

City of Newton

DEVELOPMENT IMPACT

ANALYSIS

28 Austin Street Project

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ANALYSIS FOCUS

- **Determine the fiscal impact of the 28 Austin Street project at stabilization**
 - Projected recurring revenues and expenditures of the site
- **Assess the economic impact of the residents and jobs**
- **Assess retail market potential/impact of new space**
 - Current supply/demand equilibrium
 - Merchant interviews

FISCAL IMPACT ANALYSIS

■ **Substantial recurring revenues**

- Real property tax revenue
- Auto excise tax revenue
- Meals tax revenues

■ **Substantial recurring expenditures**

- Proportional share of departmental costs
- Education costs

PROJECTED REVENUE IMPACTS

CATEGORY	ANNUAL REVENUE
Residential Real Property	\$282,527
Auto Excise Tax	\$14,764
Commercial Real & Personal Property	\$27,885
Community Preservation Act Revenues	\$3,104
Meals Tax	\$2,103
TOTAL	\$330,384

STUDENT GENERATION

UNIT TYPE	UNITS	COMBINED RATIO	PUPILS
Market			
1-BR	25	0.000	0
2-BR	26	0.214	5
Affordable			
1-BR	8	0.000	0
2-BR	9	1.018	9
TOTAL	68		14
Public School	91%		13

PROJECTED EXPENDITURE IMPACTS

CATEGORY	UNITS	UNIT COST	ANNUAL COST
Residential	68 Units	\$1,627	\$110,612
Commercial	17 Employees	\$84	\$1,406
Schools	13 Students	\$13,729	\$178,351
TOTAL			\$290,370

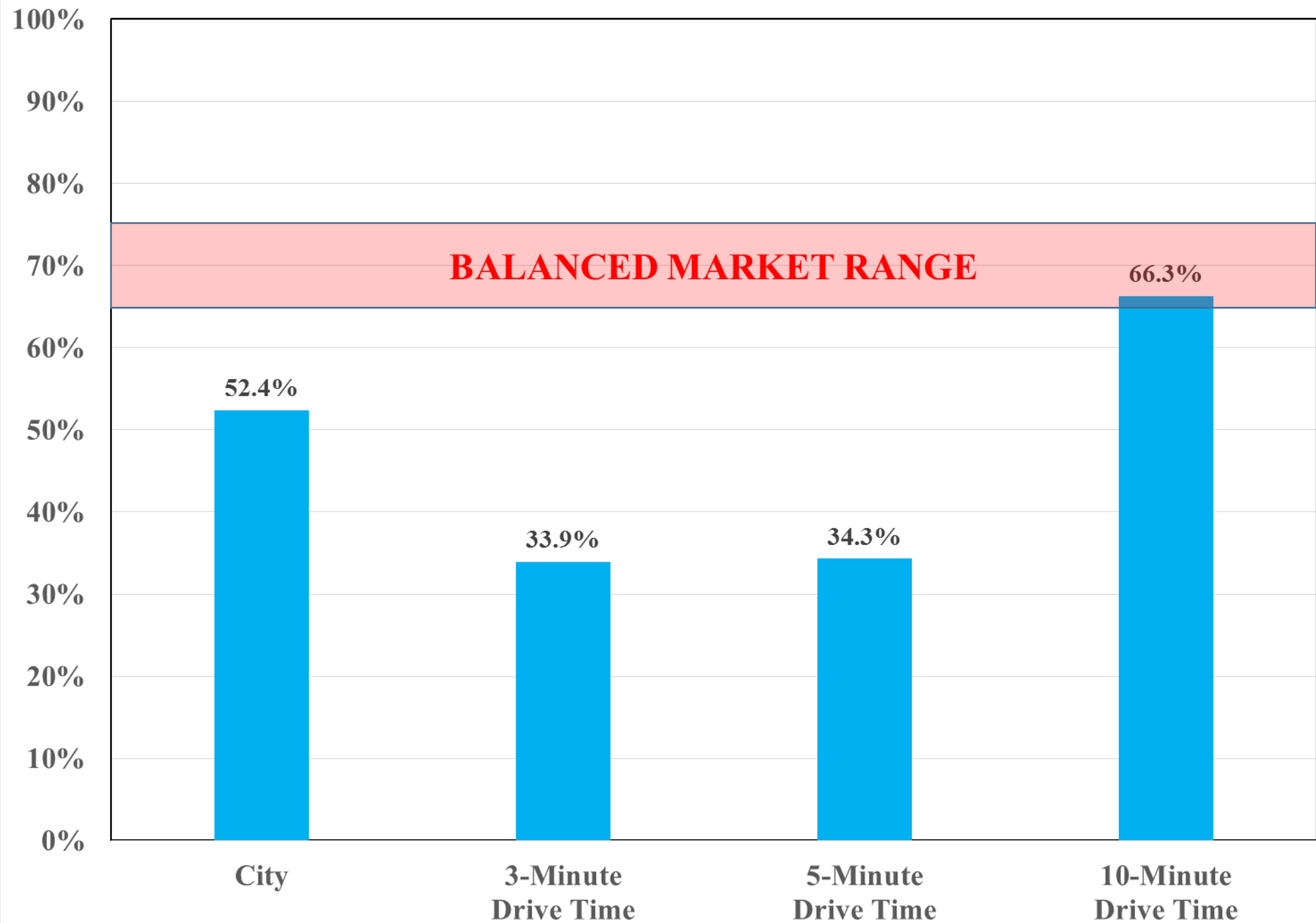
ANNUAL ECONOMIC IMPACT

CATEGORY	UNIT	IMPACT
Employment	17 jobs	\$528,030 in wages
Spending	68 households	\$2.6M (\$1.6M local)

RETAIL CHARACTERISTICS

AREA	DEMAND PER HH	LOCAL SF PER CAPITA
Newton	\$41,791	21.08
3-Minute Drive Time	\$39,344	11.81
5-Minute Drive Time	\$38,735	12.17
10-Minute Drive Time	\$32,864	21.76

2015 ESTIMATED SALES CAPTURE RATE



SUPPORTABLE SQUARE FOOTAGE

RECAPTURE	3-MINUTE	5-MINUTE	10-MINUTE
5% recapture	15,003	40,889	96,224
10% recapture	30,007	81,779	192,448
15% recapture	45,010	122,668	288,672

MERCHANT COMMENTS

Observations

- Majority of business from Newton residents
- Most respondents did not see 5,000 SF of new space as problematic
- Would welcome anchor-type destination businesses
- New demand (HHs) good, but not transformative

Concerns

- Temporary loss of parking most problematic
- Impact on traffic during construction
- Do not want to create direct competition in the market
- Well planned mitigation strategy a must