Expenses ³	Basis for Projecting Expenses ⁴	Current City Service Factors ⁵	Expenditures by Factor		Projected Increase in Service Factor ⁶	Total Additional Expenditures ⁷
						Total Serv. Pop.	\$1000s of Real Property Tax Revenues		
General Government⁸									
City Clerk/Clerk of the Board	\$2,053,027	0%	\$0	not impacted	-	-	-	-	-
Executive	\$1,035,681	0%	\$0	not impacted	-	-	-	-	-
Comptroller/Insurance	\$1,334,582	0%	\$0	not impacted	-	-	-	-	-
Purchasing/General Services	\$541,147	0%	\$0	not impacted	-	-	-	-	-
Assessing	\$1,240,262	0%	\$0	not impacted	-	-	-	-	-
Treasury and Collection	\$1,313,129	0%	\$0	not impacted	-	-	-	-	-
City Solicitor/Judgment & Settlements	\$1,982,505	0%	\$0	not impacted	-	-	-	-	-
Human Resources	\$1,042,387	0%	\$0	not impacted	-	-	-	-	-
Information Technology	\$1,884,222	0%	\$0	not impacted	-	-	-	-	-
Financial Information Systems	\$488,012	0%	\$0	not impacted	-	-	-	-	-
Planning & Development	\$1,991,198	0%	\$0	not impacted	-	-	-	-	-
Public Buildings	\$5,104,264	0%	\$0	not impacted	-	-	-	-	-
Police	\$22,804,753	0%	\$0	Schedule VI	-	-	-	-	-
Fire	\$24,278,794	0%	\$0	Schedule VI	-	-	-	-	-
Inspectional Services	\$1,751,338	0%	\$0	not impacted	-	-	-	-	-
Public Works	\$26,296,758	0%	\$0	not impacted	-	-	-	-	-
Health and Human Services	\$4,445,035	0%	\$0	not impacted	-	-	-	-	-
Senior Services	\$783,873	0%	\$0	not impacted	-	-	-	-	-
Veteran Services	\$244,503	0%	\$0	not impacted	-	-	-	-	-
Newton Public Library	\$5,930,819	0%	\$0	not impacted	-	-	-	-	-
Parks and Recreation	\$6,949,497	0%	\$0	not impacted	-	-	-	-	-
Newton History Museum	\$307,200	0%	\$0	not impacted	-	-	-	-	-
BANS Interest	\$140,000	0%	\$0	not impacted	-	-	-	-	-
Debt and Interest	\$24,488,102	0%	\$0	not impacted	-	-	-	-	-
Retirement	\$41,817,879	0%	\$0	not impacted	-	-	-	-	-
Budget Reserve	\$500,000	0%	\$0	not impacted	-	-	-	-	-
Snow and Ice Reserve	\$3,000,000	0%	\$0	not impacted	-	-	-	-	-
Wage Reserve	\$2,746,626	0%	\$0	not impacted	-	-	-	-	-
State and County Assessments	\$6,466,476	0%	\$0	not impacted	-	-	-	-	-
Transfers to Other Funds									
Workers Compensation Fund - Municipal	\$800,000	0%	\$0	not impacted	-	-	-	-	-
Rainy Day Stabilization Fund	\$150,000	0%	\$0	not impacted	-	-	-	-	-
Total current expenditures	\$193,912,069					\$0.00	\$0.00		\$0

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 16-Apr-20

¹Not all expenditures are expected to be impacted.

²Based on information provided in *City of Newton FY20Budget*. Expenses shown do not match revenues due to the omission of school expenses.

³Represents the percent by which the proposed increase is assumed to be impacted. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

⁴Method of apportioning expenditures: Total service population expenses are calculated by taking current expenses and apportioning them amount the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents proposed increase to City as a result of new development. See Appendix A.

⁷Represents total increase in expenditures as a result of proposed development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Excludes expenses relating to Newton Public Schools. New student impacts are calculated on Schedule IX-A and IX-B. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

*Riverside
Newton, Massachusetts*

Schedule XI: Summary of Existing Development

Table 1: Existing Development¹

Property Type	Building Area		Projected Existing Real Property Tax Revenues to City of Newton		
	GSF	Rooms	Total Market Value	FY 20 Newton Commercial Tax Rate Per \$1,000 A.V. ²	Projected Existing Development Tax Revenues
<i>Commercial</i>					
Hotel	74,553	191	\$29,900,000	\$19.920	\$595,608
Total existing development	74,553	191	\$29,900,000		\$595,608

Table 2: Existing Demographics

<i>Existing employees³</i>	
Existing hotel employees	85
Existing total service population	85

*MuniCap, Inc. scenario B No. 6.xlsx/XI
16-Apr-20*

¹Existing development provided Mark Development LLC. Total market value based on information recorded in the City of Newton assessors database.

²Provided by the City of Newton Assessors Department FY 2020.

³Provided by the Human Resources Department of the existing hotel.

Riverside
Newton, Massachusetts

Schedule XII: Existing Hotel Tax Revenues

Table 1: Existing Hotel Room Occupancy Excise Tax Revenues

Development Type	Projected Room Revenues			Annual Room Revenues	Projected Room Occupancy Excise Tax Revenues to City of Newton	
	Estimated No. of Rooms ¹	Average Daily Rate ²	Occupancy Rate ²		Occupancy Excise Tax Rate ³	Total Projected Room Occupancy Excise Tax Revenues
Hotel	191	\$169.62	78.00%	\$9,223,545	6.00%	\$553,413

Table 2: Projection of Hotel Meals Tax Revenues

Development Type	Projected Restaurant Sales Revenues			Restaurant Sales Revenues	Projected Meals Tax Revenues to City of Newton	
	Estimated Gross Square Footage ¹	Estimated Restaurant Square Footage ⁴	Estimated Sales PSF ⁵		Sales Tax Rate ⁶	Total Projected Meals Tax Revenues
Hotel	74,553	4,500	\$420	\$1,888,680	0.75%	\$14,165

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 16-Apr-20

¹See Schedule XI.

²Provided by Mark Development, LLC.

³Every hotel, lodging house and motel located within the city shall be subject to a local excise tax upon the transfer of occupancy of any room or rooms at the rate of six percent of the total amount of rent for each such occupancy. Source: Section 9, Chapter 27 of City of Newton Ordinances.

⁴Provided by Mark Development, LLC.

⁵See Appendix C. Excludes room service sales.

⁶A city or town may impose a local option meals excise on sales by a vendor of restaurant meals occurring within that city or town. The rate is 0.75% of the vendor's gross receipts from restaurant meal sales. Source: Mass.gov.

**Riverside
Newton, Massachusetts**

Schedule XIII: Additional Existing Revenues to City of Newton - Annual

Annual Revenues ¹	Current City Revenues ²	Percent Impacted ³	Adjusted Current City Revenues ³	Basis for Projecting Revenues ⁴	Current City Service Factors ⁵	Revenues by Factor		Estimated Service Factor ⁶	Total Additional Revenues ⁷
						Per Resident	Total Serv. Pop.		
Taxes									
Property taxes	\$356,892,067	100%	\$356,892,067	Schedule IX	-	-	-	-	-
Motor vehicle excise taxes	\$13,500,000	100%	\$13,500,000	not impacted	-	-	-	-	-
Interest and penalties on taxes	\$1,290,000	0%	\$0	not impacted	-	-	-	-	-
In lieu of tax payments	\$360,000	0%	\$0	not impacted	-	-	-	-	-
Meals tax	\$1,900,000	100%	\$1,900,000	Schedule XII	-	-	-	-	-
Hotel and motel taxes	\$2,500,000	100%	\$2,500,000	Schedule XII	-	-	-	-	-
Charges for Services									
Recreation	\$107,000	100%	\$107,000	not impacted	-	-	-	-	-
Other departments	\$1,506,150	0%	\$0	not impacted	-	-	-	-	-
Fees	\$704,400	0%	\$0	not impacted	-	-	-	-	-
Rental income	\$1,134,233	0%	\$0	not impacted	-	-	-	-	-
Fines and Forfeitures									
Court fines	\$75,000	0%	\$0	not impacted	-	-	-	-	-
Administrative fines and restitution	\$5,000	0%	\$0	not impacted	-	-	-	-	-
Library fines	\$125,000	0%	\$0	not impacted	-	-	-	-	-
Parking violation fines	\$1,390,000	25%	\$347,500	total service population	144,671	-	\$2.40	85	\$204
Licenses and Permits⁸									
Inspection services	\$5,930,000	0%	\$0	not impacted	-	-	-	-	-
Other licenses and permits	\$1,077,425	0%	\$0	not impacted	-	-	-	-	-
Investment Income									
	\$1,745,064	0%	\$0	not impacted	-	-	-	-	-
Special Assessments									
	\$50,000	0%	\$0	not impacted	-	-	-	-	-
Miscellaneous Local Revenues									
	\$200,000	0%	\$0	not impacted	-	-	-	-	-
Total State and Federal Aid⁹									
Unrestricted general government aid	\$6,240,334	0%	\$0	not impacted	-	-	-	-	-
Other "cherry sheet" aid	\$219,569	0%	\$0	not impacted	-	-	-	-	-
Other State and Federal aid	\$1,660,000	0%	\$0	not impacted	-	-	-	-	-
Total Interfund Transfers									
	\$4,986,700	0%	\$0	not impacted	-	-	-	-	-
Total Fund Balance to Support Budget									
	\$1,904,936	0%	\$0	not impacted	-	-	-	-	-
Grand Total General Fund						\$2.40		\$204.17	

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16-Apr-20

¹Not all sources of revenues are expected to be impacted.

²Based on information provided in *City of Newton FY20 Budget*. Revenues do not match expenses due to the omission of school revenues.

³Represents the percent by which the proposed increase is assumed to be impacted.

⁴Method of apportioning revenues: Per resident revenues are calculated by taking current revenues and apportioning them among current resident population. Total service population revenues are calculated by taking current revenues and apportioning them among the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents the current service factor to City as a result of existing development. See Schedule XI.

⁷Represents total increase in revenues as a result of existing development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Assumes one-time licenses and permits revenues will be offset by corresponding one-time expenses. As a result, the line items are not impacted.

⁹Excludes Chapter 70 school aid. There are no existing student impacts related to the current development as all development is commercial.

***Riverside
Newton, Massachusetts***

Schedule XIV: Existing Fire and Police Annual Expenses

	Fire and Rescue	Police Department	Total
City of Newton FY20 budget allocation ¹	\$24,278,794	\$22,804,753	-
Current Newton total service calls ²	10,285	46,000	-
Expenses per total service call	\$2,360.60	\$495.76	
Projected increase in total service calls ³	10	24	-
Expenses per service call	\$2,360.60	\$495.76	-
Projected annual increase in expenses	\$24,730	\$11,892	\$36,622

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16-Apr-20

¹Based on information provided in *City of Newton FY20 Budget*.

²See Schedule VIII.

³See Appendix E-3, Tables 3 and 4.

**Riverside
Newton, Massachusetts**

Schedule XV: Additional Existing Expenses to City of Newton - Annual

Annual Expenditures ¹	Current City Expenses ²	Percent Impacted ³	Adjusted Current City Expenses ³	Basis for Projecting Expenses ⁴	Current City Service Factors ⁵	Expenditures by Factor		Total Additional Expenditures ⁷
						Total Serv. Pop.	Estimated Service Factor ⁶	
General Government⁸								
City Clerk/Clerk of the Board	\$2,053,027	0%	\$0	not impacted	-	-	-	-
Executive	\$1,035,681	0%	\$0	not impacted	-	-	-	-
Comptroller/Insurance	\$1,334,582	0%	\$0	not impacted	-	-	-	-
Purchasing/General Services	\$541,147	0%	\$0	not impacted	-	-	-	-
Assessing	\$1,240,262	0%	\$0	not impacted	-	-	-	-
Treasury and Collection	\$1,313,129	0%	\$0	not impacted	-	-	-	-
City Solicitor/Judgment & Settlements	\$1,982,505	0%	\$0	not impacted	-	-	-	-
Human Resources	\$1,042,387	0%	\$0	not impacted	-	-	-	-
Information Technology	\$1,884,222	0%	\$0	not impacted	-	-	-	-
Financial Information Systems	\$488,012	0%	\$0	not impacted	-	-	-	-
Planning & Development	\$1,991,198	0%	\$0	not impacted	-	-	-	-
Public Buildings	\$5,104,264	0%	\$0	not impacted	-	-	-	-
Police	\$22,804,753	0%	\$0	Schedule XI	-	-	-	-
Fire	\$24,278,794	0%	\$0	Schedule XI	-	-	-	-
Inspectional Services	\$1,751,338	0%	\$0	not impacted	-	-	-	-
Public Works	\$26,296,758	0%	\$0	not impacted	-	-	-	-
Health and Human Services	\$4,445,035	0%	\$0	not impacted	-	-	-	-
Senior Services	\$783,873	0%	\$0	not impacted	-	-	-	-
Veteran Services	\$244,503	0%	\$0	not impacted	-	-	-	-
Newton Public Library	\$5,930,819	0%	\$0	not impacted	-	-	-	-
Parks and Recreation	\$6,949,497	0%	\$0	not impacted	-	-	-	-
Newton History Museum	\$307,200	0%	\$0	not impacted	-	-	-	-
BANS Interest	\$140,000	0%	\$0	not impacted	-	-	-	-
Debt and Interest	\$24,488,102	0%	\$0	not impacted	-	-	-	-
Retirement	\$41,817,879	0%	\$0	not impacted	-	-	-	-
Budget Reserve	\$500,000	0%	\$0	not impacted	-	-	-	-
Snow and Ice Reserve	\$3,000,000	0%	\$0	not impacted	-	-	-	-
Wage Reserve	\$2,746,626	0%	\$0	not impacted	-	-	-	-
State and County Assessments	\$6,466,476	0%	\$0	not impacted	-	-	-	-
Transfers to Other Funds								
Workers Compensation Fund - Municipal	\$800,000	0%	\$0	not impacted	-	-	-	-
Rainy Day Stabilization Fund	\$150,000	0%	\$0	not impacted	-	-	-	-
Total current expenditures	\$193,912,069					\$0.00		\$0

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16-Apr-20

¹Not all expenditures are expected to be impacted.

²Based on information provided in *City of Newton FY20 Budget*. Expenses shown do not match revenues due to the omission of school expenses.

³Represents the percent by which the proposed increase is assumed to be impacted. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

⁴Method of apportioning expenditures: Total service population expenses are calculated by taking current expenses and apportioning them amount the current total service population (residents and employees).

⁵Represents current statistics for City. See Appendix A.

⁶Represents the current service factor to City as a result of existing development. See Appendix A.

⁷Represents total increase in expenditures as a result of existing development on an annual basis. Figures assume full build out and are expressed in current dollars.

⁸Excludes expenses relating to Newton Public Schools. Expenses related to schools and students are not impacted for existing development. Assumes general fund expenditures are not impacted as they are either expected to be offset by corresponding additional revenues or are negligible to corresponding departments.

**Riverside
Newton, Massachusetts**

Appendices

Riverside
Newton, Massachusetts

Appendix A: Revenues and Expenses to City of Newton (Allocation Factors)

City of Newton permanent population ¹	88,904
Newton residents employed in the city ²	5,937
Non-resident workers ²	49,830
Employee population equivalent ³	49,830
Total service population ⁴	144,671
Percent of newly created City of Newton employees assumed to live in City of Newton ⁵	10.6%
Percent of newly created City of Newton employees assumed to live outside City of Newton ⁶	89.4%
Service population rates	
Resident	1.00
Employee ³	1.00
Proposed new rentals ⁷	582
Vacancy rate ⁸	5.0%
Occupied new households	553
Persons per household (renter occupied) ⁹	2.21
Expected population increase ¹⁰	1,222
Current students ¹¹	13,000
Projected student increase ¹²	129
Total population increase	1,351
Projected new employees ¹³	879
Projected new employee population equivalent ³	879
Total new service population increase ¹⁴	2,230
Projected new non-resident employees ¹⁵	785
Projected new non-resident employee population equivalent ³	785
Net service population increase ¹⁶	2,136
Current Newton real property tax revenues (per \$1,000) ¹⁷	\$356,892
Projected increase in Newton's real property tax revenues (per \$1,000) ¹⁸	\$4,059

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16-Apr-20

¹Source: U.S Census Bureau QuickFacts. Based on population estimates as of July 1, 2018.

²Source: OnTheMap, U.S. Census Bureau based on 2017 data.

³Service rate for employee is assumed to be same as resident population rate.

⁴Represents the total City permanent population plus the total employee population equivalent.

⁵Represents the total City employees assumed to live outside of City of Newton.

⁶Represents the total City permanent population plus the non-resident employee population equivalent.

⁷See Schedule I.

⁸See Schedule IV-A.

⁹Source: 2013-2017 American Community Survey 5-Year Housing Estimates for Newton City, Massachusetts.

¹⁰Represents total new occupied households multiplied by the persons per household.

¹¹Represents the current student enrollment in citywide elementary, middle, and high schools for Fiscal Year 2019-2020. Source: Superintendent's Proposed Operating Budget Fiscal Year 2020.

¹²See Schedule IX.

¹³See Appendix B.

¹⁴Represents the total new employees of resident employee equivalents plus the expected population increase.

¹⁵Represents the total new employees multiplied by the percentage of employees assumed to live outside of Newton, MA.

¹⁶Represents the total new employees of non-resident employee equivalents plus the expected population increase.

¹⁷Based on information provided in *City of Newton FY20 Budget*. See Schedule X.

¹⁸See Schedule I.

Riverside
Newton, Massachusetts

Appendix B: Total Projected Employees - New Development

Projected Employees - New Development	
<i>Retail</i>	
SF ¹	38,895
Employees per 1,000 SF ²	2.39
Sub-total retail employees	93
<i>Office</i>	
SF ¹	253,828
Employees per 1,000 SF ²	2.67
Sub-total office employees	677
<i>Hotel</i>	
Rooms ¹	150
Employees per room ²	0.40
Sub-total hotel employees	60
<i>Apartment Management</i>	
Units ¹	582
Employees per unit ²	0.08
Sub-total apartment employees	48
Total projected employees	879

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16-Apr-20

¹See Schedule I.

²Jobs were calculated using IMPLAN software by IMPLAN Group LLC. Jobs shown represent full-time equivalent jobs. See Appendix D.

Riverside
Newton, Massachusetts

Appendix C: Estimated Sales Data

Development Type	Sales PSF ¹	Type of SF ²	Adjusted Sales PSF	Avg. SF Per Store
<i>Retail</i>				
Men's Warehouse	\$411	Selling	\$308	5,642
Express	\$343	Gross	\$343	8,650
Panera Bread	\$302	Gross	\$302	4,500
Potbelly Sandwich Shop	\$436	Gross	\$436	2,300
J. Crew	\$540	Gross	\$540	6,200
New York & Company	\$372	Selling	\$279	5,125
GameStop	\$940	Gross	\$940	1,400
Foot Locker	\$504	Gross	\$504	2,500
Average sale PSF			\$397	
<i>Restaurant</i>				
BJ's Restaurant	\$649	Selling	\$487	8,100
Buffalo Wild Wings	\$491	Selling	\$368	6,100
Chipotle Mexican Grill	\$694	Selling	\$521	2,500
Red Robin	\$449	Selling	\$337	5,800
Average sale PSF			\$420	

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16-Apr-20

¹Sales data based on *2017 Bizminer Sales Report* (2016 sales).

²Adjusted sales per square foot assumes 75% of gross square footage as selling space.

Riverside
Newton, Massachusetts

Appendix D-1: Permanent Jobs and Indirect/Induced Impacts - Retail

	<u>Total</u>
Retail square feet (total) ¹	38,895
Retail vacancy ¹	5%
Retail square feet (occupied) ¹	36,950
Sales per square foot ²	\$397
Retail sales	\$14,673,240
Total retail jobs ³	108
Full time equivalent factor ⁴	0.8664
Total full time equivalent employees ("FTE")	93
Total FTE jobs per 1,000 square feet (total)	2.39
Total labor income ⁵	\$3,050,038
Labor income to wage factor ⁵	1.1821
Sub-total employee wages	\$2,580,181
Average retail income per FTE -- annual	\$32,749
Average retail wage per FTE -- annual	\$27,704
Multiplier for retail income ³	1.5258
Total income	\$4,653,737
Indirect and induced income	\$1,603,699
Multiplier for retail jobs ³	1.2372
Total jobs	133
Indirect and induced jobs	26
Multiplier for retail output ³	1.7357
Total economic output	\$10,359,217
Direct output	\$5,968,340
Indirect and induced output	\$4,390,877

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16-Apr-20

¹Based on projected development at full buildout. See Schedules I and IV-B.

²See Appendix C.

³Retail wages, jobs, and output were calculated using IMPLAN software by IMPLAN Group, LLC. The software calculates labor income and the number of jobs based on industry multipliers derived from National Income and Product Accounts data published by the U.S. Bureau of Economic Analysis. This data is then indexed to local industry data compiled by the U.S. Census Bureau. For ease of interpretation, multipliers are shown to illustrate the effects retail development within the Riverside development will have in the City of Newton. The multiplier for retail jobs is 1.2372, meaning that for each job at the development, 1.2372 jobs will be created in Newton, including the job at the development. Similarly, the multiplier for the retail wages is 1.5258, meaning that for every \$1.00 paid in retail wages at the development, \$1.5258 will be paid in Newton, including the \$1.00 at the development. The multiplier for retail output is 1.7357, meaning that for each dollar of retail economic activity at the development, the economic activity in Newton will be \$1.7357, including the \$1.00 at the development.

⁴Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC converts total jobs into total full-time equivalent employees ("FTE's").

⁵Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC converts total labor income into direct wages and salary.

Riverside
Newton, Massachusetts

Appendix D-2: Permanent Jobs and Indirect/Induced Impacts - Office

	<u>Total</u>
Total office square feet ¹	253,828
Square feet per FTE office worker ²	375
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Total full time equivalent employees ("FTE")	677
Full time equivalent factor ³	0.9259
Total office jobs ³	731
Total FTE jobs per 1,000 square feet	2.67
Total labor income ⁴	\$53,021,093
Labor income to wage factor ⁴	1.1737
Sub-total employee wages	\$45,172,680
Average office income per FTE -- annual	\$72,525
Average office wage per FTE -- annual	\$66,737
Multiplier for office income ⁵	1.4310
Total income	\$75,871,505
Indirect and induced income	\$22,850,412
Multiplier for office jobs ⁵	1.6272
Total jobs	1,101
Indirect and induced jobs	425
Multiplier for office output ⁵	1.6782
Total economic output	\$141,567,584
Direct output	\$84,358,779
Indirect and induced output	\$57,208,805

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¹Based on projected development at full buildout. See Schedule I.

²Source: *Building Owners and Managers Association International 2019 Office Experience and Exchange Reports* for office properties in the Massachusetts market.

³Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC converts total jobs into total full-time equivalent employees ("FTE's") and vice-versa.

⁴Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC converts total labor income into direct wages and salary.

⁵Existing office wages, jobs, and output were calculated using IMPLAN Group, LLC. Multipliers function in the same manner as new retail impacts.

Riverside
Newton, Massachusetts

Appendix D-3: Permanent Jobs and Indirect/Induced Impacts - Hotel

	<u>Total</u>
Hotel rooms ¹	150
Average nightly room rate ²	\$269
Average nightly occupancy ²	67.9%
Hotel operating revenue	\$9,997,800
Total hotel service jobs ³	66
Full time equivalent factor ³	0.9086
Total full time equivalent employees ("FTE")	60
Total FTE jobs per room	0.40
Total labor income ⁴	\$3,799,735
Labor income to wage factor ⁴	1.1609
Sub-total employee wages	\$3,273,218
Average hotel income per FTE -- annual	\$63,078
Average hotel wage per FTE -- annual	\$54,338
Multiplier for hotel income ⁵	1.5253
Total income	\$5,795,792
Indirect and induced income	\$1,996,057
Multiplier for hotel jobs ⁵	1.6302
Total jobs	98
Indirect and induced jobs	32
Multiplier for hotel output ⁵	1.5047
Total economic output	\$15,043,555
Indirect and induced output	\$5,045,755

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¹Based on projected development at full buildout. See Schedule I.

²See Schedule IV.

³Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC, converts total jobs into total full-time equivalent employees ("FTE's").

⁴Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC, converts total labor income into direct wages and salary.

⁵Hotel wages, jobs and output were calculated using IMPLAN software by IMPLAN Group, LLC. Multipliers function in the same manner as retail impacts.

***Riverside
Newton, Massachusetts***

Appendix D-4: Jobs and Indirect/Induced Impacts - Apartment Management

	<u>Total</u>
Total apartment units ¹	582
Apartment vacancy ²	5%
Occupied apartment units	553
Annual rent per unit ²	\$24,410
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Total apartment rental revenue	\$13,496,318
Total apartment management jobs ³	53.2
Full-time equivalent factor ⁴	0.9108
Total FTEs	48
Total FTE jobs per unit	0.08
Total labor income ⁵	\$1,338,998
Labor income to wage factor ⁵	1.1413
Sub-total employee wages	\$1,173,247
Average income per FTE -- annual	\$27,633
Average wage per FTE -- annual	\$24,213
Multiplier for apartment management income ³	2.2225
Total income	\$2,975,905
Indirect and induced income	\$1,636,907
Multiplier for apartment management jobs ³	1.5207
Total jobs	81
Indirect and induced jobs	28
Multiplier for apartment management output ³	1.3196
Total economic output	\$17,809,691
Direct output	\$13,496,318
Indirect and induced output	\$4,313,373

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¹See Schedule I.

²See Schedule IV-A.

³See Appendix D-1 to reference the impacts of the multipliers.

⁴Total jobs include all full-year employees, including part-time and full-time employees. The full time equivalent factor, provided by IMPLAN Group, LLC converts total jobs into total full-time equivalent employees ("FTE's").

⁵Total labor income includes wages and salary, benefits, payroll taxes, and proprietor's income. The labor income to wage factor, provided by IMPLAN Group, LLC converts total labor income into direct wages and salary.

**Riverside
Newton, Massachusetts**

Appendix E-1: Fire and EMS Calls - Average Calls (New Development)

	Historical Fire and EMS Calls ¹					Square Feet/Units ²	Historical Fire and EMS Calls (per 1,000 Square Feet/Unit)					Average Historical Calls per 1,000 Square Feet/Unit
	2014	2015	2016	2017	2018		2014	2015	2016	2017	2018	Square Feet/Unit
Development:												
<i>Retail addresses</i>												
230 Needham St	2	3	5	2	6	34,460	0.0580	0.0871	0.1451	0.0580	0.1741	0.1045
244 Needham St	10	14	20	19	14	31,925	0.3132	0.4385	0.6265	0.5951	0.4385	0.4824
170 Needham St	1	0	3	1	2	7,174	0.1394	0.0000	0.4182	0.1394	0.2788	0.1951
Weighted average call per square feet/unit												0.2773
<i>Office addresses</i>												
300 Washington St	2	10	7	6	4	143,068	0.0140	0.0699	0.0489	0.0419	0.0280	0.0405
2221-2227 Washington St	2	2	2	4	8	46,938	0.0426	0.0426	0.0426	0.0852	0.1704	0.0767
2150 Washington St	3	2	4	2	4	32,169	0.0933	0.0622	0.1243	0.0622	0.1243	0.0933
Weighted average call per square feet/unit												0.0558
<i>Hotel addresses</i>												
2345 Commonwealth Ave	33	44	41	53	35	293,195	0.1126	0.1501	0.1398	0.1808	0.1194	0.1405
Weighted average call per square feet/unit												0.1405

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¹Provided by the developer and based on information received from interviews with the fire department based on actual calls received at sample comparable properties from 2014-2018.

²See Schedule III-B.

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Newton, Massachusetts

Appendix E-2: Police Calls - Average Calls (New Development)

	Historical Police Calls ¹			Square Feet/Units ²	Historical Police Calls (per 1,000 Square Feet)			Average Historical
	2016	2017	2018		2016	2017	2018	Calls per 1,000 Square Feet
Development:								
<i>Retail addresses</i>								
230 Needham St	10	6	13	34,460	0.2902	0.1741	0.3772	0.2805
244 Needham St	41	38	41	31,925	1.2843	1.1903	1.2843	1.2529
170 Needham St	6	4	13	7,174	0.8364	0.5576	1.8121	1.0687
Weighted average call per square feet								0.7794
<i>Office addresses</i>								
300 Washington St	44	46	29	143,068	0.3075	0.3215	0.2027	0.2773
2150 Washington St	17	12	13	32,169	0.5285	0.3730	0.4041	0.4352
Weighted average call per square feet								0.3063
<i>Hotel addresses</i>								
2345 Commonwealth Ave	102	106	75	293,195	0.3479	0.3615	0.2558	0.3217
Weighted average call per square feet								0.3217

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¹ Provided by the developer and based on information received from interviews with the police department based on actual calls received at sample properties from 2016-2018.

² See Schedule III-B.

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Newton, Massachusetts***

Appendix E-3: Projected Fire, EMS and Police Calls (New and Existing Development)

Table 1: Fire and EMS Projected Calls - New Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Residential ³	582	0.1330	77
Office	253,828	0.0558	14
Retail	38,895	0.2773	11
Hotel	77,300	0.1405	11
Total fire and EMS calls			113

¹See Schedule I.

²See Appendix E-1.

³Residential calls provided by the developer.

Table 2: Police Projected Calls - New Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Residential ³	582	0.3780	220
Office	253,828	0.3063	78
Retail	38,895	0.7794	30
Hotel	77,300	0.3217	25
Total police calls			353

¹See Schedule I.

²See Appendix E-2.

³Residential calls provided by the developer.

Table 3: Fire and EMS Projected Calls - Existing Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Hotel	74,553	0.1405	10
Total fire and EMS calls			10

¹See Schedule I.

²See Appendix E-1.

Table 4: Police Projected Calls - Existing Development

	Units/SF ¹	Call/Unit/SF ²	Total Calls
<i>Development</i>			
Hotel	74,553	0.3217	24
Total police calls			24

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¹See Schedule IX.

²See Appendix E-2.